Hazelview Global Real Estate Fund

Quarterly Manager Commentary

as of March 31, 2025

Q1

This Quarter

Market Overview

Economic uncertainty increased throughout the first quarter of 2025 driven by the U.S. initiating new tariffs on Canada and Mexico. Inflation also remained elevated in Q1, creating additional uncertainty around the path of future interest rate cuts. Although the Bank of Canada and ECB cut rates twice by 25 basis points each time and the Bank of England cut by 25 basis points once, the U.S. Federal Reserve held its policy rate steady throughout the first quarter. Meanwhile, the Bank of Japan increased its policy rate by 25 basis points at the start of the year as inflation remains above its target range. Fears of slower economic growth in the first quarter caused investors to gravitate towards more defensive sectors of the economy, helping global REITs gain 1.9% (USD) and outperform global equities by 353 basis points[1].

Within REITs, Asia outperformed in Q1, led by Japan, which was the best performing market, gaining 6% (JPY). Real estate fundamentals in Japan are strong, characterized by rising office market rents, high retail occupancy rates, solid demand for industrial facilities and strong inbound foreign tourism leading to above average hotel RevPAR growth. Singapore gained 4.3% (SGD), led by industrial REITs. Hong Kong generated a 3.4% (HKD) total return, highlighted by SUNeVision which gained 105.5% (HKD). During the quarter, SUNeVision's stock price benefited from the news that Chinese firm DeepSeek created an open-source AI model similar to ChatGPT, potentially leading to greater demand for data centre space in Hong Kong over the next 12 months. Canadian REITs also outperformed in the quarter, gaining 2.7% (CAD), led by senior housing REIT Chartwell Retirement Residences (12.3% CAD). Senior housing fundamentals in Canada are strong, driven by rising demand from an aging baby boomer population in need of higher levels of care. The U.K. market performed in-line with REITs globally while the U.S. REIT market underperformed by approximately 85 basis points. Hotel, retail and office REITs lagged during the quarter as growing fears of an economic slowdown weighed on cyclical property types. Continental Europe declined by -1.9% (EUR) driven by Germany which saw declines of -15.2% (EUR). Germany's manufacturing-based economy is experiencing a slowdown which has negatively impacted sentiment in the market. Multifamily REITs like Vonovia and LEG underperformed the most in Q1 despite demand for housing remaining healthy. Australia was the worst performing market during the quarter, declining -7.5% (AUD), led by data centre REITs NEXTDC and Goodman Group. Goodman surprised the market in February by raising $4 billion AUD of equity capital which weighed on the company's stock price.

1. Global REITs represented by FTSE EPRA NAREIT Developed Total Return Index, Regional REIT indices: regional versions of the FTSE EPRA NAREIT Developed Total Return Index. Global Equity Market represented by the MSCI World Index. All data as of March 31, 2025.

Performance

The Fund generated a return of 2.4% during Q1 2025, outperforming the benchmark by 62 basis points. The main contributors to this outperformance stemmed from key active weights in Hong Kong, Canada, Australia as well as investments in the U.S. residential and cell tower sectors. The main detractors from performance during the quarter included investments in the U.S. hotel and regional mall sectors as well as the German residential sector.

In Hong Kong, SUNeVision generated an incredible return of 105.5% (HKD) driven by improved investor sentiment as well as new AI tailwinds and impressive earnings results. President Xi Jinping's recent meeting with tech leaders like Jack Ma signaled strong support for innovation, lifting investor sentiment towards Chinese tech related stocks. Moreover, the recent DeepSeek news should lead to stronger demand for AI inference from Chinese tech companies over the next 12 months while Alibaba and other cloud service providers have announced large capex commitments to support their growth. SUNeVision also delivered impressive results in its most recent earnings report with metrics like operating profit, net income and EPS beating consensus estimates. Robust demand for data centre space in Hong Kong is leading to strong take-up at SUNeVision's new data centre project Mega IDC phase 1 and with the start of phase 2 construction ahead of schedule, this should result in continued double-digit earnings growth per annum over the next three years given the accelerated schedule of Mega IDC phase 2.

In the U.S. healthcare sector, Ventas returned 17.6% (USD) as the company's share price continued its positive momentum after reporting impressive Q4 earnings, with FFO beating consensus estimates and delivering exceptional same-store net operating income (SSNOI) growth of 16.9%. Externally, Ventas has been highly

Portfolio Metrics	
Number of Positions	38
Current Yield	7.0%*
Active Share	71.6%

Top 10 Holdings	Sector	Asset Class	Country	% of NAV Assets
Prologis	Industrial	Common Equity	United States	6.6%
Sonida Senior Living	Healthcare	Common Equity	United States	5.1%
Equinix	Technology REITs	Common Equity	United States	5.1%
Ventas	Healthcare	Common Equity	United States	4.4%
Public Storage	Self Storage	Common Equity	United States	4.2%
Invitation Homes	Single Family Rental / MHC	Common Equity	United States	3.8%
Camden Property Trust	Multifamily	Common Equity	United States	3.7%
Regency Centers Corp	Shopping Centre	Common Equity	United States	3.5%
Vonovia	Multifamily	Common Equity	Germany	3.5%
Japan Hotel	Hotel	Common Equity	Japan	3.4%

Annualized Returns[1]	QTD	YTD	1 Year	3 Year	5 Year	Since Inception[2]
Net Fund Returns	2.4%	2.4%	11.8%	-0.2%	6.0%	3.3%

*Represents current yield of HGREF Class F as of March 31, 2025, Bloomberg LP. 1. The returns are based on Class F units, net return (CAD). 2. 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.

active in leveraging its cost of capital advantage, closing $1.9 billion USD in senior housing acquisitions in 2024 at a 7.7% cash yield, significantly surpassing its initial $350 million USD guidance. These accretive transactions were fully funded through equity issuances, enabling Ventas to further deleverage its balance sheet. We believe Ventas is well-positioned to benefit from the strong senior housing fundamentals and an improved balance sheet, making the company a compelling investment opportunity.

In the U.S. cell tower sector, American Tower returned a notable 18.6% (USD) for the quarter. The company's share price responded positively after reporting Q4 earnings that were better than expectations and giving forward guidance which alleviated some investor concerns over a slow leasing environment that could negatively impact top line organic growth. American Tower also saw strong growth from their data centre investment in CoreSite, which experienced revenue growth of 10% year-over-year and now makes up 10% of total revenue. The company is also in a better financial leverage position today, with the ability to focus on acquisitions and share buy backs as well as growing their dividend, which was paused last year. Additionally, American Tower's management team has spoken about how increased usage of AI for video content can potentially lead to higher cell tower demand over time as more bandwidth is required to support such applications which will create the need for greater network densification. We continue to remain positive on our outlook for cell towers, especially given the current macroeconomic backdrop as cell tower fundamentals are less cyclically sensitive since demand is driven by mobile data usage.

In the Canadian healthcare sector, Chartwell Retirement Residences returned 12.3% (CAD). We maintain our strong conviction in the North American senior housing space, with companies like Chartwell continuing to benefit from the sector's secular growth tailwinds of high demand from aging population demographics and acutely limited supply. In its most recent earnings report, Chartwell achieved robust SSNOI growth of 18.9% for 2024. The company managed to achieve this impressive metric through higher occupancy growth of 5.9% year-over-year, rental rate growth of 4.4%, and expanded operating margins. Externally, Chartwell leveraged their cost of capital advantage to pursue strategic acquisitions, closing on $887 million CAD of transactions in 2024 while focusing on newer, larger properties that enhance efficiency and long-term growth potential. By year end 2025, Chartwell will close on a further ~$500 million CAD of acquisitions. At the same time, management anticipates reaching 95% occupancy rates in their existing portfolio which would be an all-time high for the company. We believe that with strong demand dynamics and constrained supply, Chartwell remains a compelling growth story.

In the Australian residential sector, Ingenia Communities generated a robust return of 19.4% (AUD). We continue to maintain a positive outlook as the company is expanding its settlement capacity from ~400 per year in fiscal year 2024 to 500-600 annually, supporting an expected +10% earnings growth per year. Fiscal year 2025 settlements are projected to reach ~500, with potential tailwinds from the Reserve Bank of Australia rate which could cut rates, thereby boosting residential transactions. The company has also increased earnings guidance by 8%, with EBIT (including joint venture profits) now forecasted at $162-$165 million AUD, driven by stronger developments, higher occupancy, and increased bookings. Ingenia is now targeting underlying EPS of $0.29-$0.30, which is an increase of +18% compared to previous guidance.

In the U.S. regional mall and hotel sectors, Macerich and Sunstone Hotel Investors declined -13.0% (USD) and -19.8% (USD) respectively. The U.S. hotel sector's underperformance was mainly driven by fears of weaker travel demand stemming from a potential economic slowdown and uncertainty around the impacts of tariffs. Meanwhile, Macerich reported solid Q4 results, with traffic up 2%, occupancy rising 60 bps to 94.1%, and sales per square foot increasing. However, the share price declined after management unexpectedly alluded to on their fourth quarter conference call that SSNOI and FFO per share growth will be flat for the next year or two. This revised guidance is due to an effort by the company to reduce the percentage of temporary tenants within their portfolio which will be supportive of long-term growth but may create shorter-term headwinds for earnings and thus share price performance going forward.

In the German residential sector, Vonovia lagged during the quarter, declining -15.1% (EUR). Although the company reported strong full-year results with occupancy rates of 98% and organic rental growth of 4.1%, the share price has been impacted by German bond yields rising sharply throughout the quarter. The newly elected German government's plan to increase defense and infrastructure spending to over 1% of GDP, bypassing the constitutional "debt brake" rule, has sparked the quickest rise in German yields since 2020. Although this may create a short-term headwind, we believe this decline in Vonovia's stock price was an overreaction and that the strong fundamentals of the German residential market will continue to drive robust earnings growth for Vonovia.

Portfolio Changes

During Q1, 2025, we reduced exposure to Hong Kong and the U.S. while increasing exposure to Japan, Australia and continental Europe. In terms of sector changes, we decreased exposure to data centres while increasing exposure to homebuilders, manufactured housing and industrial REITs. Throughout the period we added eight new positions while exiting nine, reallocating capital to focus on our highest conviction investment opportunities with the best expected returns.

In terms of portfolio changes within the U.S., we added four new holdings while exiting five, mostly making changes within the same sector driven by relative valuation. In the industrial sector, we exited LXP Industrial as their ability to lease-up their expansive development pipeline came into question, and we instead reallocated capital to First Industrial Realty Trust. Our underwriting indicated that First Industrial was overly discounted relative to the quality of their submarkets and their ability to lease up recently delivered developments. In the residential sector, we exited AvalonBay Communities and redeployed the capital to Camden Property Trust as we felt the company was better positioned to benefit from improving fundamentals in the Sun Belt region. Within the triple net lease space, we exited Essential Property Realty Trust and shifted capital towards Vici Properties as we came away from recent management meetings feeling better about their potential for additional capital deployment in the quarters/years to come, which is not in VICI's current guidance and could be a positive catalyst for the share price. Lastly, we exited CareTrust REIT in the healthcare sector and Ryman Properties in the hotel sector, instead shifting capital to Sun Communities in the manufactured housing. We believe the company will benefit from its more simplified business model as well as improving industry fundamentals and when coupled with an attractive valuation, we view Sun Communities as a compelling long-term opportunity.

Within the Asia-Pacific region, we added two new names while exiting three. During the quarter we exited SUNeVision and Link REIT in Hong Kong. While we still maintain a positive long-term view on SUNeVision, the meaningful increase in share price of over 100% during the quarter made valuation less compelling and thus we decided to exit the position and reallocate profits to investment opportunities our underwriting screened as more attractive on a relative basis. In Japan, we exited office J-REIT Mitsui Fudosan and instead added Japanese hotel REIT, Invincible Investment Corp. We maintain a positive fundamental outlook for Japanese hotels with inbound travelers surpassing pre-pandemic levels. In 2025, government estimates forecast arrivals increasing

Portfolio Allocation By Region	% of NAV Assets as of Q1 2025	% of NAV Assets as of Q4 2024	Change in period
United States	61.8%	62.7%	-0.9%
Japan	7.2%	5.7%	1.6%
Germany	6.2%	6.3%	-0.2%
Australia	6.1%	4.2%	1.9%
Canada	4.8%	5.1%	-0.2%
United Kingdom	3.2%	3.2%	-0.1%
Singapore	2.4%	2.5%	-0.1%
Netherlands	2.3%	1.4%	0.9%
Ireland	2.1%	0.6%	1.5%
Belgium	1.4%	1.8%	-0.5%
Spain	1.1%	1.1%	0.0%
Norway	0.6%	0.5%	0.1%
Hong Kong	0.0%	3.2%	-3.2%
Cash & Other	0.9%	1.5%	-0.7%

Asset Class as % of NAV	Q1 2025	Q4 2024	Change in period
Common Equity	93.2%	92.8%	0.4%
Bond	3.3%	3.1%	0.2%
Direct	2.7%	2.6%	0.1%
Cash & Other	0.9%	1.5%	-0.7%

8.5% year-over-year while new hotel supply stagnates. Our underwriting flags Invincible Investment Corp's valuation as attractive with strong distribution per unit growth expected and increasing NOI margins. Lastly, in the Australian industrial sector, we added Goodman group. Although the company's unexpected $4 billion AUD equity raise caused an overhang in the share price during the quarter, the raise should support efforts to ramp their data centre development pipeline which is very positive for Goodman's long-term growth.

In Europe, we exited U.K.-based British Land and reallocated the capital to homebuilders Barratt Redrow in the U.K., and Carin Homes in Ireland. We view homebuilder fundamentals in their respective regions as very compelling and both companies stand to benefit from outsized growth in the sector. The U.K. housing market continues to experience chronic undersupply of homes while demand remains high. We believe that Barratt's solid balance sheet, strong management team, and substantial land bank makes the company well positioned to deliver robust growth over the next 12 to 18 months. Ireland's housing market is experiencing the same supply-demand imbalances and we believe Carin Homes is well positioned to execute with new unit commencements of +4,100 in 2024 versus 2,162 in 2023.

Portfolio Allocation By Sector	% of NAV Assets as of Q1 2025	% of NAV Assets as of Q4 2024	Change in period
Industrial	14.6%	9.0%	5.6%
Healthcare	12.3%	12.9%	-0.6%
Multifamily	11.9%	11.8%	0.0%
Technology REITs	10.8%	17.2%	-6.4%
Diversified	10.3%	10.7%	-0.5%
Single Family Rental / MHC	8.2%	6.5%	1.8%
Hotel	7.3%	8.3%	-0.9%
Specialty / Triple Net Lease	6.6%	6.6%	0.0%
Office	4.6%	5.2%	-0.6%
Self Storage	4.2%	4.1%	0.1%
Shopping Centre	3.5%	3.9%	-0.4%
Homebuilder	2.6%	0.4%	2.2%
Regional Mall	2.1%	1.8%	0.3%
Cash & Other	0.9%	1.5%	-0.7%

Market Outlook

Global economic uncertainty has been ratcheted higher at the start of the second quarter by the U.S. administration's decision to levy reciprocal tariffs on over 90 countries while also escalating trade tensions with China even further.

Although the duration and severity of the U.S.'s tariff policy remains in limbo, the impact on the global economy may lead to slower growth going forward with the possibility of higher inflation or a one-time adjustment of higher prices for consumers. Greater economic uncertainty is creating higher volatility in both the fixed income and equity markets. Typically, this leads to a slowdown in decision making amongst companies who are attempting to allocate capital and make investment decisions for the future.

As it relates to the world of real estate, we believe REITs offer investors a safe haven in an increasingly uncertain world. As a result of the contractual nature of real estate leases, REIT earnings are more transparent and less volatile than other industries, making the sector more resilient in times of economic uncertainty. This is partly why REITs outperformed most global equity markets in Q1. In April, J.P. Morgan strategists lowered their earnings growth estimates for the S&P 500 in 2025 by nearly 8% to about +3%. That compares to UBS's estimate for global REIT earnings growth in 2025 of just over 7%.

In our 2025 Outlook Report, we spoke about how 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. Tariffs may exacerbate these trends, making new construction a more challenging endeavor, limiting new supply even further.

As we think about the various real estate property types we invest in, industrial is likely to experience the most immediate impact. Greater uncertainty around global trade likely means a slowdown in leasing decisions resulting in a short-term slower demand for industrial real estate space. We envision landlords prioritizing maintaining occupancy over rent growth, leading to a moderation in releasing spreads and same-store NOI growth.

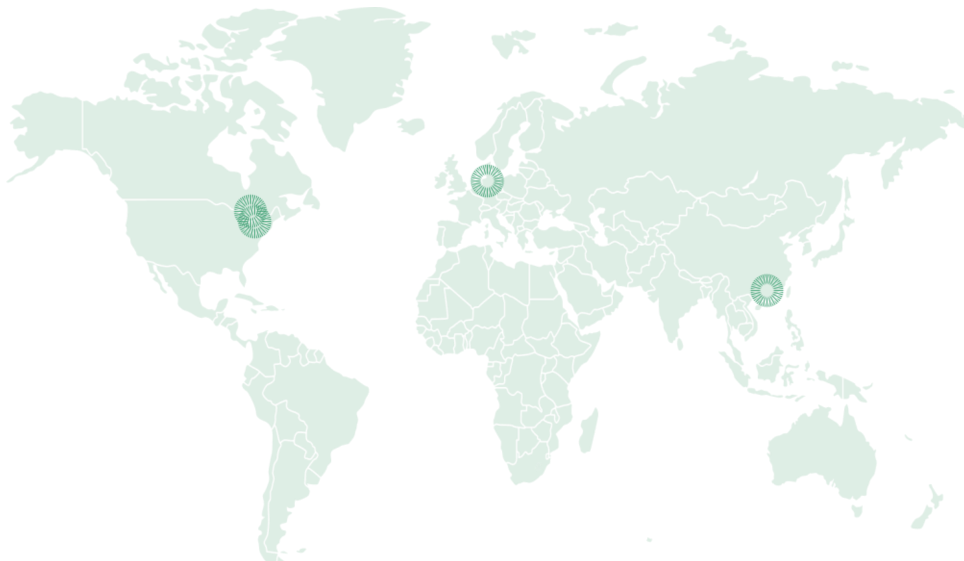
Other areas of the real estate market that could be more impacted by tariffs or the increase in economic uncertainty is commercial real estate sales activity, which may slow in the near-term until outsized volatility in the capital markets subsides. We view any pause in the transaction market as temporary. Tariffs may also have an immediate impact on retailer profitability depending on where goods are manufactured and imported from. Retailers will likely attempt to pass along some of the higher costs of goods sold onto consumers but not all, which means margins may contract. It's too early to know the size of the impact on retailer profitability and how that will influence future store expansion plans, but these are trends we are closely monitoring.

Property types that are perceived to be more insulated from the impact of tariffs include cell towers, data centres, senior housing, lower price point rental housing like single family rentals and manufactured housing as well as self-storage.

Demand for cell tower space is driven by mobile data usage, which is unlikely to change in a slower growth economic environment. This largely applies for data centres as well, whereby the growth in artificial intelligence applications and cloud computing are driving demand for compute power and data storage for enterprise users and hyperscale customers. Lower stock prices of hyperscale customers may translate to lower CAPEX spend in 2026, but current trends suggest there is no slowdown in the appetite for data centre space yet. Demand for senior housing is driven by demographics and the aging baby boomer population which is counter-cyclical in nature. To the extent that the implementation of tariffs leads to slower economic growth and thus slower job or wage growth, households may look to more moderately priced rental housing options like single family rentals and manufactured housing as solutions. Finally, we see multiple demand drivers for self-storage some of which are seasonal and some of which are life-event driven so the sector's cash flow growth profile tends to be more resilient in times of greater economic uncertainty.

While each property type has its puts and takes, we believe real estate as an asset class is well positioned to outperform other industries in the current environment. Through active management, we can lean into companies with strong balance sheets and high-quality assets that are poised to gain market share and take advantage of market dislocations.

Meet the Team



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