



# MONTHLY WEBINAR

# INVESTMENT OUTLOOK

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# TODAY'S PANELISTS



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# AGENDA

- ▶ **July Macroeconomic Update**
  - » Scot Bommarito
- ▶ **Framework – Post COVID to Current**
  - » Adam Ducker
- ▶ **What Property Sectors Might Be Most Opportune**
  - » Adam Ducker, Ben Maslan & Kelly Mangold
- ▶ **Q&A**

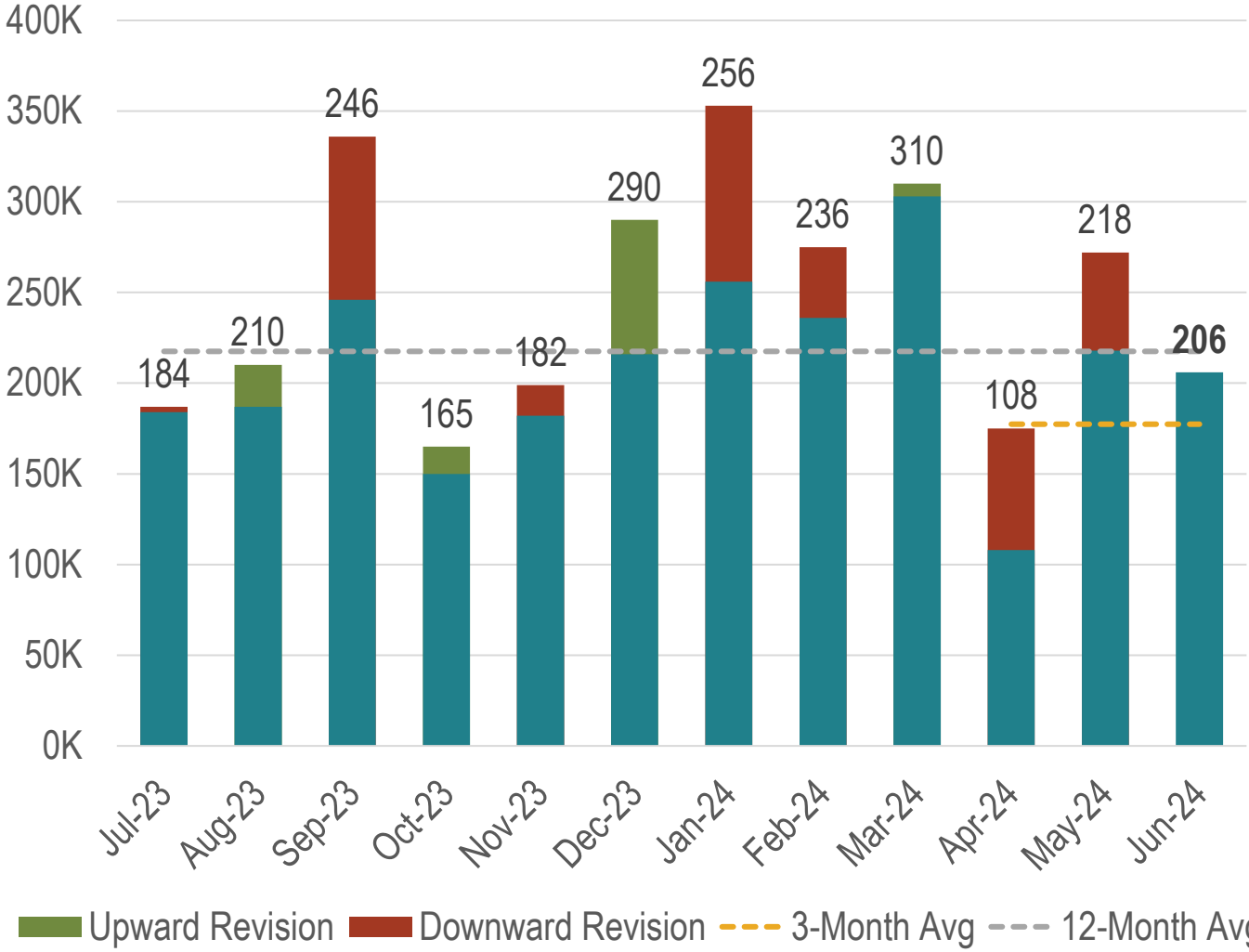
# MACROECONOMIC UPDATE

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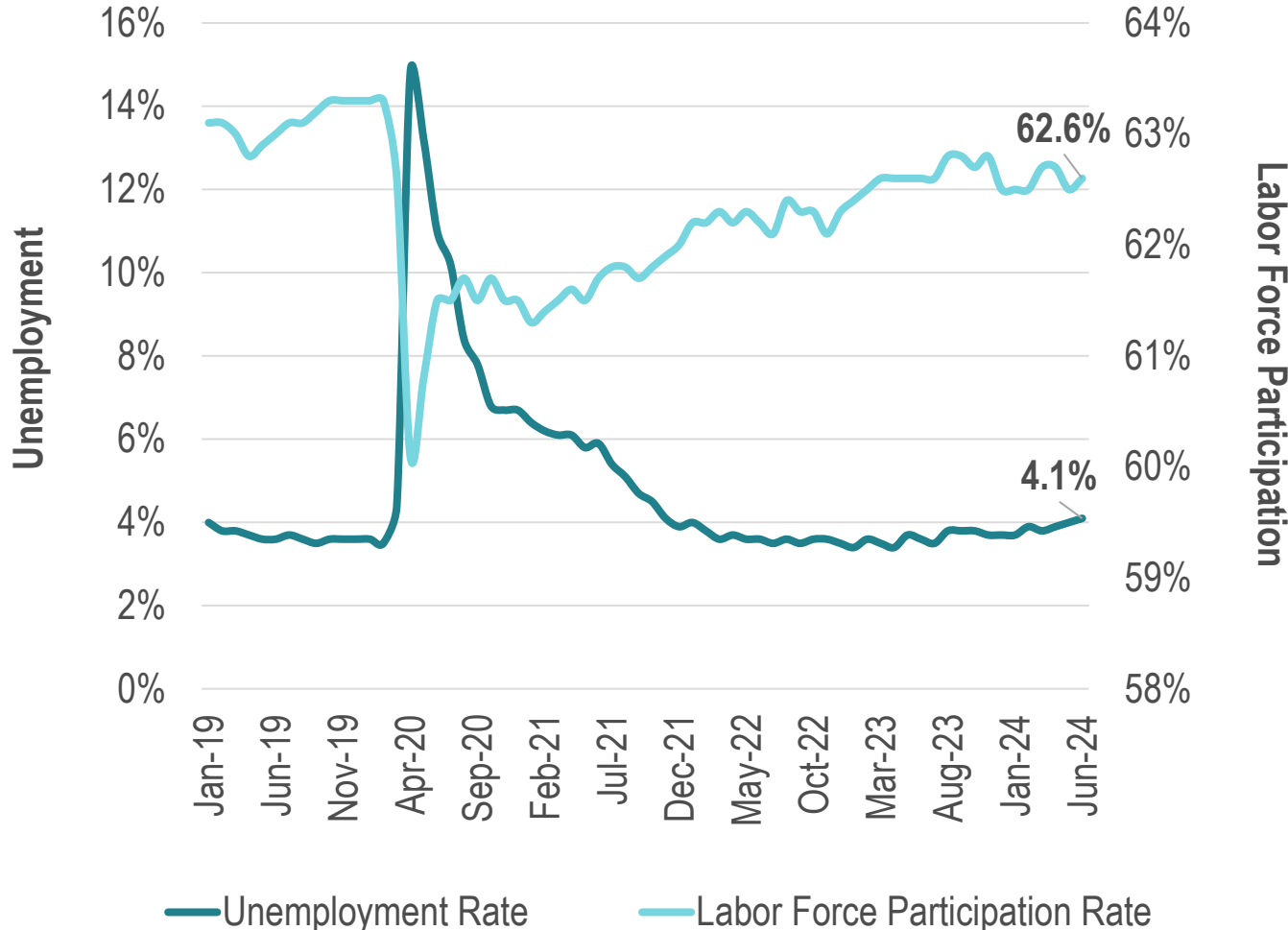
# LABOR MARKET CONTINUED TO COOL AS EMPLOYMENT GROWTH SLOWED

Unemployment Rate and Labor Force Participation Rate Both Ticked Up 10 bps

### US Employment Growth with Revisions



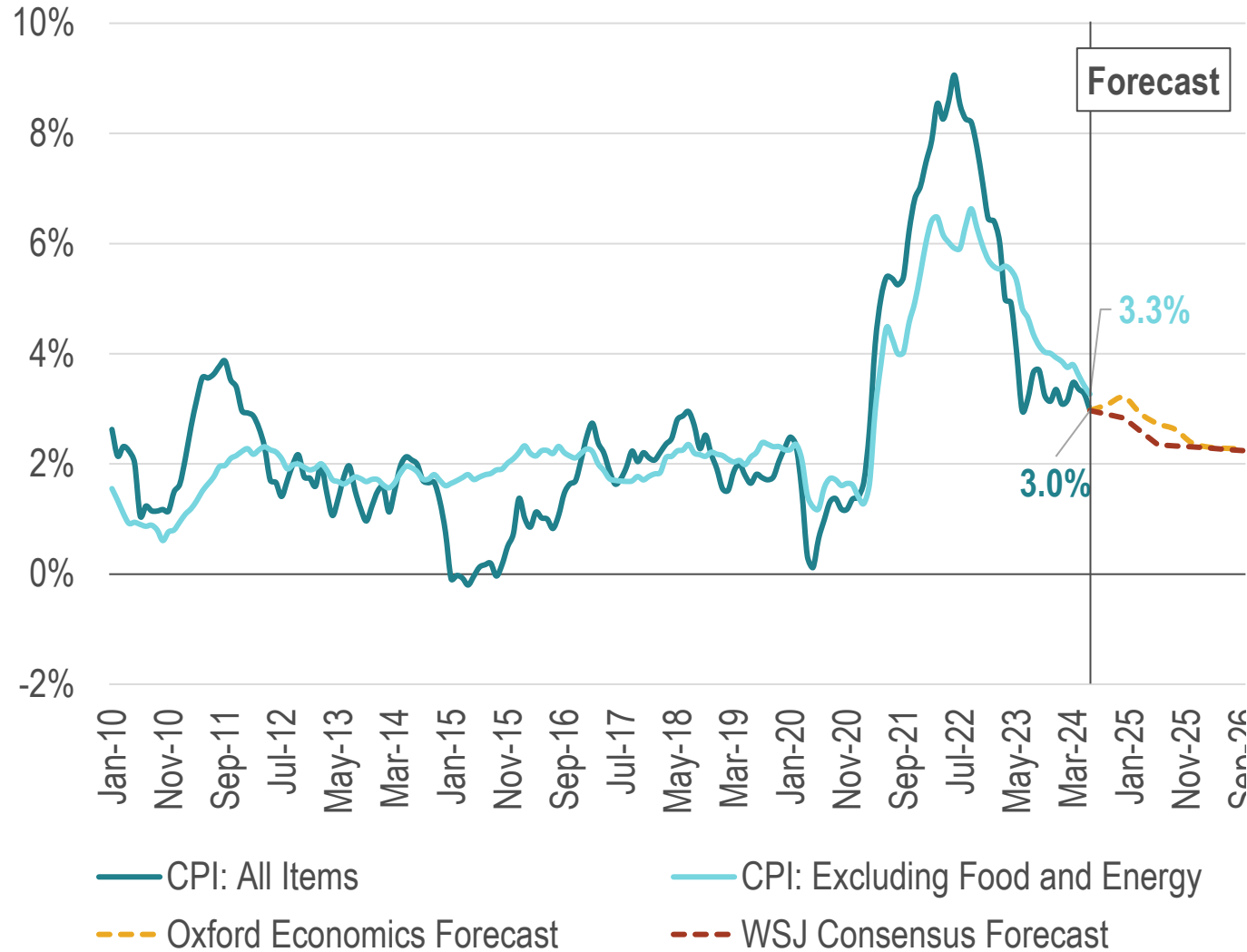
### Unemployment and Labor Force Participation



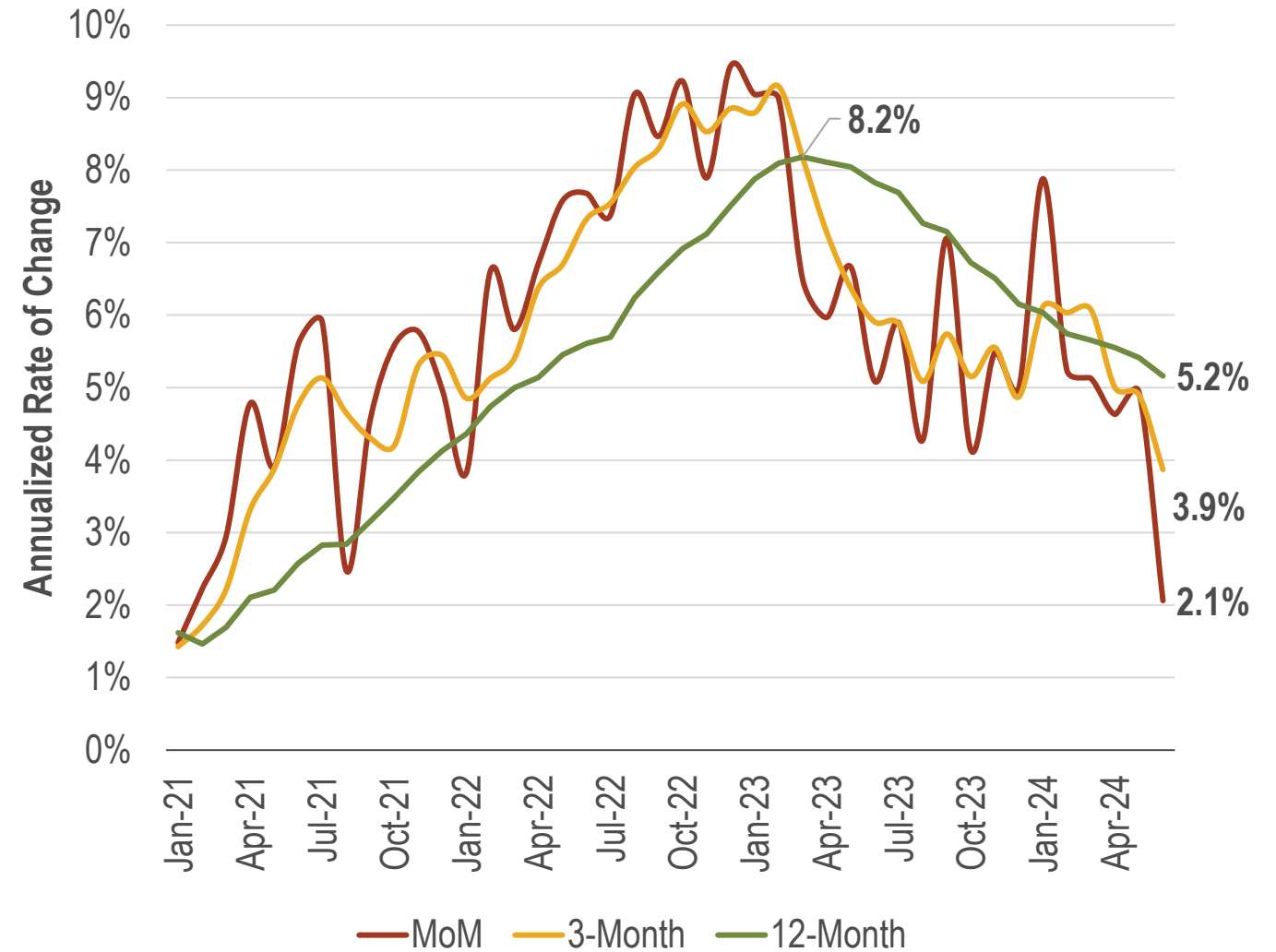
# ANNUAL HEADLINE CPI FELL BY 30 BPS TO 3.0%; CORE CPI FELL TO 3.3%

Shelter CPI Decelerated to 2.1% (Annualized ) in June, Lowest Rate Since 2021; Further Moderation to Come

### Trailing 12-Month CPI Change



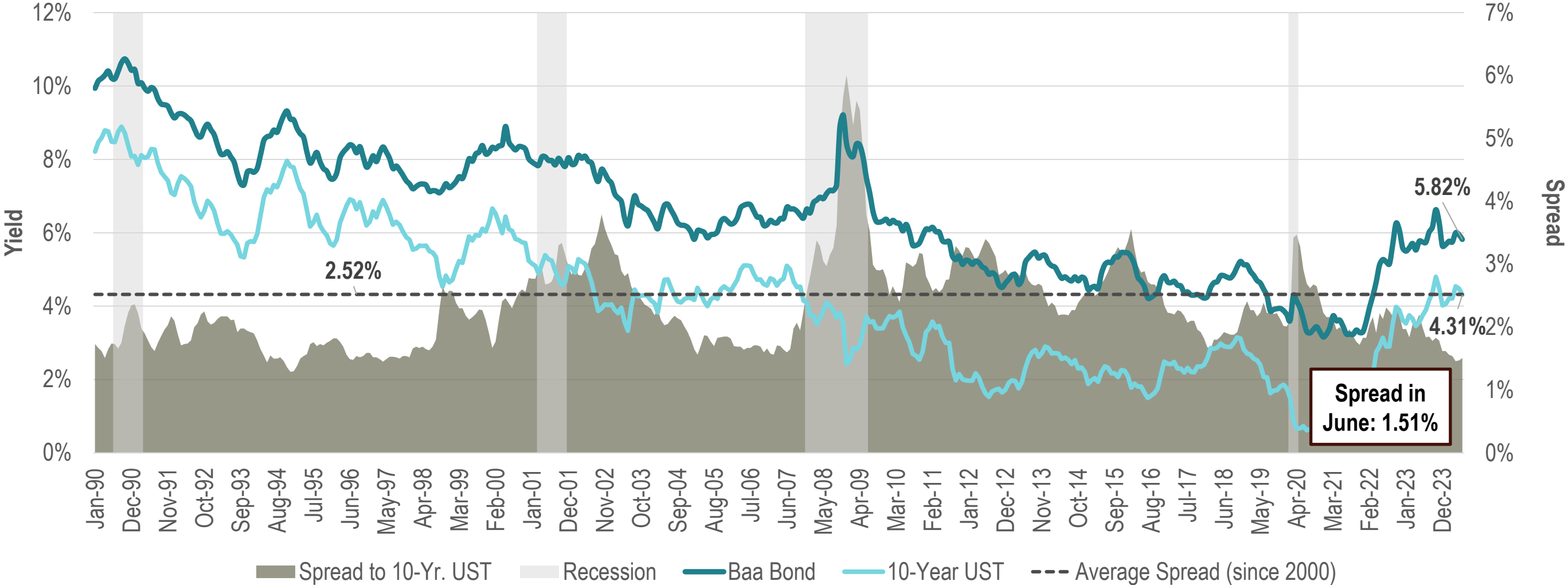
### Shelter CPI



# 10-YEAR UST AND BAA CORPORATE BOND YIELDS FELL MODERATELY IN JUNE

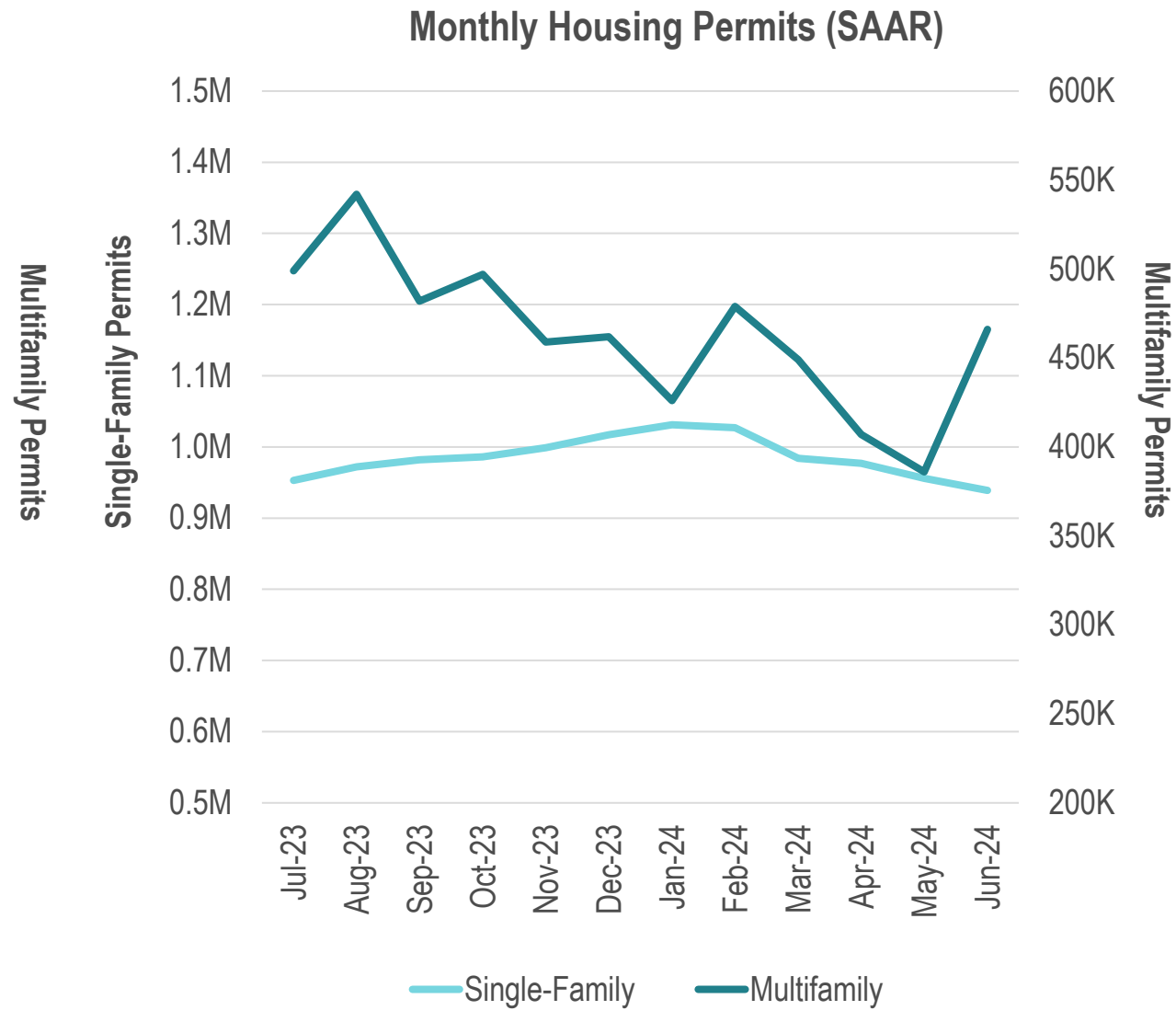
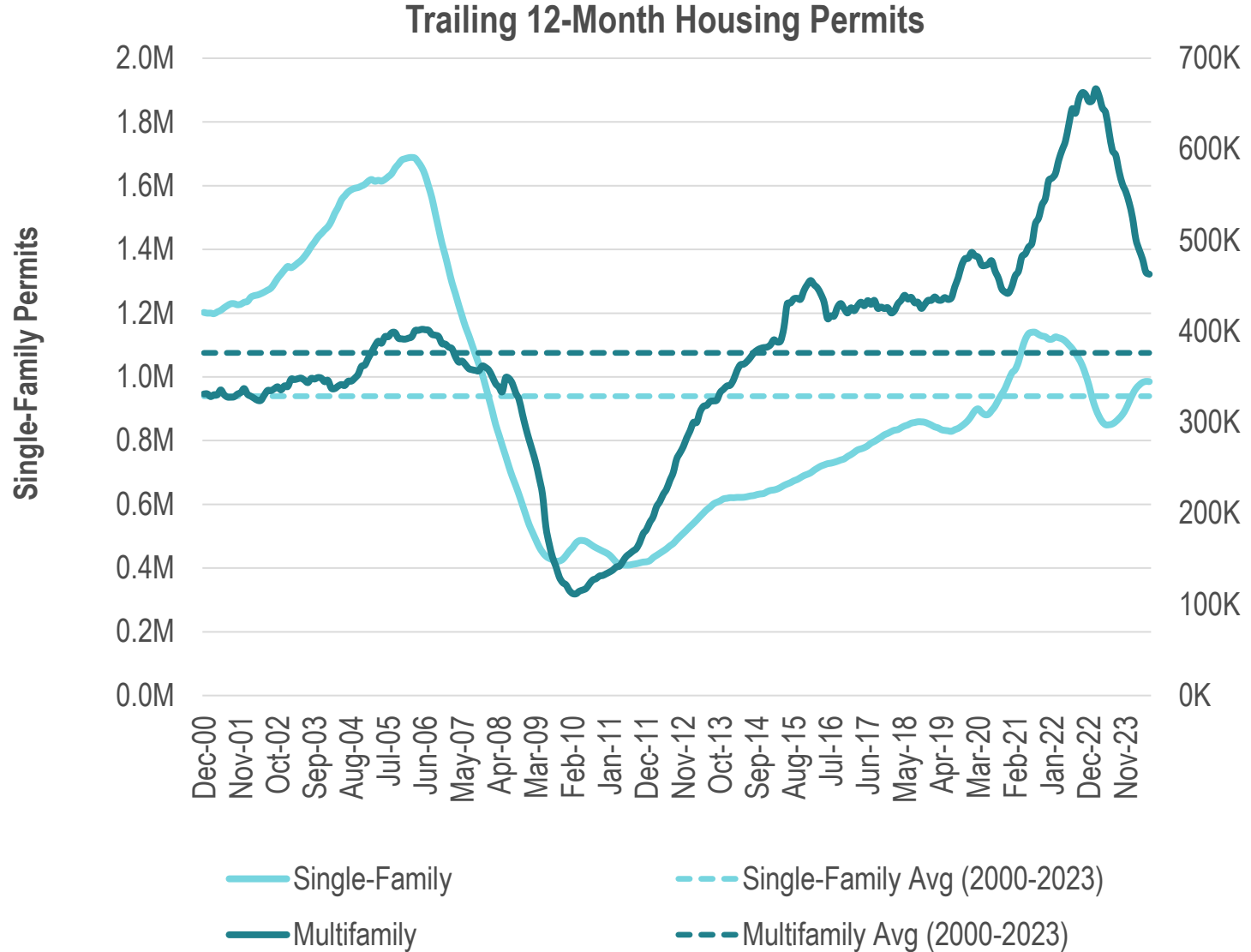
Baa Spread to the 10-Year UST, a Potential Recession Indicator, Remained Very Low

Corporate Bond Yields (Monthly Averages)



# MULTIFAMILY PERMITS TRENDING DOWN AFTER HISTORIC 2022-23

Single-Family Permits Levelling Off with June Levels Falling Equal to Long-term Average



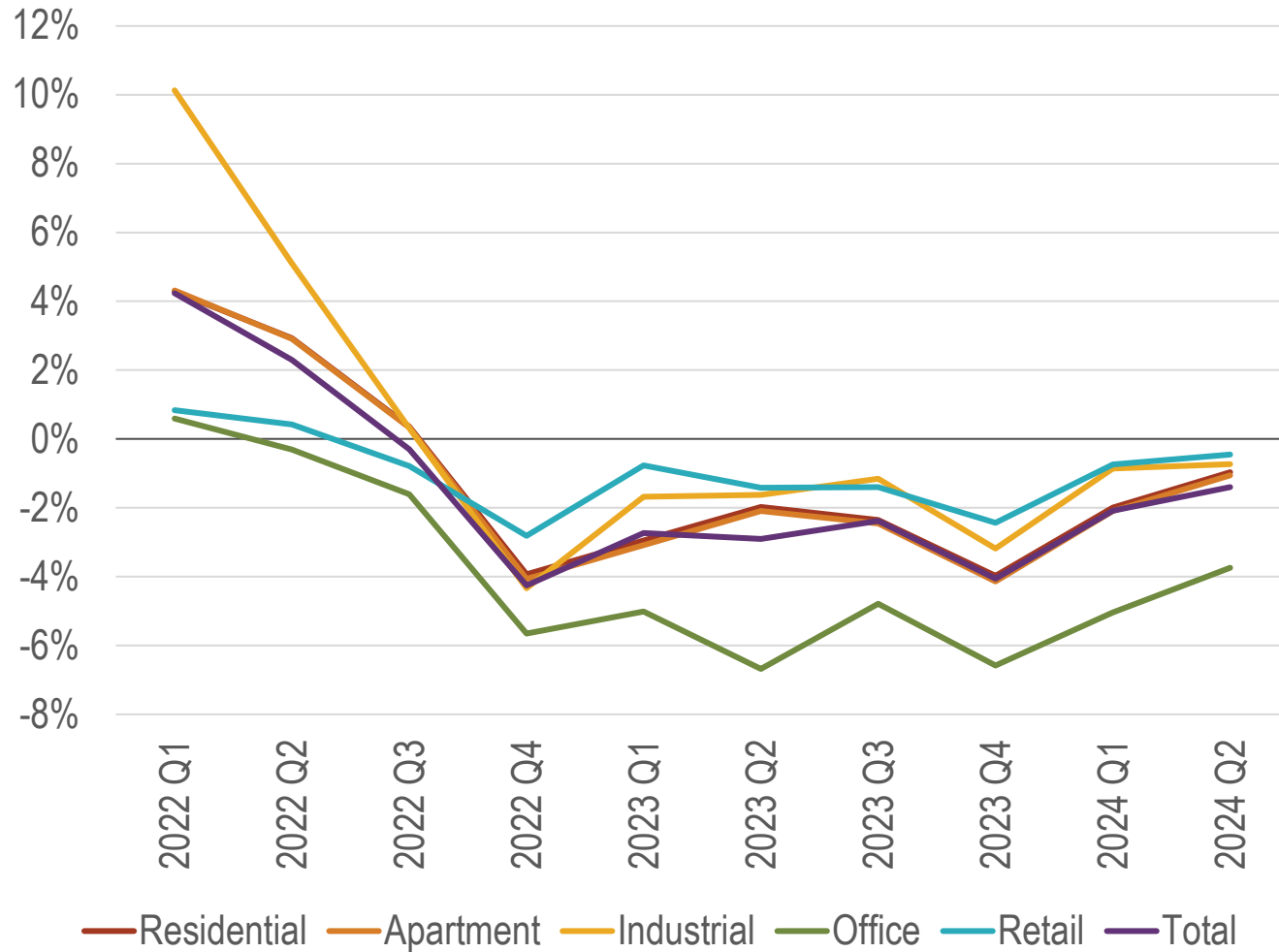
Data are as of June 2024.  
 Note: Housing data release one month in arrears.  
 Source: U.S. Census Bureau; Federal Reserve Bank of St. Louis



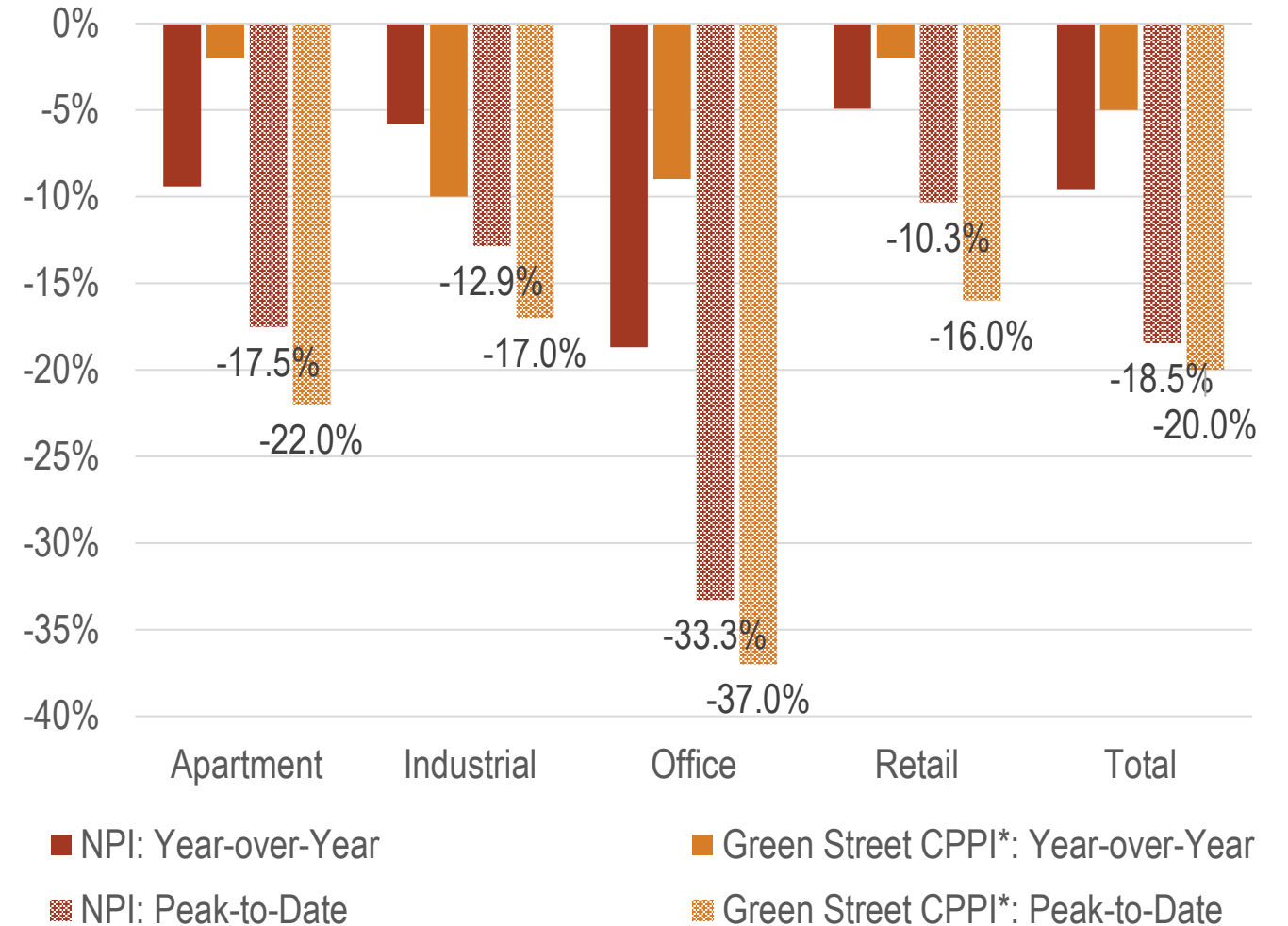
# APPRAISED VALUES HAVE FALLEN FROM THEIR MID-2022 PEAK

Private Peak-to-Date Valuation Write Downs Still Lag REIT-Based Estimates but the Gap is Closing

### Quarterly NPI Appreciation Return



### Public vs Private Value Changes

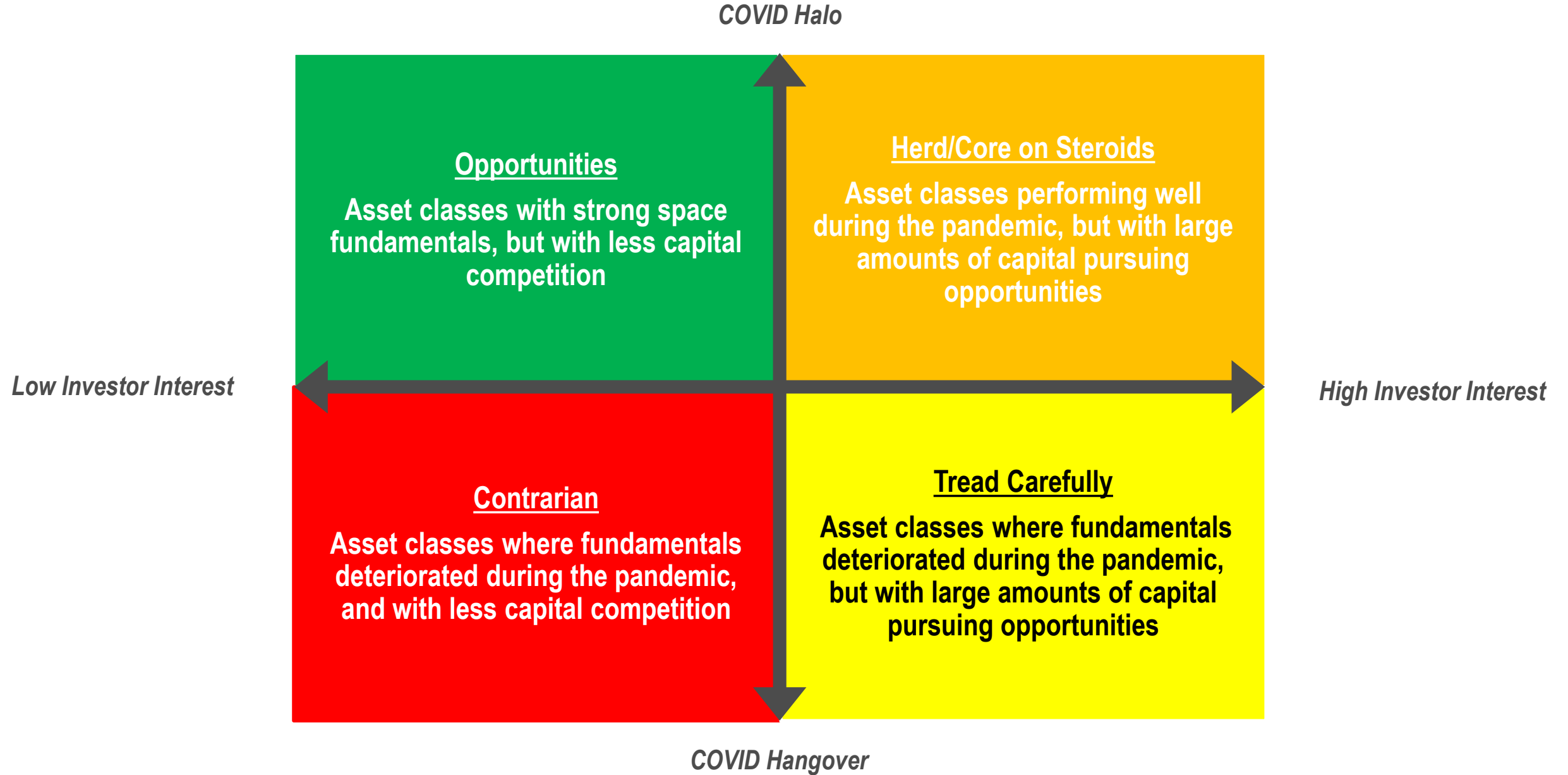


Data as of 2024 Q2.  
 \* Green Street's Commercial Property Price Index is a time series of unleveraged U.S. commercial property values that captures the prices at which commercial real estate transactions are currently being negotiated and contracted. The index is based on Green Street's frequently updated estimates of price appreciation of the property portfolios owned by the REITs in its U.S. coverage universe.  
 Source: NCREIF, Green Street Advisors

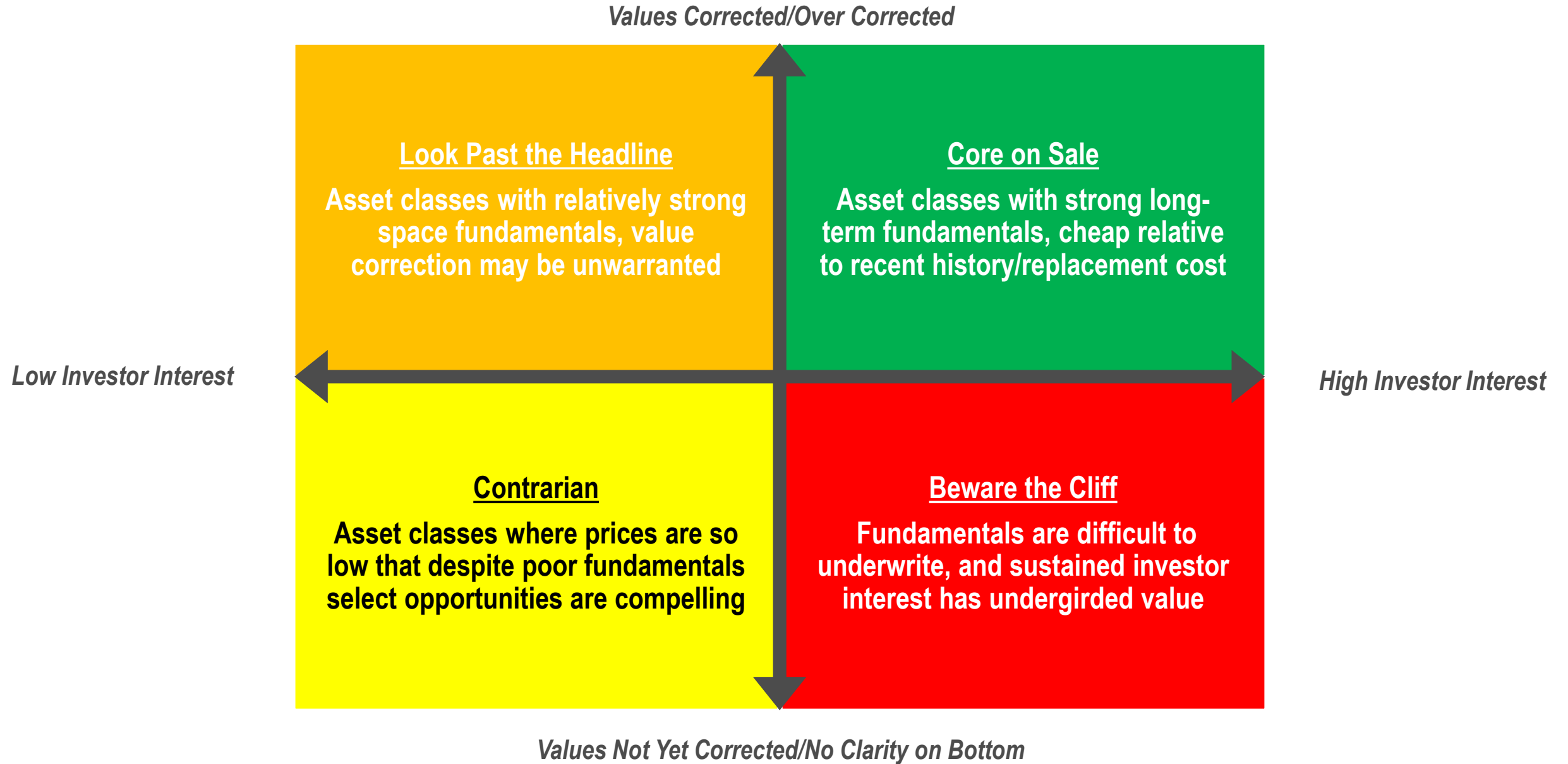
# FRAMEWORK – POST COVID TO CURRENT

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# THE POST COVID FRAMEWORK

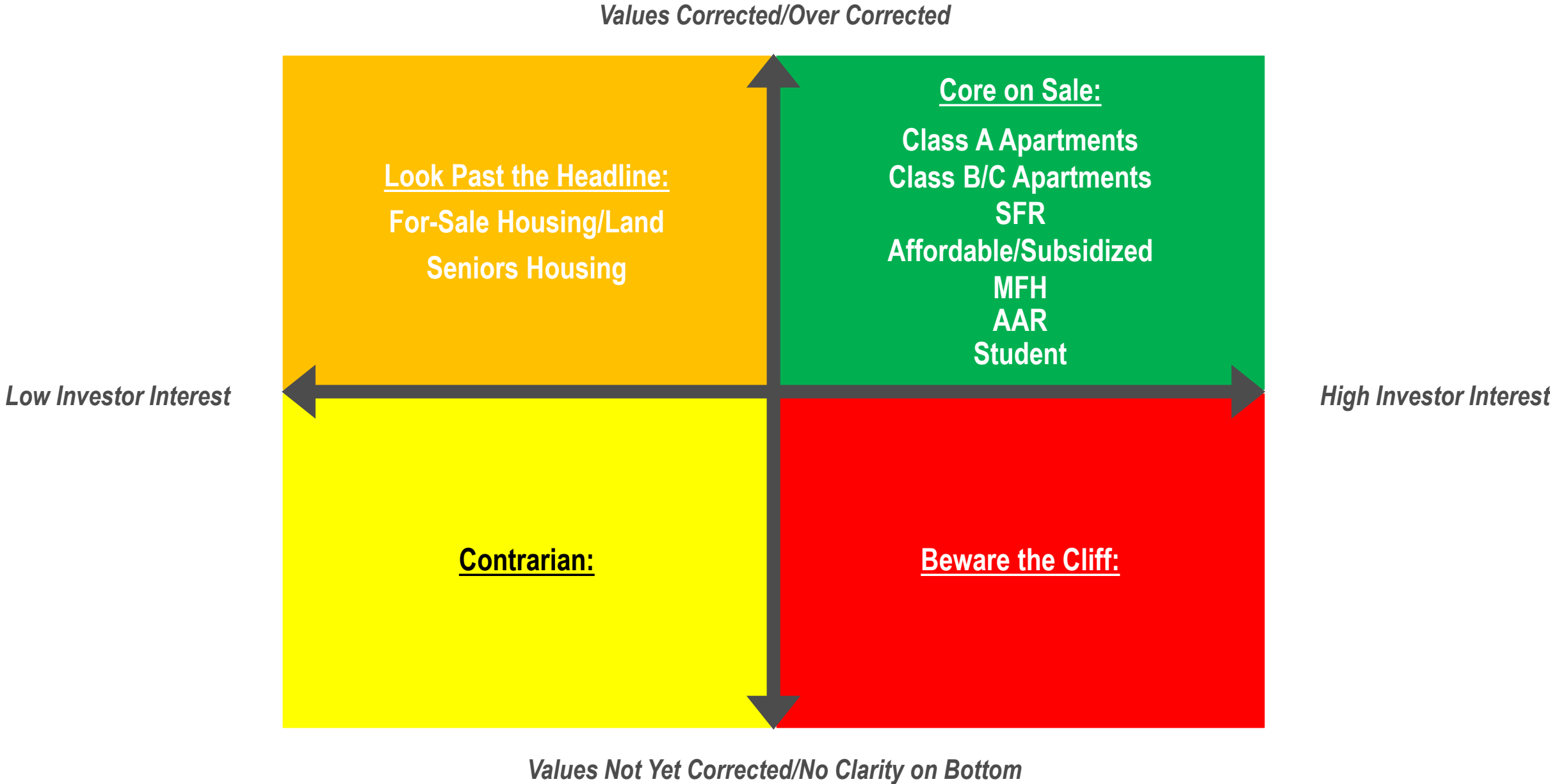


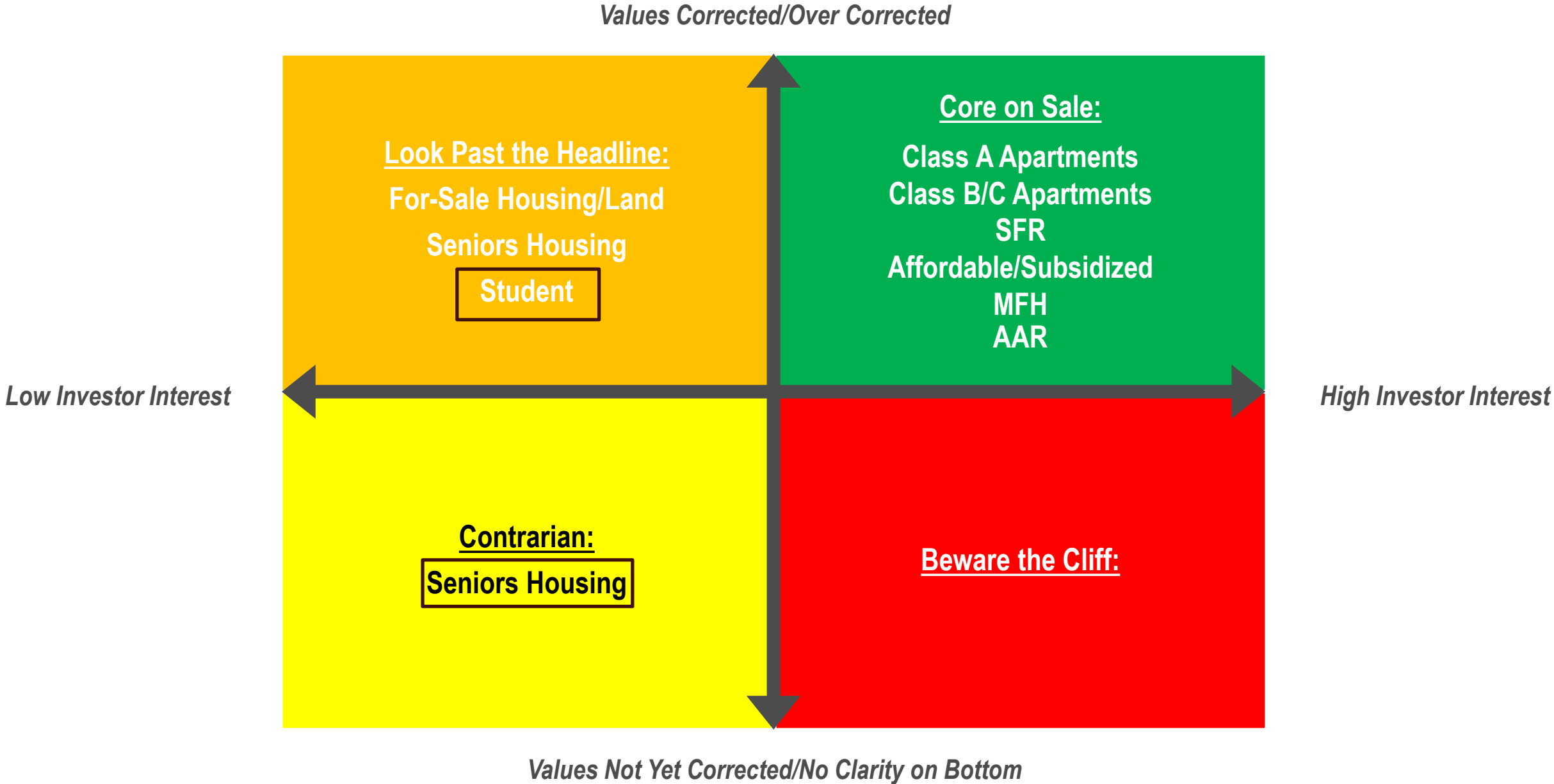
# THE CURRENT FRAMEWORK – MORE FOCUSED ON VALUE



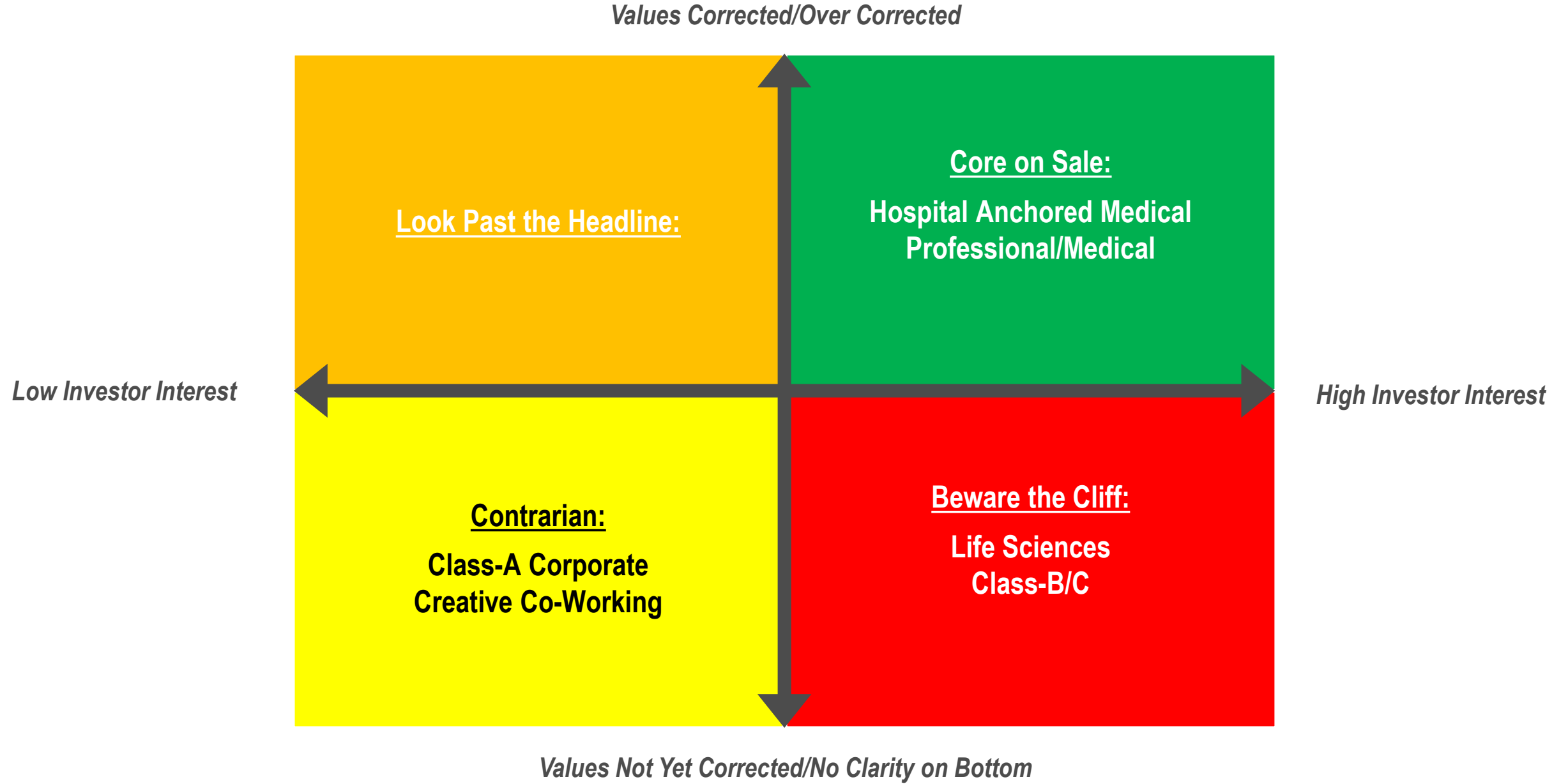
# WHAT PROPERTY SECTORS MIGHT BE MOST OPPORTUNE

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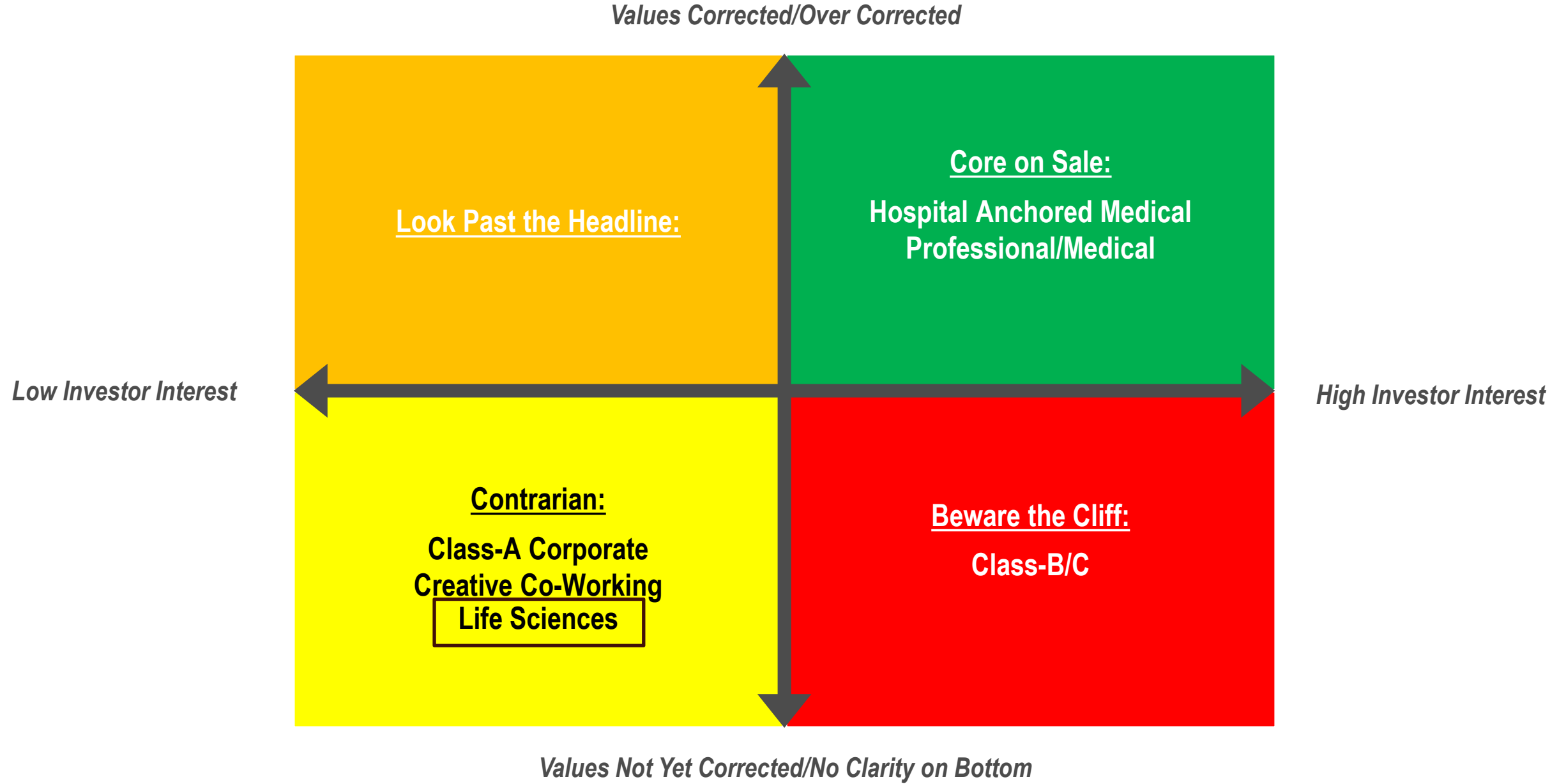


# WORK

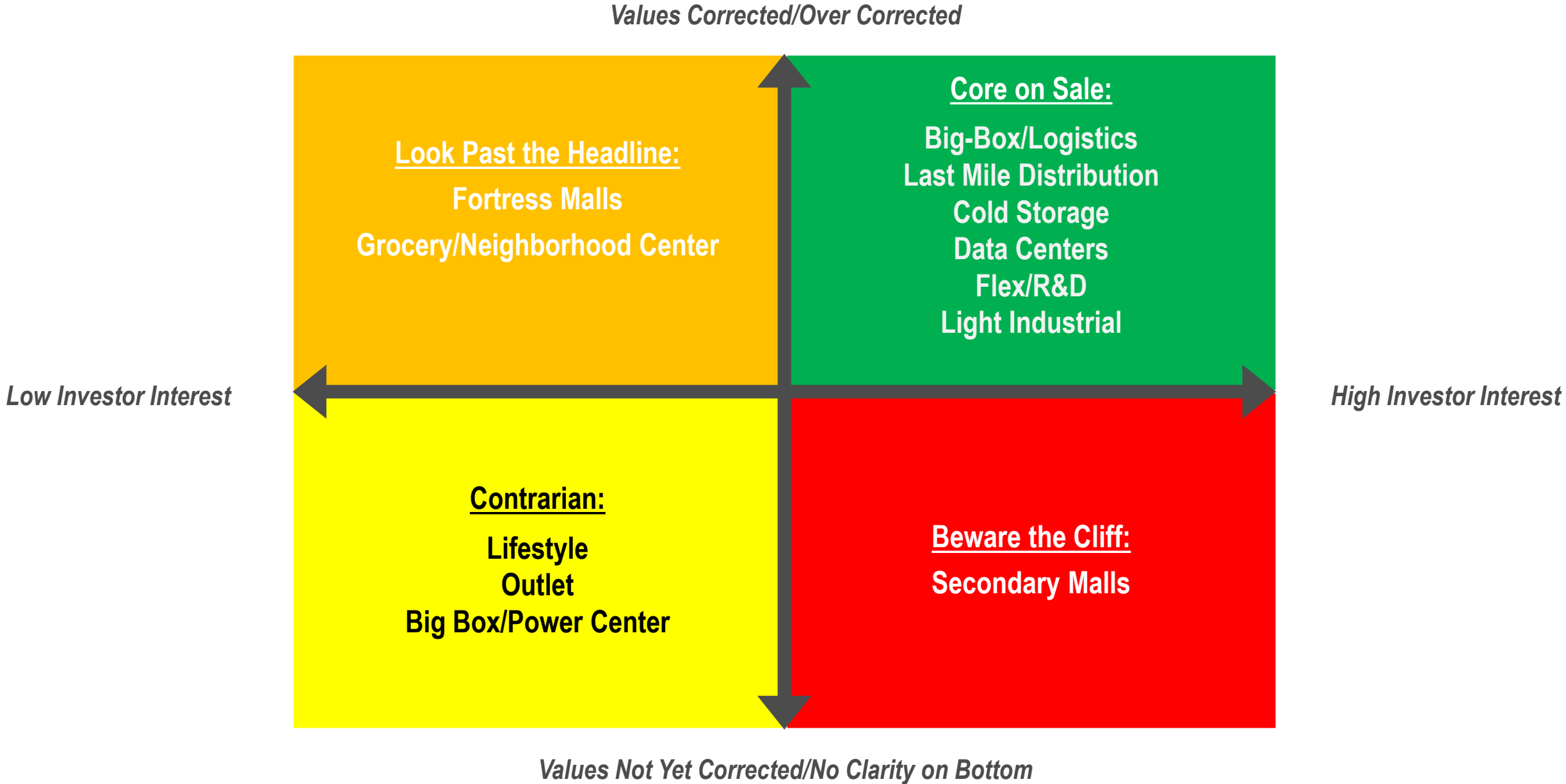




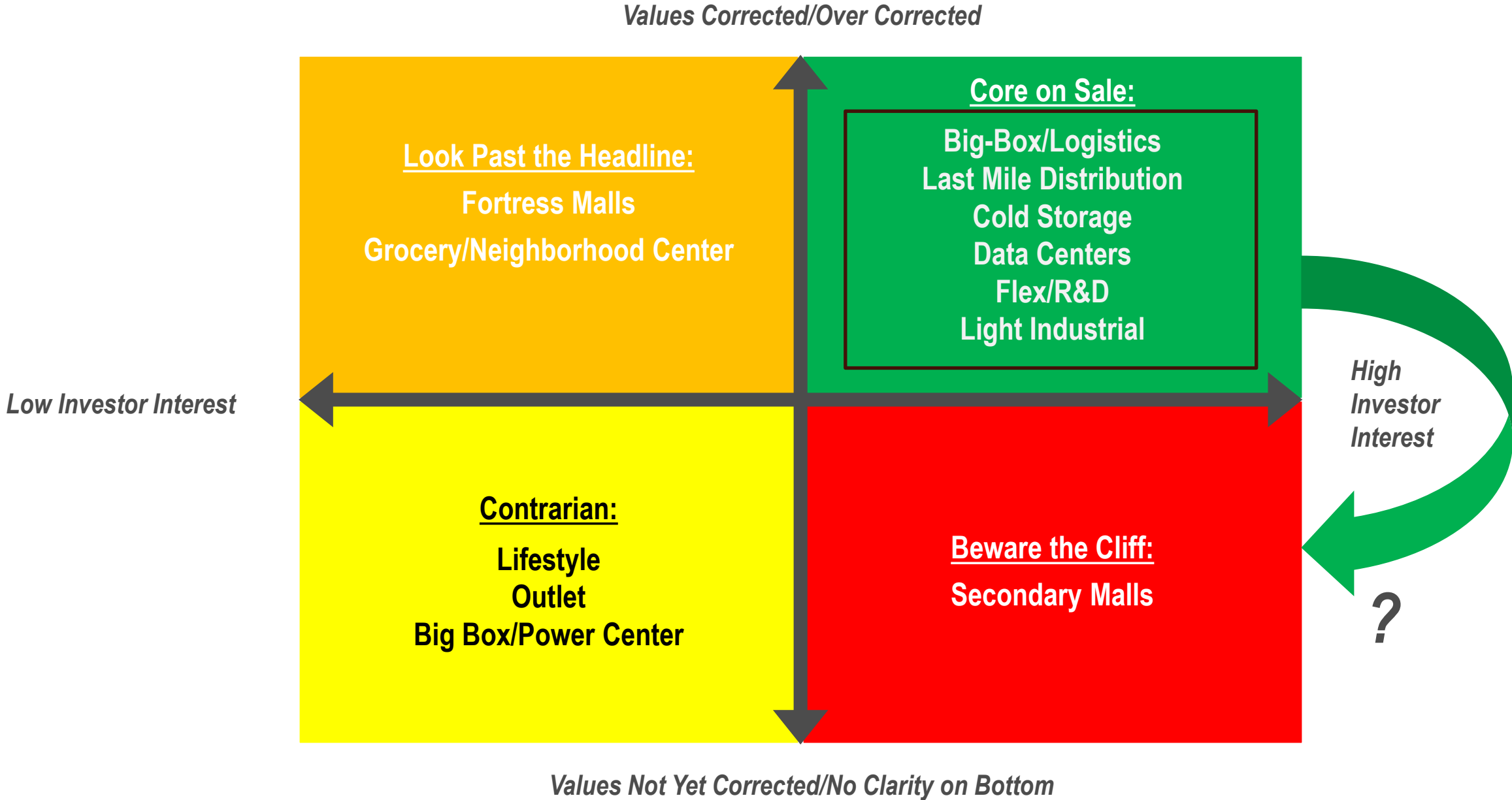
# WORK



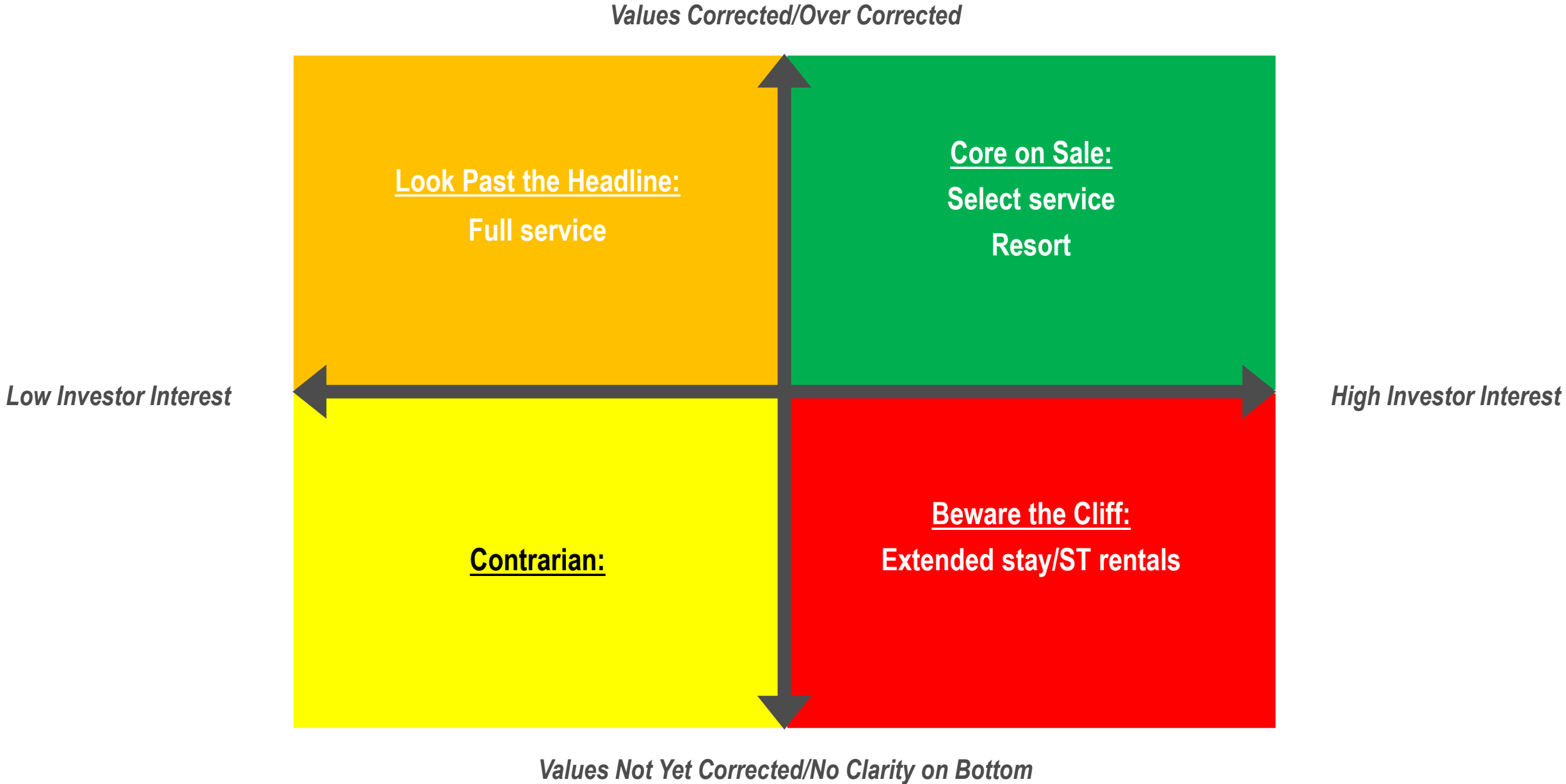
# SHOP



# SHOP



# HOSPITALITY



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The charts depicted within this presentation are for illustrative purposes only and are not indicative of future performance.

# THANK YOU! – QUESTIONS?



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