

Three things you need to know about private real estate

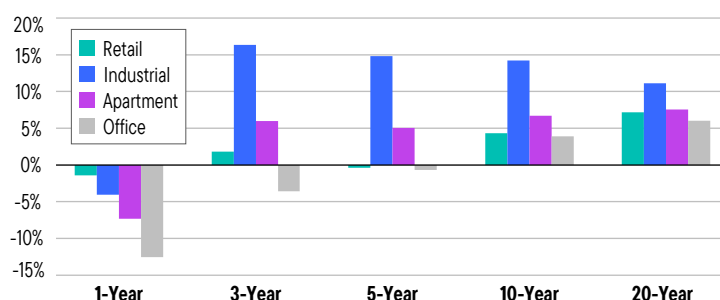
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1 Not all real estate is created equal

- General concerns about private real estate overlook dramatic dispersions across sectors
- Large bifurcations across sectors are creating winners and losers
 - Top performing sectors such as industrial, fueled by e-commerce growth, is driving warehouse demand
 - Conversely, COVID exacerbated trends, (e.g., WFH) hitting some sectors (e.g., office) particularly hard

Divergent performance by sectors

NPI Total Return by Sector (As of Q4 2023)

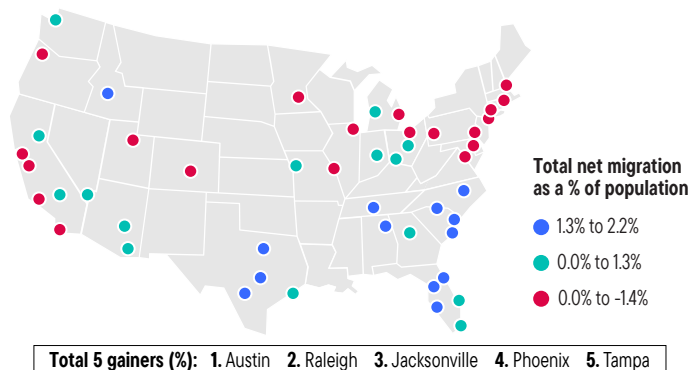


2 Geographic selection matters

- Strong growth to Sun Belt states due to:
 - lower cost of living
 - better quality of life
 - lower taxes
 - business friendly environments
 - good jobs
- Additionally, corporate relocations also highlight trend from high cost to high growth, low-cost markets

Net migration patterns are changing

Total Net Migration by Metropolitan Area (2021–2022)

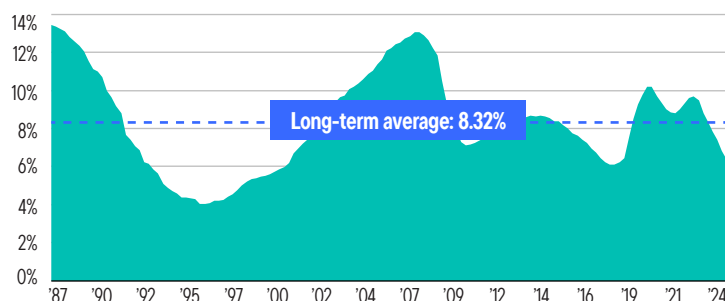


3 Timing considerations are less important

- Private real estate as a fundamental building block of investment portfolios, can provide a ballast against the uncertainty of stock market returns, rising interest rates and inflation
- Moreover, private real estate's long-term growth potential may benefit from macro trends, such as aging boomer populations, technological innovation, and urbanization

Private real estate has never had a lost decade

10-Year Annualized Trailing Returns (Jan. 1, 1987 – March 31, 2024)



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