

PRESS RELEASE

AVENTOS Listed Real Estate Report: Listed real estate values outperform the stock market

Berlin 07. October 2024 – Listed real estate companies and REITs have performed significantly better than the traditional stock market in the six months leading up to September 30th 2024. While the S&P 500 rose by around 10 %, listed real estate companies and REITs showed a noticeably steeper recovery: at the end of September, they were up 16 % in North America and 13 % in Europe compared to six months earlier (FTSE EPRA/Nareit North America and Europe respectively). This is largely due to the interest rate trend: The interest rate hikes from summer 2022 had initially led to disproportionately high price losses. Moderate falls in interest rates (by 50 basis points on both sides of the Atlantic so far) are now providing some relief.

This is one of the findings of the latest edition of the new 'AVENTOS Listed Real Estate Report' from independent investment manager AVENTOS. Various sectors are analysed on the basis of key figures such as implied cap rates, NAV spreads and occupancy rates. The entire report can be viewed on the AVENTOS website [here](#). The AVENTOS Listed Real Estate Report provides a market overview of an equity segment that covers almost 1,200 stocks and around two trillion euros in market capitalisation in the OECD countries alone.

'In recent months, listed property stocks have impressively demonstrated that they can outperform the stock market average. However, not all sectors have the same recovery potential. In the data centre segment, for example, it is much less pronounced. Here, prices are already relatively high in a historical comparison and in comparison to the NAV. This contrasts with the office segment, for example, whose NAV discounts have so far implied relatively low valuations, especially in North America,' says Dr Karim Rochdi, founder and Managing Partner of AVENTOS.

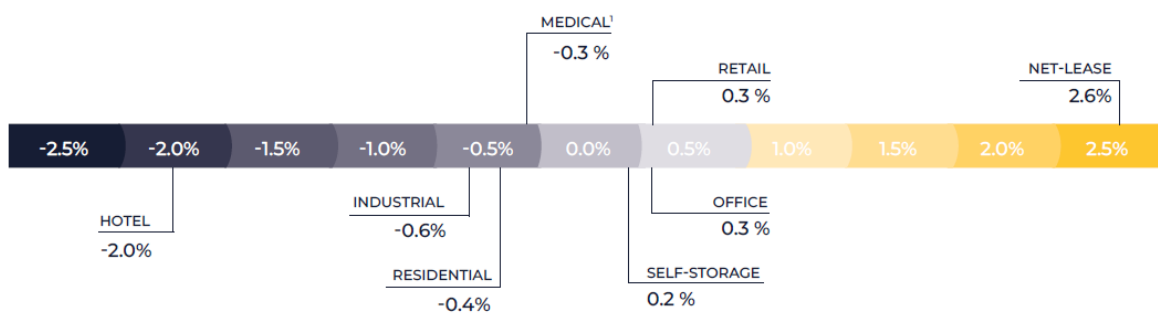
Tops and flops

Outperformers from the investment universe monitored by AVENTOS over the past six months (as at 30 September) were the Swedish residential and community developer SBB (Samhällsbyggnadsbolaget i Norden, +144%), the US healthcare specialist American Healthcare REIT (+82%) and the Italian shopping centre REIT Immobiliare Grande Distribuzione (+77%). By contrast, Community Healthcare Trust Inc. (-26 %) and Service Property Trust (-25 %) suffered the biggest losses.

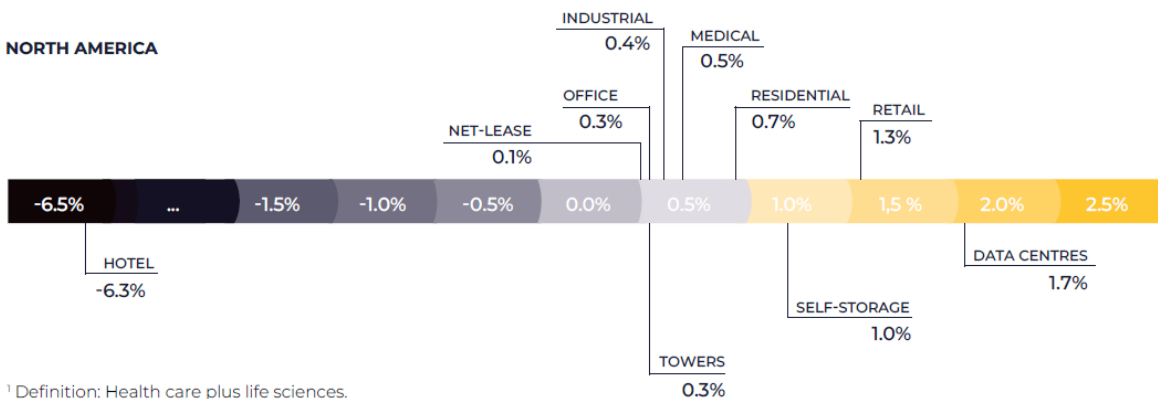
AVENTOS Capital Markets (ACM) SEKTOR MOMENTUM

According to the 'AVENTOS Capital Markets Sector Momentum' indicator, retail property is showing positive momentum on both sides of the Atlantic. Based on the implied cap rate, they are historically valued comparatively highly. After years of comparatively low interest, retail properties have recently risen significantly in investors' favour again.

EUROPE



NORTH AMERICA



¹ Definition: Health care plus life sciences.

The 'ACM Sector Momentum' indicator compares the current pricing of a sector based on the Implied Cap Rates with the pricing of the overall market and compares the price difference with the historically observed Implied Cap Rates (since 2019). A sector with a negative momentum value is therefore priced relatively low on the stock exchanges in a historical comparison, while a sector with positive momentum is priced relatively high - always measured against the implied cap rates. Relatively high implied cap rates correspond to relatively low valuations.

AVENTOS

About AVENTOS

AVENTOS is an investment manager with two business segments: Development and Capital Markets. In the Development division, the company acquires commercial and industrial properties with development potential. The focus is on Germany's top 7 locations and growth regions. It pursues a value investment approach. In the Capital Markets division, AVENTOS initiates and manages investment vehicles that invest in property shares worldwide. The founder and managing partner is Dr Karim Rochdi.

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