UNDERSTANDING U.S. REAL ESTATE DEBT

October 2021

IN A NUTSHELL

_ Commercial real estate debt is a $5 trillion asset class that can offer lenders the opportunity to finance evergreen real estate opportunities that uniquely meet their risk/return appetites.

_ Real estate debt can offer attractive income-driven returns that have historically exhibited relatively lower volatility than core asset classes. These features, combined with a relatively uncorrelated return profile, may provide investors the opportunity to enhance the risk-adjusted returns of a multi-asset portfolio.

_ Today's low yield environment coupled with an improving macroeconomic backdrop may provide non-bank lenders an attractive opportunity to selectively pursue real estate financing opportunities across the risk spectrum.

1 / Introduction to Real Estate Debt

Investing in real estate can take the form of equity investment or lending, both within the public and private markets. Traditionally, banks have provided the majority of financing for private real estate debt. However, since the Global Financial Crisis, the non-bank lending market has evolved rapidly, offering a wide set of debt opportunities to investors. In our view, institutional investors should consider real estate debt as a way to diversify their portfolios by investing in real assets with the potential to provide long-term cash flow predictability, strong credit quality, and a yield premium over traditional fixed-income opportunities.

1.1 Market Overview

The U.S. commercial real estate debt market is a significant asset class with $5 trillion in commercial and multifamily mortgage debt outstanding as of the second quarter of 2021.[1] Banks provide the largest share of real estate financing, accounting for roughly 50% of mortgages outstanding.[2] Other key players in the market include Government Sponsored Entities (i.e., Fannie Mae and Freddie Mac), life insurance companies, and the public securitized market (e.g., commercial mortgage-backed securities (CMBS)).[3]

[1] U.S. Board of Governors of the Federal Reserve System. As of June 2021.
[2] U.S. Board of Governors of the Federal Reserve System. As of June 2021.
[3] U.S. Board of Governors of the Federal Reserve System. As of June 2021.

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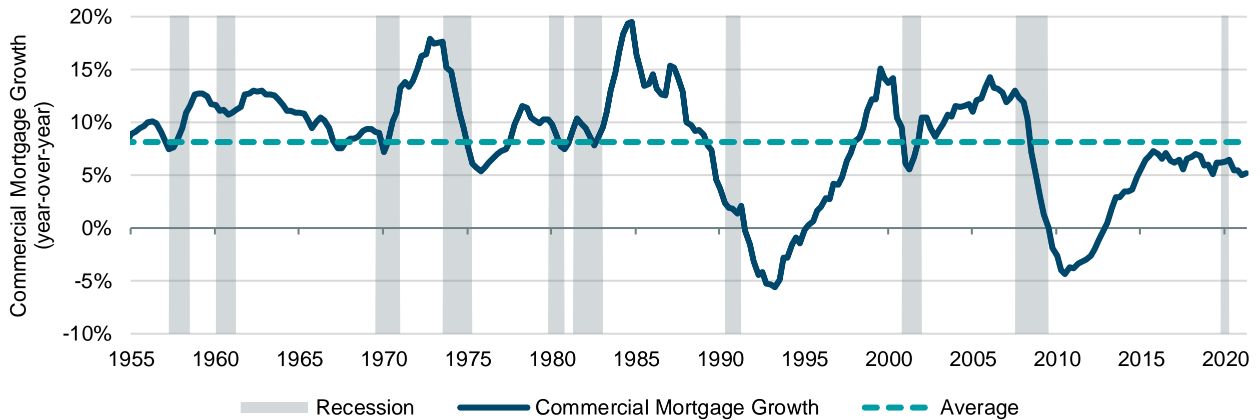
Since 1955, the U.S. commercial mortgage market has steadily expanded, averaging growth of over 8% annually.[4] In fact, there have only been two periods of deleveraging – the early-1990s and the Global Financial Crisis (GFC). Both periods followed a financial crisis where real estate prices realized significant declines.[5]

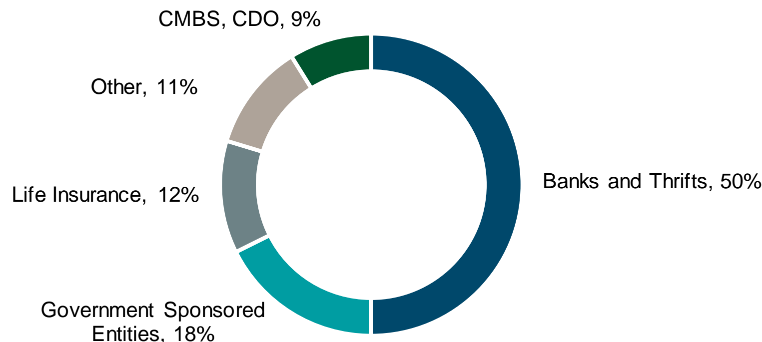
EXHIBIT 1: U.S. COMMERCIAL MORTGAGE MARKET GROWTH



Sources: U.S. Board of Governors of the Federal Reserve System, National Bureau of Economic Research. As of June 2021.

Since the GFC, increased banking regulation (e.g., Basel Accords and Dodd-Frank) has resulted in banks' retrenchment from new lending and adoption of tighter underwriting standards. This has enabled non-bank lenders to grow market share. From 2008 to 2Q 2021, the "other" lending segment, which includes investment-driven lenders (e.g., debt funds), has grown by 60% and now accounts for 11% of the market.[6]

EXHIBIT 2: SHARE OF U.S. COMMERCIAL REAL ESTATE DEBT OUTSTANDING (2Q 2021)



Source: U.S. Board of Governors of the Federal Reserve System. As of June 2021.

[4] U.S. Board of Governors of the Federal Reserve System. As of June 2021.

[5] NCREIF. As of June 2021.

[6] U.S. Board of Governors of the Federal Reserve System. As of June 2021.

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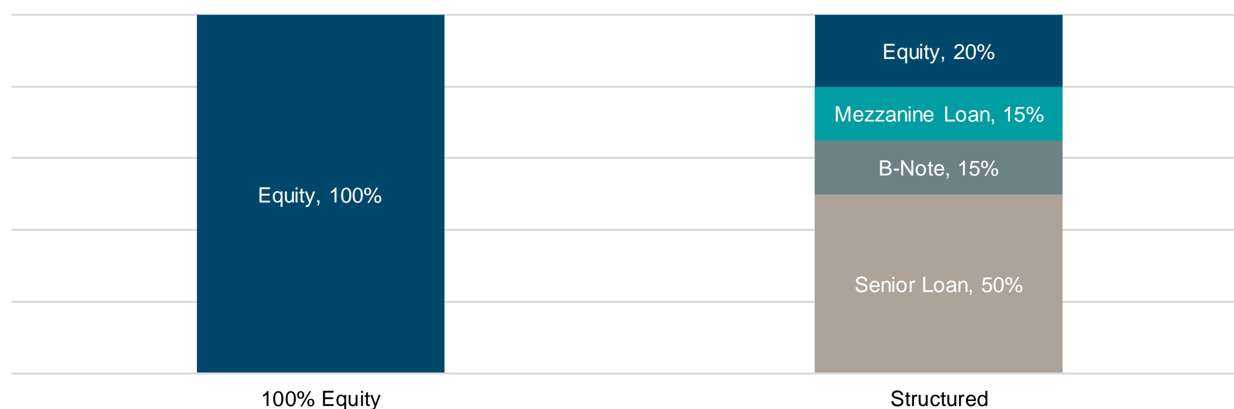
1.2 Investment Opportunities

Commercial real estate loans finance real estate acquisitions, refinancing and recapitalizations, from core properties to development projects, across many sectors and geographies. Investors in real estate debt can consider a variety of entry points via the public and private markets, providing a range of liquidity and risk/return profiles. The credit quality of property debt is driven by sponsors, borrowers, and guarantors, as well as the underlying real estate.

The real estate capital structure below (Exhibit 3) illustrates different tranches within a property's capital stack. Each tranche provides investors a point of entry to a wide range of risk/reward profiles.

EXHIBIT 3: HYPOTHETICAL REAL ESTATE CAPITAL STRUCTURE



Note: For illustrative purposes only. Actual capital structure may vary.
Source: DWS. As of September 2021.

1.2.1 Private Real Estate Debt

Private real estate debt provides access to a wider credit and sector spectrum than public real estate debt, and may also be a more "pure-play" option. Investors with a long-term strategy are able to access evergreen opportunities diversified by market, sector, size and seniority. Private real estate debt can also offer a yield premium over CMBS, particularly at origination, which could provide some compensation for the relative illiquidity.[7]

Lenders access the private real estate debt market via direct borrowing relationships, banks and insurance companies, co-lenders, brokers and other market participants. As a result, private real estate debt provides investors the opportunity to invest in debt that uniquely meets their risk/return appetites. Risk spectrums across core, value-add, opportunistic, and construction loans enable investors to manage through a variety of project and property risks. Additionally, different tranches within a property's capital stack provide investors a point of entry into loans with a wide range of credit risk/reward profiles.

Senior Loan: Senior loans refer to debt that is most senior in the capital stack and secured by a first mortgage. The senior loan may be comprised of multiple notes and can be pari passu (all lenders on equal footing with regards to seniority) or arranged by seniority such as an A/B structure with a B-note. The senior loan is senior to the B-note, mezzanine loan, preferred equity, and common equity. The loan-to-value (LTV) ratio of a senior loan is generally up to 60 – 65%.[8] Senior loans may be fixed or floating rate products.

B-Piece and B-Note: The B-piece or B-note is the debt made up of the junior tranche of a senior loan. These instruments are secured by the same first mortgage as the senior loan described above. Furthermore, they are junior to the senior loan,

[7] There is no assurance that investment objectives can be achieved.
[8] Real Capital Analytics. As of September 2021.

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but senior to the mezzanine loan, preferred equity, and common equity. While the B-note is secured by the same first mortgage as the senior loan, it is evidenced by its own promissory note.

Subordinated Debt: Subordinated debt such as mezzanine loans are originated at higher LTV ratios (60%-85%) and reward investors with a yield premium over senior loans.[9] Subordinated debt is issued as both fixed rate and floating rate (spread above LIBOR or SOFR) with a majority today being issued as floating rate.[10]

A mezzanine loan is debt that is subordinate to the senior loan, B-note and B-piece, but senior to the preferred equity and common equity. The mezzanine loan is secured by a pledge of 100% of the ownership interest of the mortgage borrower. This loan has its own promissory note and unique loan documents, which offer the mezzanine lender the right to take ownership of the property in the event of default.

Preferred Equity: Investors can also participate in preferred equity investments which act as a hybrid of debt and equity—usually providing both fixed interest payments and a defined maturity date.

1.2.2 Public Real Estate Debt

Capital markets play an important role in financing real estate. Public real estate debt is traded in the market providing liquidity and transparency relative to private debt. Such real estate bonds may offer investors exposure to large, diversified portfolios.

Commercial Mortgage-Backed Securities: CMBS are a securitized public investment instrument. With the exception of Single Asset, Single Borrower (SASB) CMBS, traditional CMBS offer credit investors the opportunity to diversify across a pool of real estate assets, helping to potentially mitigate both geographical risk as well as property subsector-specific risk. Following the GFC, the amount of outstanding non-agency CMBS debt slid from $736 billion in 2007 to $422 billion in 2020.[11] However, non-agency CMBS issuance has stabilized in recent years, averaging nearly $80 billion annually from 2013 to 2020.[12] For reference, non-agency CMBS issuance averaged over $150 billion a year in the five years leading up to the GFC.[13]

[9] There is no assurance that investment objectives can be achieved.

[10] LIBOR is defined as the “London Inter-bank Offered Rate”. SOFR is defined as the “Secured Overnight Financing Rate”.

[11] U.S. Board of Governors of the Federal Reserve System. As of June 2021.

[12] Green Street – Commercial Mortgage Alert. As of September 2021.

[13] Green Street – Commercial Mortgage Alert. As of September 2021.

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CMBS are often classified as conduit, agency, or single asset/single borrower:

EXHIBIT 4: COMMERCIAL MORTGAGE-BACKED SECURITY CLASSIFICATIONS:

Conduit	- 40 – 60 commercial loans diversified across property types and regions - Smaller properties frequently located in secondary markets - Collateral is typically fixed rate senior loans with five to 10 years of term
Agency	- Issued and endorsed by Federal Housing Finance Agency (FHFA), Fannie Mae, or Freddie Mac - Senior bonds are generally guaranteed - 40 – 60 commercial loans diversified across property types and regions - Smaller properties frequently located in secondary markets - Collateral is typically fixed rate senior loans with five to 10 years of term
Single Asset / Single Borrower	- Single Asset CMBS are backed by a single property. Typically, the property is a high-profile, institutional quality asset located in a top-tier market - Single Borrower CMBS are issued by a single borrower and collateralized by a portfolio of properties, typically in the same segment. Single Borrower CMBS are typically cross collateralized and cross-defaulted - Collateral is typically fixed rate senior loans with five to 10 years of term

Freddie Mac K-Deal Program: The Federal Home Loan Mortgage Corporation (Freddie Mac) started the K-Deal program out of a desire to privatize multifamily loan holdings that were previously held on the balance sheet of the Government Sponsored Entity (GSE) and funded with taxpayers' dollars. The structure of a K-Deal is similar to that of traditional CMBS, but features additional transparency via Freddie Mac and includes a guaranteed tranche on the most senior debt capital. In short, Freddie Mac purchases loans, assembles them into diversified pools, and sells them in securitized vehicles. These securitizations are backed by newly acquired mortgages underwritten to Freddie Mac's industry-leading standards. Underwriting and credit reviews are completed by Freddie Mac, and securitized loans are held to the same standards as loans retained in its own investment portfolio. Since inception in 2009, Freddie Mac has completed 429 K-Deal transactions, backed by over 21,000 loans, amounting to a combined $450 billion in issuance.[14]

With several different tranches, there are a variety of ways to participate in a K-Deal. The senior tranche usually garners the largest portion of the securitization and is guaranteed by Freddie Mac. The senior portion of the capital structure is rated. The subordinated (mezzanine) tranche is not guaranteed by Freddie Mac. The mezzanine bonds garner a slightly higher coupon and are issued at a slight discount to par. Lastly, the “B-piece” (first loss position after the equity cushion) may be a zero-coupon bond that is offered at the highest discount to par. Notably, the B-piece is the controlling class of the capital structure.

[14] Freddie Mac. As of July 2021.

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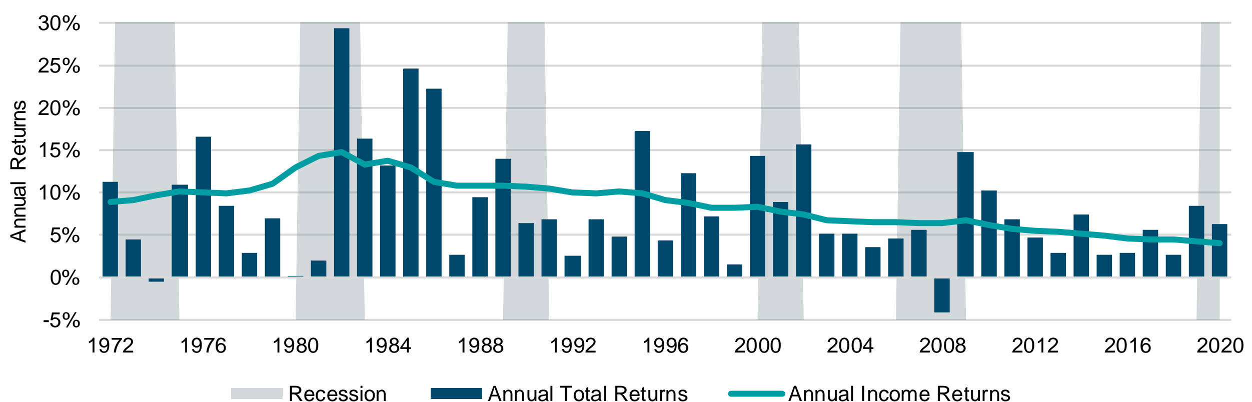
2 / Strategic Considerations

Real estate debt can be defined by a number of key characteristics: seniority to the equity first loss position within the capital structure, lower long-term volatility, and relatively uncorrelated, income-driven returns. Together, in our view, these characteristics offer the potential for an attractive risk-adjusted investment within a multi-asset portfolio.[15]

Historical performance data for private real estate debt is limited for many of the structured investments, but the Giliberto-Levy Commercial Mortgage Performance Index characterizes performance of senior, fixed rate loans. In the last 49 years, private senior loans have experienced only two years (1974 and 2008) of negative total returns while income returns have remained relatively stable (Exhibit 5).

EXHIBIT 5: COMMERCIAL MORTGAGE PERFORMANCE INDEX ANNUAL RETURNS



Sources: Giliberto-Levy Commercial Mortgage Performance Index, National Bureau of Economic Research. As of June 2021.

Giliberto-Levy has also constructed a high yield real estate debt index which can be used to characterize investment performance for both fixed rate and floating rate subordinated real estate debt investments (i.e., mezzanine loans, leveraged whole loans, second mortgages and preferred equity). Although the history is fairly limited (with data beginning in 2010), one can still leverage the data to understand how high yield real estate debt has performed relative to other asset classes.

In all, the Giliberto-Levy real estate debt indices illustrate that private real estate debt offers the potential to outperform other asset classes on a risk-adjusted basis.[16] Since 2010, on an absolute basis, real estate debt has underperformed equity markets but outperformed traditional fixed income investments.[17] However, the asset class's lower volatility has boosted its performance on a risk-adjusted basis (Exhibit 6).[18]

[15] Past performance is not indicative of future returns. There is no assurance that investment objective will be achieved.

[16] Past performance is not indicative of future returns. There is no assurance that investment objective will be achieved.

[17] Giliberto-Levy, Bloomberg/Barclays, S&P 500. As of June 2021. Past performance is not a guide to future results.

[18] Giliberto-Levy, Bloomberg/Barclays, S&P 500. As of June 2021. Past performance is not a guide to future results.

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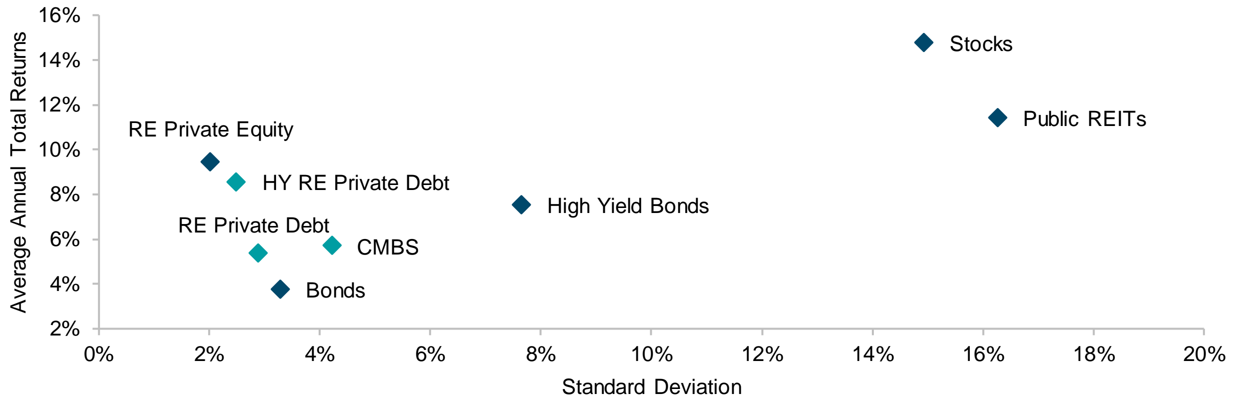
EXHIBIT 6: TOTAL RETURNS AND STANDARD DEVIATION BY ASSET CLASS (2010 – 2Q 2021)



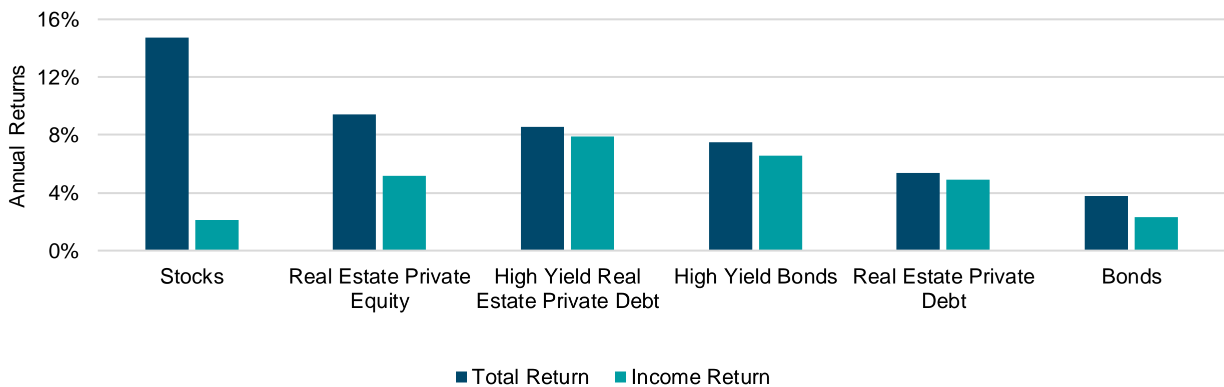
Sources: Standard & Poor's (Stocks), FTSE/NAREIT (Public REITs), Bloomberg/Barclays (Bonds, High Yield Bonds, CMBS), Giliberto-Levy (RE Private Debt), NCREIF (RE Private Equity). As of June 2021.

2.1 Income-Driven Returns

A defining attribute of real estate debt is its income-driven returns. Commercial real estate loans have offered historically reliable streams of income at rates that might be greater than equity and both investment grade and high-yield corporate rated bonds.[19]

Inherent to fixed income lending, differences in credit profile, transaction structure and liquidity also mean that private real estate debt may offer an additional spread premium. As such, over the last 15 years, senior mortgage rates have averaged a 240 basis point (bps) spread to U.S. Treasuries, 1.5x the spreads of U.S. corporate debt (160 basis points).[20] Subordinate real estate debt has provided an even larger spread over U.S. Treasuries during that time.[21]

EXHIBIT 7: TOTAL RETURN AND INCOME RETURN BY ASSET CLASS (2010 – 2Q 2021)



Sources: Standard & Poor's (Stocks), NCREIF (Real Estate Private Equity), Giliberto-Levy (Real Estate Private Debt), Bloomberg/Barclays (Bonds, High Yield Bonds). As of June 2021.

[19] Giliberto-Levy (Real Estate Debt), Standard & Poor's (Stocks), Bloomberg/Barclays (Bonds). As of June 2021.

[20] Real Capital Analytics (Mortgage Rates), Bloomberg/Barclays (U.S. Corporate Bonds), Federal Reserve (Treasury Yields). As of June 2021.

[21] Real Capital Analytics, Giliberto-Levy, Cushman & Wakefield. As of June 2021.

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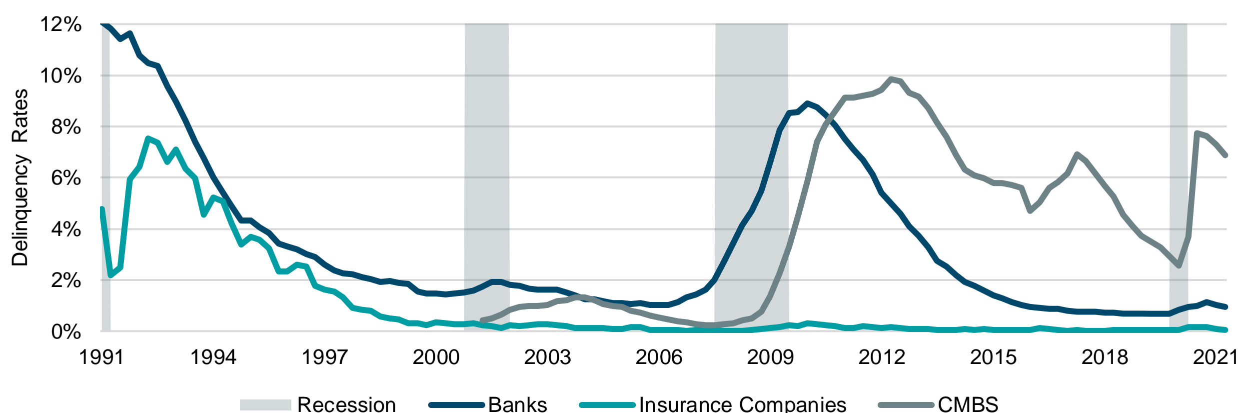
2.2 Lower Volatility

Another benefit to investing in real estate debt is lower volatility. Physical collateral, predictable cash flows and deal structures (e.g., equity cushion and covenants) offer real estate debt investors downside protections. Over the past 30 years, delinquency rates for bank-held commercial real estate loans have averaged about 3%.[22] As of the second quarter of 2021, delinquency rates for commercial mortgages held at banks (95 bps) and insurance companies (5 bps) remained near their lowest levels on record.[23] CMBS have historically realized higher levels of delinquency (Exhibit 8).[24]

In the event of a default on a commercial real estate loan, the loss on the originated loan has been 20% to 35% on average since 2009.[25] In terms of impact on a diversified portfolio, the Giliberto-Levy Commercial Mortgage Index has realized an average credit loss of 35 basis points per year during the same period.[26] Relative to corporate bonds, which historically recover 40% to 50% of par value in the event of default, real estate debt's underlying collateral and structured mitigants (described above) historically translate into higher recovery rates.[27]

EXHIBIT 8: COMMERCIAL MORTGAGE DELINQUENCY RATES



Sources: U.S. Board of Governors of the Federal Reserve System, American Council of Life Insurers, Moody's Investors Service. As of June 2021.

2.3 Diversification

In addition to standalone performance, correlation analysis shows that real estate debt provides diversification benefits as part of a multi-asset portfolio. Illustrated in the table below, real estate debt has a low-to-moderate correlation against all major asset classes and economic indicators. Notably, real estate private debt's correlation with real estate private equity is nearly zero, suggesting that real estate private equity and debt are complementary within an investor's portfolio.[28]

Further, private real estate lenders can strategically construct a portfolio across a variety of property types, geographies, maturities, tranches, projects, and loan structures. In all, evergreen financing opportunities enable investors to construct bespoke loan portfolios that offer the potential to improve risk-adjusted returns.[29]

[22] U.S. Board of Governors of the Federal Reserve System. As of June 2021.
[23] U.S. Board of Governors of the Federal Reserve System, American Council of Life Insurers. As of June 2021.
[24] Moody's Investor Services. As of June 2021.
[25] Real Capital Analytics. As of August 2021.
[26] Giliberto-Levy Commercial Mortgage Index. As of June 2021.
[27] S&P Global Market Intelligence (Corporate Bonds), Real Capital Analytics (Real Estate Mortgages). As of December 2020.
[28] NCREIF Property Index, Giliberto-Levy Commercial Mortgage Index. As of June 2021.
[29] There is no assurance that investment objective will be achieved.

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EXHIBIT 9: CORRELATION TABLE (3Q 2001 – 2Q 2021)

	RE Private Debt	RE Private Equity	CMBS	Public REITs	Bonds	Stocks	10-Year Treasury	Inflation	GDP
RE Private Debt	1.00								
RE Private Equity	-0.03	1.00							
CMBS	0.83	-0.03	1.00						
Public REITs	0.42	0.29	0.69	1.00					
Bonds	0.67	-0.24	0.47	0.01	1.00				
Stocks	-0.02	0.21	0.34	0.66	-0.39	1.00			
10-Year Treasury	-0.19	-0.02	0.02	0.29	-0.67	0.56	1.00		
Inflation	-0.23	0.27	-0.28	-0.11	-0.14	-0.15	0.14	1.00	
GDP	0.10	0.51	0.19	0.53	-0.32	0.42	0.40	0.36	1.00

Notes: Correlations calculated using quarterly, rolling four-quarter total returns.
Sources: NCREIF (RE Private Equity), Giliberto-Levy (RE Private Debt), FTSE/NAREIT (Public REITs), Bloomberg/Barclays (CMBS, Bonds), Standard & Poor's (Stocks), Federal Reserve (10-Year Treasury, Inflation, GDP). As of June 2021.

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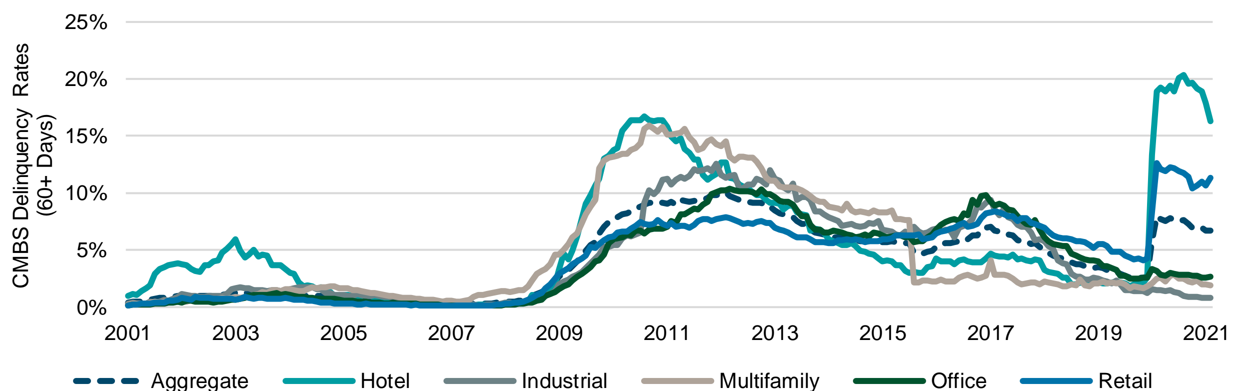
3 / Tactical Considerations

In 2020, the U.S. economy realized the worst annual slump since at least the late-1940s.[30] Yet, real estate prices remained essentially stable overall, a far cry from the 23% correction in the early-1990s and the 29% decline in the Global Financial Crisis.[31]

The top-line figures do not tell the whole story. Real estate property fundamentals weakened as rising vacancies, falling rents, and challenged collections took a toll on net operating incomes (NOI). Cash flow disruptions rippled through the CMBS market, where delinquencies more than doubled (see Exhibit 10).[32] Although stressed, the damage was largely confined to retail and hotel properties which were directly impacted by government mandated store closures and social distancing measures.[33] Generally, core apartment and office properties avoided distress.[34] Industrial properties generally strengthened during the pandemic.[35] The lack of widespread distress this cycle, in our view, reduces the risk of deleveraging that occurred in the early-1990s and Global Financial Crisis.

EXHIBIT 10: CMBS DELINQUENCY RATES BY PROPERTY TYPE



Source: Moody's Investors Service: Moody's Delinquency Tracker. As of July 2021.

We believe that the current macro environment, characterized by historically low interest rates and an improving economy, is favorable for real estate debt.[36] As the economy reopens, real estate fundamentals are expected to improve and transaction markets are expected to return to healthy levels.[37] Meanwhile, traditional lenders may prolong their retreat from non-core lending — such as development and value-add strategies — which may create attractive origination opportunities for non-bank lenders (e.g., debt funds). Lower property values could also create additional opportunities for non-traditional lenders willing to extend higher loan-to-value (LTV) loans.

Also, we believe there may be selective opportunities to acquire assets whose cash flows have been impaired as a result of the pandemic, particularly as forbearance measures expire. It is noteworthy that following the GFC, it took three years for

[30] Bureau of Economic Analysis. As of June 2021.
[31] NCREIF. As of June 2021.
[32] Moody's Analytics. As of July 2021.
[33] Moody's Investor Services. As of July 2021.
[34] Real Capital Analytics. As of September 2021.
[35] CBRE-EA, NCREIF. As of June 2021.
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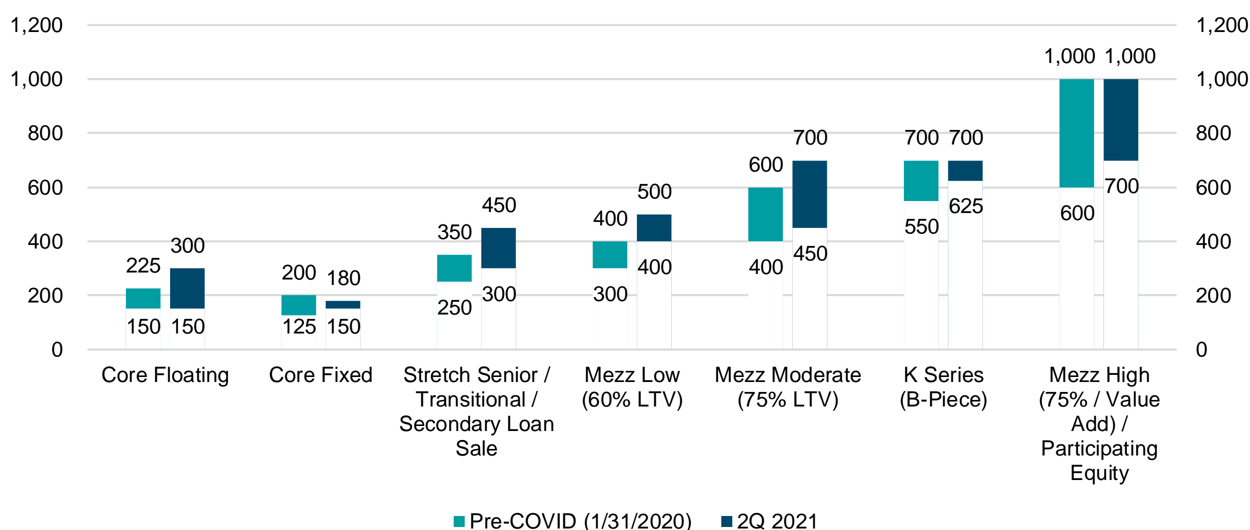
CMBS delinquencies to stabilize.[38] Although the nature, magnitude, and speed of the COVID recession and recovery are markedly different, we believe that pockets of stress may similarly surface over the next two years, not only in the hard-hit retail and hotel sectors, but also in the apartment and office sectors. This may present attractive buying opportunities through loan sales and modifications.

From a valuation perspective, yields remain historically attractive relative to risk-free rates and yields in other asset classes. Although pricing for senior loans on core properties has largely recovered to pre-pandemic levels, spreads for higher risk, higher LTV loans remain elevated (see Exhibit 11). Notably, within each tranche, spreads vary by loan size, property type, geography and project.

EXHIBIT 11: REAL ESTATE CREDIT SPREADS: PRE-COVID VS 2Q 2021 (BASIS POINTS)



Note: The above interest rate ranges are for illustrative purposes only and represent general market pricing. Actual interest rates for individual investments may be higher or lower. Interest rates are not warranted, and past performance is not indicative of future results. Interest rate ranges cover the main real estate sectors across a range of quality levels and locations.
Sources: Cushman & Wakefield, MarkIt, Bloomberg, Moody's, Chatham Financial and DWS. As of June 2021.

Below is a summary of opportunities for property lenders across the debt spectrum:

Fixed Rate: Characterized by an agreed upon "fixed" interest rate, fixed rate senior and subordinated loans carry interest rate risk (base rate) and spread risk in addition to credit risk. As mentioned, it is plausible that the economic recovery results in broad-based improvement to the credit quality of tenants, sponsors and underlying real estate. It is also conceivable that the gains made by a reduction in risk premiums (i.e., credit spreads) could be offset by rising interest rates. Nevertheless, fixed rate loans offer the potential to produce stable, current cash flows for a given lender. Additional considerations for fixed rate loans include loan term which may ultimately govern the duration risk and mark-to-market volatility of a given loan or portfolio.

Floating Rate: Today, base rates (i.e., LIBOR and SOFR) are near record lows while spreads are heavily dependent on deal profile.[39] Base rates are likely to remain low until the Federal Reserve begins a hiking cycle, forecast to occur in 2023 or earlier.[40] In the event that base rates or spreads rise, floating rate loans offer the potential to provide additional income to a lender. Similar to fixed rate loans, floating rate loans carry similar credit and spread risk. Alternatively, a benefit of a floating rate loan is that that interest rate risk is largely removed from the equation.

[38] Moody's Investors Service. As of July 2021.
[39] Federal Reserve. As of June 2021.
[40] Federal Open Market Committee. As of September 2021.

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Senior Loans: Although it may take time for equity transaction markets to fully recover, the current low interest rate environment, in our view, should propel demand for refinancing and for new debt on unencumbered, cash-flowing assets. Strong appetite for properties with credit tenants and long lease terms has compressed absolute yields, but with Treasury yields near all-time lows spreads remain relatively attractive.[41] As the economic recovery progresses and inflation expectations remain elevated, fixed rates may steadily rise.[42]

Subordinated Debt: Moving up the risk spectrum, mezzanine debt and preferred equity opportunities may provide investors with higher levels of absolute yields.[43] As the economic recovery progresses, it is plausible that both the credit of the tenant and the property fundamentals improve, enhancing the underlying collateral of the loan. Additionally, due to the higher level of yields offered by subordinated debt they inherently have a relatively lower duration and therefore are less impacted by interest rate movements. A study of the Giliberto-Levy High-Yield Real Estate Debt Index reveals that fixed rate subordinated debt has outperformed floating rate subordinated debt over the past 10-years, albeit with higher volatility.[44] Digging deeper, the floating rate component of the index realized greater sensitivity to GDP growth and interest rates, delivering outsized returns in periods where GDP was accelerating and interest rates rose.[45] In our view, given the macroeconomic backdrop (i.e., above average economic growth and inflation) and the stringent regulatory environment (e.g., Dodd-Frank and Basel Accords), subordinated debt may offer investors a meaningful investment opportunity.[46]

Construction Lending: Construction lending inherently comes with additional risks related to cost overruns, delays and in some cases entitlement constraints. To mitigate risks, lenders should maintain disciplined underwriting of the sponsor, basis, and overall deal structure. Stringent regulation (i.e., Dodd-Frank and Basel Accords) has disadvantaged traditional banks, and ultimately reduced banks' willingness to make construction loans. As a result, non-bank lenders (e.g., debt funds), who may not experience this regulatory burden, have been able to grab market share. According to Real Capital Analytics, investor-driven lenders have grown market share from 12% in 2017 to 17% in 2020.[47] Construction finance may offer investors seeking higher returns the opportunity to be disciplined and selective in their financing of construction projects.[48] Similar to construction loans, bridge loans offer investors the opportunity to provide financing for properties that had their business plans set back during the pandemic.

Distressed Assets: The opportunity to recapitalize distressed assets may offer lenders with an elevated risk appetite a way to realize outsized returns.[49] As noted, distress is currently somewhat concentrated in retail and hospitality properties. As the transaction markets continue to thaw and forbearance measures expire, there may be more opportunities to recapitalize distressed assets. Following the GFC, it took three years for distressed situations to find price discovery and be resolved.[50]

[41] Federal Reserve, Real Capital Analytics. As of June 2021.
[42] Federal Reserve, Moody's Analytics. As of June 2021.
[43] There is no assurance that investment objective will be achieved.
[44] Giliberto-Levy High Yield Real Estate Debt Index. As of June 2021.
[45] Giliberto-Levy High Yield Real Estate Debt Index, Moody's Analytics, DWS. As of June 2021.
[46] Moody's Analytics, Oxford Economics. As of June 2021. There is no assurance that investment objectives can be achieved.
[47] Real Capital Analytics. As of March 2021.
[48] There is no assurance that investment objectives can be achieved.
[49] There is no assurance that investment objectives can be achieved.
[50] Real Capital Analytics. As of June 2021.

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