COVID-19 Sentiment and Valuations Survey June 2021

A member sentiment survey first conducted in May 2020 to understand the impact on investment plans, operations and expected market performance

Landlords remain willing to support tenants

- Very willing to
- Neutral
- Willing to
- Not at all willing
- Partially willing to
- Other

Willingness to provide rent relief or abatement

Further improvement in rent received across all sectors

Rent received vs. rent expected

Intention to increase/decrease weighting to countries/regions

Sentiment towards UK improves further

Intention to increase/decrease weighting to countries/regions

Increase | Decrease | No change

UK | France | Netherlands | Italy | Spain | Portugal | The Nordics | Germany | Core CEE | All other CEE

0% | 10% | 20% | 30% | 40% | 50% | 60% | 70% | 80% | 90% | 100%

JUN 2020 | DEC 2020 | JUN 2021

Intention to change allocations

Increase | Decrease

Office | Retail | Industrial/Logistics | Residential | Student Housing | Hotel/Lodging | Healthcare

JUN 2020 | DEC 2020 | JUN 2021
European real estate investments remain attractive

Change in investment plans

Yes

No

Other

% of respondents

0% 20% 40% 60% 80% 100%

Confidence in Europe

More

Less

% of respondents

0% 20% 40% 60% 80% 100%

Plans to invest in Europe

% of respondents

0% 20% 40% 60% 80% 100%

June 2021 (40%) saw an increase in hybrid working routines compared to March 2021 (24%) as restrictions eased and vaccination programs are gaining steam throughout Europe.
Valuation uncertainties continue to exist in Q1 2021

Material Uncertainty Clause

- Material uncertainty clause applied to around **20%** of funds that completed the additional questions*
- Nearly **80%** indicated that the clause was issued for 75% - 100% of their portfolio
- The majority of multi sector funds indicated that the clause was applied across all sectors

- **98.3%** of respondents indicated no suspended units subscriptions, redemptions or the issuance of a dealing NAV in Q1 2021
- Nearly **94%** of the funds didn't change dividend distribution policy in response to COVID-19
- **93.4%** of respondents collected 75% - 100% of rent over Q1 2021, slightly lower expectations for Q2 2021 (92.5%)

(*) 112 respondents for “Impact of COVID-19 on Valuations Survey Q1 2021” (**) Open end funds sample includes multi and single country funds
Material Uncertainty clause impact across all sectors

Single sector vs Multi sector funds*

- Multi sector funds
- Office funds
- Retail funds
- Industrial funds
- Residential funds
- Other sectors funds**

Application range in multi sector funds

- 75-100%
- 50-74%
- 25-49%
- 0-24%

% of respondents

Application range in single sector funds

- 75-100%
- 50-74%
- 25-49%
- 0-24%

% of respondents

- 78.3% of the total respondents (18) indicated that the Material Uncertainty clause impacted over 75% of GAV of properties, for single and multi sector funds

COVID-19 didn’t affect the dividend distribution policy

Is the fund still distributing dividends, either cash or shares?

- Yes
- No

- 57 respondents

Has the funds dividend distribution policy changed in response to COVID-19?

- Yes
- No

- 96 respondents (6 Yes / 90 No)

- 93.8%

- 6.3%

Is the fund still distributing dividends, either cash or shares?

- Yes
- No

- 6 respondents

- Yes, but cash distribution only
- Yes, but with a partial withholding
- No, withholding all dividends

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Rent received versus rent expected

<table>
<thead>
<tr>
<th>Rent collected in Q1 2021</th>
<th>Rent expected in Q2 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>75 - 100%</td>
<td>75 - 100%</td>
</tr>
<tr>
<td>50 - 74%</td>
<td>50 - 74%</td>
</tr>
<tr>
<td>25 - 49%</td>
<td>25 - 49%</td>
</tr>
<tr>
<td>0 - 24%</td>
<td>0 - 24%</td>
</tr>
</tbody>
</table>

Has the NOI been impacted in any way?

- **51%** No impact at all
- **20%** Rent deferrals
- **17%** Rent reduction
- **8%** Increase in rent fees
- **5%** Other

The answer “Other” allowed to add some comments, some of the funds indicated that:

- Rent deferrals and rent deferrals in exchange for longer contracts
- Combination of rent deferrals, late payments, rent deferrals mainly in relation to particular sector tenants
- Significant increase in bad debt provision
- With regards to the current lockdown situation in several countries in Europe, Fund Managers expect that to remit part of the rent payments