

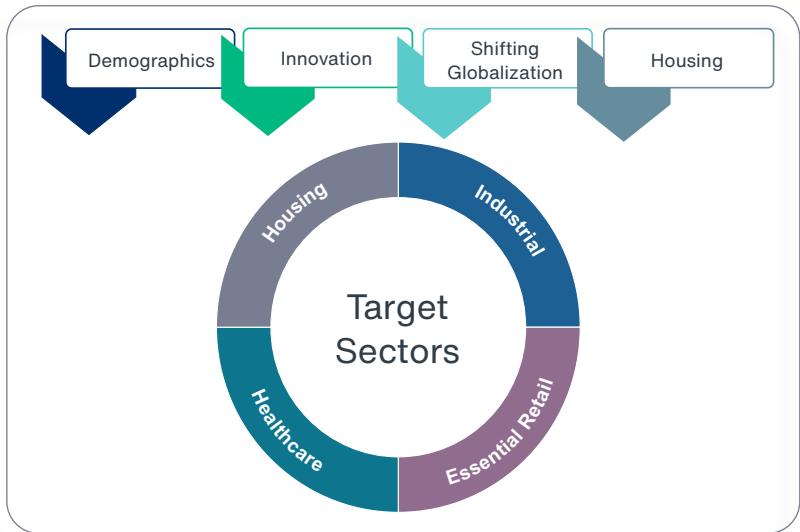
Clarion Calls: 2026 Insights - Positioning for What's Ahead

JANUARY 2026

A Fresh Chapter That Brings Exciting Opportunities And Growth

What You Need to Know

- ✓ Private real estate has delivered five consecutive quarters of positive return, driven by steady income and modest appreciation
- ✓ Fundamentals are healthy and values have adjusted to reflect the higher rate environment
- ✓ Net Operating Income (NOI) growth is accelerating as new supply declines and tenant demand remains strong, fueled by macroeconomic drivers



What This Means For 2026

- Industrial, healthcare, and housing sectors continue to show strong underlying fundamentals.
- With the Fed pursuing steady rate cuts, liquidity and transaction volumes should continue to strengthen.
- Capital remains anchored in high-conviction sectors but is beginning to extend into more differentiated market areas.
- Tight spreads and robust debt markets are providing high-quality borrowers and assets with ample access to financing.

High-Conviction Macro Themes

- **Demographics**
 - Growth among 35–50-year-olds is fueling demand for housing, industrial space, and retail focused on essentials, services, and experiences.
 - The aging Baby Boomer population is driving demand for healthcare, senior housing, and medical office space.
- **Innovation**
 - Artificial Intelligence (AI) accelerates other trends - for example, driving robotics adoption for modern warehouses and advancing patient care and medical research.
 - E-commerce is driving industrial demand.
 - Biotech and pharmaceutical sectors are key drivers of growth across healthcare properties.
- **Housing**
 - Persistent housing shortages and affordability challenges are fueling demand for rental properties.
- **Shifting patterns of globalization**
 - Supply chain modernization, nearshoring, and manufacturing expansion are driving demand for industrial and IOS.

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