

Market Update

A Monthly Performance Report

May 2021

Listed property sector keeps momentum

GPR 250 Index advances 1.5% in May 2021

- The GPR 250 Index was up for the fourth consecutive month, adding 1.5% with continental gains for Europe (3.7%), Americas (1.2%), Oceania (0.9%) and Asia (0.7%) while Africa (-1.5%) lost. At country level, Brazil (15.0%) ranked top spot while China (-0.2%), South Africa (-1.5%), Singapore (-2.1%) and Mexico (-4.2%) recorded losses.

Deutsche Wohnen SE and Vonovia SE create giant

- Deutsche Wohnen SE and Vonovia SE have signed an agreement to merge the two companies, creating Europe's biggest residential property company. The new combine will take the name of Vonovia SE and will hold more than 500,000 apartments. To this end, Vonovia SE has announced a voluntary public takeover offer for all outstanding shares in Deutsche Wohnen SE, comprising a takeover offer of EUR 52.00 in cash and a cash dividend of EUR 1.03 per Deutsche Wohnen SE share. The management board and the supervisory board of Deutsche Wohnen SE support the takeover offer and intended to recommend acceptance to the shareholders, recognizing “the strategic benefits of the merger and the added value that can be achieved for all those involved”.

Monmouth Real Estate Investment Corp. OKs bid

- Equity Commonwealth agreed to acquire industrial-focused Monmouth Real Estate Investment Corp. in an all-share transaction, including debt. Under the terms of the agreement, Monmouth Real Estate Investment Corp. shareholders will receive 0.67 Equity Commonwealth shares for every (1) share of Monmouth Real Estate Investment Corp. share they own.

Dexus to boost fund management business

- Dexus is to acquire Asia-Pacific property investment manager APN Property Group for AUD 320m in a move to further strengthen its funds management business. Dexus has completed due diligence and entered an agreement to buy all of the stapled securities in APN Property Group for AUD 0.915 per security by way of a scheme of arrangement and a trust scheme.



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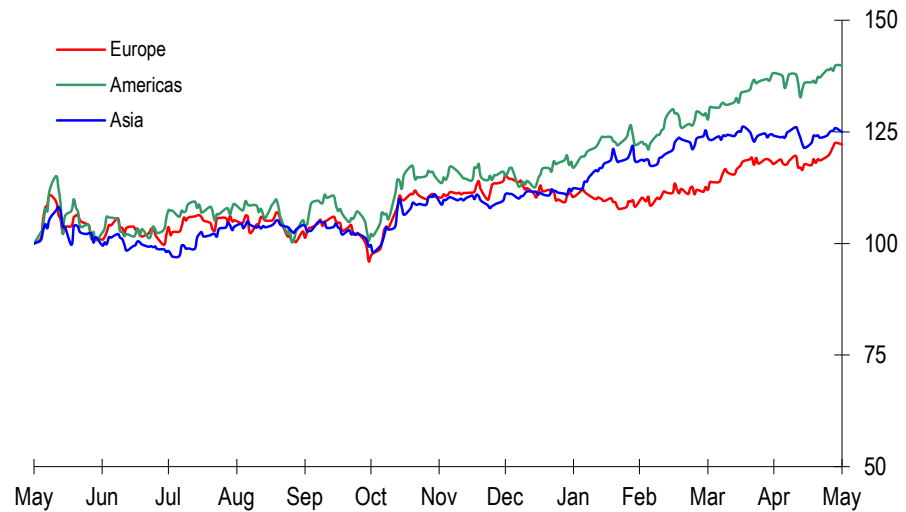
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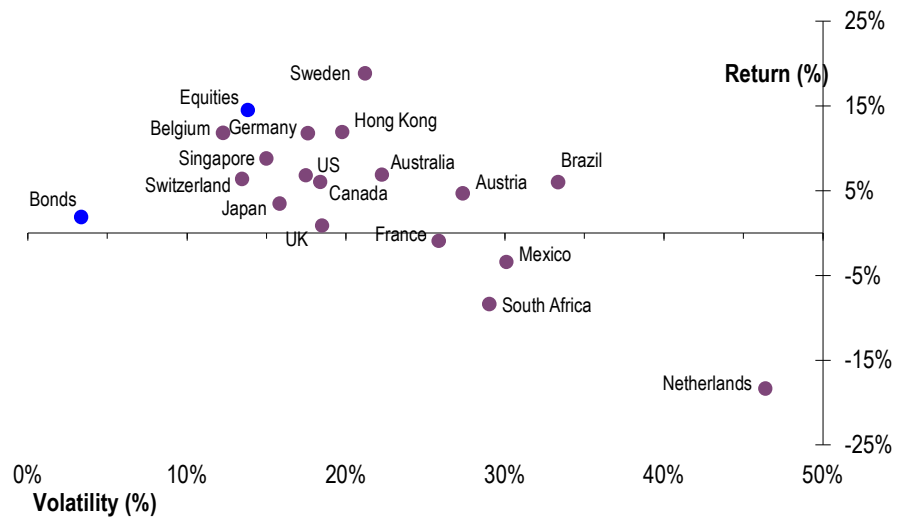
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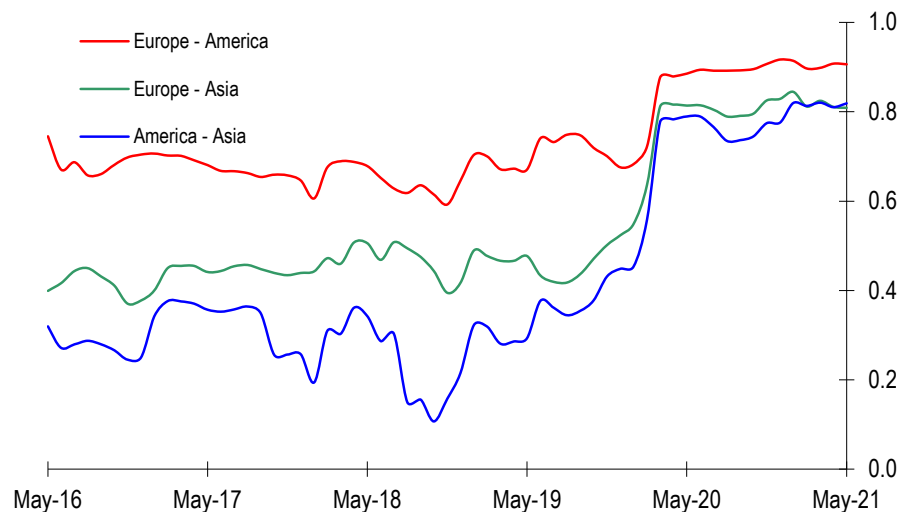
Graph 1:
Continental performance of GPR
250 Index (local returns)



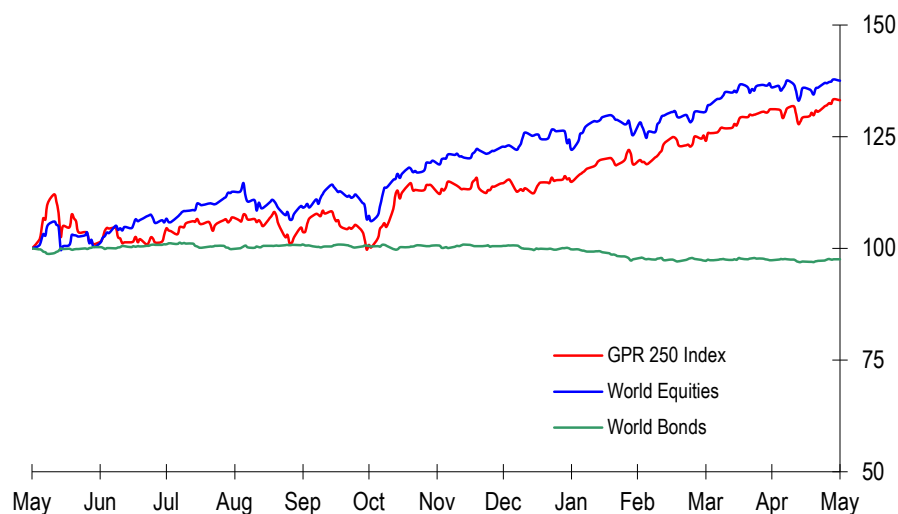
Graph 2:
Return and volatility of the major
countries in the GPR 250 Index
based on 5 year figures (local
currency)



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)

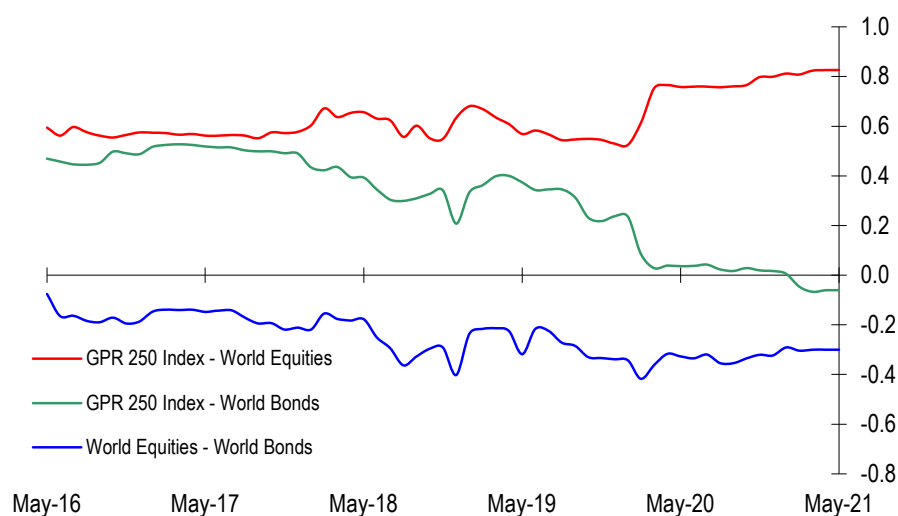


Table 1: Performance of property
shares and other asset classes

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
GPR 250 Index	1.5%	18.7%	15.4%	33.2%	7.7%	6.0%	0.19
GPR 250 Africa Index	-1.5%	36.2%	15.1%	34.2%	-11.3%	-8.4%	0.35
GPR 250 Americas Index	1.2%	23.2%	19.7%	39.9%	10.6%	6.7%	0.20
GPR 250 Asia Index	0.7%	15.0%	12.5%	25.0%	4.2%	6.0%	0.16
GPR 250 Europe Index	3.7%	10.8%	6.8%	22.2%	2.4%	4.0%	0.19
GPR 250 Oceania Index	0.9%	3.8%	4.9%	28.3%	9.1%	6.9%	0.27
Global Bonds (JP Morgan)	0.2%	-3.1%	-3.1%	-2.5%	3.2%	1.9%	0.04
Global Equities (MSCI)	1.1%	15.8%	11.8%	37.6%	14.5%	14.5%	0.17

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

Deutsche Wohnen SE And Vonovia SE Create Giant

The European listed property sector kept momentum and advanced 3.7% in local currency terms with all countries recording wins in May 2021. Best performers were Spain (7.3%), France (7.3%) and Sweden (7.0%).

Deutsche Wohnen SE and Vonovia SE have signed an agreement to merge the two companies, creating Europe's biggest residential property company

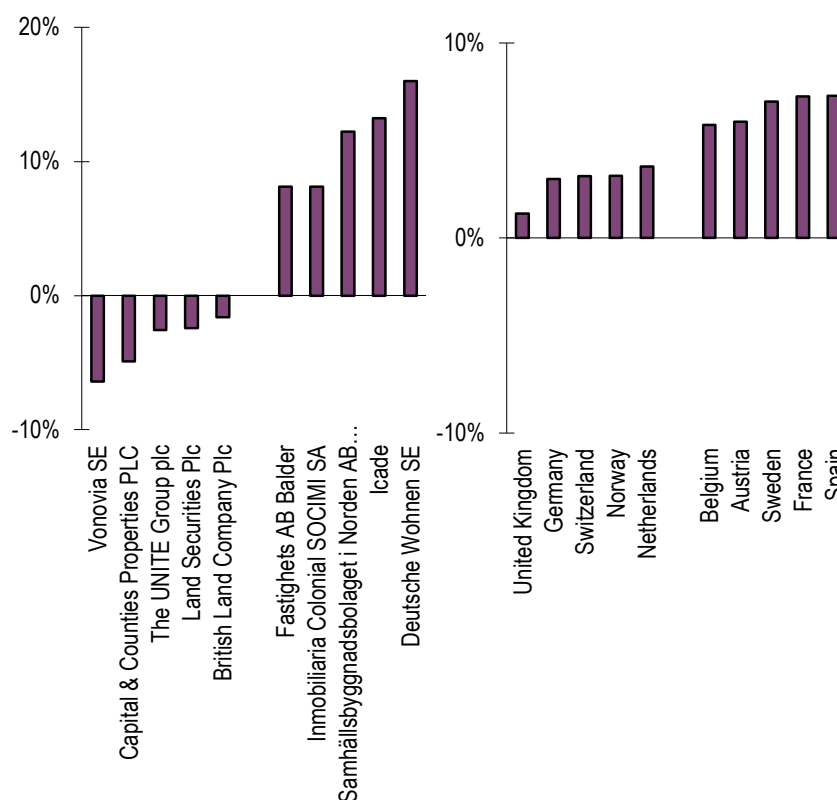
Deutsche Wohnen SE and Vonovia SE have signed an agreement to merge the two companies, creating Europe's biggest residential property company. The new combine will take the name of Vonovia SE and will hold more than 500,000 apartments. To this end, Vonovia SE has announced a voluntary public takeover offer for all outstanding shares in Deutsche Wohnen SE, comprising a takeover offer of EUR 52.00 in cash and a cash dividend of EUR 1.03 per Deutsche Wohnen SE share. The management board and the supervisory board of Deutsche Wohnen SE support the takeover offer and intended to recommend acceptance to the shareholders, recognizing “the strategic benefits of the merger and the added value that can be achieved for all those involved”. The majority of Deutsche Wohnen SE's apartments are located in Berlin (Germany), while Vonovia SE's properties are spread across Germany, Sweden and Austria. Both Deutsche Wohnen SE and Vonovia SE have been pulled into political debate over rent controls in Germany in recent times, with a proposed Berlin rental cap (*Mietendeckel*) that would have impacted both their business models only set aside last month after the German Federal Court found it ‘unconstitutional’.

Leasinvest Real Estate announced to be working on a business combination whereby Ackermans & van Haaren will contribute its 100% stake in Extensa Group NV/SA to the capital of Leasinvest Real Estate

Leasinvest Real Estate announced to be working on a business combination whereby Ackermans & van Haaren will contribute its 100% stake in Extensa Group NV/SA to the capital of Leasinvest Real Estate. Accordingly, the move is in line with the intention to transform the company into a listed integrated property player, which on the one hand will invest and on the other hand will develop properties, either to sell or to keep in portfolio. This new business model implies several fundamental changes to the framework in which the company operates. Leasinvest Real Estate will therefore propose to an EGM to voluntarily to give up the BE-REIT status (and the associated tax regime) and to convert Leasinvest Real Estate into a limited liability company with a (collegial) management board under the CCA (Code of Companies and Associations).

The Blackstone Group Inc. has confirmed it will offer GBP 1.2bn to buy St. Modwen Properties PLC despite opposition from a shareholder insisting the share price is too low. The 542.00 pence per share bid was met with resistance from J O Hambro Capital Management Ltd., which owns just over 9% of St. Modwen Properties PLC. The takeover offer has secured the support of St. Modwen Properties PLC's management board and the family of its founder Mr Stanley Clarke, giving it the backing of holders with a 6.59% stake.

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	3.7%	10.8%	6.8%	22.2%	2.4%	4.0%	0.19
Austria	6.0%	17.4%	8.1%	8.9%	-2.6%	4.7%	0.33
Belgium	5.8%	10.5%	11.0%	23.0%	17.8%	11.8%	0.14
Finland	3.9%	9.5%	5.9%	N/A	N/A	N/A	N/A
France	7.3%	16.3%	14.0%	33.2%	-1.4%	-0.9%	0.31
Germany	3.0%	5.4%	0.4%	18.1%	9.0%	11.8%	0.19
Netherlands	3.7%	20.4%	11.3%	51.0%	-24.1%	-18.4%	0.57
Norway	3.2%	10.6%	1.2%	52.1%	N/A	N/A	N/A
Spain	7.3%	20.8%	20.0%	23.8%	-1.2%	5.0%	0.32
Sweden	7.0%	10.5%	12.2%	35.4%	22.6%	18.9%	0.25
Switzerland	3.2%	11.2%	4.5%	6.0%	6.6%	6.4%	0.16
United Kingdom	1.2%	14.2%	9.9%	20.4%	0.0%	0.9%	0.20
Europe Bonds	-0.1%	-3.4%	-3.4%	-2.2%	1.2%	0.7%	0.04
Europe Equities	2.5%	15.7%	13.1%	29.3%	7.5%	9.1%	0.16

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

Monmouth Real Estate Investment Corp. OKs Bid

Equity Commonwealth agreed to acquire industrial-focused Monmouth Real Estate Investment Corp. in an all-share transaction, including debt

The GPR 250 Americas Index advanced 8.1% in April 2021. Brazil (-4.8%) lost, while Canada (4.2%), Mexico (4.7%) and United States (8.4%) were up.

Equity Commonwealth agreed to acquire industrial-focused Monmouth Real Estate Investment Corp. in an all-share transaction, including debt. Under the terms of the agreement, Monmouth Real Estate Investment Corp. shareholders will receive 0.67 Equity Commonwealth shares for every (1) share of Monmouth Real Estate Investment Corp. share they own. Monmouth Real Estate Investment Corp. will also be allowed to declare and pay one (1) additional regular quarterly dividend of USD 0.18 per share without Equity Commonwealth paying a corresponding dividend to its shareholders. The management board of Equity Commonwealth and the management board of Monmouth Real Estate Investment Corp. have both unanimously approved the transaction, which is expected to close in the second half, subject to customary closing conditions including shareholder approval from both companies. Equity Commonwealth said the deal provides the companies the opportunity to build an industrial platform and participate in the long-term growth of the sector.

Brookfield Property Partners LP scheduled an EGM for 16 July 2021 to vote on the company's proposed buyout by Brookfield Asset Management Inc. In April 2021, Brookfield Property Partners LP agreed to an USD 18.17-per unit buyout takeover offer from Brookfield Asset Management Inc.

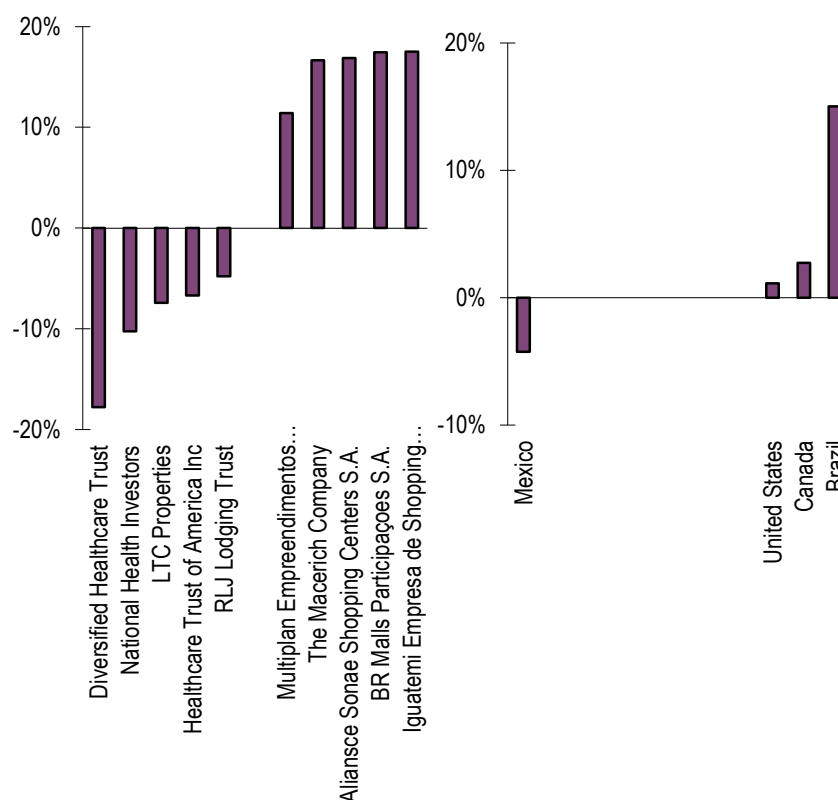
Dream Industrial REIT said it was in advanced negotiations with a third party to buy shares of a corporation that owns a 31-property logistics portfolio in Europe worth roughly EUR 880m, or CAD 1.30bn

Dream Industrial REIT said it was in advanced negotiations with a third party to buy shares of a corporation that owns a 31-property logistics portfolio in Europe worth roughly EUR 880m, or CAD 1.30bn. The properties, which are fully occupied, are mainly spread across Germany, the Netherlands and France. The portfolio has in-place debt of about CAD 500m. Dream Industrial REIT expects to fund the deal with CAD 150m of cash and CAD 350m of capacity on its revolving credit line. Dream Industrial REIT said that the deal, if struck, could close in the next 60 days. The company expects the acquisition would put it in a position to give Toronto Stock Exchange investors access to a massive logistics portfolio in Europe. The company is also in advanced talks over sales and joint ventures mainly for its United States portfolio that it expects would repatriate more than CAD 250m of equity in the near term, but said that it plans to issue unsecured bonds to optimize the portfolio's permanent financing. Dream Industrial REIT raised approximately CAD 287.5m in total gross proceeds from its bought-deal secondary offering of 20,987,500 subscription receipts priced at CAD 13.70 apiece, which includes the full exercise of the underwriters' over-allotment option. Each subscription receipt represents the right of the holder to receive one (1) unit of the company.

AMERICAS – DATA

May 2021

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



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

Table 3:
Long and short-term returns of
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	1.2%	23.2%	19.7%	39.9%	10.6%	6.7%	0.20
Brazil	15.0%	14.2%	10.2%	19.9%	7.5%	6.0%	0.39
Canada	2.7%	14.9%	19.2%	39.0%	6.5%	6.0%	0.23
Mexico	-4.2%	20.7%	7.8%	48.4%	2.5%	-3.4%	0.36
United States	1.1%	23.8%	19.9%	40.0%	10.9%	6.8%	0.20
North American Bonds	0.3%	-3.8%	-3.6%	-4.2%	4.5%	2.5%	0.05
North American Equities	0.6%	16.4%	11.9%	41.4%	18.2%	17.2%	0.18

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

Dexus To Boost Fund Management Business

Africa (-1.5%) turned out to be the only continental counterpart losing with limited gains for Asia (0.7%) and Oceania (0.9%).

China is close to kicking off its long-awaited public REITs market, with regulators approving the first batch of nine REITs that will raise an estimated CNY 30bn for infrastructure projects

China is close to kicking off its long-awaited public REITs market, with regulators approving the first batch of nine REITs that will raise an estimated CNY 30bn for infrastructure projects. The China Securities Regulatory Commission (CSRC) approved the registration of the nine REITs, which will channel investors' money into projects ranging from tollways and warehouses, to industrial parks and sewage plants. The green light, which will allow China's first REITs to be sold and traded on stock exchanges, comes a year after Beijing announced plans for a pilot scheme. But unlike other markets such as Hong Kong, Singapore or the United States, China only allows REITs - investment vehicles that are backed by income-producing properties - to be invested in infrastructure initially. Eligible underlying assets do not include commercial properties such as shopping malls or offices.

Invesco Office J-REIT, Inc. announced that, with respect to the tender offer by parties managed by the Starwood Capital Group, that the acceptance period will run until 15 June 2021, extended from 24 May 2021

Invesco Office J-REIT, Inc. announced that, with respect to the tender offer by 101 LPS, SDSS Investco Limited, SDSS K Investco Limited, SSF U.S. Investco S, L.P., SSF U.S. Investco C, L.P., and SOF-11 International Investco Limited, managed by the Starwood Capital Group, for all of the company's issued and outstanding investment units, that the acceptance period will run until 15 June 2021, extended from 24 May 2021. Invesco Office J-REIT, Inc. reiterated that it opposes the tender offer and asks its unit holders not to tender their investment units in the tender offer, and asks its unit holders who have already tendered their investment units in the tender offer to immediately terminate the agreement pertaining to the tender offer.

Dexus is to acquire Asia-Pacific property investment manager APN Property Group for AUD 320m in a move to further strengthen its funds management business. Dexus has completed due diligence and entered an agreement to buy all of the stapled securities in APN Property Group for AUD 0.915 per security by way of a scheme of arrangement and a trust scheme. APN Property Group considered the Dexus takeover offer "very attractive", and unanimously recommended that securityholders vote in favour, subject to no superior proposal being made and an independent expert concluding that the schemes were in the best interests of APN Property Group securityholders. The targeted company's securityholders are expected to meet in July 2021 to approve the Dexus proposal. The announcement also follows Centuria Capital Group and Primewest last month agreeing to a merger that will create a AUD 15.5bn platform.

AFRICA, ASIA & OCEANIA – DATA

May 2021

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

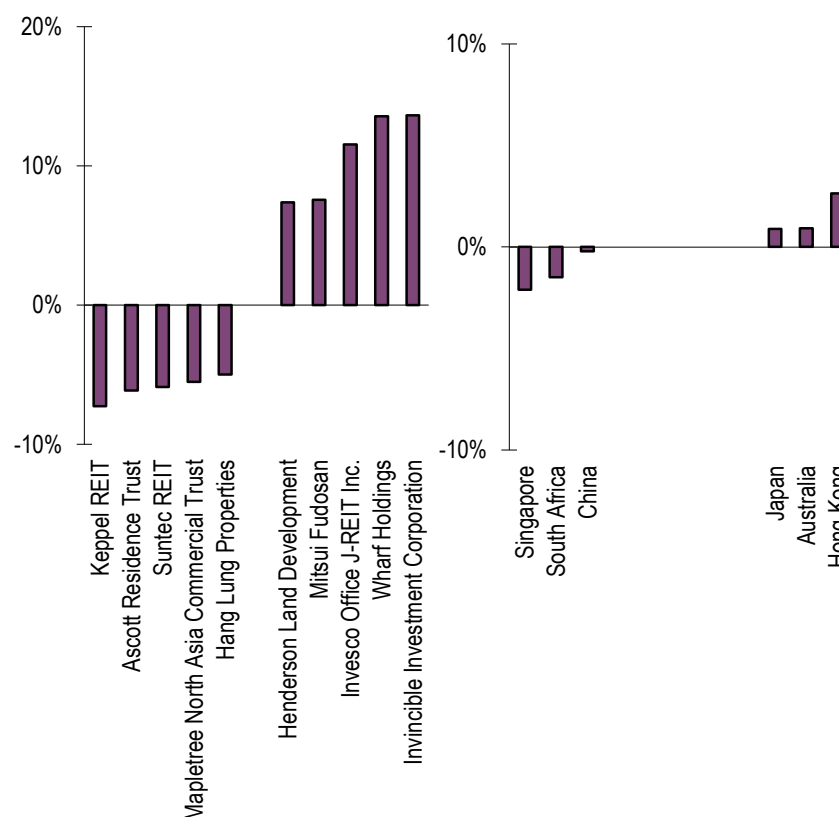


Table 4:
Long and short-term
performance of African, Asian
and Oceanian countries (local
returns)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Africa	-1.5%	36.2%	15.1%	34.2%	-11.3%	-8.4%	0.35
Asia	0.7%	15.0%	12.5%	25.0%	4.2%	6.0%	0.16
Oceania	0.9%	3.8%	4.9%	28.3%	9.1%	6.9%	0.27
Australia	0.9%	3.8%	4.9%	28.3%	9.1%	6.9%	0.27
China	-0.2%	N/A	N/A	N/A	N/A	N/A	N/A
Hong Kong	2.6%	14.8%	11.6%	46.0%	3.4%	11.9%	0.23
Japan	0.9%	17.1%	15.3%	23.2%	4.6%	3.5%	0.18
Singapore	-2.1%	7.0%	3.5%	12.7%	4.3%	8.8%	0.17
South Africa	-1.5%	36.2%	15.1%	34.2%	-11.3%	-8.4%	0.35
Japan Bonds	0.3%	-3.8%	-3.6%	-4.2%	4.5%	2.5%	0.05
Australia Bonds	0.3%	-3.6%	-3.3%	-2.9%	4.3%	3.3%	0.05
Asia Pacific Equities	1.7%	12.0%	8.9%	29.3%	7.4%	10.0%	0.15

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

GPR 250 REIT INDEX – DATA

May 2021

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

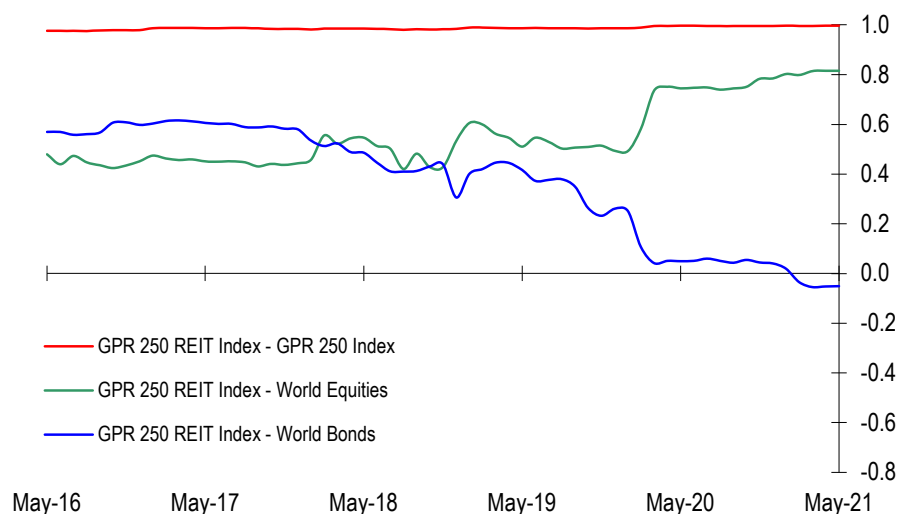


Table 5:
Long and short-term returns of
of REITs

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	1.2%	21.0%	17.2%	35.4%	8.9%	5.9%	0.19
Africa	-1.5%	42.5%	21.1%	44.3%	-14.2%	-9.2%	0.38
Americas	1.2%	23.4%	19.7%	39.8%	10.7%	6.8%	0.20
Asia	-0.1%	18.2%	12.3%	22.9%	9.8%	7.2%	0.15
Europe	3.5%	15.4%	11.5%	25.7%	-4.5%	-2.2%	0.24
Oceania	0.9%	3.8%	4.9%	28.3%	9.1%	6.9%	0.27
Australia	0.9%	3.8%	4.9%	28.3%	9.1%	6.9%	0.27
Belgium	5.8%	10.5%	11.0%	23.0%	17.8%	11.8%	0.14
Canada	2.9%	14.7%	18.5%	34.5%	7.8%	7.5%	0.22
China	-1.4%	N/A	N/A	N/A	N/A	N/A	N/A
France	7.3%	16.3%	14.0%	33.2%	-1.4%	-0.9%	0.31
Germany	3.7%	14.5%	4.4%	23.2%	9.9%	N/A	0.24
Hong Kong	0.6%	8.7%	4.7%	33.0%	5.9%	13.3%	0.23
Japan	0.6%	25.1%	17.8%	26.7%	10.2%	5.3%	0.17
Mexico	-4.2%	20.7%	7.8%	48.4%	2.5%	-3.4%	0.36
Netherlands	3.7%	20.4%	11.3%	51.0%	-24.1%	-18.4%	0.57
Singapore	-2.7%	3.5%	0.1%	7.6%	10.3%	11.1%	0.16
South Africa	-1.5%	42.5%	21.1%	44.3%	-14.2%	-9.2%	0.38
Spain	7.3%	20.8%	20.0%	23.8%	-1.2%	4.9%	0.34
United Kingdom	1.3%	14.8%	10.3%	22.1%	0.7%	1.5%	0.20
United States	1.1%	23.8%	19.9%	40.0%	10.9%	6.8%	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 60% 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	3.46%
2	France	Klepierre	3.65%
3	Germany	Alstria Office REIT AG	2.02%
4	Germany	Aroundtown SA	7.53%
5	Germany	Deutsche Wohnen SE	14.04%
6	Germany	LEG Immobilien AG	6.41%
7	Germany	TAG Immobilien AG	2.28%
8	Germany	Vonovia SE	21.84%
9	Netherlands	Unibail-Rodamco-Westfield	7.92%
10	Spain	MERLIN Properties SOCIMI S.A.	2.46%
11	Sweden	Fastighets AB Balder	4.25%
12	Switzerland	Swiss Prime Site	5.01%
13	United Kingdom	British Land Company Plc	3.55%
14	United Kingdom	Land Securities Plc	4.59%
15	United Kingdom	Segro Plc	10.99%

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

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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 June 2021.

<i>Inclusions</i>		<i>Exclusions</i>	
Sweden	AB Sagax - B shares	Netherlands	Wereldhave NV *
United Kingdom	Essential Properties Realty Trust Inc. *		

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

- Global Property Research removed RDI REIT PLC (United Kingdom) from the GPR General Indices as from 4 May 2021 following the closing of the acquisition by SOF-12 Cambridge BidCo Limited.

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 June 2021. Open-ended funds, which are indicated with an asterisk, are not part of the GPR General Quoted Index.

<i>Inclusions</i>		<i>Exclusions</i>	
United Kingdom	Grit Real Estate Income Group		
United Kingdom	Highcroft Investments PLC		

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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