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LOOKING AT REAL ESTATE ASSETS

November 2024

SPEAKER BIOGRAPHY



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Mike has worked in fund management and sell-side research, covering sectors including Construction, Support Services and Real Estate.

GLOBAL AND UK REITS NOT THE ONLY OPTIONS FOR REAL ESTATE

Near 90% global REITs are USA quoted

UK REITs' share prices down this year

Real estate – debt or equity?

Case by case



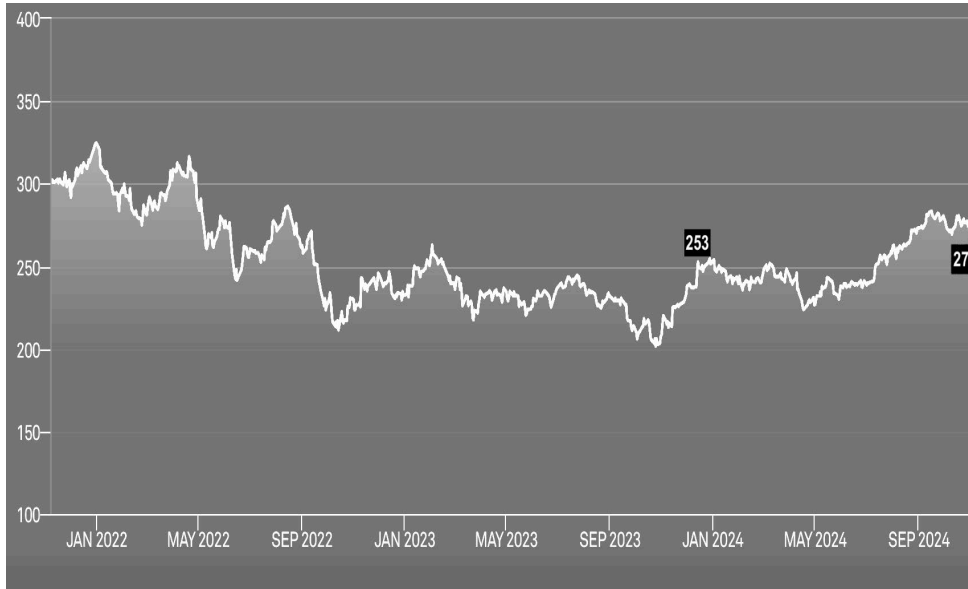
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UNDERSTANDING BREADTH OF REITS' FOCUS

- Top seven USA REITs, share prices calendar 2024, US\$ market capitalisation (9.11.24):
 - Prologis -15% 107bn logistics
 - American Tower -6% 93bn digital infrastructure
 - Equinix +14% 74bn digital infrastructure
 - Digital Realty +36% 60bn digital infrastructure
 - Simon Property +26% 58bn retail centres
 - Public Storage +11% 45bn storage
 - Crown Castle -10% 46bn digital infrastructure
- This is a very different asset class mix compared with UK REITs

COMMS AND DIGITAL DRIVE USA REITS

S&P 500 REITs



Source: Google Finance, November 2024.

REITs are individual companies, so looking at an index is only a small part of the story.

However, the USA REITs Index is up 9% calendar 2024 (to 9.11.2024).

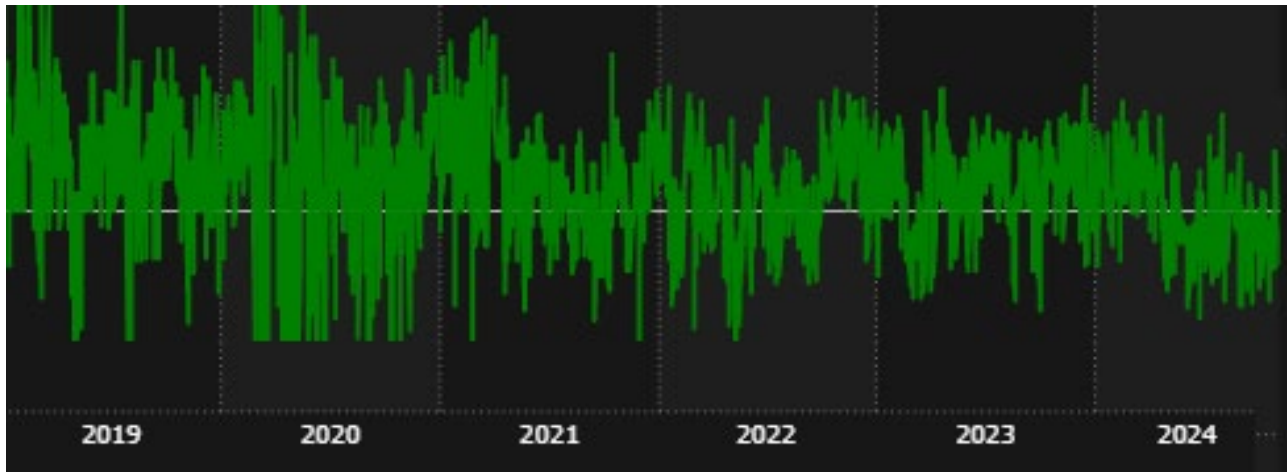


Just in the largest USA REITs, a market cap of US\$273bn is recorded in comms and digital

US\$210bn in other assets

SHARE PRICE TO NAV – A BIT THEORETICAL

- Average share prices below NAV in 2024



- NAVs are backward-looking

LARGER UK REITS – MESSAGES

- Across the board, 2024 UK REIT prices have fallen (9.11.24)
- Segro -12% calendar 2024
- British Land -3% calendar 2024
- Shaftesbury -1% calendar 2024



Source: Google Finance, November 2024.

IS THERE A WIDER SELECTION OF OPPORTUNITIES?

De-rating to NAV throws up some interesting opportunities in well managed but de-rated REITs

Debt investors benefit from higher interest rates. One example is RECI

Looking at a 'sector view' is too broad brush and at the same time too narrow

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