hazelview
INVESTMENTS

Hazelview Global Real Estate Fund
Quarterly Manager Commentary

as of June 30, 2026

Q2

Asia-Pacific was the notable laggard in the second quarter, with Hong Kong declining -9.1% (HKD) due to rising concerns about the Chinese government tightening the flow of capital out of China, which could have a negative impact on demand for residential units in Hong Kong. Japan also declined in Q2 by -4.9% (JPY), driven by underwhelming earnings results from the Japanese C-corps and on the underperformance of multifamily REITs. Singapore gained +2.2% (SGD) but failed to keep up with markets in North America and Europe.

This Quarter

Market Overview

In the second quarter, tensions between the U.S. and Iran improved leading to a sharp drop in oil prices, resulting in lower equity market volatility and a recovery in stock prices globally. REITs benefit from an improved global economic backdrop as companies have greater confidence to make investments, execute leases and formalize financing decisions. Inflation also crept higher in the second quarter, driven by supply chain disruptions causing central banks to focus more on price stability. In that context, the Reserve Bank of Australia, European Central Bank and the Bank of Japan raised their policy rates by 25 basis points each, while the voting members of the U.S. Federal Reserve forecasted a higher probability of an interest rate increase in the second half of 2026.

Globally, REITs gained 9.0% in local currency terms during the second quarter, led by the U.K. +17.6% (GBP). Within the U.K., Segro, one of the larger public companies, received a takeover offer from Prologis representing a 24.6% premium to its previous day's closing price. Other U.K. REITs like Derwent London, Great Portland and Hammerson rallied from the news, driving the entire U.K. market higher. Australia also outperformed in the quarter gaining 15% (AUD), led by NEXTDC and Goodman Group. Both companies are benefiting from the AI infrastructure build-out through their ownership of data centres. Canadian and U.S. REITs both gained 12.2% in the quarter. Performance in Canada was driven by the outperformance of retail REITs while in the U.S., hotel REITs generated over 36% (USD) returns. In terms of underperforming markets, Continental Europe gained 3.8% (EUR), materially trailing its U.K. peer as Finland, Switzerland and Sweden delivered flat to negative total returns.

Performance

The Fund gained 9.9% during the quarter, but trailed the global benchmark by 105 basis points. Positive contributors to performance were led by the portfolio's exposures within Australia and the U.S., while detractors mainly stemmed from exposure to select holdings within Hong Kong, Japan as well as cell towers.

Contributors

- Exposure to Goodman Group in Australia contributed positively to performance during the quarter.
  - Within Australia, industrial operator and data centre developer, Goodman Group, generated a 22.5% (AUD) return. This performance was driven by positive news surrounding a partnership with DataBank to launch a 32 MW AI-ready data centre in Los Angeles, California, one of the most supply constrained data centre markets in the U.S. The company has amassed a 6.0 GW data centre pipeline across 15 countries at a time when power availability remains a large constraint. The company also reaffirmed their guidance of +9% EPS growth. We believe Goodman's leasing velocity will accelerate over the next six to nine months, serving as a positive catalyst for the company's stock price.
- Security selection within the U.S. healthcare sector contributed positively to performance during the quarter.
  - Within the U.S. healthcare sector, Janus Living and Sonida Senior Living generated returns of 22.7% and 26.5% (USD), respectively. Janus Living has experienced consistently positive investor sentiment since its IPO in March which was heavily oversubscribed. The company owns a high-quality portfolio that is poised to benefit from strong senior housing fundamentals. Meanwhile, Sonida Senior Living reported robust operational results in the first quarter with same-store occupancy increasing 220 bps year-over-year to 87.2%, reflecting continued positive move-in momentum and improving demand conversion.

Portfolio Metrics	
Number of Positions	42
Current Yield	6.7%*
Active Share	63.8%

Top 10 Holdings	Sector	Asset Class	Country	% of NAV Assets
Hazelview Alternative Global Real Estate Fund	Diversified	Common Equity	Canada	8.7%
Welltower	Healthcare	Common Equity	United States	6.9%
Prologis	Industrial	Common Equity	United States	6.1%
Equinix	Technology REITs	Common Equity	United States	5.3%
Goodman Group	Industrial	Common Equity	Australia	3.9%
Cubesmart	Self Storage	Common Equity	United States	3.4%
Mitsui Fudosan Co	Office	Common Equity	Japan	3.4%
Digital Realty Trust	Technology REITs	Common Equity	United States	3.3%
Equity Residential	Multifamily	Common Equity	United States	2.8%
Simon Property Group	Regional Mall	Common Equity	United States	2.7%

Annualized Returns[1]	QTD	YTD	1 Year	3 Year	5 Year	Since Inception[2]
Net Fund Returns	9.9%	10.9%	11.6%	10.5%	3.1%	4.1%

*Represents current yield of HGREF Class F as of June 30, 2026. 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 follows (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 follows (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 in local currency.

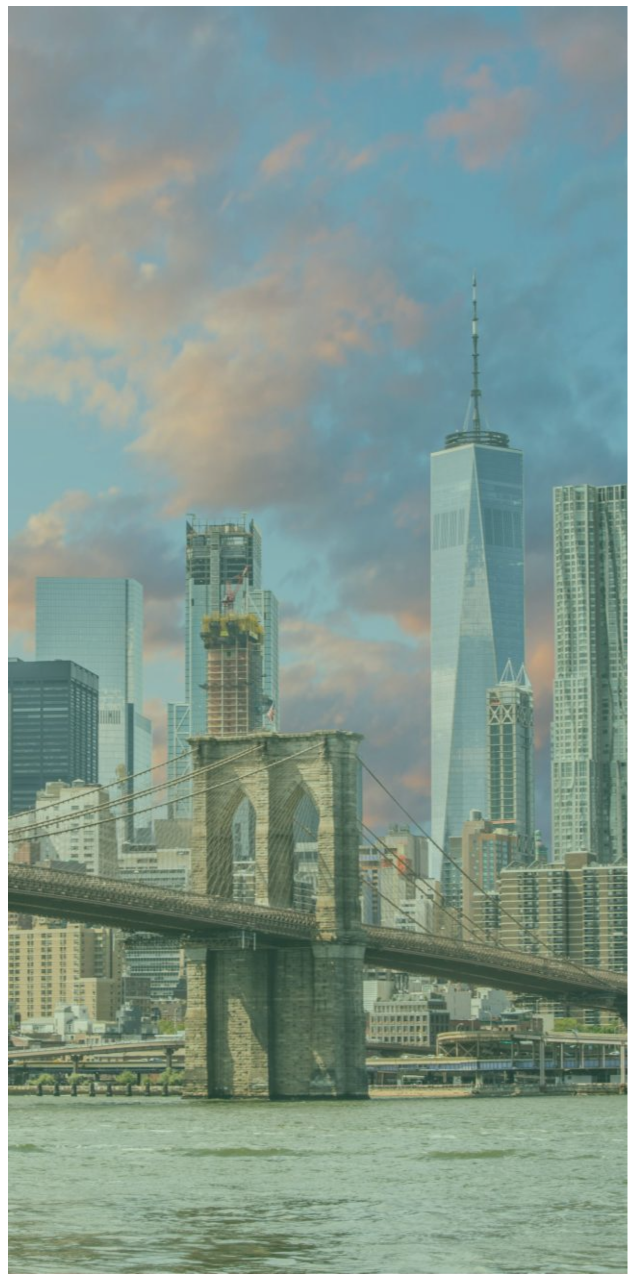
- Security selection within the U.S. office sector contributed positively to performance during the quarter.
  - Within the U.S. office sector, SL Green delivered a 41.8% (USD) total return. SL Green is benefiting from robust Manhattan office fundamentals as higher demand for office space is leading to lower vacancy rates, higher market rents and moderating concessions. Additionally, better than expected jobs data has eased some AI-related job loss concerns which has been a net positive for the broader office sector. Moreover, leasing volumes are very strong with SL Green leasing 929,000 square feet in the first quarter, their highest first quarter leasing volume in the 28-year history of the company, and rents on renewal leasing grew 16.1% over the previous fully escalated rents, the highest reported spreads since pre-COVID.

Detractors

- Active exposure to the Hong Kong region detracted from performance during the quarter.
  - Data centre operator SUNeVision and office operator Swire Properties declined -19.5% and -17.6% (HKD) respectively, on the back of a broader pullback in the Hong Kong region as China announced increased efforts to restrict Mainlanders from funneling domestic capital into Hong Kong. SUNeVision recently reported a material lease signing which increases the occupancy rate at their Mega IDC Phase 1 data centre to 70% from 30%. Currently, leasing demand far exceeds available capacity, and we believe SUNeVision will be able to capture this demand leading to better than expected operational results in the quarters ahead. Similarly, Swire's fundamentals remain positive with the company reporting solid growth driven by gains from asset disposals and revenue increasing 11% for full year 2025.

- Security selection within Japan detracted from performance during the quarter.
  - Mitsui Fudosan's share price declined -9.4% (JPY) due to softer than expected forward guidance during their recent earnings report. Mitsui Fudosan reported fiscal year-end results broadly in-line to slightly ahead of expectations driven by strong office leasing with double-digit rent hikes on renewals while the company's hotel and retail assets are benefiting from robust tourism. However, the company also provided future guidance that was below expectations with construction cost headwinds impacting margins for condos. Despite the construction cost headwinds, we believe a newly announced ¥40 billion share buyback could be a positive catalyst along with solid real estate fundamentals supporting future operational results. We increased our position in the wake of the company's share price underperformance.

- Active exposure to U.S. cell towers detracted from performance during the quarter.
  - American Tower saw its stock price decline by -12.7% (USD). We believe the prospect of higher interest rates in the 2H 2026 combined with SpaceX's IPO weighed on American Tower's stock price during the second quarter.
  - In June, the market priced-in a higher probability of a rate hike in the 2H 2026 and because the cell tower sector is exposed to longer lease terms, the valuation of its cash flows is more sensitive to changes in interest rate expectations. Additionally, the cell tower sector also faced pressure from the perception that SpaceX's Starlink would disrupt traditional terrestrial networks. While satellites could be a viable solution in rural areas where terrestrial infrastructure is largely unavailable, satellite technology faces challenges in most tier 1 and tier 2 markets due to densification issues and a premium that is placed on latency.



Portfolio Changes

During Q2 2026, we reduced regional exposure to the U.S., Sweden, and Singapore while adding exposure to Spain, Ireland and Japan. In terms of sector changes, we decreased exposure to shopping centres, data centres, and hotels while adding exposure to homebuilders, healthcare and multifamily REITs. Throughout the period, we added eight new positions while exiting seven, strategically reallocating capital to investment opportunities with better upside and better valuations.

North America

- In the U.S. healthcare space, we added American healthcare REIT (AHR) by participating in its equity raise in the month of May, selling Ventas given AHR's more attractive expected return. The company is looking to accelerate its external growth plans by increasing 2026 acquisition volume to exceed $1 billion (USD), up from approximately $600 million. The company owns and operates a diversified portfolio of 325 clinical healthcare properties with a focus on senior housing and skilled nursing facilities across the U.S. We believe the combination of robust senior housing fundamentals and successful execution of the company's external growth strategy will lead to better performance in the quarters ahead.

- Within the U.S. data centre sector, we added New Era Energy & Digital and TeraWulf to the portfolio, two companies that develop large-scale digital infrastructure for AI computing workloads.

- We believe New Era Energy & Digital offers a compelling investment opportunity into an undervalued, de-risked, and "early stage" AI infrastructure data centre provider that is strategically positioned to deliver an initial lease to a hyperscale customer at its flagship 650 MW Texas Critical Data Centre. Following the same fundamental investment thesis, TeraWulf recently announced a 20-year lease with Anthropic at its data campus in Kentucky, for 401 MW of critical IT load (total power at the site is 480 MW) with the lease expected to generate $19 billion of contracted revenue over the initial term.

- Within the U.S. cell tower sector, we added American Tower to the portfolio, exiting Crown Castle driven by relative valuation. American Tower is a REIT that owns, operates, and develops communications infrastructure. Its core business is leasing space on towers and other sites to wireless service providers, along with a growing data centre business that supports cloud computing and AI-driven workloads. American Tower's portfolio includes over 107,000 towers spanning 22 countries across 5 continents with a strong focus on developed markets and 32 data centre facilities located in the U.S. We believe the fundamental setup of rising mobile data consumption, accelerating AI-driven workloads and cloud adoption will lead to compelling operational results for American Tower over the next 12 months.

- Within the U.S. residential sector, we added UDR, Inc. during the quarter, exiting Camden Property Trust. UDR has a portfolio of approximately 60,500 apartment homes across 21 major U.S. markets. We believe UDR is well positioned to outperform fundamentally given its portfolio is concentrated in markets where new supply is expected to moderate meaningfully over the next several years. Moreover, UDR reported solid core operating metrics during the first quarter with peer-leading 96.6% physical occupancy rates and strong renewal rates.

Portfolio Allocation By Region*	% of NAV Assets as of Q2 2026	% of NAV Assets as of Q1 2026	Change in period
United States	53.7%	55.7%	-2.0%
Japan	5.8%	4.7%	1.1%
Australia	5.6%	5.4%	0.2%
Canada	5.6%	5.5%	0.1%
Germany	5.2%	5.0%	0.2%
Hong Kong	3.3%	2.5%	0.8%
Ireland	2.0%	0.9%	1.1%
United Kingdom	1.9%	1.6%	0.3%
Spain	1.7%	0.4%	1.3%
Netherlands	1.7%	1.1%	0.6%
Singapore	1.6%	2.9%	-1.3%
Belgium	1.3%	1.3%	0.0%
Sweden	0.0%	2.7%	-2.7%
Cash & Other	1.7%	1.7%	0.0%

*Mutual Fund holdings are excluded from regional exposures.

- Taken together, we expect that the company's attractive portfolio fundamentals and valuation, trading at a 6.3% implied cap rate (at time of entry), will lead to a relative outperformance.

Europe

- In Spain, we added Merlin Properties, the largest real estate company trading on the Spanish stock exchange. Merlin owns or manages a high-quality portfolio of 120 warehouses, 120 office buildings and 12 shopping centres across Spain and Portugal, totalling over 4 million square metres. The company also owns an attractive data centre portfolio, totalling 318 MW of IT capacity that is projected to deliver stabilized gross development yields in the 14% to 16% range which should be a considerable growth driver in 2027 and beyond given the surging demand for compute.

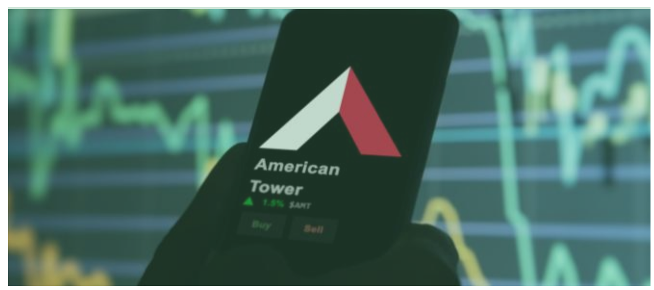
- In Ireland, we added the homebuilder Carin Homes to the portfolio during the quarter.

- We believe Irish housing fundamentals are compelling with mortgage approval values up 17% year-over-year, mostly stemming from first time buyers. Carin is the largest homebuilder and apartment developer in Ireland with an end-to-end operating platform that creates efficiencies and facilitates higher production volumes. We believe the company is well-positioned to outperform given the sustained demand for new homes in the country with Carin's order book reaching an estimated net sales value of €1.5 billion.

Asia-Pacific

- In the Hong Kong office sector, we added Swire Properties to the portfolio. We see real estate fundamentals continuing to strengthen in the region. Swire specializes in developing and managing large-scale mixed-use office projects in Hong Kong and mainland China but also has exposure to residential, retail and hotel properties in other urban hubs like Tokyo and Miami. We believe the improving real estate fundamentals in Hong Kong will lead to better margins, increased cash flow growth and higher distribution per share growth for operators like Swire.

Asset Class as % of NAV	Q2 2026	Q1 2026	Change in period
Common Equity	91.0%	90.8%	0.2%
Direct	4.6%	4.8%	-0.2%
Fixed Income	2.6%	2.7%	-0.1%
Cash & Other	1.7%	1.7%	0.0%



Portfolio Allocation By Sector*	% of NAV Assets as of Q2 2026	% of NAV Assets as of Q1 2026	Change in period
Industrial	16.9%	17.2%	-0.3%
Healthcare	14.2%	13.2%	1.0%
Technology REITs	14.2%	15.0%	-0.8%
Multifamily	10.2%	9.2%	1.0%
Diversified	7.5%	8.3%	-0.8%
Office	5.9%	5.8%	0.1%
Specialty / Triple Net Lease	5.5%	6.1%	-0.6%
Self Storage	4.7%	5.0%	-0.3%
Hotel	2.7%	3.5%	-0.8%
Regional Mall	2.7%	2.3%	0.4%
Shopping Centre	2.1%	2.8%	-0.7%
Single Family Rental / MHC	1.7%	1.5%	0.2%
Homebuilder	1.1%	0.0%	1.1%
Cash & Other	1.7%	1.7%	0.0%

*Mutual Fund holdings are excluded from sector exposures.

Market Outlook

Entering the second half of 2026, we believe the fundamental case for global REITs continues to strengthen, and both public and private markets are increasingly validating it. Global REITs are up 10.6% year-to-date in local currency terms despite heightened geopolitical uncertainty and rising inflation leading to more restrictive monetary policy from major central banks. This robust performance amid macro adversity reinforces our view that the sector is transitioning out of an atypical period of underperformance and into a more traditional cycle, one in which strong fundamentals, lower levels of new supply and attractive valuations once again drive returns.

Real estate fundamentals remain the foundation of our investment thesis and outlook. New supply continues to decline across most major property types globally, while demand for space is resilient, restoring pricing power to operators. NAREIT data shows U.S. REIT FFO grew materially year-over-year in the first quarter of 2026, alongside same-store NOI growth of 3.8%, all of which point to increasing operational strength. Moreover, sector strength has also broadened beyond the AI-adjacent data centre trade into hotels, retail, industrial, and even office markets like New York City. The breadth in sector performance in 2026 can be viewed as a signal that the REIT market has transitioned from recovery into a still-young expansion phase.

Although the impressive year-to-date returns have been a noteworthy positive, global REIT valuations remain attractive relative to global equities across several metrics. UBS data as of Q2 shows global REITs are still trading at a price-to-book ratio that is below one standard deviation of the historical range. The last time period when global REITs were trading at these relative price-to-book multiples was over 16 years ago. The price-to-cash-flow and EV/EBITDA relative multiples tell a similar story, both are sitting below their respective one standard deviation bands, remaining at decade low levels while the dividend yield spread over equities remains meaningfully wider than its long-run average.

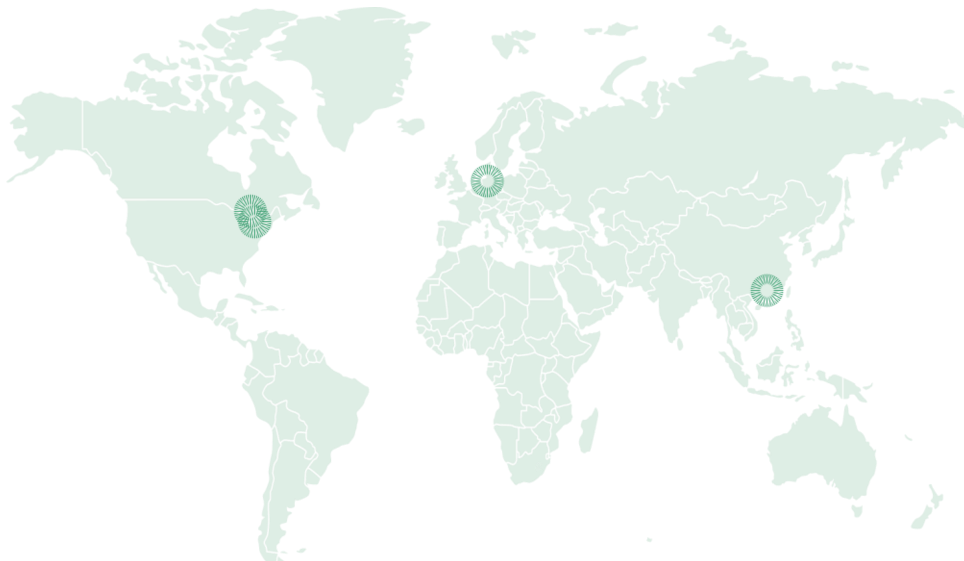
Management teams are acting on this same conviction. According to S&P Global Market Intelligence, U.S. REITs repurchased $3.2 billion of common stock in the first quarter of 2026, more than tripling the amount from one year ago and up 10.8% sequentially from Q4 2025. Multifamily led all sectors at $975 million, followed by single-family rental REITs at $555 million. Twelve REITs also announced new buyback authorizations in the first quarter, led by Simon Property Group’s $2 billion program, a clear signal that boards see more value in their own real estate than the public market is currently pricing in.

That conviction is now being validated by outside capital as well. NAREIT counts eight REIT M&A transactions through June totaling $58 billion, more than 80% of which represents public-to-public consolidation. Brookfield’s acquisition of Peakstone Realty Trust for $1.2 billion closed at a 34% premium to its last undisturbed closing price. Ares Management’s take-private of Whitestone REIT, valued at $1.7 billion, priced at a 12% premium to its prior close and a 26.5% premium to its unaffected level before sale speculation emerged, while the Affinius Capital-led buyout of Veris Residential, at $3.4 billion, delivered a 23% premium to its unaffected price. On the public-to-public side, Public Storage’s $10.5 billion all-stock combination with National Storage Affiliates delivered shareholders a roughly 35% premium to their pre-announcement price, and AvalonBay Communities’ merger with Equity Residential, is creating one of the largest multifamily companies in the United States with more than 180,000 apartment homes at a combined enterprise value of approximately $69 billion.

This M&A wave has been underpinned by access to capital. U.S. REITs raised $35.4 billion of capital through June 2026, including $17.1 billion in secondary unsecured debt, $8.6 billion in secondary common shares, $5.9 billion in at-the-market equity offerings, $3.5 billion in IPOs, and $0.4 billion in secondary preferred shares. Unsecured debt has become an increasingly important advantage over private real estate peers, now accounting for roughly 48% of year-to-date fundraising. REITs are also broadening their funding toolkit through joint ventures with institutional investors, giving many issuers a wider menu of capital sources than most private real estate peers.

In conclusion, improving fundamentals, historically wide valuation discounts, record buyback activity, an accelerating wave of M&A at meaningful premiums, and durable capital market access all point in the same direction: management teams and outside capital alike recognize the value in public real estate that the broader market has yet to fully price in. Risks remain, including the future path of interest rates and ongoing geopolitical uncertainty, but we continue to view the setup for global REITs as positive and believe the current environment offers a compelling entry point for investors who remain underweight the asset class.

Meet the Team



Corrado Russo
MBA, CFA

Co-CEO & CIO,
Public Real Estate
25+ years experience
Toronto

Sam Sahn
MBA

Managing Partner
Portfolio Manager
20+ years experience
New York

Claudia Reich Floyd
MBA

Managing Partner
Portfolio Manager
20+ years experience
Hamburg

Darren Murray
CFA, CAIA

Managing Partner
Client Portfolio Management
10+ years experience
Vancouver

Dario Maric

Associate, Global Securities
Investments
5+ years experience
Toronto

Sarah Ekho

Associate, Global Securities
Investments
2+ years experience
Hamburg

Contact Us

For more information, please contact:

Jennifer Williams
Managing Partner,
Capital Partnerships
416.358.7367
jwilliams@hazelview.com

Toronto	New York	Hamburg	Hong Kong
1133 Yonge Street	535 Fifth Avenue	Hohe Bleichen 8	6/F, Five Pacific Place
4th Floor	4th Floor	6th Floor	28 Hennessy Road
Toronto, ON	New York, NY	20354 Hamburg	Wan Chai, Hong Kong
Canada M4T 2Y7	United States 10017	+49 40 55 55 36 - 0	+852 2973 1221
416.923.9967	1.844.304.9967		