

CBRE Global Property Securities Fund

December 2025

Fund Description

The Fund is an actively managed fund investing in a portfolio of 60-90 global real estate equity securities across a range of geographic and economic sectors.

Investment strategy

The Fund uses a multi-step investment process that combines top-down region and sector allocation (determined through a systematic evaluation of listed and direct property market trends and conditions) with bottom-up stock selection (driven by proprietary analytical techniques to conduct fundamental company analysis).

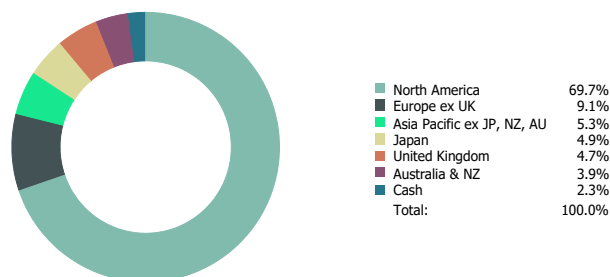
Investment objective

The Fund aims to outperform the FTSE EPRA/NAREIT Developed Rental Net Return Index (AUD Hedged) (after management fees and costs) over rolling three-year periods.

Fund Information

Inception date	31/07/2006
Fund size	A\$317m
Management Fee	0.90% pa
Minimum initial investment	\$50,000
Distributions	Semi-annually
Typical number of holdings	60 to 90
Buy/sell spread	+/- 0.25%
Currency management	Hedged
APIR code	HML0016AU

Investment portfolio (%)



Top 10 positions by stock

Name	Country	Portfolio Weight (%)
Welltower Inc	United States	8.72
Equinix Inc.	United States	7.45
Prologis	United States	4.56
VICI Properties Inc	United States	4.14
Simon Property Group Inc	United States	4.01
UDR Inc	United States	3.67
American Homes 4 Rent	United States	3.31
EastGroup Properties	United States	2.72
First Industrial Realty Trust	United States	2.54
CubeSmart	United States	2.52

Top 5 overweight by stocks

Name	Country	Active Weight (%)
Equinix Inc.	United States	3.07
UDR Inc	United States	2.99
American Homes 4 Rent	United States	2.70
VICI Properties Inc	United States	2.40
EastGroup Properties	United States	2.19

Top 5 underweight by stocks

Name	Country	Active Weight (%)
Digital Realty Trust	United States	(3.19)
Realty Income	United States	(3.09)
Prologis	United States	(2.47)
Public Storage	United States	(2.45)
Extra Space Storage Inc	United States	(1.64)

Fund net performance [#]

Class A

	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	7 Years p.a.	10 Years p.a.	Since Inception p.a. 31/07/2006
Fund Net Return	-1.83%	-0.31%	4.22%	5.41%	3.54%	4.79%	3.61%	4.77%
Benchmark Return*	-1.71%	-0.79%	5.34%	4.97%	2.32%	2.45%	2.58%	4.04%
Active Return (After fees)	-0.12%	0.48%	-1.12%	0.44%	1.22%	2.34%	1.03%	0.73%

*Due to benchmark changes across the period, the benchmark returns are blended for the Fund since inception. With effect from 1 April 2012, the benchmark for the Fund changed from the UBS Global Real Estate Investors ex Australia Net Total Return Index (AUD Hedged) to UBS Global Real Estate Investors Net Return Index (AUD Hedged). With effect from 2 March 2015, the benchmark for the Fund changed to FTSE EPRA/NAREIT Developed Rental Net Return Index (AUD Hedged).

[#]The performance data presented herein pertains specifically to the Class A Fund month-end unit prices expressed in Australian Dollars. Net return of the Fund has been calculated after the deduction of management fees and operating costs. Please note that these figures do not factor in the potential tax obligations at an individual investor level. This is historical performance data. The value of an investment can rise and fall and past performance is not indicative of future performance. All figures disclosed within this report are net of GST and RITC. Investors are reminded to seek independent financial advice before making investment decisions based on this performance data.

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PERFORMANCE REVIEW[^]

The CBRE Global Property Securities Fund (the Fund) returned -1.83% (net) in December (AUD, hedged).

Global listed real estate stocks delivered a positive total return for 2025 as all three major geographic regions generated positive performance.

The Asia-Pacific region delivered the best performance, highlighted by strong returns in Japan, Hong Kong and Singapore. Europe was a solid performer, benefiting from accommodative central bank policy and attractive valuations, which led to increased M&A activity – especially in the U.K.

The Americas region lagged the benchmark for the year despite a robust U.S. economy. Q4 returns were down modestly as a year-end rally failed to materialise in December, despite rate cuts by the U.S. Fed and the Bank of England.

Listed real estate continues to trade at attractive discounts to underlying property values and at a significantly lower earnings multiple compared to broad market equities. CBRE Investment Management (CBRE IM) believes listed global real estate remains well-positioned for outperformance compared to the broader equity and fixed income markets.

North America

- The Americas region lagged in 2025 as solid returns in Canada were dragged down by a lacklustre return in the U.S. The Fed delivered rate cuts at their October and December meetings, while the Bank of Canada cuts rates at their October meeting but held rates steady following their December meeting.
- In the U.S., returns by property type were mixed for the quarter, with the industrial and senior housing sectors logging in the best performance while the office, storage and data centre sectors lagged.

Asia-Pacific

- The region delivered the strongest performance in 2025, with Japan leading the way for the calendar year. Hong Kong and Singapore also produced significantly positive returns.
- The Japanese market continues to deliver positive returns despite rising JGB yields. Office vacancy rates in Tokyo's five central wards remain tight, well below 3%.
- In December, Brookfield Asset Management and Singapore's sovereign wealth fund GIC agreed to acquire Australia's National Storage REIT in a deal valued at around A\$4 billion.

Europe

- The European region outperformed for the year. The Bank of England cut rates at their December meeting, following the late November U.K. budget release, which was viewed favourably by investors.
- On the Continent, 3Q Euro Area GDP was revised upwards and consumer confidence posted a modest rise. Meanwhile, Eurozone inflation edged downwards to 2.2%, close to the ECB's 2% target.

[^]The commentary overview is reflective of the FTSE EPRA Nareit Developed Net (Local) Index as of 31/12/2025. Market review is intended to be broad which could lead to deviations from the actual index. Index performance reflects the reinvestment of earnings and gains but does not reflect the deduction of any fees or expenses, which would reduce returns. An index is unmanaged and not available for direct investment. Past performance is no guarantee of future results.

PORTFOLIO POSITIONING

The portfolio outperformed for the quarter with both stock selection and sector allocation each adding to relative performance. From a regional standpoint, relative performance in the Americas was positive for the quarter, while relative performance in Asia Pacific region was a slight negative and Europe region was a negative for the quarter.

Americas

Positioning in the region was the top contributor to relative performance for the quarter as positive stock selection and sector allocation were additive. Stock selection in the U.S. healthcare, office, net lease, and data centre sectors accounted for most of the quarter's outperformance. From a sector allocation standpoint, an underweight to the underperforming office sector along with an overweight to the outperforming healthcare sector accounted for most of the quarter's relative outperformance.

Asia-Pacific

Relative performance in the region was a slight drag for the quarter as sub-par stock selection in Hong Kong and Japan more than offset positive sector allocation within the region. In Hong Kong, the portfolio was underweight Hongkong Land Holdings, which was a notable outperformer for the quarter as it progresses new fund initiatives to enhance shareholder value, and agreed to the sale of assets on favourable terms. Meanwhile, sector allocation was additive across most markets in the region.

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Europe

Positioning on the Continent detracted from relative performance for the quarter, a result of underperformance in German residential positioning and an underweight to outperforming Swiss Prime. Positioning in the U.K. was a detractor for the quarter driven by an underperforming Unite Group (student accommodation), which reported weaker than expected results including occupancy of 95%, short of previous guidance of “at least 97%”.

MARKET OUTLOOK

CBRE IM believes we are at the beginning of a new cycle for listed real estate, which remains discounted and capital advantaged.

Compelling valuations

- REITs offer historically discounted valuations relative to both broad equities and private real estate with improving growth expectations.
- REITs have underperformed the S&P 500 for four years running. The last similar period of underperformance occurred prior to the Dot-com bust of the late 1990s; REITs subsequently outperformed the next seven years from 2000 – 2006.
- CBRE IM sees recent underperformance as exacerbated by the global central bank hiking cycle from 2022 to 2024; it expects range bound government bond yields and potential target rate cuts to support the asset class.

Fundamentals remain solid

- CBRE IM projects earnings growth to remain stable at 5% in 2026. Resilient cashflows are supported by long-duration leases and staggered terms, while a healthy supply and demand dynamic provide landlords with pricing power.
- Company balance sheets and leverage levels are in a position of strength relative to history.
A significant decline in new construction starts should become a tailwind across most asset classes as demand for space increases.

Poised for growth

- REITs maintain an access to debt market advantage over private real estate investors.
- As private market asset owners manage the higher rate environment and the upcoming wall of debt maturities, CBRE IM expects REITs to benefit from external growth opportunities that are accretive to earnings.
- CBRE IM expects increased M&A and privatisation activity as REITs seek to close gaps between private and public market values.

Further Information

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Platform Availability

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CFS Edge	CFS FirstWrap	HUB24
Insignia Expand	Macquarie Wrap	Netwealth
Powerwrap	Praemium	

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