MARKET OVERVIEW

Global REITs began 2024 on a cautious note, as the market grappled with higher rates and higher inflation, causing central banks to delay easing monetary policy. However, as inflation began to ease in the first half of the year, central banks initiated a long-awaited policy pivot in the second half of 2024. The Bank of Canada, Federal Reserve, Bank of England, and European Central Bank all implemented multiple rate cuts in 2024, unwinding some of the tightening from prior years. The Bank of Japan stood apart, raising rates for the first time in over a decade.

This policy shift marked an inflection point for REITs. Coupled with strong real estate fundamentals and steady earnings growth, investor sentiment towards the asset class improved meaningfully in the second half of the year.

Through the first 11 months of 2024, Global REITs delivered a 11.2% total return[1]. In December, REITs gave back more than half of their YTD gains as a result of the Federal Reserve taking a more cautious stance on the pace of rate cuts in 2025. Despite this short-term setback, REITs still closed the year in positive territory with a 4.6% total return[2]. Relative to other asset classes, REITs outperformed global bonds in 2024, which posted a negative total return of -1.7% but fell short of global equities which delivered a return of 19.2%, propelled by the “Magnificent 7” technology giants whose average return reached a remarkable 67.3%[3].

In terms of regional performance, Australia and the United States emerged as standout performers, delivering a total return of 10.6% (AUD) and 7.9% (USD) respectively. Both markets benefited from resilient consumer spending and economic growth, improved financing conditions and steady real estate fundamentals led by the data centre sector. In Canada, REITs posted a modest return of 1.1% (CAD), with senior housing REITs emerging as clear outperformers.

In Asia, Japan outperformed other markets in the region, driven by strong operating trends and higher real estate values. By contrast, Hong Kong faced another challenging year, recording double-digit declines in share prices as economic headwinds from China continued to weigh heavily on property fundamentals.

European REITs underperformed, with the U.K. acting as a drag on the region’s performance. However, select markets such as the Netherlands and Spain outperformed, highlighting how variations in regional dynamics can significantly influence performance and underscoring the value of tailoring strategies to local market conditions.

Performance in 2024 also saw pronounced divergences across sectors, with fundamental dynamics disproportionately impacting certain property types. Cold storage, life science and industrial were notable underperformers, declining -28.0%, -19.7% and -12.1% respectively, as elevated new supply led to increased vacancy rates and or lower net effective rents.

Conversely, healthcare and data centre REITs emerged as standout performers, delivering impressive total returns of 25.2% and 23.7%, respectively. The healthcare sector benefited from rising demand for senior housing units driven by aging baby boomers seeking elevated care, resulting in higher occupancy rates, NOI margins, and rents. Data centres experienced robust leasing activity, fueled by a surge in AI investments from hyperscale customers like Google, Amazon, and Meta.

PERFORMANCE

The portfolio generated a -3.3% return during Q4 2024, outperforming the benchmark by 22 basis points. The primary drivers of outperformance during the quarter were key holdings in the data centre and U.S. hotel sector. Underperformers during the quarter were mostly in higher rate-sensitive sectors within the U.S. like cell towers and self-storage as well as in the German residential sector.

In the U.S. hotel sector, Sunstone Hotel delivered a 15.8% (USD) total return during the quarter. The company was a recent addition to the portfolio, and we established a position in the company after meeting with management in September. We viewed the relative valuation for Sunstone as attractive and with many of their hotels below stabilization, our underwriting indicated significant upside potential. In December, various media outlets published reports speculating on a potential privatization deal for the company from a private real estate investment firm. We continue to view Sunstone as an attractive long-term investment regardless of any potential privatization efforts.

1. Bloomberg LP. Data as of November 30, 2024. 2. Bloomberg LP. Data as of December 31, 2024. Global REITs represented by the FTSE EPRA NAREIT Developed Total Return Index in Local Currency. 3. Bloomberg LP. Data as of December 31, 2024. Global Bonds represented by Bloomberg Global-Aggregate Total Return Index in USD. Global Equities represented by the MSCI World Index in USD. “Mag 7” average return represented by Bloomberg Magnificent 7 Total Return Index in USD.

Annualized Returns[5]	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception[6]
Net Fund Returns	-3.3%	10.1%	8.3%	-2.7%	-0.2%	3.1%

Portfolio Allocation By Sector*	% of NAV Assets
Technology REITs	17.2
Healthcare	12.9
Diversified	10.1
Multifamily	9.9
Industrial	9.0
Hotel	8.3
Specialty / Triple Net Lease	6.6
Single Family Rental / MHC	6.5
Low-Rise Office	4.3
Self Storage	4.1
Open Air Grocery Anchored Centre	3.9
Private Real Estate	2.6
Regional Mall	1.8
High-Rise Office	0.9
Homebuilder	0.4
Cash & Other	1.5

Portfolio Allocation By Region*	% of NAV Assets
United States	62.7
Germany	6.3
Japan	5.7
Canada	5.1
Australia	4.2
Hong Kong	3.2
United Kingdom	3.2
Singapore	2.5
Belgium	1.8
Netherlands	1.4
Spain	1.1
Ireland	0.6
Norway	0.5
Cash & Other	1.5

In the U.S. data centre sector, Digital Realty Trust gained 10.3% (USD). Digital Realty's stock price continued to benefit from a strong third quarter earnings report and positive investor sentiment for the data centre sector. Development continues to be a driver of Digital Realty's future growth potential with the company increasing the size of their development pipeline by 50% in Q3 relative to Q2 to 644 MW. Of these new developments, 74% are pre-leased globally which provides a high level of transparency around future cash flow growth with minimal leasing risk.

In the Hong Kong data centre sector, SUNeVision experienced a strong fourth quarter generating a 15.6% (HKD) total return on the back of robust company results and strong investor sentiment towards the data centre sector. The company recently reported double-digit growth across revenue and EBITDA. Leasing progress at SUNeVision's new hyperscale data centre, Mega IDC which adds 50 MW to their current 100 MW capacity, was promising with 30% signed, 30% committed, and +35% in advanced discussions. The parent company of SUNeVision also refinanced their existing $3.8B HKD shareholder loan and extended another $2.0B in extra funding to meet capex requirements which helps alleviate funding concerns. We expect Mega Gateway (20 MW) and Mega IDC to continue to drive double-digit earnings growth per annum in the coming years as the projects begin to ramp-up and stabilize.

In the U.S. cell tower sector, American Tower declined -19.9% (USD) during the quarter. This underperformance was primarily a result of the sharp rise in bond yields throughout the quarter which disproportionately affected more rate sensitive sectors like cell towers. In mid-December, the Federal Reserve took a more cautious stance on rate cuts in 2025, which led to a pullback in the market and a more pronounced effect on rate-sensitive sectors like cell towers. Despite the short-term volatility, we continue to have a positive view on the long-term prospects for American Tower driven by the secular growth tailwinds surrounding 5G.

In the U.S. self-storage sector, Public Storage declined -16.9% (USD) during the fourth quarter. Self-storage fundamentals continue to face pressure on street rates as operators are more focused on preserving and building occupancy before the spring leasing season. Elevated mortgage rates tend to be a headwind for self-storage demand as lower home purchases results in less demand. Despite the sector's underperformance, we continue to have strong conviction in the long-term outlook for the sector.

In the German residential sector, Vonovia's stock price experienced a pullback of -10.6% (EUR) during the quarter. The recent underperformance stems from a combination of factors such as continued investor concerns over the company's leverage and skepticism towards Vonovia's recent announcement to expand its business segments.

*Bloomberg. All figures are in USD unless noted otherwise. [5]The returns are based on Class F units, net return (CAD). [6]July 7, 2015. For more information about the risk rating and specific risks that can affect the Fund's returns, see the 'What are the risk of investing in the Fund?' section of the Fund's simplified Prospectus. On January 22, 2018, Hazelview Global Real Estate Income Fund (formerly Timbercreek Global Real Estate Income Fund) completed a fund merger with Timbercreek Global Real Estate Fund. The calendar returns for Class A securities of Timbercreek Global Real Estate Fund were as follow (as of December 31, 2017, the last completed monthly period): 2015: 4.3%; 2016: 8.8%; 2017: 3.9%. The calendar returns for Class B securities of Timbercreek Global Real Estate Fund were as follow (as of December 31, 2017, the last completed monthly period): 2010: 5.7%, 2011: 2.8%, 2012: 23.1%, 2013: 4.7%, 2014: 16.8% 2015: 4.8%; 2016: 9.1%; 2017: 4.2%. *Individual company performance represents quarterly holding period total returns. All data as of December 31, 2024.*

However, with an LTV of 46% and net debt to EBITDA at 15.1x, Vonovia is in line with many of its German peers and we do not view this leverage as concerning despite it appearing high. We have a very positive outlook for the German residential market as there is a large shortage of newly constructed apartments while demand continues to increase in urban centres with higher population levels.

In December, the Fund redeemed its position in the United Homes Group convertible bond at a significant premium, generating a ~47% IRR during the holding period. United Homes Group was in a unique position to refinance the note, better positioning the company for growth to address the large supply-demand imbalance in the U.S. housing market. The Fund invested in United Homes' convertible bond offering in spring 2023 as a private investment. The bond was purchased at a 6% discount to par and offered a 15% yield. The Fund continues to hold a position in United Homes Group's common equity shares, but exposure has dropped to only 0.43% of the Fund.

PORTFOLIO CHANGES

During Q4 2024, we reduced exposure to Hong Kong primarily driven by the takeout offer for ESR Group. We then reallocated those proceeds to the U.S. In terms of sector changes, exposure increased to hotels and data centre REITs while decreasing exposure to healthcare, industrial and self-storage REITs. Throughout the quarter, we added a total of seven common equity positions while exiting eight, as we reallocated capital to opportunities with a higher expected return and that we have the highest conviction in. Five of the new additions were in the U.S. market, with the other two new positions in Hong Kong and Japan.

In the U.S. regional mall sector, we added Macerich to the portfolio by participating in the company's $400 million equity raise in December at a 7.8% implied cost of equity that will be used to repay a $478 million mortgage loan secured by their Washington Square Property that has an effective interest rate of 9%. Washington Square is in Portland, Oregon, totals 1.3 million SF and was most recently renovated in 2005. In October, Macerich bought out their partners 40% interest in the asset at a 7.4% cap rate. We believe this equity raise improves the company's earnings capacity and better positions their balance sheet to fund future growth through redevelopment and accretive acquisitions from owners in the direct property market with more challenged financial conditions. Macerich owns one of the largest enclosed regional mall portfolios in the U.S. totaling 45 million SF across 41 retail centres. We believe the company's high quality asset base is well positioned to benefit from steady industry fundamentals and resilient consumer spending.

In the U.S. shopping centre sector, we added Regency Centers to the portfolio, in lieu of Kimco, mainly driven by relative valuation. Regency owns one of the highest quality grocery anchored portfolios in the U.S. totaling over 57 million SF and 480 centres. The company's portfolio is >96% leased with average grocer sales per SF of ~$800. After underperforming its peers in 2024, we believe Regency is poised to outperform in 2025 driven by a stronger earnings growth profile than its peers (>5% in 2025 and 2026) with less exposure to at-risk retail tenants that are likely to file for bankruptcy. We believe Regency's portfolio will be operationally more resilient, experiencing less occupancy loss leading to higher same store NOI growth. We believe valuation is attractive with the company's stock trading at a 6.3% implied cap rate, 4% dividend yield and priced to deliver ~17% upside to intrinsic value.

In the U.S. hotel sector, we added Sunstone Hotel Investors and Ryman Hospitality Properties to the portfolio, driven by relative valuation. With respect to Sunstone, about 33% of their portfolio has experienced some sort of renovation disruption in 2024 but we believe the company is poised to deliver better than expected EBITDA growth in 2025. This growth will be driven by less renovation disruption at their Miami Andaz, Marriott Long Beach Downtown and Westin D.C. hotels as well as better operating trends at their Napa Valley, San Francisco, Portland, and Hawaii hotels which are currently performing below stabilization. In 2025, these hotels should deliver higher RevPAR and EBITDA growth as market conditions improve, especially in San Francisco and Hawaii. Combined with an attractive valuation (9.5% implied cap rate, 35% upside in price and 20% annualized return), we see Sunstone as one of the best idiosyncratic investment opportunities in the U.S over the next 12 months. Ryman Hospitality Properties owns one of the leading group-oriented hotel portfolios in the U.S. totaling 11,414 rooms and more than 3 million SF of indoor and outdoor meeting space in top convention and leisure destinations. The pace of group demand remains strong, leading higher occupancy rates and mid-single digit growth in average daily rates for 2025. We see steady business travel as another layer of support for Ryman's high-quality, group-focused hotels. Ryman also has a strong balance sheet with net debt to EBITDA at 3.3x, which positions the company well for future external growth. We see valuation as attractive with the company trading at a ~16% discount to intrinsic value and priced to deliver a 12% annualized expected total return.

In the U.S. Industrial sector, we added Prologis to the portfolio. We believe the underperformance of both Prologis's stock price and the overall industrial sector in 2024 provides an attractive entry point for the year ahead. Prologis owns and operates one of the largest industrial real estate portfolios in the world with over 5,800 buildings in 20 countries and is currently the top constituent in our global benchmark by weight. Although industrial fundamentals continue to face elevated supply and moderating demand, we believe supply and demand fundamentals are set to come into better balance in 2025 as the percentage of existing inventory under construction and volume of new construction starts is rapidly declining. We believe the combination of an improving fundamental backdrop coupled with discounted valuations sets Prologis up to outperform in 2025.

In Hong Kong, we added Link REIT to the portfolio to broaden our exposure within Hong Kong. Link REIT's portfolio consists of mainly non-discretionary shopping centres situated on top of transport nodes in highly dense urban areas in Hong Kong. The resiliency and stability of their cash flow stream gave us comfort from a value perspective. Our models suggest the company trades at a 53% discount to book value and an attractive dividend yield of 8.0%. Link REIT is one of the largest constituents within the Hong Kong benchmark, accounting for 25% of the total.

In Japan, we added Tokyu Fudosan to the portfolio. The company operates in four segments: Urban Development, Strategic Investment, Property Management and Operation, and Real Estate Agents. Urban Development focuses on developing and leasing office buildings, commercial facilities, and condominiums. Strategic Investment covers renewable energy, distribution facilities, REITs, and overseas properties. Property Management and Operation handles building management, renovations, and resort hotels, while Real Estate Agents oversees real estate sales and brokerage. The company's half-year results indicate rents in the Shibuya office market, their main asset base, continue to rise amid tight supply-demand dynamics. The company's properties are especially popular among domestic IT-related firms, retailers and other firms engaged in B2C operations. We maintain a positive outlook for the name with management also revising full-year guidance higher for both their earnings and annual dividend.

MARKET OUTLOOK

As we enter 2025, we believe constrained supply, strong demand, historically low relative valuations, and heavily discounted absolute valuations position REITs to deliver attractive returns in the year ahead. After three years of navigating economic volatility, REITs are emerging from a period of resilience and recalibration, offering investors a compelling opportunity.

Regional growth prospects, sector fundamentals, and company performance will vary as central banks recalibrate policies and geopolitical uncertainties persist. In this complex landscape, success requires more than passive investing, it calls for the informed judgment and strategic precision that only active management provides.

Although higher interest rates over the past three years have tested investor confidence in publicly listed real estate, commercial and residential fundamentals have been strong across most property types and geographies. As we enter 2025, we believe these fundamentals provide a solid foundation for growth, with earnings expected to accelerate over the next 12 months. According to UBS, global REITs are forecasted to grow earnings by 6.2% in 2025, a roughly 100 basis-point improvement over 2024.

Favourable demand-supply dynamics continue to drive positive net absorption of vacant space with occupancy rates across all property types in the U.S. are at or near peak levels. In 2025, we anticipate occupancy rates will remain high, as lower levels of supply lead to further net absorption of vacant space.

The other side of the equation supporting real estate fundamentals is the constrained supply environment. Inflationary pressures and tighter financing conditions have significantly increased the cost of bringing new projects online. As a result, developers in many markets are scaling back construction pipelines, with elevated prices for building materials, labour, and borrowing limiting new activity. According to CoStar, new supply across major property types in the U.S. is forecasted to grow by 1.2% in 2025, representing a -33.4% year-over-year decline. We are seeing similar trends globally, particularly in residential markets in Canada, Europe, and Asia that remain chronically undersupplied, exacerbating the lack of affordable housing. Additionally, global constraints in power availability are further limiting the supply of new data centres.

REITs have also benefited from their proactive measures to strengthen their balance sheets and enhance operational efficiency. In the years after the pandemic, many REITs capitalized on historically low interest rates by issuing long-term, fixed-rate debt to build more resilient balance sheets. Entering 2025, the global REIT sector's debt-to-gross

asset value stands at 34%, with net debt to EBITDA at 6.3x. We believe these robust metrics position REITs to go on the offense in 2025.

Looking ahead, we anticipate higher transaction volumes and more accretive external growth, leading to further equity issuance. We believe active managers with strong industry relationships are well-positioned to capitalize on these trends, securing at-the-market equity allocations and providing investors with access to these compelling growth opportunities.

While acquisition volumes are expected to improve in 2025, internal growth remains a fundamental strength. The ability to deliver steady, positive same-store net operating income (SSNOI) growth highlights the resilience of REIT cash flows across economic cycles, providing a reliable foundation for long-term performance. Historically, REITs have demonstrated the capacity to increase rents and maintain SSNOI growth at rates that match or exceed inflation.

We believe the valuation backdrop for publicly listed real estate is more compelling heading into 2025 than at any point in the past three years. After three consecutive years of underperformance, global REITs are trading at historically attractive levels relative to global equities on a price-to-cash flow basis and EV/EBITDA basis. We believe this valuation disparity positions REITs for a potential re-rating over the next 12 months.

Beyond relative valuation measures, REITs are also cheap on an absolute basis. Our valuation models suggest that REITs are priced at a -17% discount to intrinsic value (defined as a blend between NAV and Cash Flow), which implies a 20% upside in price from current levels. Over a two-year holding period, and inclusive of a 3.8% dividend yield per annum, our valuation models forecast an annualized expected total return of 13% to 15%.

We believe our forward-looking valuation models adopt a conservative underwriting approach by not factoring in potential cap rate compression. For context, a 25-basis point change in cap rate typically results in a 5-7% impact on NAV and according to CBRE, cap rates are forecasted to compress in 2025. Therefore, we see more upside than downside to our forward NAV estimates.

Finally, we believe through active management, we can strategically position our portfolios in specific companies, property types, and geographies to unlock better upside potential and capitalize on the unique opportunities available in today’s market.

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