

For Public Distribution in the U.S. For Institutional, Professional, Qualified and/or Wholesale Investor
Use Only in other Permitted Jurisdictions as defined by local laws and regulations.

Principal Real Estate



Global real estate solutions with a 360° view



Extensive insights, exclusive advantage

Access the **full spectrum** of today's commercial real estate investment opportunities with Principal Real Estate. We provide the **reach, research,** and **returns** you need to help meet your investment goals.

Reach | To give clients access to real estate opportunities

Our access to commercial real estate opportunities is a result of the following factors:

- **The scope and scale of our operations.** We completed more than \$23.6 billion in private equity, private debt, and project financings in 2023,¹ generating valuable insights and knowledge for our clients. Our public debt and equity quadrants manage over \$26 billion on behalf of clients.²
- **The depth of our industry and client relationships.** We cover at least 50 U.S. metropolitan markets and we manage over 200 assets across 10 European countries.² We serve more than 690 clients across 36 countries³ and rank among the top 10 managers of real estate assets worldwide.⁴
- **The size and global diversity of our investment team.** Our ability to access a wide range of high-quality market opportunities is a direct result of our experienced team of more than 315 real estate investment professionals around the globe.²

Research | To assess relative value

We believe research is key to delivering on our clients' investment outcomes. It's also our fundamental factor in evaluating the relative value of each investment opportunity. We base our investment decisions on a combination of bottom-up asset analysis and top-down economic and sector analyses.

Returns | To help meet desired outcomes in innovative ways

We strive to deliver consistent, risk-appropriate performance and strong relative value. In a constantly evolving marketplace, innovation is critical to that mission, whether it's sustainable investing or "next-generation" investment strategies.

Principal Real Estate built our reputation as a knowledgeable advisor to institutional investors on six decades of commercial real estate experience.⁵

Our clients tap into a wide range of capabilities through our investment platform—either through convenient commingled portfolios or tailored investment strategies.

In most cases, clients may benefit from an approach that leverages our distinct 360° perspective of real estate space and capital markets.

¹ As of 31 December 2023. Includes transactions of Principal Real Estate in the U.S. and in Europe.

² As of 30 June 2024.

³ Includes clients of Principal Real Estate Europe Limited and its affiliates.

⁴ **Managers ranked by total worldwide real estate assets (net of leverage, including contributions committed or received, but not yet invested; REOCs are included with equity; REIT securities are excluded), as of 30 June 2023. "The Largest Real Estate Investment Managers," Pensions & Investments, 9 October 2023.**

⁵ Principal Real Estate Investors became registered with the SEC in November 1999. Activities noted prior to this date were conducted beginning with the real estate investment management area of Principal Life Insurance Company and, later, Principal Capital Real Estate Investors, LLC, the predecessor of Principal Global Investors Real Estate.

Experienced investment teams around the globe

Our seasoned teams of investment professionals in the United States, Europe, Singapore, and Australia deliver comprehensive research and market coverage. They average 16 years of industry experience and 14 years of firm experience.

Global network of offices and real estate professionals



Americas

- 247 investment professionals located across 12 states
- Average nearly 17 years in industry
- Average over 15 years with firm

Europe

- 65 investment professionals
- Average over 11 years in industry
- Average almost 6 years with firm

Asia

- 5 investment professionals
- Average over 16 years in industry
- Average 9 years with firm

As of 30 June 2024. *Principal Asset Management has over 40 global office locations worldwide, they are not all reflected on this map.

Extensive, deep-rooted market connections

We don't just watch markets move. We actively engage throughout the investment cycle.

On the private equity side, we create and realize value for our clients through tactical execution of a property's business plan. We are able to do this because of our deep rooted relationships with local brokers, property managers, partners, owners, and peers.

Within the debt space, we build and foster relationships with intermediaries and other lenders to enhance our vast sourcing and underwriting network.

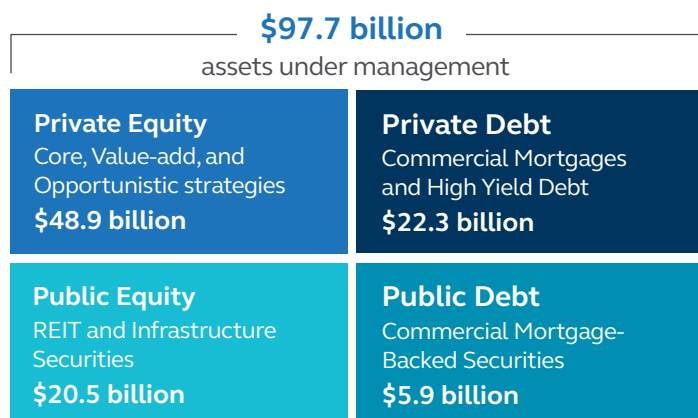
Edge data centre asset Barcelona, Spain



Four quadrants—a 360° view of commercial real estate

Extensive insights

There are four distinct “quadrants” of commercial real estate investing: public equity, private equity, public debt, and private debt. We provide focused expertise through dedicated teams in each quadrant. And we enhance that focus through the insights and cross-team collaboration to add value for our clients.



As of 30 June 2024. Assets under management figures shown do not include assets that are managed by Principal International and Retirement and Income Solutions divisions of Principal.

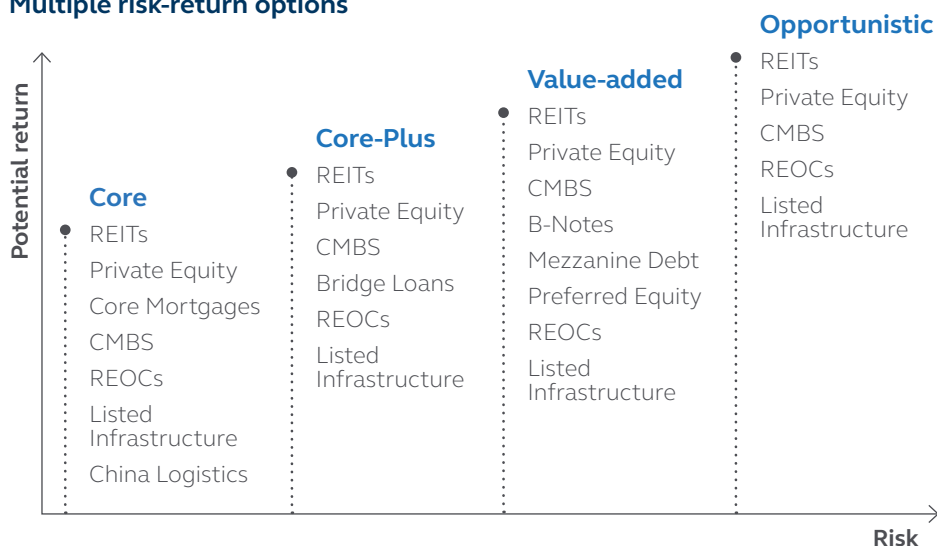


Office/retail asset
Bellevue, WA

Exclusive advantage

By investing across all four quadrants of commercial real estate, we’re not limited by a narrow view of the market. We adopt a collaborative partnership approach with clients, providing choice and customization to help meet any unique risk and return objective. Whatever commercial real estate strategy or combination of strategies you believe is right for your objectives—we can help.

Multiple risk-return options



For illustrative purposes only and not a projection of returns to any investor. This information is intended to show a general risk profile and is based upon certain assumptions that may change. The characterization of the increasing risk is only made to illustrate the Firm's view of the relative increasing investment risks inherent in these types of real estate investments. All are subject to various risks, none of which are outlined. An investor must be prepared to bear capital losses, including a loss of all capital invested.

Private equity

We provide expertise in all areas of the private equity real estate market, including acquisitions, dispositions, asset management, and development. We source and close a significant number of investments to meet the targeted outcomes of our investors, including Defined Contribution Plans as our flagship product is daily valued.

Leasing is a key strength. We have executed more than 30,000 leases across over 550 million square feet since 2001.⁶ In addition, we have executed 204 value-add and development projects since 2014 valued at over \$17 billion. Our integrated investment process is driven by proprietary research and modeling of both the real estate market and the overall economy, demographics, local sub-markets, and property level considerations.

In Europe, we have long-standing relationships in most major markets and are able to access real-time market information, track deal flow, and understand regional market dynamics.

⁶ As of 30 June 2024.

Public equity

For more than 25 years, we have used our knowledge of global commercial real estate security property sectors and regions to exploit market inefficiencies, capitalize on mispriced opportunities, and generate alpha for our clients. Our portfolio management team is long tenured, stable, and one of the largest REIT investment teams. We have an established track record of delivering attractive risk-adjusted excess returns for our investors.

We take an active management approach using fundamental research to analyze and invest in securities issued by real estate-related companies. Combine that with the insights from our in-house private real estate professionals and equity analysts, and the result is a higher conviction in a company's performance potential—an important ingredient to help clients achieve the outcomes they want.

Our private equity capabilities:

Our platforms in the U.S. and Europe provide a range of investment capabilities from traditional core strategies to opportunistic property development and redevelopment.

- Core and core-plus
- Value-add and development
- Traditional property sectors
- Specialist property sectors
 - Data centers
 - Hotels
 - Residential
 - Healthcare

Our public equity capabilities:

Our globe-spanning public real estate equity offerings focus on identifying opportunities where our team's expectations differ from the consensus.

- U.S. real estate securities
- Global real estate securities
- Global real estate securities income preference
- Global structural opportunities real estate securities
- Custom real estate securities strategies



Private debt

With more than 60 years of private debt investment experience and over 110 investment professionals, we've earned a reputation as a leader in the private debt market.⁷

Over that time, we've found that delivering the desired outcomes for private real estate debt investors means controlling the timing and quality of every aspect of a commercial mortgage transaction. We do that in-house through our vertically integrated debt platform, which includes underwriting, closing, appraising, engineering, researching, and servicing.

In the 1990's, we expanded our private debt options to include construction loans, subordinate debt, and bridge loans. These enhancements allow us to offer our clients an even broader set of private debt opportunities from core and core plus, through value-add.

Our private debt capabilities:

Our debt strategies are available through a variety of options, including closed-end funds, and separately managed accounts:

- Fixed- and variable-rate loans
- Mezzanine debt
- B Notes
- Bridge loans
- Construction/permanent lending
- Predominantly multifamily, industrial, retail, hospitality and niche property types
- Preferred equity

Public debt

Investors are drawn to commercial mortgage-backed securities (CMBS) for the potential yield enhancement, diversification benefits, and attractive risk-adjusted returns. As one of the early investors in CMBS, our public debt team has modeled every U.S. fixed-rate conduit deal since 1999. Today, we research more than 500 CMBS issuances every year—in both seasoned and new-issue pools.

We strive to achieve consistent outperformance and believe that strong security selection and disciplined monitoring are the keys to reaching that goal. Our proprietary dynamic CMBS-default model is another factor in our success, allowing granular loan-level analysis to inform a robust investment process.

Our public debt capabilities:

With diverse offerings across the risk spectrum, our CMBS strategies can suit any number of investor appetites, from buy-and-hold to opportunistic.

- Conduit CMBS (Investment grade and High yield)
- Single Asset / Single Borrower (SASB)
- CMBS Interest Only (IO's)
- Agency CMBS
- CMBS index (CMBX)

⁷ As of June 30, 2024, Principal Real Estate Investors became registered with the SEC in November 1999. Activities noted prior to this date were conducted beginning with the real estate investment management area of Principal Life Insurance Company and, later, Principal Capital Real Estate Investors, LLC, the predecessor of Principal Global Investors Real Estate.

Infrastructure investments

Global Listed Infrastructure

Listed infrastructure represents a targeted way to invest in companies that provide essential services that are critical to modern global societies. Listed infrastructure companies offer an attractive combination of secular growth and defensiveness. Long-term secular growth is driven by major themes such as the energy transition and decarbonization, demographic growth and the need for infrastructure in emerging economies and the ever-growing demand for data and digitalization. Demand for the essential services provided by infrastructure companies is less sensitive to economic conditions than for most other equity investments, making the asset class relatively defensive. Listed infrastructure companies have the potential to be key contributors to global decarbonization and societal development and as such can offer attractive sustainability characteristics.

Our dedicated team of listed infrastructure specialists have complementary experiences investing in infrastructure and broader public equity markets around the world. Our investment process fully integrates sustainability considerations and leverages the same security selection and portfolio construction philosophies on which our REITs team has relied for the past two-plus decades.

Private Infrastructure Debt

Through our private infrastructure debt capability, we provide investors access to an opportunity set of investments that benefit from defensive stable cash flows, lower default risk, covenants and collateral. The asset class benefits from significant tailwinds and allows for exposure to critical investment themes like decarbonization, electrification, and digitalization.

Private infrastructure debt can play a key role in portfolio construction for institutions and retail investors alike, aiming to offer safety, stability, and enhanced returns.

Our team seeks to provide global reach through investment across OECD countries with a focus in North America, EMEA, Latin America, and APAC, while covering sectors from energy transition and decarbonization, through transportation, utilities, digital infrastructure and social infrastructure.

Potential advantages of investing in infrastructure:

- Long-term secular themes such as decarbonization, demographic, and digitalization trends are driving opportunity and demand for infrastructure investment
- Potential for lower volatility, attractive yields, and resiliency
- Provides multiple diversification benefits to a portfolio, such as liquid access to real assets, country and sector diversification, durable and growing income potential, and lower beta versus general equities
- Listed infrastructure can be complementary to an institutional portfolio's private infrastructure allocation, with potential to complete a portfolio, preserve liquidity, gain immediate exposure, access tactical opportunities, and/or stay on top of trends
- Listed infrastructure offers targeted exposure to ESG and sustainability leaders and may support positive sustainability outcomes for investors
- Private infrastructure debt can provide compelling economics with historical premium over public and historically lower credit losses versus public corporate bonds

Real Estate Operating Company (REOC) Investments

We have a strong history in REOC investing, with a prior dedicated team that built a program of 8 REOCs that grew to over \$9 billion in assets under management. Leveraging our 60+ years in the industry, we enjoy a broad spectrum of relationships with existing and prospective operating platforms in this space. For institutional investors seeking a more customized approach to their real estate investment

strategy, REOC initiatives can help broaden the available investment solution mix, with the potential upside associated with entity ownership. REOC entities can be involved in a variety of real estate investment businesses, but will often specialize by property type, geographic region and investment style. The size of the entities can also range from start-ups to established platforms.

Potential advantages of investing in REOCs:

- Exclusive or more permanent access to real estate transaction pipelines
- Enhanced control - not just of the investment strategy but operating considerations, including staffing levels through different cycles
- Reduced net investment management fees and/or diversified investor earnings from third-party capital fee revenue generation
- Participation in value gain of REOC investment by selling the platform at some future point
- Enhanced alignment of interest
- Enhanced transparency and focus of sponsorship on client goals
- Opportunity to structure the investment to maximize institutional owner/investor tax efficiency

Principal Real Asset Investments: A China based real estate investment management company in partnership with China Construction Bank

Principal Real Asset Investments is an investment management platform focused exclusively on Mainland China logistic warehousing facilities. The platform targets buying and building core logistic assets in partnership with top-tier asset level operating partners who want a long-term accretive relationship and possess a strong fiduciary mindset.

The business combines a vertically integrated team of on-the-ground local staff with deep market knowledge and global investment management practices. The team is tasked with finding and procuring opportunities in the logistics sector for core acquisitions, select opportunistic development, asset management and successful exits.

Potential advantages of investing in China logistics:

- Window of opportunity to buy core logistic assets in historically top performing markets at a discount
- More sellers (price takers) than buyers (price makers)
- China's macro policy strongly supports the logistic industry
- 2025–2026 - new logistic supply pipeline at historical low point
- Low cost of domestic secured debt



“ We believe integrating sustainable investing practices in real estate helps improve a property’s competitive stature, reduce risk, and improve ESG and financial outcomes. ”

Todd Everett

Executive Director, Global Head of Private Markets

Residential asset
Phoenix, AZ

Innovation through sustainability

As fiduciaries for our investors, we understand, quantify, and act upon ESG through our unique Pillars of Responsible Property Investing (PRPI) sustainability platform. This platform seeks to deliver positive financial and environmental, social, and governance results by focusing on five pillars throughout the investment life cycle: environmental performance, occupant experience, community impact, climate resilience, and managerial excellence.

Impact

Performance: 2020 Targets⁸

- **14.5%** cumulative energy savings
- **21.2%** cumulative GHG reduction
- **12.8%** cumulative water savings

2035 Targets⁹

- **Greenhouse gas emissions:** -40%
- **Energy use intensity:** -20%
- **Water use intensity:** -20%
- **Waste:** 20% diversion
- **Data coverage:** 50%
- **Renewable energy:** 20% of energy use
- **Building certifications¹⁰:** 50%

2050 Target

- **Net Zero carbon emissions**

Accomplishments



GRESB 4-Star rating (2023)¹¹

U.S. Core strategy, 8th consecutive year

European Core strategy, 4th consecutive year

European Office strategy, 2nd consecutive year

The Firm paid GRESB an application fee to be evaluated and use the ranking

GRESB Green Star rating (2023)¹²

Ten strategies (U.S. and Europe)

The Firm paid GRESB an application fee to be evaluated and use the ranking



ENERGY STAR

Partner of the Year 2016-2024¹³

Sustained Excellence 2018-2024



Green Lease Leader

Gold Recognition¹⁴

third consecutive award, 2017, 2020, 2023



Principles for Responsible Investment

Signatory, 2010¹⁵

⁸ Targets ended 12/31/2020, baselines were individually set and generally date back to 2008 (irrespective of potentially earlier acquisition date). ⁹ Targets apply to open-end discretionary private equity funds, which includes the US Core, US Core Plus, Principal General Account, European Core, European Office, European Long Income, and European Care Home strategies. Performance target is relative to a 2019 baseline. Baselines are individually set for each property depending on data availability and property acquisition/development date. The first 12 months of available data on or after calendar year 2019 will be utilized as the baseline for each asset. ¹⁰ 50% of portfolio, measured by number of assets. ¹¹ 2016 - 2023 Global Real Estate Sustainability Benchmark (GRESB) assessments for Principal Real Estate's U.S. Core (2016-2023), European Core (2020-2023), and European Office (2022-2023) strategies representing data from the previous calendar year(s). 4-star rating reflects top 40% worldwide performance. ¹² Awarded to Real Estate entities with a score higher than 50% of the points allocated to the Management and Performance components. Entities with more than 15 points in Management and 35 points in Performance OR 15 points in Management and 35 points in Development will receive the Green Star designation. This rating is based on absolute performance. ¹³ The U.S. Environmental Protection Agency (EPA) annually honors organizations that have made outstanding contributions to protecting the environment through energy efficiency, April 2024. ¹⁴ IMT and the U.S. Department of Energy's Better Building Alliance awards landlords and tenants who incorporate green leasing to drive high-performance and healthy buildings. ¹⁵ Principal Asset Management has been a signatory to UN PRI since 2010.

For Public Distribution in the U.S. For Institutional, Professional, Qualified and/or Wholesale Investor Use Only in other Permitted Jurisdictions as defined by local laws and regulations.

Risk Considerations

Investing involves risk, including possible loss of principal. Past performance is no guarantee of future results. Potential investors should be aware of the many risks inherent to investing in real estate, including: adverse general and local economic conditions that can depress the value of the real estate, capital market pricing volatility, declining rental and occupancy rates, value fluctuations, lack of liquidity or illiquidity, leverage, development and lease-up risk, tenant credit issues, circumstances that can interfere with cash flows from particular commercial properties such as extended vacancies, increases in property taxes and operating expenses and casualty or condemnation losses to the real estate, and changes in zoning laws and other governmental rules, physical and environmental conditions, local, state or national regulatory requirements, and increasing property expenses, all of which can lead to a decline in the value of the real estate, a decline in the income produced by the real estate, and declines in the value or total loss in value of investments in real estate.

Direct investments in real estate are highly illiquid and subject to industry or economic cycles resulting in downturns in demand. Accordingly, there can be no assurance that investments in real estate will be able to be sold in a timely manner and/or on favorable terms.

Unless otherwise noted, the information in this document has been derived from sources believed to be accurate as of September 2024. Information derived from sources other than Principal Global Investors or its affiliates is believed to be reliable; however, we do not independently verify or guarantee its accuracy or validity. This material contains general information only and does not take account of any investor's investment objectives or financial situation and should not be construed as specific investment advice, recommendation or be relied on in any way as a guarantee, promise, forecast or prediction of future events regarding an investment or the markets in general. The opinions and predictions expressed are subject to change without prior notice. Any reference to a specific investment or security does not constitute a recommendation to buy, sell, or hold such investment or security, nor an indication that Principal Global Investors or its affiliates has recommended a specific security for any client account.

Subject to any contrary provisions of applicable law, Principal Global Investors and its affiliates, and their officers, directors, employees, agents, disclaim any express or implied warranty of reliability or accuracy and any responsibility arising in any way (including by reason of negligence) for errors or omissions in this document or in the information or data provided in this document.

All figures shown in this document are in U.S. dollars unless otherwise noted. All assets under management figures shown in this document are gross figures and may include leverage, unless otherwise noted. Assets under management may include model-only assets managed by the firm, where the firm has no control as to whether investment recommendations are accepted, or the firm does not have trading authority over the assets. Due to rounding, figures shown may not add to the total.

Integration of sustainability considerations and/or environmental, social and governance (ESG) factors is qualitative and subjective by nature. There is no guarantee that the criteria used, or judgment exercised, will reflect the beliefs or values of any particular investor. Investment teams have a high degree of investment process autonomy and may consider or weight sustainability and/or ESG criteria or factors differently (or not at all). For those teams that consider sustainability and/or ESG factors as part of the investment process in strategies that are not explicitly sustainability and/or ESG-oriented, those sustainability considerations and/or ESG factors are generally no more significant than other factors in the investment selection process, such that sustainability considerations and/or ESG factors may not be determinative in deciding to include or exclude any particular investment in the portfolio. Information regarding responsible practices or other sustainability metrics, including ESG data, differs by source and may not be accurate or complete. Integration of sustainability considerations and/or ESG factors may present additional advantages or risks, may not protect against market risk or volatility, and under certain circumstances may detract from investment performance. You should not make any investment assumptions based solely on the information contained herein. Information is provided as additional insight into the relevant investment processes and should not be viewed as a change in an investment team's underlying investment objectives, strategies, risk parameters, or portfolio construction guidelines. There is no assurance that any strategy or integration of sustainability considerations and/or ESG factors will be successful or profitable.

This document is issued in:

- The United States by Principal Global Investors, LLC, which is regulated by the U.S. Securities and Exchange Commission.
- Europe by Principal Global Investors (Ireland) Limited, 70 Sir John Rogerson's Quay, Dublin 2, D02 R296, Ireland. Principal Global Investors (Ireland) Limited is regulated by the Central Bank of Ireland. Clients that do not directly contract with Principal Global Investors (Europe) Limited ("PGIE") or Principal Global Investors (Ireland) Limited ("PGII") will not benefit from the protections offered by the rules and regulations of the Financial Conduct Authority or the Central Bank of Ireland, including those enacted under MiFID II. Further, where clients do contract with PGIE or PGII, PGIE or PGII may delegate management authority to affiliates that are not authorised and regulated within Europe and in any such case, the client may not benefit from all protections offered by the rules and regulations of the Financial Conduct Authority, or the Central Bank of Ireland. In Europe, this document is directed exclusively at Professional Clients and Eligible Counterparties and should not be relied upon by Retail Clients (all as defined by the MiFID).
- United Kingdom by Principal Global Investors (Europe) Limited, Level 1, 1 Wood Street, London, EC2V 7 JB, registered in England, No. 03819986, which is authorized and regulated by the Financial Conduct Authority ("FCA").
- United Arab Emirates by Principal Global Investors LLC, a branch registered in the Dubai International Financial Centre and authorized by the Dubai Financial Services Authority as a representative office and is delivered on an individual basis to the recipient and should not be passed on or otherwise distributed by the recipient to any other person or organisation.
- Singapore by Principal Global Investors (Singapore) Limited (ACRA Reg. No. 199603735H), which is regulated by the Monetary Authority of Singapore and is directed exclusively at institutional investors as defined by the Securities and Futures Act 2001. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.
- Australia by Principal Global Investors (Australia) Limited (ABN 45 102 488 068, AFS Licence No. 225385), which is regulated by the Australian Securities and Investments Commission and is only directed at wholesale clients as defined under Corporations Act 2001.
- This document is marketing material and is issued in Switzerland by Principal Global Investors (Switzerland) GmbH.
- Hong Kong SAR (China) by Principal Investment & Retirement Services Limited, which is regulated by the Securities and Futures Commission. This document has not been reviewed by the Securities and Futures Commission.
- Other APAC Countries/Jurisdictions, this material is issued for institutional investors only (or professional/sophisticated/qualified investors, as such term may apply in local jurisdictions) and is delivered on an individual basis to the recipient and should not be passed on, used by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

Principal Global Investors, LLC (PGI) is registered with the U.S. Commodity Futures Trading Commission (CFTC) as a commodity trading advisor (CTA), a commodity pool operator (CPO) and is a member of the National Futures Association (NFA). PGI advises qualified eligible persons (QEPs) under CFTC Regulation 4.7.

Principal Funds are distributed by Principal Funds Distributor, Inc.

© 2024 Principal Financial Services, Inc. Principal®, Principal Financial Group®, Principal Asset Management, and Principal and the logomark design are registered trademarks and service marks of Principal Financial Services, Inc., a Principal Financial Group company, in various countries around the world and may be used only with the permission of Principal Financial Services, Inc. Principal Asset ManagementSM is a trade name of Principal Global Investors, LLC. Principal Real Estate is a trade name of Principal Real Estate Investors, LLC, an affiliate of Principal Global Investors.