

Market Update

A Monthly Performance Report

November 2020

Beaten-up listed property sector turns upbeat

GPR 250 Index rallies (11.9%) on vaccine hopes

- The listed property sector, as represented by the GPR 250 Index, posted a double-digit gain (11.9%) in November 2020 on reports of successful vaccine trials and hopes that many or most parts of the economy will return to pre-COVID19 pandemic conditions in the coming months. Total return performances ranged from -10.9% (Asia) to 21.5% (Africa).. The listed property sector moved in line with equities (11.9% versus 12.0%) while outperforming bonds (11.9% versus 0.2%).

Taubman Centers, Inc. OKs revised merger terms

- Simon Property Group, Inc. and Taubman Centers, Inc. announced to have reached a definitive agreement modifying certain terms of the original merger agreement, including a modified purchase price of USD 43.00 per share in cash and other provisions to reduce closing conditionality. The per share purchase price has been cut to USD 43.00 from USD 52.50 after the two companies agreed to modify certain terms of their merger agreement to reduce closing conditionality.

Swedish competitors hunting for Entra ASA

- Castellum AB launched a share exchange and cash offer to the shareholders of Entra ASA shortly after the two companies ended their merger talks. Separately, Entra ASA's management board said that Samhällsbyggnadsbolaget i Norden AB also launched its voluntary takeover offer. Initially and as stated, Entra ASA's management board as concluded that the latter takeover offer would not be recommended but the company will now review the offer document to fully understand the terms and conditions of the bid before providing the recommendation to the company's shareholders.

Soho China Limited in talks for privatization?

- Hillhouse Capital Management Limited is reportedly in talks to take property developer Soho China Limited private in a deal that could be worth more than USD 2.0bn and accentuate a trend in Hong Kong.



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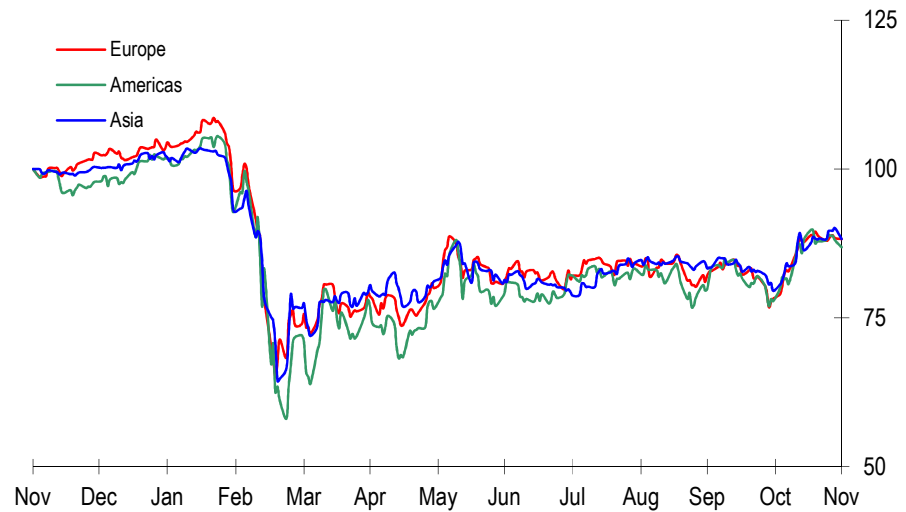
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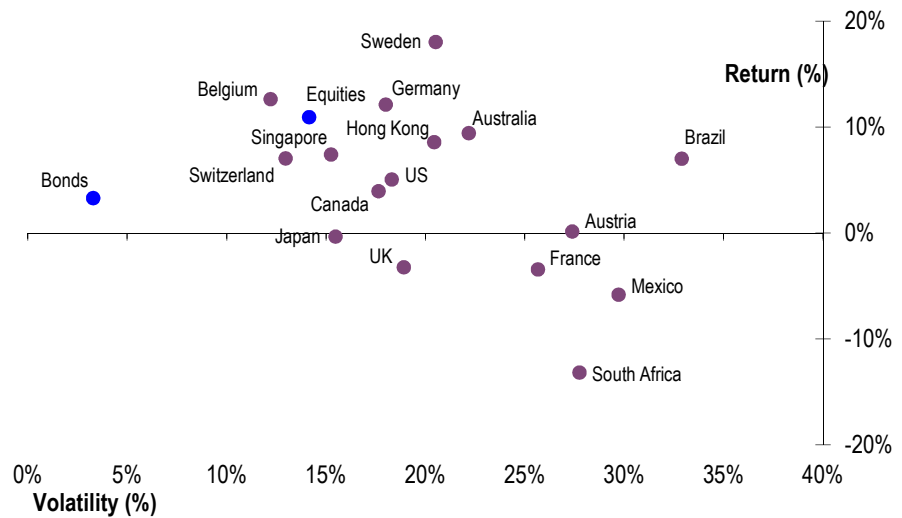
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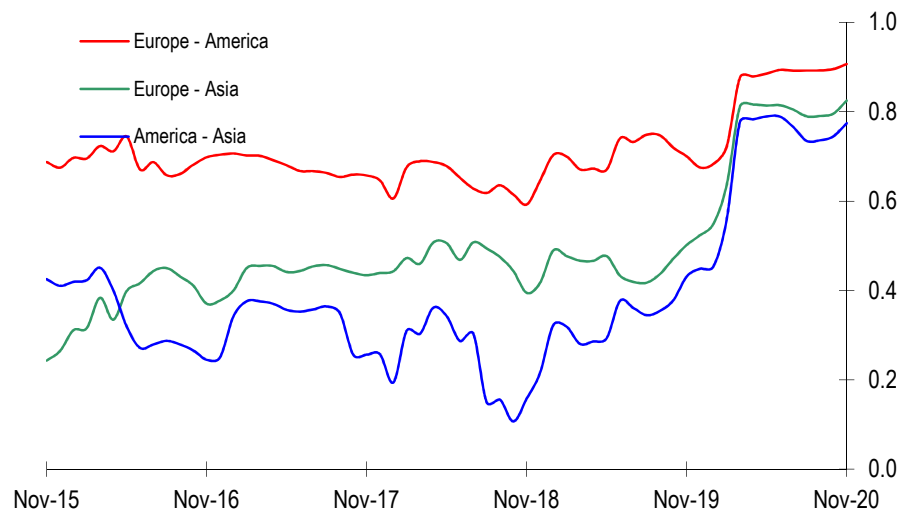
Graph 1:
Continental performance of GPR 250 Index (local returns)



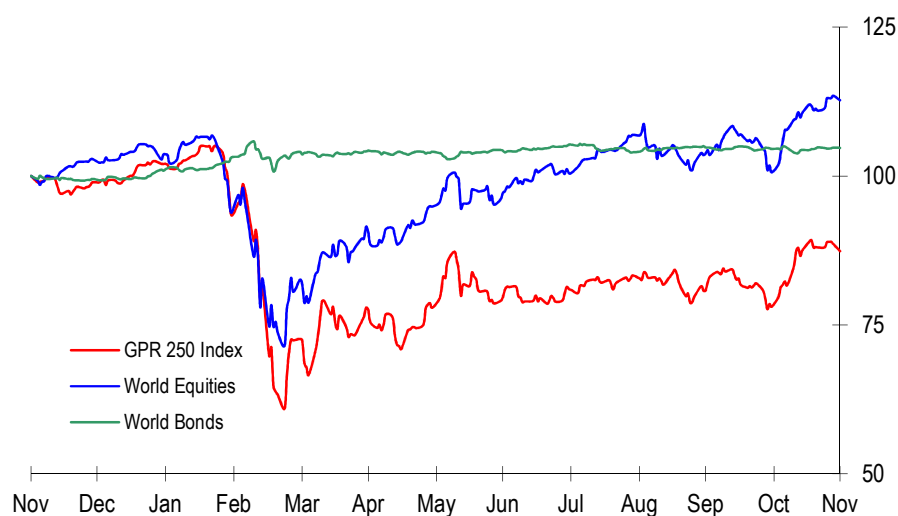
Graph 2:
Return and volatility of the major countries in the GPR 250 Index based on 5 year figures (local currency)



Graph 3:
Rolling 36-month correlation on continental level of the GPR 250 Index (local currency)



Graph 4:
Performance of property shares
to other asset classes (local
returns)



Graph 5:
Rolling 36-months correlation
between different asset classes
(local returns)

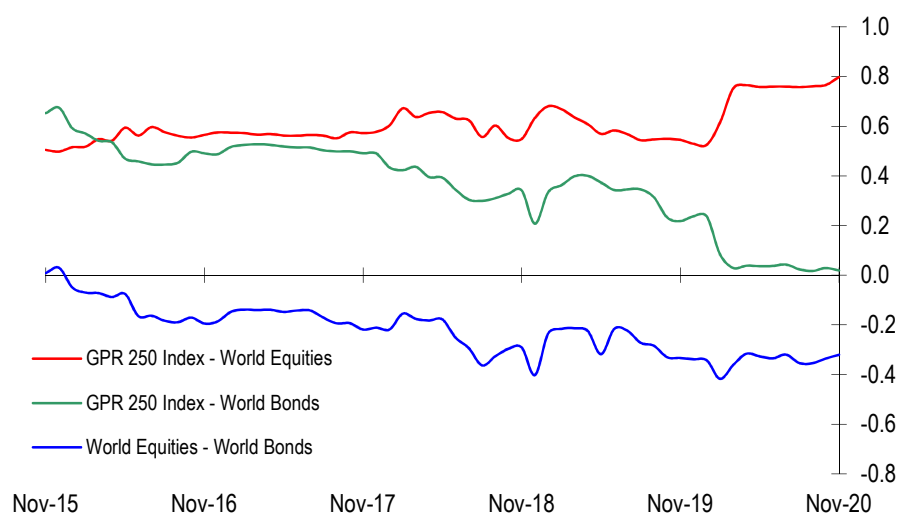


Table 1: Performance of property
shares and other asset classes

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
GPR 250 Index	11.9%	12.2%	-12.0%	-12.6%	1.8%	3.5%	0.19
GPR 250 Africa Index	21.5%	-1.5%	-46.4%	-48.0%	-25.8%	-13.2%	0.34
GPR 250 Americas Index	11.6%	13.5%	-12.0%	-13.1%	2.3%	4.0%	0.20
GPR 250 Asia Index	10.9%	8.7%	-12.0%	-11.8%	0.7%	2.6%	0.17
GPR 250 Europe Index	12.8%	10.3%	-13.8%	-11.8%	1.2%	1.9%	0.19
GPR 250 Oceania Index	19.6%	23.6%	0.4%	-4.7%	8.2%	9.4%	0.27
Global Bonds (JP Morgan)	0.2%	0.6%	5.5%	4.7%	4.2%	3.3%	0.03
Global Equities (MSCI)	12.0%	18.8%	10.2%	12.7%	9.9%	10.9%	0.17

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

Swedish Competitors Hunting For Entra ASA

The European listed property sector - as represented by the GPR 250 Europe Index - came back from beaten in November 2020, posting a 12.8% gain., with Finland (-1.1%) being the only negative exception. Netherlands (68.8%) turned out to be the big winner among the many risers, partly due to the cancellation of the proposed rights issue of Unibail-Rodamco-Westfield.

Castellum AB and Samhällsbyggnadsbolaget i Norden AB both launched takeover offers for Entra ASA

Castellum AB launched a share exchange and cash offer to the shareholders of Entra ASA shortly after the two companies ended their merger talks. Castellum AB also acquired 15 million shares in Entra ASA for NOK 169.00 apiece from the Norwegian state, representing a 8.24% stake. Castellum AB's takeover offer comprises 13 newly issued Castellum AB shares for every 20 shares in Entra ASA and NOK 25.68 in cash per share. In total, Castellum AB will issue up to 108,635,836 of new shares. Castellum AB said it would also offer a "mix and match facility" to eligible Entra ASA shareholders to elect to receive a combination comprising maximum cash for their shares or a combination comprising maximum numbers of Castellum AB shares. Castellum AB said it would seek a secondary stock exchange listing of its shares on the Oslo bourse if the bid is accepted. Separately, Entra ASA's management board said that Samhällsbyggnadsbolaget i Norden AB also launched its voluntary takeover offer. Initially and as stated, Entra ASA's management board has concluded that the latter takeover offer would not be recommended but the company will now review the offer document to fully understand the terms and conditions of the bid before providing the recommendation to the company's shareholders. Shareholders are advised to refrain from taking any action in respect of their shares in the Entra ASA, which may be prejudicial to their interests, and to exercise caution when dealing in the company's shares. There can be no certainty that any takeover offer will be made or completed.

Unibail-Rodamco-Westfield management board's 'RESET' plan, which included a EUR 3.5bn rights issue, was voted down by shareholders in an EGM held on 10 November 2020

Unibail-Rodamco-Westfield has attracted over EUR 6.5bn of demand from investors for a EUR 2.0bn debt issue, ensuring a very competitive price for the capital. The company has issued the new debt in two EUR 1.0bn tranches to fund a tender offer to buy back existing shorter-dated bonds and to refinance upcoming bond maturities. Unibail-Rodamco-Westfield's current CEO, Mr Christophe Cuvillier, is leaving the company to be replaced by Mr Jean-Marie Tritant early 2021r, after the management board's 'RESET' plan, which included a EUR 3.5bn rights issue, was voted down by shareholders in an EGM held on 10 November 2020.

Klövern AB launched a fully underwritten 1 per 4 rights issue class A shares and class B shares, respectively with the subscription price set to SEK 10.00 apiece to raise gross proceeds of about SEK 2.0bn.

Graph 6:
Top and bottom performing
European companies (local
returns)

Graph 7:
Top and bottom performing
European countries (local
returns)

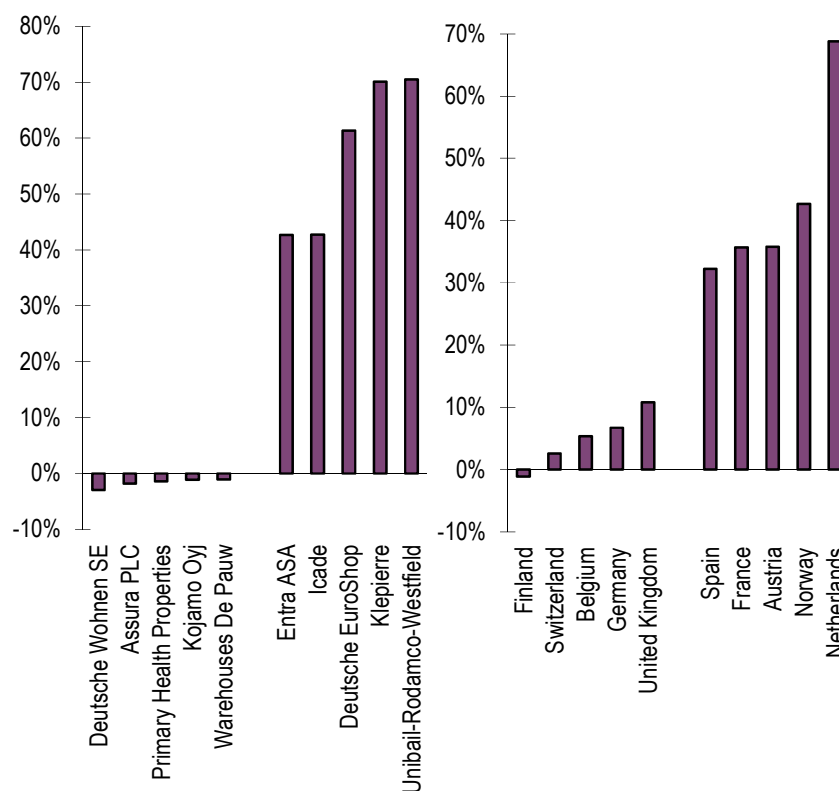


Table 2:
Long and short-term returns of
European countries (local returns)

TABLE 2. Local Total Returns of European Countries (GPR 250 Index)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Europe	12.8%	10.3%	-13.8%	-11.8%	1.2%	1.9%	0.19
Austria	35.8%	-7.2%	-34.6%	-36.4%	-2.3%	0.1%	0.33
Belgium	5.4%	11.4%	12.9%	10.5%	15.1%	12.6%	0.14
Finland	-1.1%	N/A	N/A	N/A	N/A	N/A	N/A
France	35.7%	14.5%	-28.2%	-26.1%	-6.3%	-3.4%	0.31
Germany	6.7%	12.1%	8.3%	10.3%	9.7%	12.1%	0.19
Netherlands	68.8%	25.5%	-53.8%	-54.3%	-31.6%	-21.9%	0.57
Norway	42.7%	37.6%	N/A	N/A	N/A	N/A	N/A
Spain	32.2%	2.5%	-33.7%	-34.5%	-3.4%	-0.8%	0.32
Sweden	13.5%	22.5%	-0.4%	5.9%	22.2%	18.1%	0.25
Switzerland	2.6%	-4.7%	-20.4%	-16.6%	6.5%	7.0%	0.15
United Kingdom	10.8%	5.4%	-22.3%	-19.4%	-1.3%	-3.2%	0.21
Europe Bonds	-0.5%	1.2%	3.0%	1.8%	2.7%	2.0%	0.04
Europe Equities	14.0%	11.8%	-3.9%	-2.2%	2.9%	4.9%	0.16

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

Taubman Centers, Inc. OKs Revised Merger Terms

The GPR 250 Americas Index (11.6%) rallied in November 2020, with Mexico (27.4%), Brazil (19.1%), Canada (17.6%) and United States (11.2%) all recording double-digit wins.

Paramount Group Inc.'s management board unanimously turned down Bow Street LLC's unsolicited cash buyout proposal for the company's shares

Paramount Group Inc.'s management board unanimously turned down Bow Street LLC's unsolicited cash buyout proposal for the company's shares at a share price of between USD 9.50 and USD 10.00 apiece. The company's management board determined that the bid price is materially lower than the company's pre-pandemic trading levels and substantially undervalues its assets on their intrinsic value. Paramount Group Inc. noted that it remained open to all future value-added opportunities that are in the best interest of the company and its shareholders.

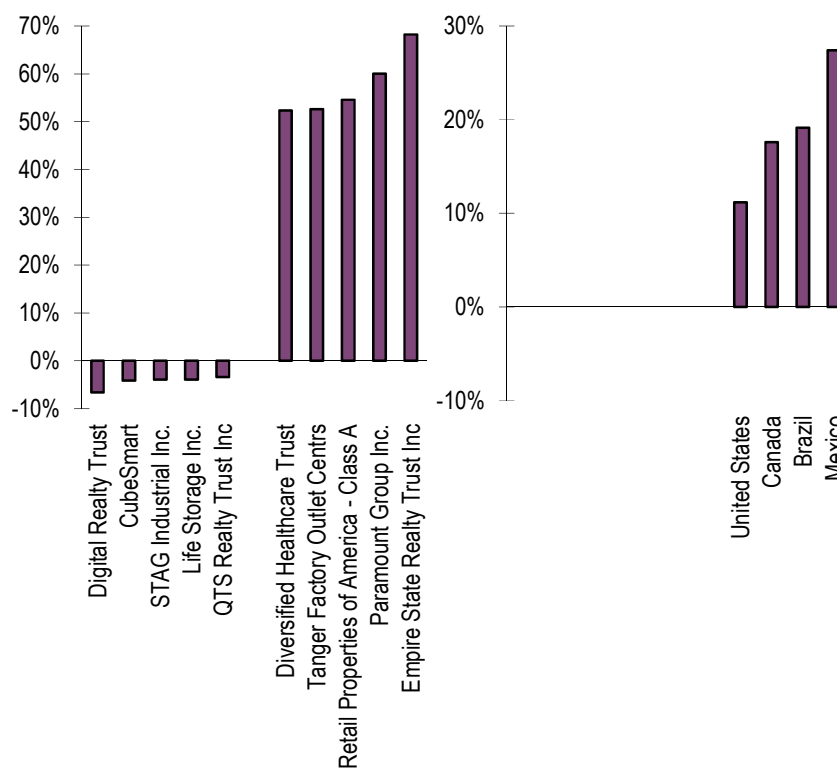
Simon Property Group, Inc. and Taubman Centers, Inc. announced to have reached a definitive agreement modifying certain terms of the original merger agreement, including a modified purchase price of USD 43.00 per share in cash and other provisions to reduce closing conditionality. The per share purchase price has been cut to USD 43.00 from USD 52.50 after the two companies agreed to modify certain terms of their merger agreement to reduce closing conditionality. The modified merger agreement continues to provide that Simon Property Group, Inc. will acquire an 80% ownership interest in The Taubman Realty Group Limited Partnership. The Taubman family will sell approximately one-third of its ownership interest at the transaction price and remain a 20% partner in The Taubman Realty Group Limited Partnership. The management boards of Simon Property Group, Inc. and Taubman Centers, Inc., including the Special Committee of independent directors of Taubman Centers, Inc., have approved the terms of the transaction. The modified merger agreement provides that Taubman Centers, Inc. will not declare or pay a dividend on its shares prior to 1 March 2021, and then, only subject to certain limitations and conditions. Taubman Centers Inc. will convene an EGM to vote on its planned merger with Simon Property Group Inc. Taubman Centers Inc.'s management board recommends shareholders vote for the going-private transaction.

Aspire Real Estate Investors Inc. withdrew its plan for a USD 300m IPO. In a letter to the Securities and Exchange Commission (SEC), the multifamily property company said it intends to cancel the stock exchange listing due to market conditions.

Cedar Realty Trust Inc. implemented a 1-for-6.6 reverse share split plan that took effect on 27 November 2020

Cedar Realty Trust Inc. implemented a 1-for-6.6 reverse share split plan that took effect on 27 November 2020, following management board approval. Under the reverse share split, the company's shares will be reduced to 13,531,635 from 89,308,796. The company will pay cash in lieu of fractional shares.

Graph 8:
Top and bottom performing
American companies (local
returns)



Graph 9:
Top and bottom performing
American countries (local
returns)

TABLE 3. Local Total Returns of American Countries (GPR 250 Index)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Americas	11.6%	13.5%	-12.0%	-13.1%	2.3%	4.0%	0.20
Brazil	19.1%	5.0%	-40.2%	-31.3%	-2.7%	7.0%	0.36
Canada	17.6%	20.9%	-11.4%	-13.9%	3.0%	5.1%	0.23
Mexico	27.4%	22.9%	-26.6%	-28.0%	-4.4%	-5.8%	0.36
United States	11.2%	13.1%	-11.9%	-13.0%	2.2%	4.0%	0.20
North American Bonds	0.4%	-0.4%	8.7%	8.0%	5.6%	4.0%	0.05
North American Equities	11.5%	21.5%	15.9%	19.1%	13.5%	14.1%	0.19

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

Table 3:
Long and short-term returns of
American countries (local
returns)

Soho China Limited In Talks For Privatization?

Africa (21.5%), Oceania (19.6%) and Asia (10.9%) all recorded double-digit gains in November 2020, further to which Oceania (0.4%) is now in the positive domain for 2020 year-to-date.

Hillhouse Capital Management Limited is reportedly in talks to take property developer Soho China Limited private in a deal that could be worth more than USD 2.0bn

Hillhouse Capital Management Limited is reportedly in talks to take property developer Soho China Limited private in a deal that could be worth more than USD 2.0bn and accentuate a trend in Hong Kong. Hillhouse Capital Management Limited has been in discussions with the targeted company over the past few months. The talks with Hillhouse Capital Management Limited will be a second shot at going private this calendar year. The Blackstone Group Inc. walked away from a USD 4.0bn deal earlier in 2020 to take it private.

According to newspaper articles, two major institutional unitholders of Sabana Shari'ah Compliant Industrial REIT have upped the ante in their dissent by now pressing for an internalization of Sabana Shari'ah Compliant Industrial REIT's manager

According to newspaper articles, two major institutional unitholders of Sabana Shari'ah Compliant Industrial REIT have upped the ante in their dissent by now pressing for an internalization of Sabana Shari'ah Compliant Industrial REIT's manager. This behest has been presented in addition to the long-standing call for unitholders to reject the proposed merger between ESR-REIT and Sabana Shari'ah Compliant Industrial REIT. Also, the management board of Sabana Shari'ah Compliant Industrial REIT's manager has hit back at calls for it to internalize, describing proposals by Quarz Capital Management Ltd. and Black Crane Capital as "unrealistic and not based on facts". Both shareholders are Singapore-based institutional investors, each with substantial stakes in the company, and issued a call for Sabana Shari'ah Compliant Industrial REIT's manager to be internalized, should the proposed merger with ESR-REIT fall through. Accordingly, an internal REIT manager would be free of conflicts to explore other potential transactions, including mergers with other REITs that do not impose a huge discount to Sabana Shari'ah Compliant Industrial REIT's NAV. The implied discount to NAV in the merger deal with ESR-REIT has been a main point of contention for Quarz Capital Management Ltd. and Black Crane Capital.

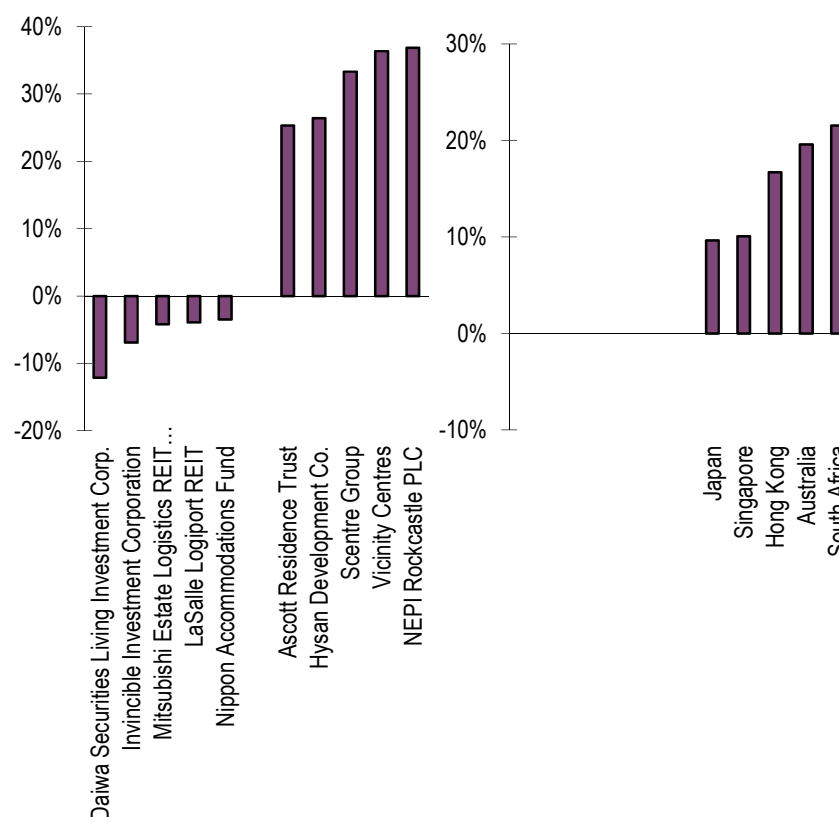
CapitaLand Limited intends to grow its new economy assets in China to SGD 5.0bn from SGD 1.5bn over the next few years. The company said it would deploy a portion of the capital from asset recycling. As part of the plan, CapitaLand Limited will target investment opportunities in business parks, logistics and data centres. In pursuit of this strategy, the company also identified CapitaLand Retail China Trust as its dedicated platform for non-lodging properties in China.

HomeCo Daily Needs REIT has entered into a binding contract to acquire *Marsden Park Shopping Centre*. The company debuted on the Australian Securities Exchange on 23 November 2020 after Home Consortium raised AUD 325m.

AFRICA, ASIA & OCEANIA – DATA

November 2020

Graph 10:
Top and bottom performing
Asian and Oceanian
companies (local returns)



Graph 11:
Top and bottom performing
Asian and Oceanian countries
(local returns)

Table 4:
Long and short-term
performance of African, Asian
and Oceanian countries (local
returns)

TABLE 4. Local Total Returns of African, Asian and Oceanian Countries (GPR 250 Index)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Africa	21.5%	-1.5%	-46.4%	-48.0%	-25.8%	-13.2%	0.34
Asia	10.9%	8.7%	-12.0%	-11.8%	0.7%	2.6%	0.17
Oceania	19.6%	23.6%	0.4%	-4.7%	8.2%	9.4%	0.27
Australia	19.6%	23.6%	0.4%	-4.7%	8.2%	9.4%	0.27
Hong Kong	16.7%	27.1%	-3.6%	0.1%	0.9%	8.6%	0.23
Japan	9.6%	5.2%	-15.1%	-15.9%	0.5%	-0.3%	0.19
Singapore	10.1%	5.4%	-7.3%	-6.0%	1.6%	7.4%	0.17
South Africa	21.5%	-1.5%	-46.4%	-48.0%	-25.8%	-13.2%	0.34
Japan Bonds	0.4%	-0.4%	8.7%	8.0%	5.6%	4.0%	0.05
Australia Bonds	-0.4%	0.7%	4.8%	2.4%	5.8%	5.0%	0.04
Asia Pacific Equities	11.9%	15.5%	3.6%	4.5%	3.4%	5.9%	0.15

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

GPR 250 REIT INDEX – DATA

November 2020

Graph 12:
Rolling 36-months correlation
between different asset classes
(local returns)

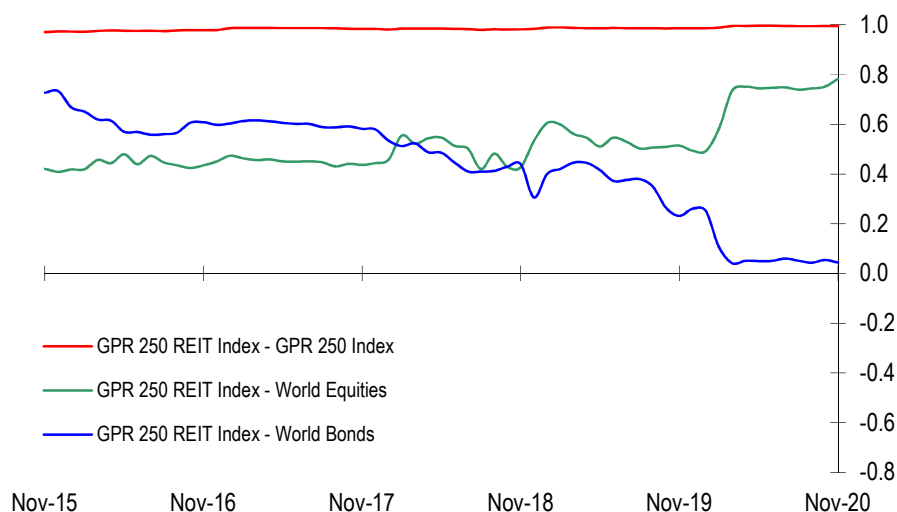


Table 5:
Long and short-term returns of
of REITs

TABLE 5. Local Total Returns of REITs (GPR 250 REIT Index)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Global	11.7%	11.9%	-13.4%	-14.5%	1.8%	3.4%	0.19
Africa	13.5%	1.2%	-51.9%	-53.7%	-27.4%	-14.8%	0.35
Americas	11.6%	13.3%	-11.8%	-13.0%	2.4%	4.1%	0.20
Asia	5.8%	4.0%	-14.4%	-15.9%	5.1%	5.5%	0.15
Europe	20.2%	9.0%	-28.4%	-27.1%	-7.5%	-5.4%	0.24
Oceania	19.6%	23.6%	0.4%	-4.7%	8.2%	9.4%	0.27
Australia	19.6%	23.6%	0.4%	-4.7%	8.2%	9.4%	0.27
Belgium	5.4%	11.4%	12.9%	10.5%	15.1%	12.6%	0.14
Canada	18.9%	17.3%	-11.6%	-13.5%	5.0%	6.6%	0.22
France	35.7%	14.5%	-28.2%	-26.1%	-6.3%	-3.4%	0.31
Germany	23.4%	7.6%	-15.9%	-15.0%	6.4%	N/A	0.23
Hong Kong	17.5%	22.3%	-14.1%	-11.4%	2.9%	11.7%	0.23
Japan	3.5%	1.3%	-18.1%	-20.8%	4.3%	2.9%	0.16
Mexico	27.4%	22.9%	-26.6%	-28.0%	-4.4%	-5.8%	0.36
Netherlands	68.8%	25.5%	-53.8%	-54.3%	-31.6%	-21.9%	0.57
Singapore	7.6%	3.9%	-0.3%	-0.2%	8.7%	11.9%	0.16
South Africa	13.5%	1.2%	-51.9%	-53.7%	-27.4%	-14.8%	0.35
Spain	32.2%	2.5%	-33.7%	-34.5%	-3.4%	-2.2%	0.34
United Kingdom	11.4%	6.3%	-21.7%	-18.8%	-0.8%	-2.5%	0.21
United States	11.2%	13.1%	-11.8%	-13.0%	2.2%	4.0%	0.20

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

GPR 15 Index serves as a representative benchmark for the European market

As of 30 June 2000, Global Property Research has launched the GPR 15 Index. The index tracks the performances of the 15 most liquid European property companies taking into account the country weight of the GPR 250 Europe Index. It covers around 70% of the European market in terms of market capitalization. The number of stocks per company is fixed, so it is easy for investors to hedge the portfolio. The correlation between the GPR 15 Index and the GPR 250 Europe Index is about 0.99 over the past three years and since inception.

	<i>Country</i>	<i>Company</i>	<i>Weight</i>
1	Belgium	Warehouses De Pauw	3.28%
2	France	Klepierre	3.19%
3	Germany	Alstria Office REIT AG	2.00%
4	Germany	Aroundtown SA	7.00%
5	Germany	Deutsche Wohnen SE	12.41%
6	Germany	LEG Immobilien AG	7.00%
7	Germany	TAG Immobilien AG	2.42%
8	Germany	Vonovia SE	26.49%
9	Netherlands	Unibail-Rodamco-Westfield	7.26%
10	Spain	MERLIN Properties SOCIMI S.A.	2.19%
11	Sweden	Fastighets AB Balder	3.76%
12	Switzerland	Swiss Prime Site	4.97%
13	United Kingdom	British Land Company Plc	3.45%
14	United Kingdom	Land Securities Plc	4.52%
15	United Kingdom	Segro Plc	10.04%

Global Property Research has observed the following changes in the GPR 250

- Global Property Research removed Northview Apartment REIT (Canada) from the GPR 250 Indices and the GPR General Indices as from 2 November 2020 following the acquisition by affiliates of Starlight Group Property Holdings Inc. and KingSett Capital Inc.

Global Property Research will adjust the constituents of the GPR 250 Index and the GPR 250 REIT Index on a quarterly basis. The table below summarizes the inclusions and exclusions of the GPR 250 Index and the GPR 250 REIT Index (indicated with an asterisk), which will become effective as of 21 December 2020.

<i>Inclusions</i>		<i>Exclusions</i>	
Germany	ADLER Real Estate Group	Hong Kong	Hang Lung Group
Japan	MIRAI Corp *	United States	Seritage Growth Properties *
Sweden	Klövern AB - B shares		
Sweden	Kungsleden AB		

Global Property Research has observed the following changes in the GPR General

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Global Property Research has observed the following changes in the GPR General

Global Property Research will adjust the constituents of the GPR General Index on a monthly basis, further to chapter 7 of the GPR Index Construction & Maintenance Procedures. The table below summarizes the inclusions and exclusions of the GPR General Index and the GPR General Quoted Index, which have become effective as of 1 December 2020. Open-ended funds, which are indicated with an asterisk, are not part of the GPR General Quoted Index.

<i>Inclusions</i>		<i>Exclusions</i>	
India	Mindspace Business Parks REIT		
Japan	ESCON JAPAN REIT Investment		
Japan	ITOCHU Advance Logistics Investment		
Japan	Sankei Real Estate Inc.		
Japan	Sosila Logistics REIT Inc		
Japan	Takara Leben Real Estate Investment		
Japan	XYMAX REIT Investment Corporation		
Philippines	AREIT Inc		
United States	NETSTREIT Corp		

GPR Indices on Data Systems

Bloomberg: GPRI <GO>

DeltaOne Solutions: Search for “GPR”

EcoWin: Graphics: Select Country → Stock Market
Pro: Financial Database → Select Country → Equity Indices → GPR
Graphics and Pro: text search “GPR”

FactSet Research Systems, Inc.: Structured as: GPCC# , where
CC is country code
is currency (*LOC* for local; *EUR* for euro; *USD* for US dollar)

Financial Express: Search for “GPR”

Fininfo: Search for “GPR”

Macrobond Financial Search for “GPR”

Morningstar, Inc.: Search for “GPR”

Reuters: NXT/Indices9 (in quote browser window)
0#.GPR (in quote browser window)

Rimes Technologies Ltd.: Search for “Global Property Research”

StatPro Search for “GPR”

ThomsonReuters/Datastream: Mnemonics structured as: GPRXCC# , where
X is 2 for GPR 250 or G for GPR General
CC is country code
is currency (*L* for local; *E* for euro; *\$* for US dollar)

ThomsonReuters/Vestek: Search for “GPR”

ThomsonReuters/EIKON: Search for “GPR”

Wilshire Associates, Inc.: Search for “GPR”

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