

HEITMAN

Heitman America Real Estate Trust

Quarterly Report

March 31, 2024



Discover what makes us different.

©2024 Heitman LLC. All rights reserved.

Table of Contents

Portfolio Highlights	1
Fund Profile	
Performance	
Letter to Partners	
US Economic Outlook	
Fundamentals & Operations	7
Apartments	
Industrial	
Office	
Retail	
Self-Storage	
Portfolio Summary	13
Portfolio Summary	
Sustainability	
Property Transactions	20
Financial Statements & Notes	22
Condensed Combined Financial Statements	
Notes to Condensed Combined Financial Statements	

Disclaimer Language: Although the written materials contained herein were prepared from sources and data presumed by Heitman to be reliable, Heitman makes no representation or warranty, express or implied, with respect to their accuracy, timeliness or completeness. You are additionally informed that any information contained herein is always subject to change without notice. Finally, any statements contained herein that are “forward-looking statements” or otherwise are not historical facts but rather are based on expectations, estimates, projections and opinions of Heitman involve known and unknown risks, uncertainties and other factors. Actual events or results may differ materially from those reflected or contemplated in such statements. Accordingly, Heitman expressly disclaims any responsibility or liability for any loss or damage that may be incurred by any party who relies on the written materials contained herein.

Confidentiality Language: The information contained herein is confidential and shall not be copied, reproduced, used or disclosed, in whole or in part, without the express written consent of Heitman, which may be withheld in Heitman’s sole and absolute discretion.

Note: Heitman America Real Estate Trust (the “Fund” or “HART”) is comprised of Heitman America Real Estate Trust, L.P. and Heitman America Real Estate Trust (PF#1), L.P.

Note: The property on the front cover is Perris Circle, Perris, CA. Perris Circle is a current investment of the Fund. Photos used in this report were selected based on visual appearance and are used for illustrative purposes only. There can be no assurance that the Fund will be able to originate loans on similar properties in the future or that future investments will be profitable or made on similar terms. Please see “Portfolio Summary” for a current list of the Fund’s investments. An investment in the Fund is speculative and involves risk, including but not limited to those related to real estate investments.

GENERAL PARTNER CONTACTS

Heitman America Real Estate Trust, LLC
c/o Heitman Capital Management LLC
110 North Wacker Drive, Suite 4000
Chicago, Illinois 60606

Blaise P. Keane
Executive Vice President
Senior Portfolio Manager
+1.312.541.6773

Amy Krass
Senior Vice President
Assistant Portfolio Manager
+1.312.425.0644

Haseeb Baig
Senior Vice President
Fund Controller
+1.312.251.4828

Brian Koschik
Vice President
Senior Finance Manager
+1.312.849.4151

Jeff Dorenkott
Assistant Vice President
Finance Manager
+1.312.912.6685

Brittany Keally
Assistant Vice President
Finance Manager
+1.312.912.6629

Linda Humphrey
Assistant Vice President
Finance Manager
+1.312.912.6616

LEGAL COUNSEL

Mayer Brown LLP
71 South Wacker Drive
Chicago, Illinois 60606
+1.312.782.0600

INDEPENDENT AUDITOR

Deloitte & Touche LLP
111 South Wacker Drive
Chicago, Illinois 60606
+1.312.486.1000



Portfolio Highlights

Fund Profile

FUND OVERVIEW

Inception Date	January 4, 2007
Fund Term	Perpetual-life, open-ended
Risk Profile	Core
Risk Controls	<ul style="list-style-type: none"> – Up to 15% in value-added properties – Maximum of 30% leverage at Fund share – No more than 15% in a single property
Min. Investment	\$5 million
Closings	Closings occur quarterly

KEY STATISTICS AS OF MARCH 31, 2024

Gross Asset Value	\$11,673 million	
Net Asset Value	\$8,689 million	
Net Asset Value Per Share	\$1,253	
Cash as % of NAV	4.6%	
Number of Investments	108	
Number of Properties	355	
Leverage Level	25.0%	
Leased Percentage	91%	
Current Quarter Net Dispositions	\$212.1 million	
Current Quarter Distributions	\$84.5 million	
	GROSS	NET
Current Quarter Dividend Yield	0.95%	0.77%
Trailing One Year Dividend Yield	3.60%	2.86%
Since Inception Dividend Yield	4.56%	3.85%

OBJECTIVE

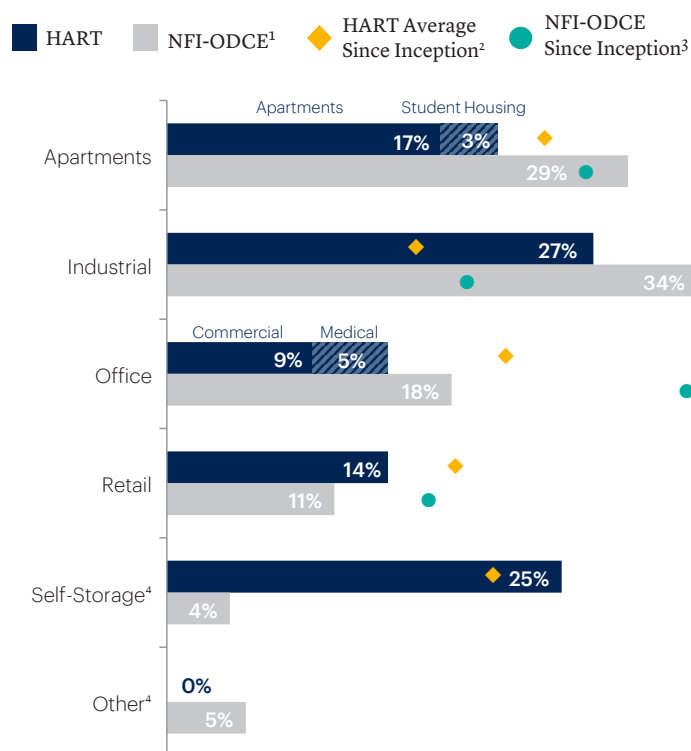
Create a high-quality, low-risk portfolio of stabilized, income-producing assets diversified by property type and economic exposure by acquiring assets:

- In infill locations within major metropolitan areas
- With strong site attributes, such as proximity to amenities, employment centers and transportation networks
- That are well-constructed, with features that we believe will appeal to tenants over long periods of time
- Through incorporation of Environment, Social, and Governance (“ESG”) principles and risk mitigation into the investment process¹

1. The Fund considers ESG factors in the total mix of data used to make investment decisions. In addition to ESG factors the Fund will weigh other considerations with equal and in some cases preferred prominence.

PROPERTY TYPE DIVERSIFICATION

BASED ON FUND GROSS VALUE



1. NFI-ODCE = NCREIF Fund Index - Open End Diversified Core Equity.

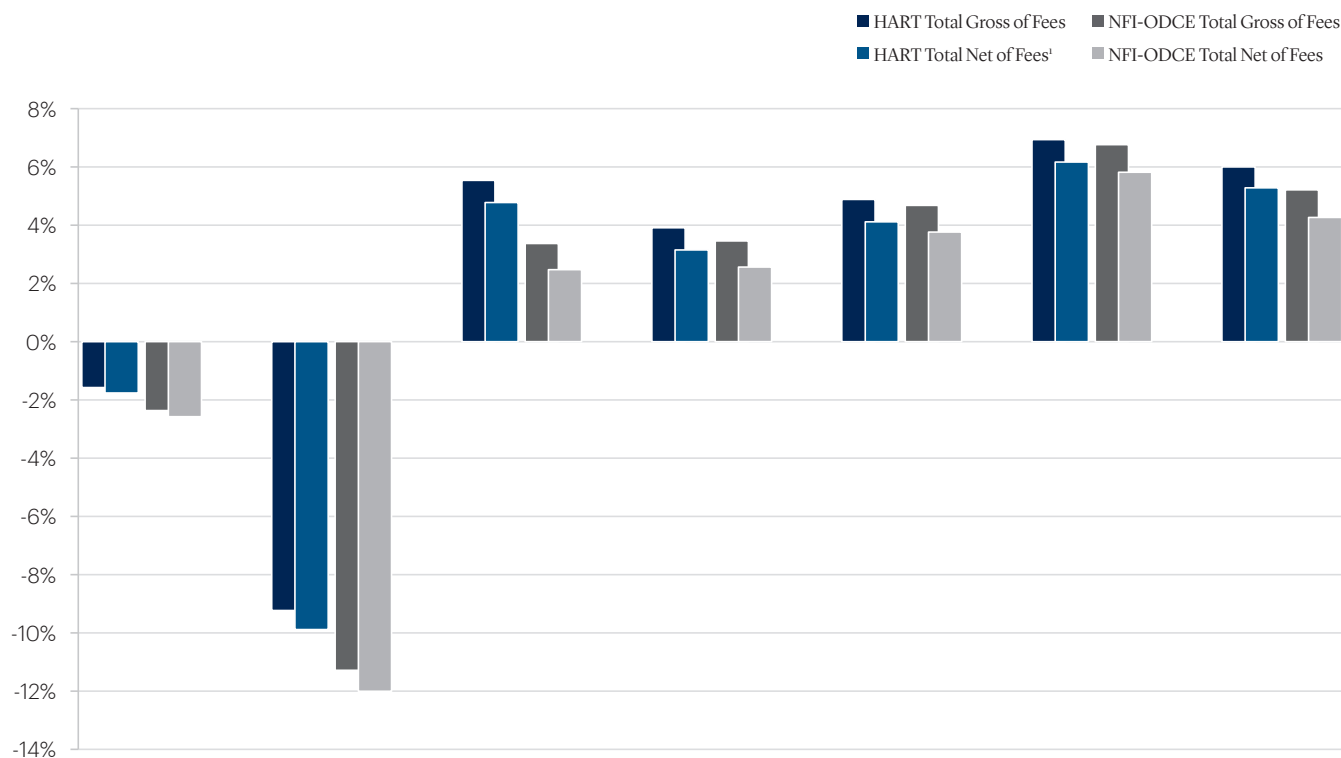
2. HART Average Since Inception is reflective of the average sector allocation since the Fund's inception in Q2 2007.

3. Average Since Inception is reflective of the average sector allocation since the Fund's first full quarter of operations in Q2 2007 and NFI-ODCE's reporting of sector allocation commencing in Q1 2013.

4. NFI-ODCE Since Inception Self-Storage and Other diversifications are not presented due to reallocation between sectors since commencement.

Performance

TIME-WEIGHTED INVESTMENT LEVEL LEVERAGED PERFORMANCE RETURNS



	3 Month (not annualized)		Trailing 12-Month		3 Year		5 Year		7 Year		10 Year		Since Inception April 1, 2007 ²	
	HART	NFI- ODCE	HART	NFI- ODCE	HART	NFI- ODCE	HART	NFI- ODCE	HART	NFI- ODCE	HART	NFI- ODCE	HART	NFI- ODCE
Income	1.09%	0.99%	4.12%	3.77%	4.01%	3.69%	4.17%	3.81%	4.26%	3.94%	4.45%	4.17%	4.97%	4.73%
Appreciation (Depreciation)	-2.68%	-3.35%	-12.95%	-14.62%	1.48%	-0.31%	-0.26%	-0.35%	0.60%	0.72%	2.41%	2.51%	0.99%	0.46%
Total Gross of Fees	-1.58%	-2.37%	-9.23%	-11.28%	5.54%	3.37%	3.91%	3.46%	4.88%	4.68%	6.94%	6.76%	6.00%	5.21%
Fund vs. NFI-ODCE Gross of Fees	+0.79%		+2.05%		+2.17%		+0.45%		+0.20%		+0.18%		+0.79%	
Total Net of Fees	-1.76%	-2.58%	-9.89%	-12.00%	4.78%	2.47%	3.15%	2.56%	4.11%	3.76%	6.17%	5.82%	5.28%	4.26%
Fund vs. NFI-ODCE Net of Fees	+0.82%		+2.11%		+2.31%		+0.59%		+0.35%		+0.35%		+1.02%	

Note: Total Return = $\frac{\text{Net Income} + \text{Capital Appreciation}}{\text{Weighted Average Equity}}$

1. Net of fee performance is reflective of the actual fees received by the Fund. Investors may incur fees that are higher or lower than those presented.
2. The since inception return begins on April 1, 2007, the first full quarter of operations after the limited partners' initial capital contribution.

Letter to Partners

STATE OF THE FUND

During the first quarter of 2024, the US economy continued to provide mixed signals which included inflationary readings and jobs data surprises to the upside. On the heels of those results, the Federal Reserve (the "Fed") maintained its current targeted benchmark rate at its most recent meeting. Given this trajectory, confidence in the likelihood of near-term rate relief by the Fed has waned. Our read-through of those circumstances suggests that the economic outlook remains uncertain. Meanwhile, Heitman America Real Estate Trust's ("HART," or the "Fund") portfolio, in our opinion, remains well positioned from a fundamentals standpoint, although we see evidence of modest softening of operating fundamentals across the various property sectors.

The Fund produced a -1.58% total gross and -1.76% total net return for Q1 2024, including an income return of 1.09% gross and 0.91% net, and depreciation of -2.68%. The trailing 12-month gross and net returns were -9.23% and -9.89%, comprised of a 4.12% gross and 3.38% net income return, respectively, and depreciation of -12.95%. The Fund's total gross and net returns outperformed the NFI-ODCE Benchmark ("ODCE," or the "Index") by 79 basis points ("bps") and 82 bps for the quarter, respectively. The Fund's total gross and net returns outperformed the Index by 205 bps and 211 bps, respectively, for the trailing 12 months. Subsequent to quarter-end, on April 18, 2024, a dividend of \$12.18 per share was paid to investors, resulting in quarterly gross and net dividend yields of 0.95% and 0.77%, respectively, and trailing 12-month gross and net dividend yields of 3.60% and 2.86%, respectively. The Fund's income return continued to outpace the Index and has now evidenced relative outperformance for the 53rd consecutive quarter and 15th consecutive year on an annual basis.

The value of the Fund's assets declined during Q1 2024 across all property sector portfolios, with the most significant value decrease impacting the commercial office assets. On an overall basis, the Fund's valuation decrease for the quarter was driven primarily by increases in valuation metrics (higher discount rates and capitalization rates) in response to ongoing challenges in

the capital markets and elevated interest rates. While valuations have declined for the last seven quarters, the gap between private real estate valuations in comparison to other asset sectors is narrowing. However, there is no guarantee that we will not continue to see movement for private real estate valuations given that interest rates, and investor yield requirements, remain at elevated levels.

The Fund's overall portfolio ended Q1 2024 at a leasing level of 91%, flat with the prior quarter. Excluding the recent delivery of an industrial development asset, the Fund's overall leasing level as of quarter-end was 94%. Normalized same-property net operating income ("NOI") for the 12-month period ended March 31, 2024, grew 2.0% as compared to the prior 12-month period. This increase was primarily driven by increased rents in the industrial and living sectors, partially offset by NOI contraction experienced in the medical office sector as a result of higher vacancy.

Two apartment assets, Commons Park West in Denver, CO, and 15 Bank in White Plains, NY, were sold during Q1 2024, resulting in \$210.3 million of net sales proceeds. HART retained a \$30.0 million preferred seller-financing interest in the 15 Bank asset upon disposition. These transactions advance the Fund's strategic plan to generate capital capacity while disposing of investments with limited growth prospects. During the quarter, the Fund executed extensions for two maturing loans, one collateralized by a retail asset and the other collateralized by a portfolio of self-storage assets. In addition, subsequent to quarter-end, a one-year extension was executed for another retail asset, Deptford Mall, which will now mature in April 2025.

Total unfunded investor commitments outstanding were \$60.1 million as of March 31, 2024. During the quarter, an additional request for liquidity was received from one investor for \$2.9 million. Payments to investors seeking liquidity were made totaling \$50.0 million in January and \$50.0 million in April 2024, following quarter-end. Subsequent to the payment made in April, the total redemption queue now sits at approximately \$1.56 billion.

The Fund's income return continues to outpace the Index with evidenced relative outperformance for 53 consecutive quarters

Letter to Partners

LOOKING FORWARD

Overall, it seems that the remainder of calendar 2024 will be a period of continued unpredictability. Elevated geopolitical conditions around the globe, a lack of clarity on additional adjustments to yields required by the markets, and a looming presidential election all contribute to generating uncertainty as to the near-term implications for monetary and fiscal policy. While it appears that private market values and public market valuations of real estate have moved closer to one another, what lies ahead for additional valuation movement is unclear. With that backdrop, we remain focused on continuing to execute the strategic plan for the Fund, and intend to make tactical decisions to proceed with those efforts on a transaction-by-transaction basis.

Operating results and fundamentals for the portfolio remain reasonably solid. However, moving forward, we anticipate some softening across the sectors. We expect to see new supply of apartments continue to stress new tenant rental rates. Muted demand in the industrial sector will bring market rental rates in for some markets, however, rent spreads versus in-place levels are expected to remain positive. For the office sector assets, we anticipate a decrease in overall occupancy level as tenants work through a resizing of space needs. The retail sector assets are expected to see forward momentum due to leasing activity completed over recent months. Finally, the self-storage assets will continue to see challenges with decreasing market rents for new tenants, while we rely on increases in rents for in-place tenancy. Notwithstanding these sectoral dynamics, however, we still expect that our sector allocation will continue to assist in delivering favorable comparative overall income return results.

Our focus on optimizing the economic performance of the Fund's assets extends into the area of sustainability. We are pleased that efforts by our talented self-storage teammates, working in conjunction with the Institute of Real Estate Managers ("IREM"), have resulted in the establishment of a certification process for assets in that sector. With this certification process in place, we will now continue to critically evaluate our self-storage portfolio for additional ways to make those assets more financially and energy efficient.

Capital capacity remains the biggest challenge for the Fund currently. Our primary focus as to capital allocation is to consider the needs of the existing portfolio, including the potential pay down of debt financings as they come to maturity, and capital infusions required by the business plans for the Fund's assets. We will continue to look to selectively dispose of assets where we observe the capital markets providing fair valuation for those assets and we intend to allocate available capital capacity to portfolio advancement objectives and payments to investors seeking liquidity. If we continue to see success in this area, consistent with the expectations incorporated in our strategic plan, we expect to see greater balance of these resources in calendar year 2026.

The debt financing profile for the Fund does not present a significant challenge in the short term, in our opinion, given limited exposure to upcoming debt maturities and limited exposure to floating rate debt. We are actively engaging with existing lenders on upcoming maturities where we believe an extension of the existing loans would be warranted. The Fund continues to enjoy a cost-of-capital advantage relative to the peer group for this aspect of the overall capitalization picture.

The current positioning of the portfolio, in terms of property sector allocation and risk profile, remains an advantage on a relative basis in our opinion. Despite a challenging backdrop in the capital markets environment, and modest evidence of slowing operating fundamentals consistent with an expectation of a broad economic slowdown, we believe the Fund should continue to produce consistent performance for investors.

We hope that you will be able to join us for Heitman's Annual Investor Meetings which will be held in Chicago on June 4 and 5, 2024. The format allows us to provide a thorough overview of operations and our perspective on the strategic direction for the Fund going forward. HART's Annual Meeting is scheduled for the afternoon of June 4, 2024.

Amidst the uncertain environment in which we are operating, we remain grateful for your continued support.

The Fund's sector allocation should continue to assist in delivering favorable comparative overall income returns despite anticipated softening across sectors



Blaise P. Keane
Senior Portfolio Manager
+1.312.541.6773
blaise.keane@heitman.com

US Economic Outlook

Q1 2024 US economic performance continued outpacing expectations, much to the consternation of Fed officials and investors alike. The moderation of inflation observed in the second half of 2023 appeared to stall in the beginning of 2024 as Consumer Price Index (“CPI”) increases exceeded expectations for three consecutive months. That, in addition to continually robust job gains, has raised uncertainty around the Fed’s plans for monetary policy shifts this year.¹

Q1 2024 job growth ran hot, but signals below the headlines point to potential cooling. Nonfarm payroll gains exceeded consensus expectations in each month of Q1, surging to 303,000 in March. Trailing three-month average job growth rose to 276,000 in March after ending 2023 averaging about 200,000 per month. Job gains remain weighted to the services sector, specifically health and private education, government, and leisure and hospitality.² A labor supply-side revival is introducing slack to the labor market, allowing for steady monthly additions to payrolls while wage growth decelerates. A rise in labor force participation by prime-age workers, driven by a surge in foreign immigration, helped bring wage growth to a 4% annualized pace consistent with the Fed’s inflation target.³ Other signs of cooling are in the March National Federation of Independent Business survey, which indicated hiring plans have hit their lowest level since the early pandemic recovery.⁴ Furthermore, alternatives to the monthly establishment survey, which are more lagged, but based on a much larger sample size, suggest downward revisions to recent payroll reports are likely to come.

Inflation has also surprised to the upside in 2024.⁵ Some components are contributing to stickiness in headline and core CPI, which both came in at 0.4% month-over-month for March. The persistently high shelter component has confounded the Fed and investors alike. But Oxford Economics posits that it will ease later in the year when weaker increases in market rents that are now observable in alternative data series filter into the official measure.⁶ Moody’s analysis shows the difference between current inflation and the Fed’s target is in the so-called owners’ equivalent rent (“OER”). The harmonized core consumer price index (excluding food, energy, and OER) has been below 2% for the past year.⁷ The March 2024 print of the personal consumption expenditure (“PCE”) deflator, the Fed’s preferred inflation gauge, reflected 0.3%

growth for both headline and core prices. This leaves core PCE at 2.8% year-over-year, in line with consensus expectations, which should be seen as a positive report.⁸

While markets had generally accepted the Fed’s guidance of three likely rate cuts in 2024, with the first one expected as early as June, a bumpy first quarter for inflation and labor markets changed the outlook dramatically. Complicating the timing and scale of projected cuts is the 2024 US presidential election. Many investors in interest rate futures markets now anticipate just one 2024 rate cut, or none at all. Moody’s⁹ and Oxford Economics¹⁰ have each lowered their expectations to two cuts in the second half of the year, but we believe there is downside risk to those estimates.

Against this backdrop, consensus views favor a “soft landing” scenario. In the mid-April Wall Street Journal survey of economists, the probability of a recession dropped to 29% (from 39% in the January 2024 survey),¹¹ the lowest level since April 2022. Other surveys from Q1 2024 reflect an optimistic outlook. Consensus Gross Domestic Product (“GDP”) growth for 2024 is 1.4% per Bloomberg,¹² and 1.7% per Philadelphia Fed’s Survey of Professional Forecasters. Both represent a slowdown from 2023 levels but still near-potential growth. These forecasts increased in recent months, reflecting growing positive sentiment.¹³ The preliminary Q1 2024 GDP release showed real GDP rose at a 1.6% annualized rate, well inside the consensus of 2.5%. But the drag from inventories and trade that drove the miss is expected to wane over the course of the year. Additionally, gains in sales to domestic purchasers suggest continued momentum in the economy.¹⁴

Despite solid current conditions and a generally positive economic outlook, downside risks remain. We continue to look for potential lagged effects of the Fed’s monetary policy tightening regime on the consumer sector as well as the labor market, which have proven resilient to date. The potential for broadening conflict in the Middle East, in addition to the drawn out Russia-Ukraine war, threatens to reignite inflation, primarily through elevated oil and shipping costs,¹⁵ though this has thus far not been the case.¹⁶ The primary drawback to continued resilience of the economy is uncertainty around monetary policy, with financial market conditions remaining tight until movement in rates is evident.

With consensus views favoring a “soft landing” and some surveys reflecting an optimistic outlook, there is growing positive sentiment and momentum in the US economy

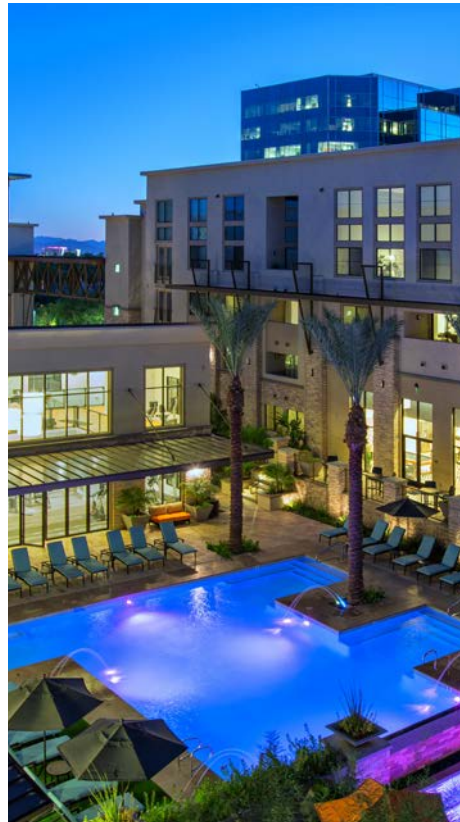
1. Moody’s Analytics: U.S. Road To Recession (April 12, 2024)
2. Oxford Economics: US: Jobs data will not stop a June rate cut if inflation cooperates (April 5, 2024)
3. Moody’s Analytics: US Outlook: The Inflation Story (April 15, 2024)
4. Oxford Economics US: March CPI raises odds of a later start to rate cuts (April 12, 2024)
5. Evercore ISI: Inflation Exceeds Expectations For A Third Month (April 10, 2024)
6. Oxford Economics: US: Sticky inflation may delay but won’t derail rate cuts (April 12, 2024)
7. Moody’s Analytics: US Outlook: The Inflation Story (April 15, 2024)
8. Moody’s Analytics: PCE Deflator (April 26, 2024)
9. Moody’s Analytics: PCE Deflator (April 26, 2024)
10. Oxford Economics: US: Consumer spending and inflation coming in hot (April 26, 2024)
11. Wall Street Journal: ‘Envy of the World’—U.S. Economy Expected to Keep Powering Higher (April 14, 2024)
12. Bloomberg “SURVEY REPORT: US Economic Forecasts in Dec. 2023” (December 22, 2023)
13. Federal Reserve Bank of Philadelphia “Fourth Quarter 2023 Survey of Professional Forecasters” (November 13, 2023)
14. Oxford Economics: US: Q1 GDP – Objects in mirror look better than they appear (April 25, 2024)
15. Reuters: Escalating Middle East tensions a fresh jolt to world markets (April 19, 2024)
16. Oxford Economics: US: Recession Monitor – Slow does not imply terrible (April 30, 2024)



Fundamentals & Operations

Apartments

Resilient demand has kept a floor under apartment occupancy in Q1 2024 amidst an ongoing barrage of new deliveries. Quarterly absorption of 58,200 units kept occupancy flat at 94.1% throughout the quarter. This came against new supply additions at 129,000 units, more than double the historical quarterly average. This bevy of new supply is eroding pricing power for property owners. Per RealPage, roughly 14% of units are offering some sort of concession, up from a floor of 5% in the frothy early 2022 period. But this remains far below the post-Global Financial Crisis recovery period when more than half of units offered concessions. At the national level, effective asking rents avoided year-over-year declines through the winter doldrums, backed by consistent strength in the Midwest and Northeast. Markets like Austin, Orlando, Raleigh-Durham, Charlotte, and Dallas are seeing negative effective rent growth, and year-to-date deceleration, through March 2024. Rent change is still negative, but improving, in Las Vegas, Portland, Salt Lake City, Phoenix, Atlanta, and Jacksonville. However, those markets (similar to their Sunbelt and Western peers) will see an increase in deliveries over the coming four quarters compared to the trailing four, which will keep pressure on fundamentals.



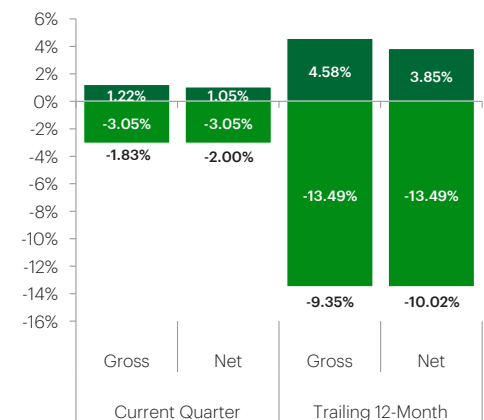
Biltmore at Camelback – Phoenix, AZ

Elevated construction remains the primary risk to the apartment outlook for 2024, and into 2025. The nation's capacity to absorb the 960,000 units under construction will be tested.¹⁷ Those units under construction include the 370,000 market rate units started in 2023, per Yardi Matrix. This marks just a 16% year-over-year deceleration from 2022's record high, despite the significant capital markets challenges faced by the sector in 2023.¹⁸ Yardi's trend in starts falls within the range of the Census (-13% year-over-year) and the National Multifamily Housing Council's survey of development activity for the top 25 developers (-21% year-over-year). These trends indicate deliveries will likely run at historically high levels through the first half of 2025. Preferences from debt and equity providers are tilting pipelines toward lower cost basis projects in suburban submarkets.¹⁹

The apartment portfolio currently represents 20% (inclusive of 3% student housing) of the Fund's gross asset value ("GAV"), which compares with the Q1 2024 NFI-ODCE weighting of 29%. The portfolio's same-property NOI increased by 3.7% over the preceding 12-month period. Revenue increased by 4.1% and expenses increased by 4.7%. The portfolio's leased percentage of 97% is up 1% from Q4 2023 and Q1 2023. Renewal trade-outs continue to remain strong at 5.5%, while new supply and seasonality impacted new leasing, causing -1.7% new lease trade-outs, resulting in a blended trade-out of 1.9%. New lease trade-outs continue to be pressured in supply-heavy markets. Revenue growth continues to be offset by expense increases led by insurance, repairs and maintenance, and contract services.

Nationally, effective asking rents avoided year-over-year declines through the winter doldrums, backed by consistent strength in the Midwest and Northeast

APARTMENT TIME-WEIGHTED RETURNS*



■ Depreciation
■ Income

* Time-weighted returns shown include all of the HART portfolio's apartment sector. The full portfolio's time-weighted returns can be found on page 3.

Past performance is not necessarily indicative of future results. There can be no assurance that the Fund will be able to acquire similar properties in the future or that future acquisitions will be on similar terms, or the Fund will achieve comparable results, be able to effectively implement its investment strategy, achieve its investment or asset allocation objectives or avoid substantial losses.

17. All claims and data prior to this come from "Mar-Q12024 RealPage Data" file, which is derived from Heitman Research's analysis of RealPage data (aggregated data of multifamily property market fundamentals for the US and 50 largest metro areas), accessed April 2024

18. "MF Starts By Property Type and Market 2024_03" file from Yardi Matrix, accessed April 2024

19. Green Street: Fewer Sticks and Bricks in '26 (April 21, 2024)



LogistiCenter Exit 8A - Northern NJ

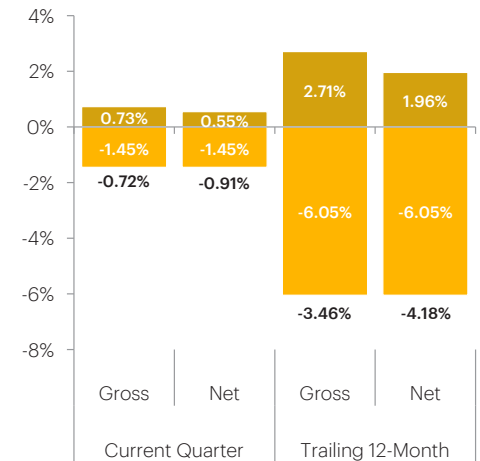
The industrial market is coming back down to earth after a decade of stratospheric growth. The nation's industrial vacancy rate has consistently marched upwards from Q2 2022's all-time low of 3.5%, reaching 6.2% to end Q1 2024, up from 5.7% in Q4 2023. This rate is now approaching the long-term average level of 6.5% since 2000, last observed in mid-2014. As vacancy is steadily increasing, net new demand has steadily decreased, falling for five consecutive quarters. With 25.9 million square feet ("msf") absorbed in Q1 2024, the quarter was the weakest for new demand since Q2 2010. Deliveries totaled 124.6 msf, nearly five times as high as demand.²⁰ Understandably, rent growth cooled to 0.6% in Q1 2024, the lowest figure since Q4 2012, but still exceeded inflation on a yearly basis, growing 5.4% over the past four quarters.²¹

Though the pot is off the boil in early 2024 for the US industrial market, the outlook is far more sanguine than Q1 2024 stats suggest. Starts are accelerating downwards, having fallen 55% on a trailing four quarter basis and 64% from Q1 2023.²² Outstanding construction has fallen for six straight quarters, and peak deliveries are firmly in the rear-view mirror.²³ On the demand side, Amazon signed seven new leases for 1.0 msf or greater between March 14 and April 5, 2024 in the western region alone,²⁴ signaling a return to growth for e-commerce demand. Additional expansion for Amazon is rumored in Pennsylvania and South Florida.²⁵ A pickup in industrial production (on the back of increased manufacturing output) should support new leasing over 2024.²⁶ We continue to believe that, towards the end of 2024 or in early 2025, the market will once more see falling availability rates. As availability rates slightly lead vacancy rates, this call dovetails with CoStar's projection for falling vacancy rates starting in Q2 2025.²⁷ Bullishly, CBRE expects vacancy rates to begin their descent later this year.²⁸

The industrial allocation represents 27% of the Fund's GAV as of Q1 2024, comparing to the Q1 2024 NFI-ODCE weighting of 34%. The portfolio's same-property NOI increased by 6.5% for the trailing 12-months over the preceding 12-month period. The portfolio's leasing percentage, inclusive of a recently delivered vacant development, remained at 92%, unchanged from the previous quarter-end. Excluding the vacant development, the leased percentage is 99%. During Q1 2024, the Fund executed one renewal and two new leases. In Perris, CA, the West Coast Industrial Portfolio renewed Whirlpool's (1.7 msf) lease for seven years, starting at a base rent of \$12.92 per square foot ("psf"), a 117% increase above their expiring rent. The Fund executed two new leases totaling 176,000 square feet ("sf"), including a six-year lease with National Signal at a 93% increase over the previous tenant's expiring rent. We anticipate rent growth will continue to moderate as vacancy is expected to increase to pre-COVID-19 levels given more normalized tenant demand, as well as new deliveries coming online. We believe the portfolio's same-property NOI and free cash flow should continue to grow as favorable future mark-to-market lease spreads continue to drive performance.

Industrial rent growth cooled to 0.6% in Q1, but exceeded inflation on a yearly basis, growing 5.4% over the past four quarters

INDUSTRIAL TIME-WEIGHTED RETURNS*



■ Depreciation
■ Income

* Time-weighted returns shown include all of the HART portfolio's industrial sector. The full portfolio's time-weighted returns can be found on page 3.

Past performance is not necessarily indicative of future results. There can be no assurance that the Fund will be able to acquire similar properties in the future or that future acquisitions will be on similar terms, or the Fund will achieve comparable results, be able to effectively implement its investment strategy, achieve its investment or asset allocation objectives or avoid substantial losses.

20. All claims and data prior to this come from the "Industrial Q1 2024" file which is derived from Heitman Research's analysis of CoStar data (aggregated data industrial real estate, 10,000 sf and greater, across 51 US geographies, compiled on April 1, 2024)

21. CoStar Industrial Data Export Q1 2024, accessed April 23, 2024

22. Industrial Q1 2024 file

23. CoStar Industrial Data Export Q1 2024

24. Colliers, "Comps Report - March 2024 - Colliers Industrial Capital Markets" email sent April 15, 2024

25. CBRE, interview with James Breeze, April 16, 2024

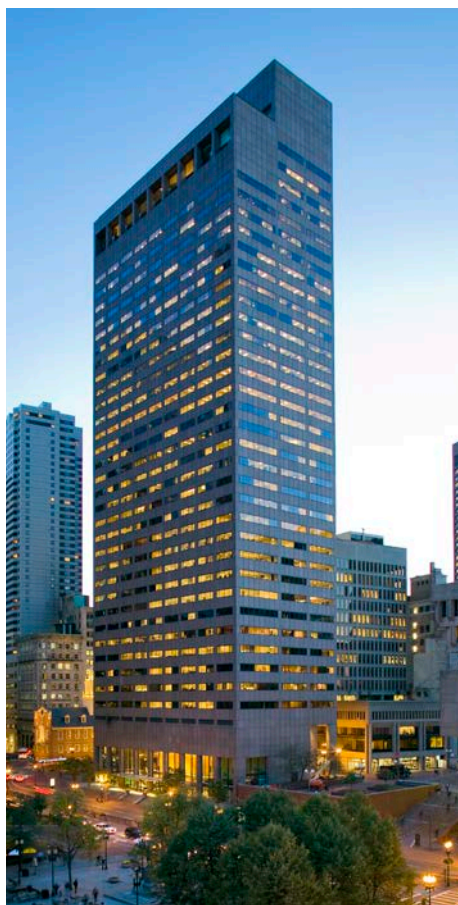
26. Oxford Economics, "US: Industrial production rides manufacturing's coattails" (April 16, 2024)

27. CoStar Industrial Data Export Q1 2024

28. CBRE, interview with James Breeze, April 16, 2024

Still reeling four years after the COVID-19 pandemic began in the US, the office market's decline has not abated and is, in fact, accelerating. At 19.2%, Q1 2024's vacancy rate reached a 30-plus year high and was up 155 bps year-over-year, an increase in pace from the 137 bps increase in the year prior and 107 bps increase in the year before that. Likewise, net absorption totaled -54.1 msf in the year ending Q1 2024, lower than both the year prior (-38.9 msf) and the preceding year (-16.2 msf). After the market broke a seven-quarter streak of rising availability in Q4 2023, the march upward grew in Q1 2024 to a new record level of 23.2%.²⁹

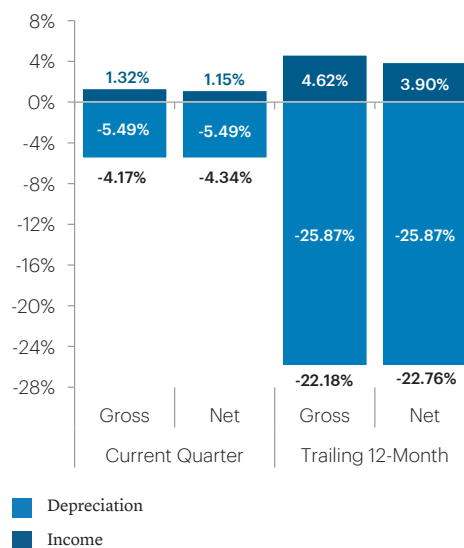
There are a few positive trends occurring amid the despair. First, trophy inventory is clearly outperforming. Office property delivered between 2005-2021 has a relatively meager 12.5% vacancy rate and 15.8% availability rate.³⁰ Second, office starts are historically low. Per JLL data, groundbreakings were below 300,000 sf nationally in Q1 2024, in a reading that was "by far the lowest total in nearly 40 years of recorded data." Increased required yields for speculative office and rising construction costs have pushed the rents needed to justify new construction to all-time highs. In this environment, it is far more likely that office is demolished than built, and indeed in JLL's data set, office inventory began to fall outright in Q1 2024 (a trend the brokerage expects to persist over the near-term). Conversions picked up in Q1 2024 as well,³¹ and cities across the US are introducing programs to accelerate such investment in their Central Business Districts.³² Lastly, something may come of the market's collective bemoaning of high tenant improvement costs as capital dries up for new leases. On a recent office panel in Chicago, ownership groups shared strategies about how they have cost-efficiently spruced up second generation spaces, refused to entertain high tenant improvement asks in reasonable space, and mothballed lower-quality spaces for a better day.³³



28 State Street – Boston, MA

The office market is experiencing some positive trends, including a 12.5% vacancy rate and 15.8% availability rate for trophy property

OFFICE TIME-WEIGHTED RETURNS*



* Time-weighted returns shown include all of the HART portfolio's office sector. The full portfolio's time-weighted returns can be found on page 3.

Past performance is not necessarily indicative of future results. There can be no assurance that the Fund will be able to acquire similar properties in the future or that future acquisitions will be on similar terms, or the Fund will achieve comparable results, be able to effectively implement its investment strategy, achieve its investment or asset allocation objectives or avoid substantial losses.

29. All uncut claims and data prior to this come from the "Office Q1 2024" file which is derived from Heitman Research's analysis of CoStar data (aggregated data office real estate, 20,000 sf and greater, not owner-occupied and unknown owner type, across 30 sampled US geographies, compiled on April 1, 2024)

30. "Trophy Office CoStar Data", derived from Heitman Research's analysis of CoStar data (aggregated data office real estate, 20,000 sf and greater, not owner-occupied and unknown owner type, across all US MSAs, compiled on April 23, 2024)

31. JLL, "U.S. Office Market Dynamics | 2024 Q1"

32. AP News, "Cities reviving downtowns by converting offices to housing", April 23, 2024

33. Bisnow, "Chicago Landlords Are Refusing To Pony Up Cash For Tenant Improvements" (April 15, 2024)

The office portfolio represents 14% (9% commercial office and 5% medical office) of the Fund's GAV at quarter-end, which is below the Q1 2024 NFI-ODCE allocation of 18%. Operationally, the portfolio's same-property NOI decreased by 1.9% over the preceding 12-month period, driven primarily by a large tenant vacating their space at lease-end in January 2023 at First Hill Medical Pavilion in Seattle. The portfolio's leasing level remained flat relative to Q4 2023, at 88%. During Q1 2024, across our commercial and medical office assets, we executed 77,120 sf of leases. We are in the final stages of executing a long-term renewal with Penn Medicine at Princeton Medical Arts Pavilion that we expect to finalize in Q2 2024. On the capital markets front, during Q1 2024, we agreed to terms to sell Alhambra Medical Office in Sacramento, CA. At this time, we are working through the purchase and sale agreement with the buyer and plan to close the transaction in the first half of the second quarter.



Shops at Wailea – Wailea, HI

After a strong end to 2023, retail sales moderated in January 2024. Shopping center relevant sales growth fell to 0.9% year-over-year, the lowest level since early 2021. This softness was short lived as growth accelerated in February and March resulting in average growth of 2.2% year-over-year in Q1 2024. However, this growth rate is below the long-term average of 4.1% and well below the 8.0% growth observed during Q1 2023. Further, continued high inflation drove real sales growth into negative territory for the first time in several quarters.³⁴

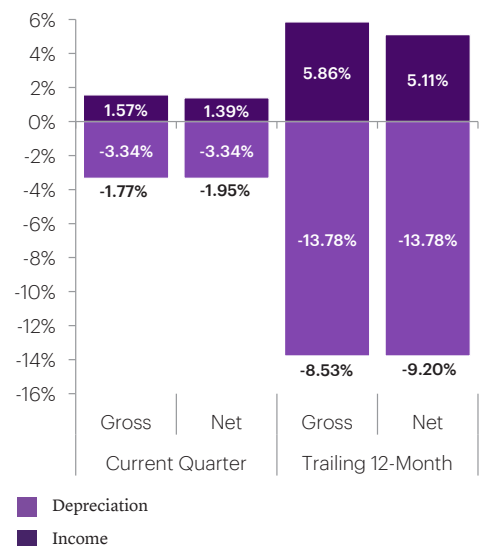
Even as consumer demand moderates, retail fundamentals remain in the tightest position they have been in years, driven by record low levels of new construction. As of Q1 2024, trailing four-quarter net absorption totaled 21.4 msf. Subdued retail development has decreased the amount of space to be absorbed, resulting in steadily declining net absorption since its post-pandemic peak in 2022. This dynamic has also put downward pressure on vacancy, which remains at a record-low 5.5%, and upward pressure on market rents which grew 3.9% year-over-year to an all-time high in Q1 2024.³⁵

Heitman anticipates consumer spending to remain muted in 2024 as the Fed will look for weakness in the labor market which should result in a rebound of household savings. However, retailers remain committed to their store opening plans, which we believe, along with continued low levels of new supply, will keep property fundamentals healthy through the first half of the year.³⁶

The Fund's retail allocation at quarter-end is 14%, which is above the Q1 2024 NFI-ODCE allocation of 11%. The portfolio's same-property NOI decreased by 2.7% over the preceding 12-month period, driven by revenue growth of 0.1% and expense growth of 5.0%. The NOI decrease is largely attributed to lower collection of percentage rent as well as elevated lease termination income and rent deferral payments in the preceding period. Excluding the preceding period impacts, revenue and NOI increased 3.6% and 2.8%, respectively. Additionally, the portfolio continues to see pressure on expenses, notably on security services, administrative costs, and property insurance. The portfolio is 91% leased, which includes one department store vacancy (94% excluding this space). Leased percentage remained flat from the previous quarter. During Q1 2024, a lease was executed at Pinnacle at Turkey Creek in Knoxville, TN with Homesense, a TJX Companies brand. This lease successfully backfills a 25,000 sf space formerly occupied by Bed Bath & Beyond, which filed bankruptcy in Q2 2023. Portfolio foot traffic showed improvement over the first quarter, trending 4.5% above the prior year, while sales for the trailing 12 months through February 2024 trended down 2%, suggesting that consumers may be spending more selectively though exhibiting the desire to shop. The portfolio is seeing the benefit of the recent leasing efforts as evidenced by strong rental income growth which should continue to support NOI growth in 2024.

With low levels of supply and retailers sticking to store opening plans, retail property fundamentals should remain healthy for the first half of 2024

RETAIL TIME-WEIGHTED RETURNS*



* Time-weighted returns shown include all of the HART portfolio's retail sector. The full portfolio's time-weighted returns can be found on page 3.

Past performance is not necessarily indicative of future results. There can be no assurance that the Fund will be able to acquire similar properties in the future or that future acquisitions will be on similar terms, or the Fund will achieve comparable results, be able to effectively implement its investment strategy, achieve its investment or asset allocation objectives or avoid substantial losses.

34. US Census Bureau (accessed on April 15, 2024). Advance Monthly Sales for Retail and Food Services

35. All claims and data prior to this come from the "Retail Q1 2024" file which is derived from Heitman Research's analysis of CoStar data (aggregated data of existing, under construction, and under renovation shopping centers of various formats for 75 US geographies, compiled on 4/15/24. Formats include community center, lifestyle center, neighborhood center, power center, strip center, and regional mall)

36. Telsey Advisory Group (April 2024). Bankruptcies, Store Openings and Closings

Self-Storage



Life Storage I Portfolio – Various US

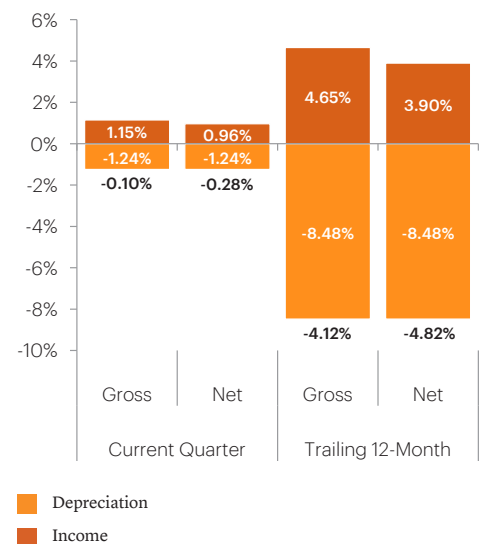
Operating performance in the self-storage sector continues to be weak, as leasing activity levels remain soft and are not yet indicative that the sector will experience normal seasonal demand levels this year. In Heitman’s 372-property same-store pool for March 2024, net move-in and move-out activity was 0.36%, which was 16 bps below the historical average for March. Move-ins and move-outs were up 73 bps and 23 bps from February 2024, respectively; however, move-ins were on the lower end of what is typically seen, so move-outs did not offer a favorable offset to the slowing customer demand. However, occupancy increased 35 bps month-over-month to 88.3% as of Q1 2024. To generate traffic and realize the slight occupancy gains, offered street rates in March dropped 2.7% from February and are now down 15.0% year-over-year. In-place rents are up 2.4% from a year ago, at \$18.36, but leasing activity continues to remain dilutive to the rent roll because market rents are 23.1% below in-place figures. Therefore, revenue growth in 2024 will be dependent upon existing customer rent increases if demand doesn’t return to historical levels. The top metro areas for year-over-year in-place rent growth are Milwaukee, WI (11.2%), Dallas/Fort Worth, TX (6.4%), New York, NY (6.2%), Nashville, TN (6.1%), and Denver, CO (5.5%).³⁷

Transaction activity in the self-storage sector remained steady in Q1 2024, as \$1.7 billion worth of self-storage assets traded hands, matching the transaction volume seen in Q4 2023. As such, annual transaction volume remained essentially flat year-over-year with \$16.1 billion worth of self-storage assets trading hands. In Q1 2024, 261 self-storage assets traded hands, an increase of 36.6% over Q4 2023. However, this increase came at the expense of asset pricing, as average price psf landed at \$140, an 8.0% decrease from Q4 2023, and represents the first quarter below \$150 psf since Q1 2022.³⁸

The Fund’s dedicated allocation to the self-storage sector increased to 25% of GAV at the end of Q1 2024, up from 24% as of 2023 year-end. The portfolio’s same-property NOI decreased by -0.9% for the recent 12-month period over the preceding 12-month period. Macroeconomic headwinds continue to negatively impact the portfolio’s performance. Occupancy was 89% at quarter-end, down approximately 34 bps from the end of Q1 2023. During the past 12 months, the portfolio continued to experience muted move-in volumes and increased competition for customers, resulting in softened market rents. While existing customer rent increases and extended customer stay continue to support in-place rent levels, revenue growth is slowing. This on-going slowness is being attributed to persistent challenges in the housing market and reduced migration which is resulting in year-over-year revenue growth of 0.6%, down from 1.4% in the previous quarter. Inflationary pressures are also impacting portfolio expenses, which grew 3.2%. Higher maintenance costs and utility rates are contributing to expense increases. Higher wages and credit card charges are increasing administrative costs. Additionally, higher marketing spend is being deployed to maintain customer market share. Fortunately, favorable real estate tax outcomes in the past year helped mitigate the other expense increases. We anticipate portfolio performance will continue to be impacted by economic headwinds in the near term, although prior year comparisons should begin to ease by the second half of 2024. In addition, several value-added expansion projects in the Life Storage, Metro, and iStorage portfolios are being completed, and we believe will provide revenue growth as the additional square footage is leased-up.

Transaction activity in the self-storage sector remained steady in Q1, as \$1.7 billion worth of self-storage assets traded hands

SELF-STORAGE TIME-WEIGHTED RETURNS*



* Time-weighted returns shown include all of the HART portfolio’s self-storage sector. The full portfolio’s time-weighted returns can be found on page 3.

Past performance is not necessarily indicative of future results. There can be no assurance that the Fund will be able to acquire similar properties in the future or that future acquisitions will be on similar terms, or the Fund will achieve comparable results, be able to effectively implement its investment strategy, achieve its investment or asset allocation objectives or avoid substantial losses.

37. Self-storage fundamentals data cited above is sourced from Heitman’s same-store pool of 372 stabilized properties, spread throughout the US with various joint venture partners. Stabilized stores include any store that has reached and maintained 85%+ occupancy for 18 months, excluding any stores with major expansions or natural disasters. Forward-looking statements are based on Heitman’s budgets for 2024

38. MSCI: Real Capital Analytics, Accessed April 23, 2024 (Q1 2024 Preliminary Data)



Portfolio Summary

1225 Old Town - Chicago, IL

Portfolio Summary

(\$ IN THOUSANDS)

Investment Name	Year Acquired	Location	Effective Fund Ownership Percentage ¹	No. of Assets	Total Owned Square Feet/ Units ²	Leasing Level ³	Fund Capitalization ⁴			
							Gross Value	Property Level Third Party Debt ⁴	Net Value	Cash Invested ⁵
Apartments										
Villas at River Oaks	2012	Houston, TX	100.0%	1	288 units	98%	\$ 53,900	\$ -	\$ 53,900	\$ 50,664
Anara Santa Monica	2012	Santa Monica, CA	100.0%	1	350 units	95%	192,400	81,899	110,501	100,881
1225 Old Town	2013	Chicago, IL	100.0%	1	250 units	98%	147,000	-	147,000	166,465
Folio	2014	Austin, TX	100.0%	1	606 units	93%	138,200	50,381	87,819	43,279
Biltmore at Camelback	2014	Phoenix, AZ	100.0%	1	270 units	96%	92,900	-	92,900	78,572
OneEleven	2015	Chicago, IL	75.0%	1	504 units	97%	210,403	97,416	112,987	167,074
The Taylor	2015	Dallas, TX	100.0%	1	308 units	96%	105,400	-	105,400	120,895
Premiere on Pine	2015	Seattle, WA	100.0%	1	386 units	96%	203,100	-	203,100	248,875
The Porter Del Ray	2017	Alexandria, VA	100.0%	1	276 units	97%	122,500	52,383	70,117	47,452
Cambridge Park	2017	Cambridge, MA	100.0%	1	312 units	94%	185,300	-	185,300	183,236
Avalia Boca Raton	2018	Boca Raton, FL	100.0%	1	297 units	97%	172,000	-	172,000	128,564
Square on Fifth	2018	Atlanta, GA	100.0%	1	230 units	100%	155,600	75,953	79,647	66,419
Radius at 15th	2018	Minneapolis, MN	100.0%	1	200 units	100%	85,000	-	85,000	77,430
The Sawyer Providence Farm	2018	Charlotte, NC	100.0%	1	404 units	96%	144,000	-	144,000	99,310
Halo 46	2018	Tampa, FL	100.0%	1	158 units	99%	72,800	-	72,800	52,088
The Ashborough	2021	Ashburn, VA	100.0%	1	504 units	97%	190,000	-	190,000	162,367
15 Bank Preferred Interest	2024	White Plains, NY	100.0%	1	N/A	N/A	30,000	-	30,000	30,090
Total - Apartments				17	5,343 units	97%	2,300,503	358,032	1,942,471	1,823,661
Industrial										
Chicago Industrial Portfolio	Various	Various IL	100.0%	11	4,365,768	99%	464,600	95,186	369,414	218,509
West Coast Industrial Portfolio - CA	2013	Various CA	51.0%	14	3,860,421	100%	636,837	90,196	546,641	98,302
West Coast Industrial Portfolio - WA	2013	Various WA	51.0%	3	1,422,353	92%	147,849	21,546	126,303	44,930
New Jersey Industrial Portfolio	2015	Various NJ	100.0%	3	1,531,596	100%	367,900	-	367,900	98,011
Westgate Building	2016	San Bernardino, CA	100.0%	1	414,020	100%	121,000	-	121,000	36,030
Dallas Industrial Portfolio	2016 & 2019	Various TX	100.0%	11	3,459,578	100%	409,200	85,298	323,902	195,315
Perris Circle	2017	Perris, CA	100.0%	1	474,235	100%	135,800	-	135,800	52,275
Rickenbacker	2019	Columbus, OH	100.0%	1	972,160	100%	85,800	-	85,800	67,055
Gillem 900	2020	Forest Park, GA	100.0%	1	1,043,418	100%	110,500	-	110,500	86,092
Agua Mansa	2021	Colton, CA	100.0%	3	813,513	91%	229,800	-	229,800	125,082
Logistics Center Phoenix	2021	Glendale, AZ	100.0%	1	915,160	100%	101,800	-	101,800	72,950
Stockton Industrial*	2021	Stockton, CA	91.9%	3	-	N/A	124,883	-	124,883	98,621
Commercial Point Portfolio	2022	Columbus, OH	100.0%	4	1,198,695	0%	119,700	-	119,700	120,244
Total - Industrial				57	20,470,917	92%	3,055,669	292,226	2,763,443	1,313,416
Total - Industrial Excluding Recently Completed Development					19,272,222	99%				
Office										
Alhambra Medical Office Building	2011	Sacramento, CA	100.0%	1	103,652	88%	46,100	-	46,100	49,708
Foundry Square IV	2012	San Francisco, CA	100.0%	1	239,798	98%	199,700	-	199,700	207,868
353 North Clark	2014	Chicago, IL	75.0%	1	1,184,258	85%	346,546	210,958	135,588	370,854
First Hill Medical Pavilion	2016	Seattle, WA	100.0%	1	230,304	85%	180,700	-	180,700	198,744
Healthcare Portfolio	2018	Various US	100.0%	10	962,626	94%	406,200	-	406,200	436,790
28 State Street	2018	Boston, MA	100.0%	1	573,584	87%	299,800	174,917	124,883	268,392
Campus at Playa Vista	2018	Los Angeles, CA	100.0%	1	338,996	75%	205,800	-	205,800	352,947
Total - Office				16	3,633,218	88%	1,684,846	385,875	1,298,971	1,885,303
Retail										
Chandler Fashion Center	2009	Chandler, AZ	10.0%	1	635,294	93%	44,028	25,486	18,542	12,758
Pinnacle at Turkey Creek	2011	Knoxville, TN	100.0%	1	657,734	97%	156,000	-	156,000	157,890
Miracle Marketplace	2013	Miami, FL	100.0%	1	242,485	98%	63,500	-	63,500	102,648
Pacific Commons	2013 & 2014	Fremont, CA	100.0%	1	995,029	93%	265,100	136,881	128,219	155,819
Shops at Wailea	2015	Wailea, HI	100.0%	1	180,931	95%	322,400	130,338	192,062	231,597
Deptford Mall	2016	Deptford, NJ	49.0%	1	506,787	96%	121,324	69,648	51,676	194,423
Twenty Ninth Street	2016	Boulder, CO	49.0%	1	692,458	95%	117,061	71,492	45,569	111,142
FlatIron Crossing	2016	Broomfield, CO	49.0%	1	1,038,846	76%	158,613	85,334	73,279	289,172
Broadway Plaza	2018	Walnut Creek, CA	50.0%	1	753,168	85%	343,150	202,498	140,652	230,649
Total - Retail				9	5,702,732	91%	1,591,176	721,677	869,499	1,486,098
Total - Retail Excluding Vacant Anchor					5,537,732	94%				
Self-Storage										
Life Storage I Portfolio	Various	Various US	76.6%	37	24,169 units	94%	677,105	138,306	538,799	306,589
Life Storage II Portfolio	2011 & 2012	NJ, PA, & TX	70.7%	22	15,357 units	92%	338,530	72,554	265,976	46,251
Storage Post I Portfolio	2012 & 2013	NJ & NY	96.6%	14	18,157 units	92%	446,968	142,627	304,341	165,800
Metro Portfolio	2013 & 2014	Various US	79.0%	20	11,887 units	83%	240,948	59,448	181,500	57,155
CubeSmart I Portfolio	2013	NC & TX	50.0%	28	13,760 units	89%	194,050	49,786	144,264	84,862
Storage Post II Portfolio	2015	Various NY	95.8%	2	3,786 units	90%	135,116	47,162	87,954	77,860
CubeSmart II Portfolio	2016	Various US	70.7%	13	5,886 units	88%	126,741	30,346	96,395	33,887
iStorage Portfolio	2018 & 2020	Various US	35.0%	104	65,936 units	85%	590,542	220,034	370,508	230,211
Life Storage III Portfolio	2022 & 2023	Various US	40.0%	16	10,843 units	86%	95,920	-	95,920	115,160
Total - Self-Storage				256	169,781 units	89%	2,845,920	760,263	2,085,657	1,117,775
TOTAL PORTFOLIO⁷				355			\$ 11,478,114	\$ 2,518,073	\$ 8,960,041	\$ 7,626,253

1. Fund share based on effective Fund ownership percentage. Ownership percentage is net of the joint venture partner's promote, if applicable.

2. 100% of the property value, including joint venture partner's share, if applicable.

3. Weighting based on Fund ownership share.

4. Amount reflects the fair value of the third party loan secured by the property and excludes borrowings under the Fund's credit facility.

5. Net investment (net cost of real estate assets), plus capital additions and principal payments on debt.

6. Industrial investment currently under development.

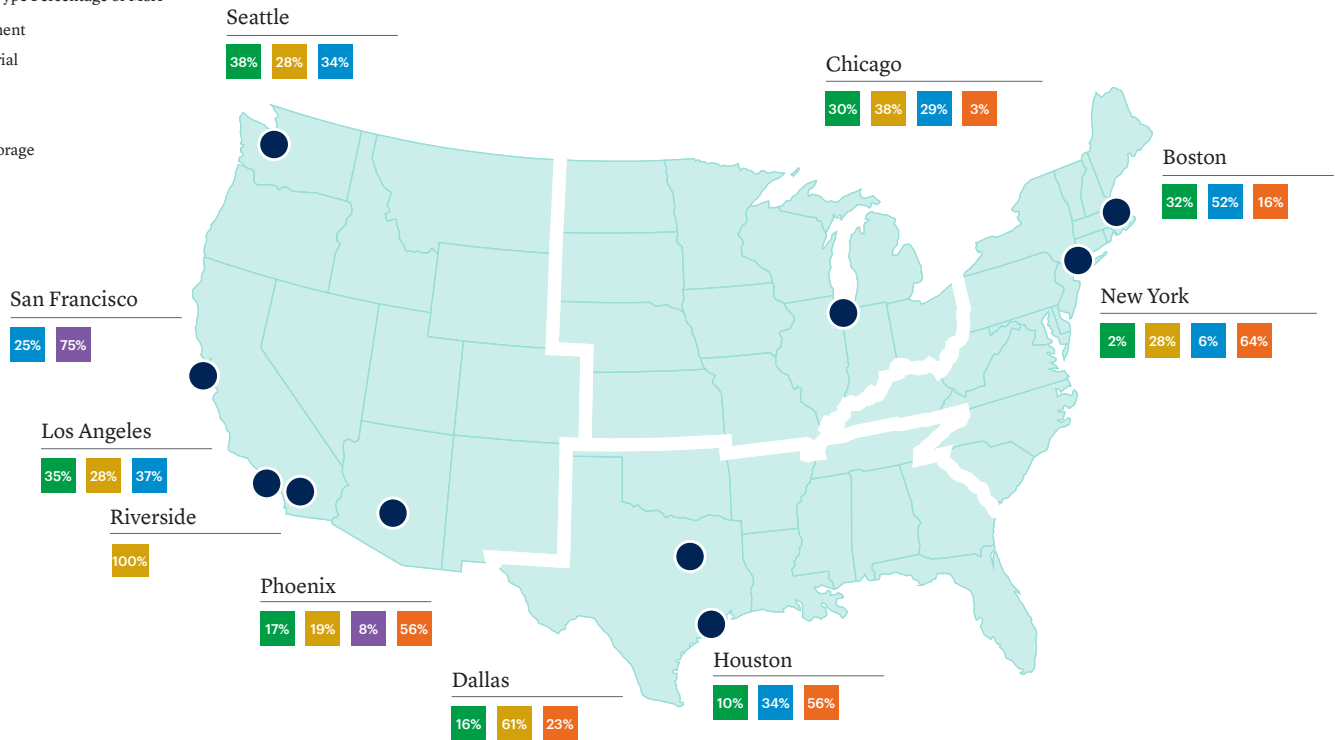
7. Total portfolio leasing level excluding vacant industrial warehouse within the Commercial Point Portfolio and vacant retail anchor box at FlatIron Crossing is 94%.

Portfolio Summary

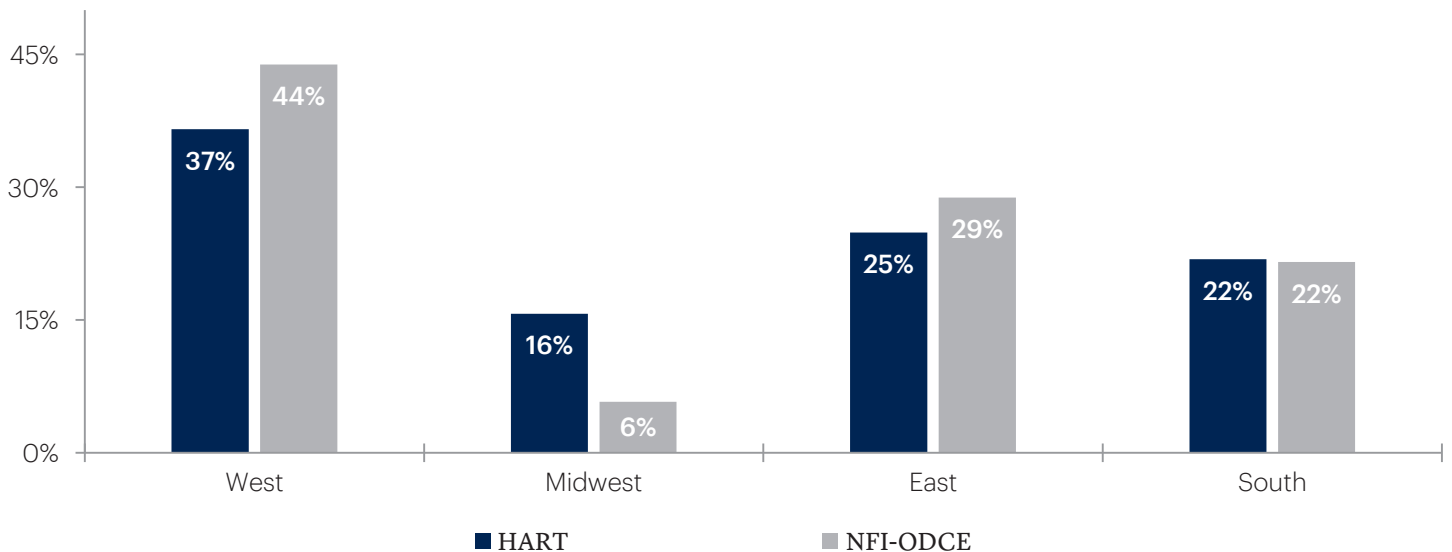
TOP TEN MSAs AS OF MARCH 31, 2024 BASED ON FUND SHARE OF GROSS VALUE

Property Type Percentage of MSA

- Apartment
- Industrial
- Office
- Retail
- Self-Storage



GEOGRAPHIC DIVERSIFICATION AS OF MARCH 31, 2024 BASED ON FUND GROSS VALUE



Portfolio Summary

PROPERTY LEASING PROFILE

Pinnacle at Turkey Creek ³⁹ KNOXVILLE, TN

Pinnacle at Turkey Creek (the "Property") is a wholly owned open-air shopping center in Knoxville, TN. The Property serves a large trade area and offers an expansive list of tenants including Marshalls, a Belk department store, a flagship Regal movie theater, a Nike store, and a high-volume Total Wine store. The Knoxville market has been a beneficiary of recent in-migration trends, generating strong population growth and an active residential development pipeline. The Property has benefitted similarly through recent leasing momentum.

In Q1 2024, the Property executed a 10-year lease with Homesense, a home furnishing retailer owned by parent company TJX Companies, owner of attractive brands such as TJ Maxx, Marshalls, and HomeGoods. Homesense will occupy a 25,000 sf anchor box formerly leased by Bed Bath & Beyond ("BBBY"), who filed bankruptcy and vacated the space in Q2 2023. At the onset of the BBBY bankruptcy proceedings, shopping centers across the nation were faced with assuming the large volume of vacant anchor boxes and competing for replacement tenants. The Fund was able to successfully execute the lease with Homesense at improved economics and with limited downtime. Homesense's starting rent is 13% above market and 70% above BBBY's rent, providing approximately \$175,000 of incremental rental revenue for the Property upon the expected opening in Q4 2024. This leasing success continues the significant momentum at Pinnacle at Turkey Creek, adding to the nine new leases executed in 2023 that totaled 100,000 sf and approximately \$696,000 of incremental revenue. The Fund has only one other former BBBY space at an open-air center in Miami, FL, in which the BBBY lease was assumed by Burlington, who is currently under construction and expected to open in Q2 2024.

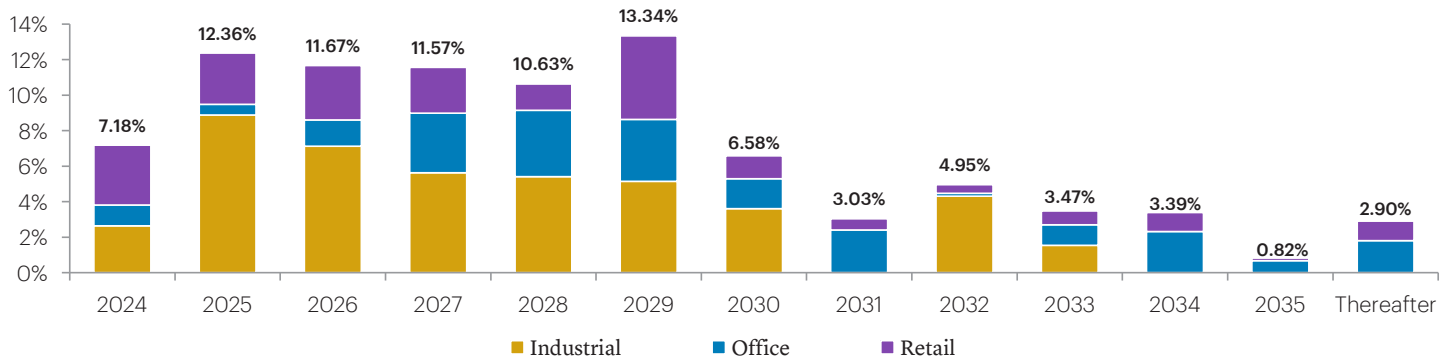


Pinnacle at Turkey Creek - Knoxville, TN

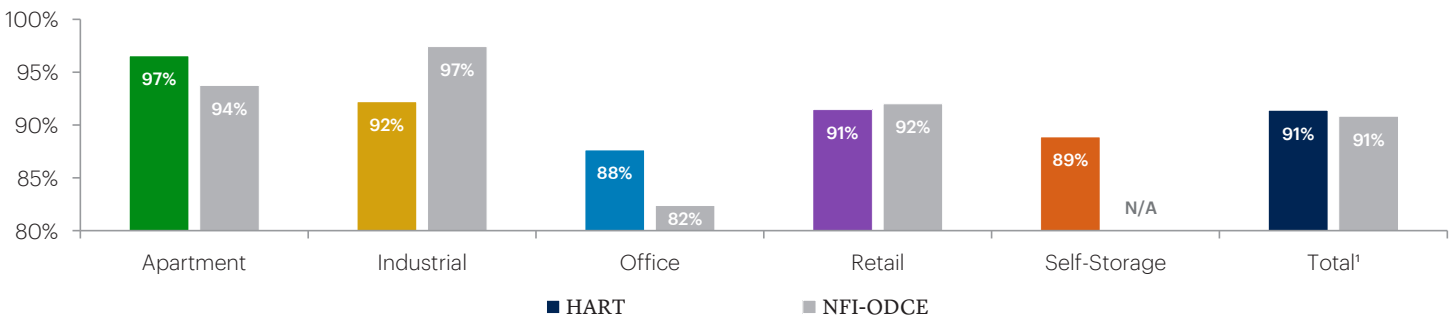
³⁹ The property leasing profile reflects what Heitman believes to be the most notable leasing activity occurring in the Fund in Q1 2024. Past performance is not necessarily indicative of future results, and there can be no assurance that the Fund will achieve comparable results in the future.

LEASE EXPIRATION SCHEDULE AS OF MARCH 31, 2024

BASED ON FUND COMMERCIAL GROSS ASSET VALUE



CURRENT LEASING COMPARISON



¹ Fund leasing level excluding self-storage properties averages 92%.

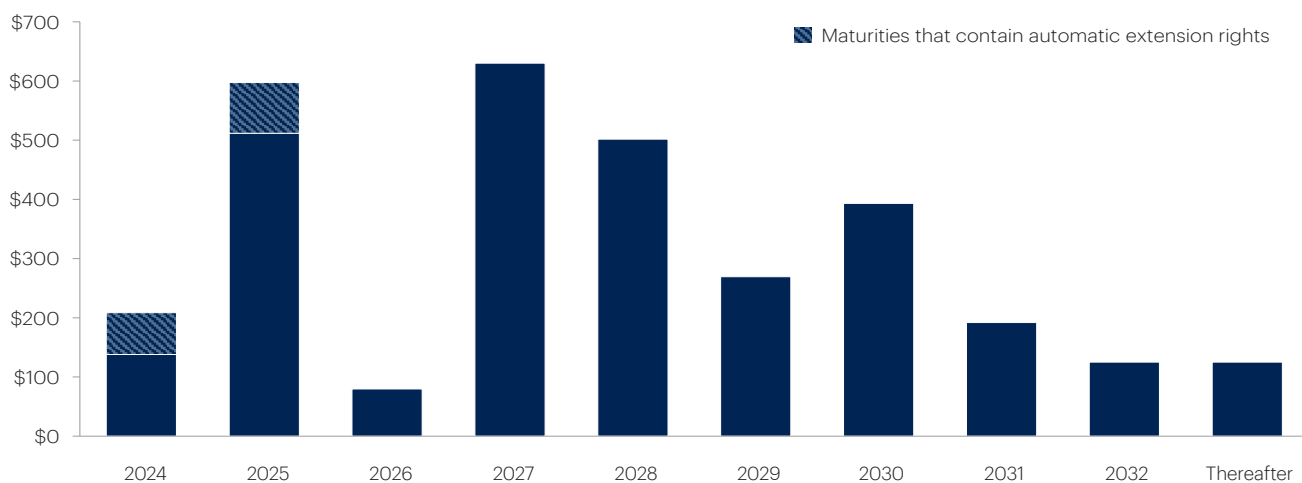
Portfolio Summary

DEBT OVERVIEW¹

Total Leverage Ratio ^{2 3}	25.0%
NFI-ODCE Leverage Ratio	26.9%
Fixed Rate Debt ^{4 5}	100%
Weighted Average Maturity of Debt ⁴	4.0 years
Trailing One Year Debt Service Coverage Ratio ⁶	3.66
Weighted Average Interest Rate ⁷	4.03%

LOAN MATURITIES BY YEAR⁸

\$ IN MILLIONS



	2024	2025	2026	2027	2028	2029	2030	2031	2032	Thereafter
Loan Value	\$208.4	\$597.5	\$79.7	\$630.2	\$501.7	\$269.3	\$393.2	\$192.0	\$125.0	\$125.0
Percentage of Outstanding Loans	6.7%	19.1%	2.6%	20.2%	16.1%	8.5%	12.6%	6.2%	4.0%	4.0%
Weighted Average Interest Rate	3.83%	3.56%	4.10%	4.37%	3.90%	3.16%	3.81%	4.33%	3.24%	3.34%

1. There can be no assurance that the Fund will be able to effectively implement its debt management plan or investment strategy, achieve its investment or asset allocation objectives or avoid substantial losses.

2. Total leverage (including the Credit Facility) at fair market value over total assets. Total leverage (including the Credit Facility) at cost over total assets at cost is 29.1%.

3. Total leverage (excluding the Credit Facility) at fair market value over total assets is 25.0%.

4. Excludes the Credit Facility, which had no outstanding balance as of March 31, 2024.

5. The Fund has a floating rate loan comprising 2.7% of total debt. This floating rate loan has an interest rate cap which has been reached.

6. Trailing one year debt service coverage ratio is 2.85 for Fund encumbered assets.

7. Weighted by Fund's share of leverage (excluding the Credit Facility) at cost. Weighted average interest rate including the Credit Facility is 4.03%.

8. Fund's share of total debt excluding the Credit Facility and includes principal payments of amortizing loans.

Portfolio Summary

TIER 1 (T1) TOTAL LEVERAGE RECONCILIATION³

Total Assets per Condensed Combined Financial Statements	\$	12,658,864,683
+ Fund's Economic Share of Non-Consolidated Liabilities		1,281,289,941
- Joint Venture Partner's Economic Share of Total Assets		(2,047,308,937)
= Fund's Economic Share of Total Assets	\$	11,892,845,687
Fund's Total Debt at Cost ¹	\$	3,113,983,691
÷ Fund's Economic Share of Assets		11,892,845,687
= T1 Leverage Level²		26.2%

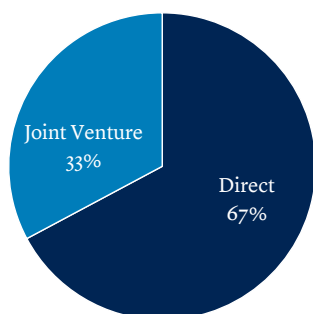
1. Includes Fund Level Debt, \$500 million outstanding as of March 31, 2024.

2. T1 Leverage Level is calculated in accordance and as defined by the NCREIF/PREA reporting standards.

3. There can be no assurance that the Fund will be able to effectively implement its debt management plan or investment strategy, achieve its investment or asset allocation objectives or avoid substantial losses.

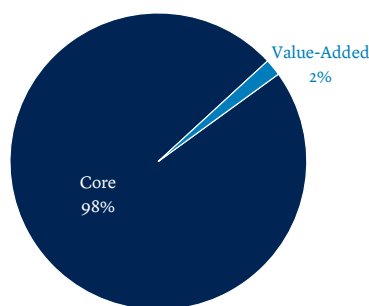
FUND STRUCTURE

BASED ON FUND GROSS VALUE



INVESTMENT STRATEGY

BASED ON FUND GROSS VALUE



TOTAL GLOBAL EXPENSE RATIO¹

FOR THE ROLLING FOUR QUARTER PERIODS ENDING MARCH 31, 2024 AND 2023

	2024	2023
Asset/Fund management fees ²	\$ 68,048,408	\$ 77,055,971
Transaction-based management fees ³	135,000	1,065,000
Total Fees Earned by Investment Advisor	\$ 68,183,408	\$ 78,120,971
Total Vehicle-related costs charged by third parties⁴	\$ 7,630,176	\$ 7,623,719
Average Gross Asset Value⁵	\$ 12,628,503,269	\$ 13,916,967,048
Gross Asset Value TGER	0.60%	0.62%
Weighted Average Net Asset Value⁶	\$ 9,658,311,741	\$ 10,616,746,009
Net Asset Value TGER	0.78%	0.81%

1. There can be no assurance that the fees and costs reflected in the above table will not be significantly greater in the future. Increases in such fees and costs may negatively impact the returns to limited partners.

2. Includes regularly recurring asset management fees earned by the General Partner for the ongoing management of the Fund. These fees are paid on a quarterly basis and are not included in the Fund's condensed combined financial statements as the asset management service arrangements are directly between the limited partners and the General Partner.

3. Includes debt arrangement fees paid to the General Partner for each financing that the General Partner arranges on behalf of the Fund.

4. Includes vehicle costs paid to third parties to maintain and grow the Fund's operations. These costs include audit costs, bank charges, custodian costs and depository costs, other/misc. vehicle administration costs, professional services costs, dead deal costs, legal costs, and appraisal/valuation costs.

5. Gross asset value is the average of the quarterly assets as of March 31, 2023 through March 31, 2024 and March 31, 2022 through March 31, 2023, respectively. Assets are calculated as follows: Total Balance Sheet assets less Joint Venture partner's economic share of total assets plus Fund's economic share of non-consolidated liabilities.

6. Net asset value is the average of the quarterly weighted net assets as of March 31, 2023 through March 31, 2024 and March 31, 2022 through March 31, 2023, respectively.

Sustainability

DEVELOPMENT OF SELF-STORAGE CERTIFICATION

Heitman, in collaboration with IREM, identified the need for an affordable and scalable certification for self-storage assets that enhances operational efficiency and adds value. Given the success of the IREM certification in other sectors, a proposal was made to adapt the IREM Certified Sustainable Property (“CSP”) Program to include self-storage.

A task force, led by Heitman and composed of managers and operators in collaboration with IREM, was established to develop the certification. The team convened monthly and, after more than a year of effort, finalized the certification requirements, which were subsequently approved by IREM’s board.

Heitman is currently coordinating with IREM to educate operators about the program and exploring partnership opportunities to pilot the program in stores in 2024.

The development of this addition to the IREM CSP program represents a strategic effort to standardize and enhance sustainability practices within the self-storage sector.



Life Storage III Portfolio – Various US

The Fund considers ESG factors in the total mix of data used to make investment decisions. In addition to ESG factors the Fund will weigh other considerations with equal and in some cases preferred prominence.



Property Transactions

Premiere on Pine - Seattle, WA

First Quarter 2024 Dispositions

COMMONS PARK WEST

DENVER, CO



Commons Park West – Denver, CO

Property Type	Apartment
Closing Date	January 12, 2024
Net Sales Proceeds (Fund's Share)	\$145.5 million
Fund's Share	100.0%
Leverage at Disposition	0.0%
Total Units	340 units
Leasing Level at Disposition	96%

The disposition of this asset was completed as a result of our assessment of limited growth prospects driven by anticipated capital investments and lower projected growth in the Denver market. Proceeds from the disposition will be used to advance the Fund's strategic plan.

15 BANK

WHITE PLAINS, NY



15 Bank – White Plains, NY

Property Type	Apartment
Closing Date	January 31, 2024
Net Sales Proceeds (Fund's Share)	\$66.6 million
Fund's Share	100.0%
Leverage at Disposition	49.9%
Total Units	501 units
Leasing Level at Disposition	96%

The disposition of this asset was completed as a result of our assessment of limited growth prospects driven by anticipated capital investments, new apartment supply, and successful completion of the original business plan. HART retained a preferred equity interest in this asset. Proceeds from the disposition will be used to advance the Fund's strategic plan.

There can be no assurance that the Fund will be able to effectively implement its capital expenditures plan or investment strategy, achieve its investment or asset allocation objectives or avoid substantial losses.

Past performance is not necessarily indicative of future results. There can be no assurance that the Fund will be able to acquire similar properties in the future or that future acquisitions will be on similar terms.



Financial Statements & Notes

Condensed Combined Financial Statements

HEITMAN AMERICA REAL ESTATE TRUST

CONDENSED COMBINED STATEMENTS OF NET ASSETS AS OF MARCH 31, 2024 AND DECEMBER 31, 2023

UNAUDITED

	2024	2023
ASSETS		
REAL ESTATE INVESTMENTS AT ESTIMATED FAIR VALUE:		
Real estate and improvements (Cost: 2024 - \$8,246,190,962; 2023 - \$8,506,191,267)	\$ 9,856,400,000	\$ 10,386,800,000
Non-consolidated real estate corporations and ventures (Cost: 2024 - \$1,977,490,932; 2023 - \$1,934,471,692)	2,313,994,041	2,307,687,799
Total real estate investments	12,170,394,041	12,694,487,799
CASH AND CASH EQUIVALENTS	374,843,534	230,768,039
RESTRICTED CASH	13,979,423	14,803,707
ACCOUNTS RECEIVABLE (net of allowance for doubtful accounts: 2024 - \$2,146,446; 2023 - \$1,756,264)	26,179,819	27,073,490
OTHER ASSETS	73,467,866	71,379,690
Total assets	12,658,864,683	13,038,512,725
LIABILITIES		
MORTGAGE NOTES PAYABLE AT ESTIMATED FAIR VALUE (Cost: 2024 - \$1,895,595,293; 2023 - \$1,992,561,228)	1,832,093,531	1,919,127,527
CREDIT FACILITY AT ESTIMATED FAIR VALUE (Cost: 2024 - \$0; 2023 - \$0)	-	-
PRIVATE PLACEMENT DEBT PAYABLE AT ESTIMATED FAIR VALUE (Cost: 2024 - \$500,000,000; 2023 - \$500,000,000)	465,173,596	462,323,561
REAL ESTATE TAXES PAYABLE	38,279,768	46,369,279
DISTRIBUTIONS PAYABLE	84,500,000	88,900,000
OTHER LIABILITIES	174,286,082	156,944,930
Total liabilities	2,594,332,977	2,673,665,297
TOTAL NET ASSETS	\$ 10,064,531,706	\$ 10,364,847,428
NET ASSETS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1,375,094,429	1,411,873,486
NET ASSETS ATTRIBUTABLE TO HEITMAN AMERICA REAL ESTATE TRUST	\$ 8,689,437,277	\$ 8,952,973,942
SHARES OUTSTANDING ATTRIBUTABLE TO HEITMAN AMERICA REAL ESTATE TRUST	6,935,193.9454	6,964,370.2725
NET ASSET VALUE PER SHARE ATTRIBUTABLE TO HEITMAN AMERICA REAL ESTATE TRUST	\$ 1,252.9480	\$ 1,285.5396

See notes to condensed combined financial statements.

Condensed Combined Financial Statements

HEITMAN AMERICA REAL ESTATE TRUST

CONDENSED COMBINED STATEMENTS OF REAL ESTATE INVESTMENTS AS OF MARCH 31, 2024 AND DECEMBER 31, 2023

UNAUDITED

	Total Owned Square Feet/ Units ¹	Form of Ownership Interest	Location	2024		2023	
				Cost	Fair Value	Cost	Fair Value
Real estate and improvements							
Apartments:							
15 Bank (sold 1/31/2024)	-	Direct	White Plains, NY	\$ -	\$ -	\$ 179,088,776	\$ 194,700,000
Villas at River Oaks	288 units	Direct	Houston, TX	50,698,429	53,900,000	50,538,625	56,200,000
Anara Santa Monica	350 units	Direct	Santa Monica, CA	187,452,896	192,400,000	187,297,943	196,000,000
Commons Park West (sold 1/12/2024)	-	Direct	Denver, CO	-	-	122,615,877	145,500,000
1225 Old Town	250 units	Direct	Chicago, IL	166,545,215	147,000,000	166,454,660	148,100,000
Folio	606 units	Direct	Austin, TX	98,325,641	138,200,000	97,836,284	144,300,000
Biltmore at Camelback	270 units	Direct	Phoenix, AZ	78,608,129	92,900,000	78,596,660	100,000,000
OneEleven	504 units	Co-Investment	Chicago, IL	354,124,571	280,500,000	353,617,928	300,500,000
The Taylor	308 units	Direct	Dallas, TX	120,973,641	105,400,000	120,872,147	105,200,000
Premiere on Pine	386 units	Direct	Seattle, WA	249,002,724	203,100,000	248,952,508	203,000,000
The Porter Del Ray	276 units	Direct	Alexandria, VA	104,652,184	122,500,000	104,496,872	122,200,000
Cambridge Park	312 units	Direct	Cambridge, MA	183,271,180	185,300,000	183,053,968	185,900,000
Avalia Boca Raton	297 units	Direct	Boca Raton, FL	128,565,830	172,000,000	128,416,978	176,100,000
Square on Fifth	230 units	Direct	Atlanta, GA	143,071,455	155,600,000	142,953,094	154,100,000
Radius at 15th	200 units	Direct	Minneapolis, MN	77,439,123	85,000,000	77,417,330	92,200,000
The Sawyer Providence Farm	404 units	Direct	Charlotte, NC	99,308,069	144,000,000	99,192,980	147,400,000
Halo 46	158 units	Direct	Tampa, FL	52,094,870	72,800,000	52,026,459	71,800,000
The Ashborough	504 units	Direct	Ashburn, VA	162,385,305	190,000,000	162,239,381	193,700,000
Total - Apartments (Fair Value is 27% of NAV)	5,343 units			2,256,519,262	2,340,600,000	2,555,668,470	2,736,900,000
Industrial:							
Chicago Industrial Portfolio	4,365,768	Direct	Various IL	318,877,253	464,600,000	318,692,455	468,400,000
West Coast Industrial Portfolio-CA	3,860,421	Co-Investment	Various CA	370,719,926	1,248,700,000	362,939,945	1,286,700,000
West Coast Industrial Portfolio-WA	1,422,353	Co-Investment	Various WA	130,518,480	289,900,000	130,637,578	289,400,000
New Jersey Industrial Portfolio	1,531,596	Direct	Various NJ	98,144,862	367,900,000	98,167,449	373,100,000
Westgate Building	414,020	Direct	San Bernardino, CA	36,083,907	121,000,000	36,083,907	121,500,000
Dallas Industrial Portfolio	3,459,578	Direct	Various TX	285,387,590	409,200,000	285,343,311	413,300,000
Perris Circle	474,235	Direct	Perris, CA	52,277,074	135,800,000	52,277,074	141,800,000
Rickenbacker	972,160	Direct	Columbus, OH	67,060,652	85,800,000	67,060,652	85,700,000
Gillem 900	1,043,418	Direct	Atlanta, GA	86,101,818	110,500,000	86,101,818	110,600,000
Agua Mansa Portfolio	813,513	Direct	Colton, CA	125,096,369	229,800,000	125,096,369	231,400,000
Logistics Center Phoenix	915,160	Direct	Glendale, AZ	72,949,876	101,800,000	72,624,840	102,900,000
Stockton Industrial Portfolio ²	-	Joint Venture	Stockton, CA	107,437,668	135,900,000	87,789,781	106,700,000
Commercial Point Portfolio	1,198,695	Direct	Columbus, OH	120,243,732	119,700,000	120,076,658	119,700,000
Total - Industrial (Fair Value is 44% of NAV)	20,470,917			1,870,899,207	3,820,600,000	1,842,891,837	3,851,200,000
Office:							
Alhambra Medical Office Building	103,652	Direct	Sacramento, CA	50,061,979	46,100,000	49,540,744	48,700,000
Foundry Square IV	239,798	Direct	San Francisco, CA	208,003,322	199,700,000	207,808,297	211,400,000
353 North Clark	1,184,258	Co-Investment	Chicago, IL	780,554,994	462,000,000	780,234,603	492,000,000
First Hill Medical Pavilion	230,304	Direct	Seattle, WA	198,791,668	180,700,000	197,470,097	178,400,000
Healthcare Portfolio	962,626	Direct	Various US	436,988,890	406,200,000	436,221,878	411,700,000
28 State Street	573,584	Direct	Boston, MA	460,411,048	299,800,000	459,475,638	305,400,000
Campus at Playa Vista	338,996	Direct	Los Angeles, CA	353,331,090	205,800,000	350,164,406	228,300,000
Total - Office (Fair Value is 21% of NAV)	3,633,218			2,488,142,991	1,800,300,000	2,480,915,663	1,875,900,000
Retail:							
Pinnacle at Turkey Creek	657,734	Direct	Knoxville, TN	157,923,727	156,000,000	156,325,124	154,600,000
Miracle Marketplace	242,485	Direct	Miami, FL	102,738,719	63,500,000	101,910,611	64,000,000
Pacific Commons	995,029	Direct	Fremont, CA	301,157,569	265,100,000	300,905,780	277,900,000
Shops at Wailea	180,931	Direct	Wailea, HI	368,832,737	322,400,000	368,801,576	321,600,000
Total - Retail (Fair Value is 9% of NAV)	2,076,179			930,652,752	807,000,000	927,943,091	818,100,000
Self-Storage:							
Storage Post I Portfolio	18,157 units	Joint Venture	NJ & NY	328,378,661	462,700,000	327,447,971	467,600,000
Metro Portfolio	11,887 units	Joint Venture	Various US	147,692,940	304,900,000	147,626,997	317,000,000
Storage Post II Portfolio	3,786 units	Joint Venture	Various NY	131,274,072	141,000,000	131,120,763	141,000,000
CubeSmart II Portfolio	5,886 units	Joint Venture	Various US	92,631,077	179,300,000	92,576,475	179,100,000
Total - Self Storage (Fair Value is 13% of NAV)	39,716 units			699,976,750	1,087,900,000	698,772,206	1,104,700,000
Total real estate and improvements				\$ 8,246,190,962	\$ 9,856,400,000	\$ 8,506,191,267	\$ 10,386,800,000

Condensed Combined Financial Statements

HEITMAN AMERICA REAL ESTATE TRUST

CONDENSED COMBINED STATEMENTS OF REAL ESTATE INVESTMENTS (CONTINUED) AS OF MARCH 31, 2024 AND DECEMBER 31, 2023

UNAUDITED

	Total Owned Square Feet/ Units ¹	Form of Ownership Interest	Location	2024		2023	
				Cost	Fair Value	Cost	Fair Value
Non-consolidated real estate corporations and ventures							
Apartments:							
15 Bank Preferred Interest	-	Preferred Equity	White Plains, NY	\$ 30,290,000	\$ 30,200,000	\$ -	\$ -
Total - Apartments (Fair Value is 0.35% of NAV)	-			30,290,000	30,200,000	-	-
Retail:							
Freehold Chandler Holdings LP	635,294	Joint Venture	Chandler, AZ	3,922,476	66,521,260	(282,831)	67,811,701
Macerich HHF Centers LLC	2,238,091	Joint Venture	CO & NJ	602,693,675	176,707,872	597,398,930	187,591,204
Macerich HHF Broadway Plaza LLC	753,168	Joint Venture	Walnut Creek, CA	236,800,413	146,366,830	234,176,985	141,952,256
Total - Retail (Fair Value is 4% of NAV)	3,626,553			843,416,564	389,595,962	831,293,084	397,355,161
Self-Storage:							
Life Storage I Portfolio	24,169 units	Joint Venture	Various US	273,609,690	543,991,279	273,822,375	548,949,987
Life Storage II Portfolio	15,357 units	Joint Venture	NJ, PA, & TX	15,593,017	267,984,953	15,843,426	275,432,861
Life Storage HHF Wasatch Holdings, LLC ³	10,843 units	Co-Investment	Various US	231,403,917	192,803,076	230,601,065	197,559,129
CubeSmart I Portfolio	13,760 units	Joint Venture	NC & TX	84,947,964	144,289,645	84,962,834	143,372,095
NSA HHF JV, LLC	65,936 units	Co-Investment	Various US	498,229,780	745,129,126	497,948,908	745,018,566
Total - Self Storage (Fair Value is 22% of NAV)	130,065 units			1,103,784,368	1,894,198,079	1,103,178,608	1,910,332,638
Total non-consolidated real estate corporations and ventures				\$ 1,977,490,932	\$ 2,313,994,041	\$ 1,934,471,692	\$ 2,307,687,799

1. 100%, including Joint Venture partner share, if applicable (unaudited).

2. No owned square feet due to currently being under development.

3. Includes acquisition of one additional building on February 28, 2023.

See notes to condensed combined financial statements.

Condensed Combined Financial Statements

HEITMAN AMERICA REAL ESTATE TRUST

CONDENSED COMBINED STATEMENTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND THE YEAR ENDED DECEMBER 31, 2023

UNAUDITED

	2024	2023
INVESTMENT INCOME:		
Revenues from real estate and improvements	\$ 169,535,158	\$ 675,506,149
Equity income from non-consolidated real estate corporations and ventures	30,593,320	126,185,479
Interest income	3,153,343	9,073,228
Total investment income	203,281,821	810,764,856
EXPENSES:		
Real estate operating expenses	36,261,326	148,790,348
Real estate taxes	28,560,799	114,856,767
Interest expense	23,871,207	99,688,642
Financing costs	-	2,123,427
General and administrative expenses	3,643,168	14,792,780
Total expenses	92,336,500	380,251,964
NET INVESTMENT INCOME	110,945,321	430,512,892
REALIZED AND UNREALIZED GAIN/(LOSS) ON REAL ESTATE INVESTMENTS:		
Net proceeds from real estate and improvements sold	336,820,519	22,519,458
Less cost of real estate and improvements sold	(301,785,656)	(9,744,180)
Realization of previously recorded unrealized gain on real estate improvements sold	(38,495,348)	(13,476,546)
Realization of previously recorded unrealized loss on mortgage notes payable	(4,143,029)	(362,910)
Equity in realized gain (loss) on disposed non-consolidated real estate corporations and ventures	3,922,429	(4,978,924)
Realization of previously recorded unrealized loss on disposed non-consolidated real estate corporations and ventures	-	6,140,664
Net realized and unrealized gain (loss)	(3,681,085)	97,562
Unrealized loss on real estate and improvements	(231,904,347)	(1,460,435,332)
Unrealized loss on investments in non-consolidated real estate corporations and ventures	(36,712,998)	(244,775,551)
Unrealized gain on derivative financial instruments	1,156,369	967,841
Unrealized loss on mortgage notes payable	(5,788,910)	(3,093,747)
Unrealized gain (loss) on private placement debt payable	(2,850,035)	6,088,965
Net unrealized loss	(276,099,921)	(1,701,247,824)
NET REALIZED AND UNREALIZED LOSS	(279,781,006)	(1,701,150,262)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ (168,835,685)	\$ (1,270,637,370)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(27,305,501)	(139,746,190)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS ATTRIBUTABLE TO HEITMAN AMERICA REAL ESTATE TRUST	\$ (141,530,184)	\$ (1,130,891,180)

See notes to condensed combined financial statements.

Condensed Combined Financial Statements

HEITMAN AMERICA REAL ESTATE TRUST

CONDENSED COMBINED STATEMENTS OF CHANGES IN NET ASSETS FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND THE YEAR ENDED DECEMBER 31, 2023

UNAUDITED

	Heitman America Real Estate Trust		Non-controlling Interests	Total
	Shares	Amount		
NET ASSETS, JANUARY 1, 2023	6,875,710.8082	\$ 10,293,826,036	\$ 1,591,211,763	\$ 11,885,037,799
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM:				
OPERATIONS:				
Net investment income		378,612,132	51,900,760	430,512,892
Net realized and unrealized loss		(1,509,503,312)	(191,646,950)	(1,701,150,262)
CAPITAL TRANSACTIONS:				
Contributions	47,595.1769	66,225,000	8,822,800	75,047,800
DRIP contributions	41,064.2874	58,714,086	-	58,714,086
Redemptions	-	-	-	-
Distributions		(334,900,000)	(48,414,887)	(383,314,887)
NET ASSETS, DECEMBER 31, 2023	6,964,370.2725	8,952,973,942	1,411,873,486	10,364,847,428
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM:				
OPERATIONS:				
Net investment income		97,742,141	13,203,180	110,945,321
Net realized and unrealized loss		(239,272,325)	(40,508,681)	(279,781,006)
CAPITAL TRANSACTIONS:				
DRIP contributions	9,718.5019	12,493,519	-	12,493,519
Redemptions	(38,894.8290)	(50,000,000)	-	(50,000,000)
Distributions		(84,500,000)	(9,473,556)	(93,973,556)
NET ASSETS, MARCH 31, 2024	6,935,193.9454	\$ 8,689,437,277	\$ 1,375,094,429	\$ 10,064,531,706

See notes to condensed combined financial statements.

Condensed Combined Financial Statements

HEITMAN AMERICA REAL ESTATE TRUST

CONDENSED COMBINED STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND THE YEAR ENDED DECEMBER 31, 2023

UNAUDITED

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net decrease in net assets resulting from operations	\$ (168,835,685)	\$ (1,270,637,370)
Adjustments to reconcile net change in net assets resulting from operations to net cash flows from operating activities:		
Net realized and unrealized loss	279,781,006	1,701,150,262
Equity income from non-consolidated real estate corporations and ventures	(30,593,320)	(126,185,479)
Contributions to non-consolidated real estate corporations and ventures	(32,362,422)	(37,205,014)
Distributions from non-consolidated real estate corporations and ventures	23,858,931	111,996,475
Purchases of real estate and improvements	(36,979,377)	(156,866,704)
Proceeds from sale of real estate and improvements	336,820,519	22,519,458
Financing costs	-	2,123,427
Changes in:		
Accounts receivable	893,671	(3,721,440)
Other assets	(2,531,807)	(2,703,727)
Real estate taxes payable	(8,089,511)	(799,887)
Other liabilities	14,135,178	3,101,782
Net cash flows from operating activities	376,097,183	242,771,783
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the credit facility	-	115,000,000
Payments on the credit facility	-	(115,000,000)
Proceeds from mortgage notes payable	-	247,000,000
Principal payments on mortgage notes payable	(565,935)	(2,198,618)
Payoff on mortgage notes payable	(96,400,000)	(246,200,000)
Payment of financing costs	-	(2,123,427)
Limited partner capital contributions	-	66,225,000
Limited partner redemptions	(50,000,000)	-
Capital contributions from non-controlling interests	-	8,822,800
Distributions to limited partners, net of reinvestment	(76,406,481)	(278,785,914)
Distributions to non-controlling interests	(9,473,556)	(48,414,887)
Net cash flows from financing activities	(232,845,972)	(255,675,046)
NET CHANGE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	143,251,211	(12,903,263)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - Beginning of period	245,571,746	258,475,009
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - End of period	\$ 388,822,957	\$ 245,571,746
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for interest	\$ 24,448,220	\$ 98,966,807

SUPPLEMENTAL DISCLOSURES OF NONCASH ACTIVITIES:

Real estate and improvements at March 31, 2024 and December 31, 2023, includes liabilities of \$21,232,501 and \$16,426,527, respectively, of accruals for leasing commissions and tenant building improvements.

See notes to condensed combined financial statements.

Notes to Condensed Combined Financial Statements

HEITMAN AMERICA REAL ESTATE TRUST

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND THE YEAR ENDED DECEMBER 31, 2023

UNAUDITED

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Heitman America Real Estate Trust (the "Fund") is comprised of Heitman America Real Estate Trust, L.P. ("HARTLP") and Heitman America Real Estate Trust (PF#1), L.P. ("PF#1"). HARTLP is a Delaware Limited Partnership established by an Amended and Restated Agreement of Limited Partnership dated January 4, 2007 and most recently amended on January 22, 2019. On July 12, 2013, the General Partner established an investment vehicle ("Parallel Fund") for investors with special legal, regulatory, tax, or other needs to invest in real estate investments with HARTLP. The Fund's Parallel Fund, PF#1, is a Delaware Limited Partnership established by an Amended and Restated Agreement of Limited Partnership dated July 12, 2013 and most recently amended on October 9, 2014 (together with HARTLP, the "Partnership Agreements").

The general partner of HARTLP and PF#1 is Heitman America Real Estate Trust, LLC (the "General Partner"). The accompanying condensed combined financial statements of HARTLP and PF#1 are under common ownership as well as common management by the General Partner. Operating and organizational expenses incurred by HARTLP and PF#1 are allocated pro rata in proportion to their respective net asset values.

The Fund is organized as a perpetual-life, open-ended pooled fund for the objective and purpose of creating a high-quality, low risk, diversified portfolio of stabilized, income-producing real estate investments. All authority to conduct the business of the Fund is vested in the General Partner. The managing member of the General Partner is Heitman Capital Management LLC ("HCM"). The General Partner may, at its discretion, appoint an affiliate of HCM to assist in identifying and acquiring suitable investments and to assist with management, administration, and operation of the Fund. Any compensation for these services will be paid out of the General Partner's management fees. The General Partner has established an Advisory Board (the "Advisory Board"), in accordance with the Partnership Agreements. The General Partner, in its sole discretion, may consult with the Advisory Board with respect to Fund matters.

The Fund shall continue until dissolved, pursuant to the events of dissolution as defined in the Partnership Agreements.

The General Partner may, at its discretion, establish additional Parallel Fund vehicles. The General Partner shall direct and control the operations of each Parallel Fund.

The General Partner on behalf of the Fund is authorized to enter into one or more credit facilities (each, a "Credit Facility") to finance the acquisition and ownership of real estate investments and to otherwise carry out the business and activities permitted per the Partnership Agreements.

The Fund's initial closing occurred on January 4, 2007, with nine limited partners (the "Initial Limited Partners") totaling \$800,000,000 in equity commitments (the "Initial Contributions"). Subsequently, additional equity commitments totaling \$8,135,090,770, including \$124,292,760 of PF#1, consisting of 138 investors, increased the total to \$8,935,090,770. As of March 31, 2024, the total unfunded capital commitments of the Fund, including \$0 of PF#1, were \$60,075,000.

All shares acquired are permitted to be redeemed on a quarterly basis. Outstanding redemption requests will be accommodated each calendar quarter as liquid assets permit. To the extent that liquid assets are insufficient during any calendar quarter to satisfy all outstanding redemption requests, redemptions will be made on a pro rata basis as liquid assets become available. The General Partner will have the discretion to determine the extent to which liquid assets are available for redemption or are necessary for the ongoing expenses (including debt payments), investments, capital expenditures or reserves. Shares will be redeemed at a price that reflects the Fund's net asset value as of the last day of the calendar quarter subsequent to the calendar quarter in which the redemption request is received. The Fund will not be obligated to sell, finance or refinance any investments to satisfy redemption requests. For the three months ended March 31, 2024, the Fund redeemed 38,894 shares totaling \$50,000,000. For the year ended December 31, 2023, the Fund did not make any redemption payments. As of March 31, 2024 and December 31, 2023, there were \$1,614,065,787 and \$1,678,048,258 of outstanding redemption requests, respectively. Subsequent to March 31, 2024, the Fund paid \$50,000,000 in redemption requests.

Basis of Presentation – The Fund reports as an investment company. The accompanying condensed combined financial statements of the Fund have been presented on the fair value basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of each of the wholly owned title holding companies owning real estate investments and majority owned or controlled real estate entities. All significant intercompany balances and transactions are eliminated in consolidation and combination.

These unaudited condensed combined financial statements do not include all of the disclosures required in conformity with GAAP for the annual combined financial statements. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of the operating results anticipated for the year ended December 31, 2024. Accordingly, these unaudited condensed combined financial statements should be read in conjunction with the annual combined financial statements for the year ended December 31, 2023.

The Fund has entered into several real estate corporation and venture relationships with third party owner/operators. For those ventures in which

Notes to Condensed Combined Financial Statements

the Fund has control over decision making, the underlying accounts are consolidated in the Fund's condensed combined financial statements with the external partners' net share, as determined in accordance with the venture documents, reflected as non-controlling interests.

In accordance with Accounting Standards Codification ("ASC") Topic 810, *Consolidation*, certain entities are considered variable interest entities ("VIEs") because the non-controlling interests do not have substantive kick-out or participating rights. Using the variable interest entity model, the Fund consolidates any VIEs in which the Fund is the primary beneficiary.

Lake Michigan Partners I, L.P., Lake Michigan Partners II, L.P., Heitman Storage Partners Co-Investment PV, LLC, and HHF Life Storage Wasatch Investor, LLC, which own through co-investment 353 North Clark, OneEleven, the iStorage Portfolio, and the Life Storage III Portfolio, respectively, are consolidated VIEs. As of March 31, 2024, the total assets and liabilities of the Fund's consolidated VIEs are \$1,737,683,839 and \$434,111,182, respectively. As of December 31, 2023, the total assets and liabilities of the Fund's consolidated VIEs are \$1,800,305,952 and \$443,499,432, respectively.

The Fund does not consolidate those ventures over which it exercises significant influence over operating, investing and financial policies, but does not maintain overall control. These investments in non-consolidated real estate corporations and ventures are recorded at the original investment, plus additional amounts invested and subsequently adjusted for the Fund's share of undistributed earnings or losses (including unrealized appreciation and depreciation) and distributions from the underlying entity.

Income and Distribution Allocations – Income is allocated based on respective share ownership interests among the limited partners.

Distributions are allocated based on respective share ownership interests among the limited partners. Each limited partner may participate in the Dividend Reinvestment Program ("DRIP") and elect to have their distributions reinvested in additional shares in the Fund at a price that reflects the Fund's net asset value as of the last day of the calendar quarter immediately preceding the date of the distribution payment.

Management's Use of Estimates – The preparation of the condensed combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed combined financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from these estimates. The Fund's estimates of fair value are based on the best information available to management at the date of valuation. Amounts ultimately realized may vary significantly from the fair values presented.

Risks and Uncertainties – Investing in real estate is subject to risks and uncertainties disclosed in the Fund's private placement memorandum, including the following:

Investment in Real Estate Generally – The Fund's investments will be subject to the risks incident to ownership and development

of real estate, including risks associated with changes in the general economic climate, changes in the overall real estate market, local real estate conditions, the financial condition of tenants, buyers and sellers of properties, supply of or demand for competing properties in an area, accelerated construction activity, technological innovations that dramatically alter space requirements, the availability of financing, changes in interest rates, competition based on rental rates, energy and supply shortages, operating cost increases, various uninsured and uninsurable risks and government regulations. Overall uncertainty in financial markets, including the impact of inflation and volatility in interest rates, ongoing geopolitical tensions, and a general decline in business activity could adversely affect the Fund's future operations, cash flows and access to financial markets, and the value of the Fund's investments in real estate and its business.

Real Estate Investments – Real estate investments are carried at estimated fair value. An independent appraisal management firm (the "AMF") oversees and administers the appraisal process for the Fund. The current AMF is Altus Group. Real estate and improvements, held directly or through a consolidated or non-consolidated venture, are stated at estimated fair value approved by the General Partner, based on values presented by the AMF or prepared by the General Partner. Except as provided below, the Fund's real estate and improvements are appraised annually by independent real estate appraisers (members of the American Institute of Real Estate Appraisers). On a quarterly basis, the AMF presents the appraised values, which are updated by the appraisers based upon financial and leasing updates provided by the General Partner and changes in factors such as occupancy levels, lease amendments, overall market conditions and capital improvements.

Prior to its first appraisal, all acquired real estate and improvements will be valued at cost plus capital expenditures, as deemed to approximate fair value, and will join the annual valuation cycle within 12 months following its acquisition date. A value-added property may be valued at the discretion of the General Partner at cost (including subsequent capital expenditures), as deemed to approximate fair value, until the substantial completion of the value-added program (or sooner at the discretion of the General Partner), and thereafter will be appraised in accordance with the procedures described above.

Determination of estimated fair value involves subjective judgment because the actual fair value of real estate can be determined only by negotiation between parties in a sale transaction and amounts ultimately realized may vary from the fair values presented. For the three months ended March 31, 2024 and the year ended December 31, 2023, \$90,000 and \$106,082, respectively, of acquisition costs attributable to the Fund were capitalized and written off immediately in unrealized loss on the condensed combined statements of operations.

Cash and Cash Equivalents – The Fund considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. As of March 31, 2024 and December 31, 2023, \$187,102,381 and \$44,229,029, respectively, of cash and cash equivalents is invested in an exchange-traded money market fund. From time to time, amounts deposited in operating cash accounts may be in excess of the FDIC insurance level.

Notes to Condensed Combined Financial Statements

For purposes of the presentation of the condensed combined statements of cash flows, the cash and cash equivalents balance is combined with restricted cash held by the Fund. A reconciliation of the balances is shown below.

	As of March 31, 2024	As of December 31, 2023
Cash and cash equivalents	\$ 374,843,534	\$ 230,768,039
Restricted cash	13,979,423	14,803,707
Total cash and cash equivalents and restricted cash	\$ 388,822,957	\$ 245,571,746

Restricted Cash – Restricted cash includes real estate tax, real estate improvement and insurance escrows that are required as part of mortgage note agreements, redevelopment escrows, and security, loan and utility deposits.

Mortgage Notes and Financing Costs – Mortgage notes payable is shown at estimated fair value.

Financing costs represent costs incurred in connection with obtaining the mortgage notes, Credit Facility, and private placement debt.

Credit Facility – The Credit Facility is shown at estimated fair value. The reported cost of any outstanding borrowing would approximate fair value as of March 31, 2024 and December 31, 2023.

Private Placement Debt – Private placement debt payable is shown at estimated fair value.

Derivative Financial Instruments – In the normal course of business, derivative financial instruments are used to manage or hedge interest rate risk. The Fund has entered into interest rate swap agreements on three mortgage notes payable to effectively cap or convert floating rate debt to a fixed rate basis. The change in fair value of the derivative financial instruments are recorded to the condensed combined statements of operations as an unrealized gain or loss.

The Fund records its derivative financial instruments, interest rate swaps, at fair value, which is the estimated amount that the Fund would receive or pay in a current exchange transaction. As of March 31, 2024 and December 31, 2023, the interest rate swaps were recorded in other assets in the amounts of \$3,625,579 and \$2,469,210, respectively.

Distributions Payable – The Fund recognizes undistributed declared distributions as a payable as of the date of the condensed combined statements of net assets.

Revenue Recognition – The majority of the Fund's revenue is lease revenue derived from its real estate and improvements, which is accounted for under ASC 842, *Leases*, ("ASC 842") and generally recognized on an accrual basis when earned in accordance with the terms of the underlying lease agreements. The Fund has elected to combine its lease (right to use an underlying asset) and non-lease components (transfer of a good or service that is not a lease) and account for them as a combined lease component in accordance with ASC 842. These amounts are reported as revenue from real estate and improvements within the accompanying combined statements of operations.

Lease cancellation fees are recognized as income when the lease is terminated. For the three months ended March 31, 2024 and the year ended December 31, 2023, the Fund recorded \$274,751 and \$1,369,574, respectively, of lease cancellation income. Such amounts are included in the condensed combined statements of operations as revenues from real estate and improvements.

Leases – The Fund's leases where it is the lessee primarily consist of ground leases which are classified as operating leases upon adoption of ASC 842. If the Fund enters into a new ground lease or modifies an existing ground lease, the lease classification will have to be reassessed in accordance with ASC 842. ASC 842 requires the Fund to record a right-of-use ("RoU") asset and related lease liability for the rights and obligations associated with these operating leases. As of March 31, 2024 and December 31, 2023, the balance of lease liabilities was \$58,400,000 and \$60,000,000, respectively, and RoU assets was \$58,400,000 and \$60,000,000, respectively. These lease liabilities and RoU assets are included in the condensed combined statement of net assets in other liabilities and other assets, respectively.

The Fund values the lease liabilities and RoU assets on a quarterly basis and the amount of unrealized gain (loss) between the lease liabilities and RoU assets offset to have no material impact on net assets. For the three months ended March 31, 2024 and the year ended December 31, 2023, the Fund recorded unrealized gain of \$1,600,000 and \$7,400,000, respectively, on the lease liabilities and unrealized loss of \$1,600,000 and \$7,400,000, respectively, on the RoU assets.

Income Taxes – The Fund is not subject to federal and state income taxes. Taxable income and losses of the Fund are reportable on the income tax return of the respective partners. The Fund makes certain investments through subsidiaries that operate as real estate investment trusts ("REITs") under Sections 856 through 860 of the Internal Revenue Code. In order to qualify as a REIT for federal income tax purposes, a REIT must continually satisfy certain requirements including, but not limited to, distributing at least 90% of its ordinary taxable income. A REIT may distribute all of its capital gains or pay corporate income tax on any undistributed capital gains. In addition, REITs are required to meet certain asset and income tests.

REITs are generally not subject to corporate level federal income tax on taxable income distributed currently to shareholders. If an entity fails to qualify as a REIT, it would be subject to federal income taxes at regular corporate rates and may not be able to qualify as a REIT for four subsequent taxable years. Even if an entity qualifies as a REIT, it may be subject to certain state and local taxes on income or property and to federal income and excise taxes on undistributed taxable income and capital gain. The Fund's subsidiaries that operate as REITs have distributed 100% of their taxable income and therefore no provision for federal income taxes has been made in the accompanying condensed combined financial statements.

The Fund holds certain investments in taxable REIT subsidiaries ("TRSs"), which are subject to taxation at normal corporate rates. A provision for income tax expense, which is not significant, has been recorded in general and administrative expenses on the condensed combined statements of operations.

Notes to Condensed Combined Financial Statements

The Fund evaluates tax positions taken in the course of preparing the Fund's tax returns to determine whether tax positions are "more likely than not" of being sustained by the applicable tax authority. Tax benefits of positions not deemed to meet the "more likely than not" threshold would be recorded as a tax expense in the current year. For the three months ended March 31, 2024 and the year ended December 31, 2023, there have been no uncertain tax positions.

2. REAL ESTATE INVESTMENTS

The Fund's real estate investments consist of direct and venture investments with third-party owner/operators. The ventures allocate income to the venture partners based on achieving certain estimated threshold returns. As higher estimated return thresholds are met, a larger income allocation is made to the third-party venture partners (the "Promote"). Therefore, the Promote may cause the Fund's effective ownership interest in a venture's net assets to be different than its legal ownership percentage. Non-consolidated real estate corporations and ventures, and net assets attributable to non-controlling interests, reflect the impact of the Promote (if any). The estimated venture returns are calculated in accordance with each venture's documents and reflect the deemed liquidation of each venture's net assets.

The ventures allocate distributions to the venture partners based on achieving actual return thresholds. As higher actual return thresholds are met, a larger portion of the distributions is made to the third-party venture partners ("Promote Distribution"). For the three months ended March 31, 2024 and the year ended December 31, 2023, no Promote Distributions were made as certain thresholds were not achieved.

As of March 31, 2024 and December 31, 2023, the Fund has \$121,243,579 and \$171,143,337, respectively, of unfunded capital commitments to real estate and improvements and non-consolidated real estate corporations and ventures (subject to various terms and conditions in accordance with the venture agreements).

3. CREDIT FACILITY

On April 24, 2013, the Fund entered into a \$200,000,000 Credit Facility agreement with Bank of America ("BoFA"). As of December 31, 2023 and 2022, BoFA has committed 31.25% to the Credit Facility and has assigned 21.25% to JP Morgan Chase Bank, 16.25% to PNC Bank, and 31.25% to Wells Fargo Bank.

On June 24, 2022, the Fund amended the Credit Facility agreement to extend the term of the loan to June 24, 2025. The amended maximum aggregated principal amount may not exceed \$750,000,000. The index rate for the Credit Facility has been amended to Secured Overnight Financing Rate ("SOFR"). All other terms from the previously amended agreement remained the same.

The Fund has the ability to request Credit Facility increases. The increase must be greater than or equal to \$25,000,000 and in integral multiples of \$1,000,000 in excess thereof. Each lender shall notify the administrative

agent whether or not it agrees to increase its commitment, and if so, whether by an amount equal to, greater than, or less than the assigned percentages.

The Fund is a guarantor of the Credit Facility. The amended Credit Facility matures on June 24, 2025, with one one-year extension option, which is subject to compliance with financial covenants, and is exercisable at the Fund's discretion.

The floating daily interest rate for each borrowing is the Daily Simple SOFR plus a spread of 1.00% to 1.25% based on the ratio of total indebtedness to total asset value. Additionally, the Fund pays annually a facility fee from 15 to 20 basis points based on the ratio of total indebtedness and a \$50,000 administrative agency fee.

Payments of interest are made on a monthly basis. Facility fees and administrative agency fees are included in the condensed combined statements of operations as general and administrative expenses. The Fund additionally has the option to take out letters of credit up to 10% of the Credit Facility's aggregate commitment. As of March 31, 2024 and December 31, 2023, no letters of credit have been issued.

As of March 31, 2024 and December 31, 2023, there were no outstanding balances under the Credit Facility.

The Fund has agreed to maintain certain financial ratios, including ratios of indebtedness to net assets. Management believes the Fund was in compliance with all financial covenants at March 31, 2024.

4. MORTGAGE NOTES PAYABLE AND PRIVATE PLACEMENT DEBT PAYABLE

On February 28, 2023, the Fund refinanced the mortgage note on the West Coast Industrial Portfolio, paying the outstanding balance of \$220,000,000. The refinanced mortgage note is in the amount of \$220,000,000. The note is interest only with a fixed rate of 5.58% and a maturity date of September 5, 2027. The note is collateralized by a mortgage on real property and all rents and profits of the underlying portfolio.

On August 4, 2023, the Fund refinanced the mortgage note on a subset of assets within the Metro Portfolio, paying the outstanding balance of \$26,200,000. The refinanced mortgage note is in the amount of \$27,000,000. The note is interest only with a fixed interest rate of 6.00% and a maturity date of September 1, 2027. The note is collateralized by a mortgage on real property and all rents and profits of five properties within the Metro Portfolio.

On January 10, 2024, the Fund extended the existing mortgage note on four assets within the Metro Portfolio. The extended mortgage note is in the amount of \$18,000,000. The note is amortizing with a fixed rate of 6.43% and a maturity date of September 1, 2024. The note is collateralized by a mortgage on real property and all rents and profits of four properties within the Metro Portfolio.

Notes to Condensed Combined Financial Statements

MORTGAGE NOTES PAYABLE, CREDIT FACILITY AND PRIVATE PLACEMENT DEBT PAYABLE

	March 31, 2024		December 31, 2023		Interest Rate	Origination Date	Maturity Date
	Principal	Fair Value	Principal	Fair Value			
Credit facility ¹	\$ -	\$ -	\$ -	\$ -	SOFR + 1.10%	6/24/22	6/24/25
US Private Placement Tranche #1	125,000,000	120,791,175	125,000,000	120,230,088	3.77%	2/15/18	2/15/27
US Private Placement Tranche #2	125,000,000	120,791,175	125,000,000	120,230,088	3.77%	3/27/18	2/15/27
US Private Placement Series A	62,500,000	56,454,370	62,500,000	56,039,890	3.24%	4/1/22	4/1/32
US Private Placement Series B	62,500,000	55,407,932	62,500,000	54,960,575	3.34%	4/1/22	4/1/34
US Private Placement Series C	62,500,000	56,382,963	62,500,000	55,966,305	3.24%	5/17/22	5/17/32
US Private Placement Series D	62,500,000	55,345,981	62,500,000	54,896,615	3.34%	5/17/22	5/17/34
Total credit facility and private placement debt	\$ 500,000,000	\$ 465,173,596	\$ 500,000,000	\$ 462,323,561			
Apartments							
15 Bank ²	-	-	96,400,000	92,256,971	3.40%	10/30/17	1/31/24
Anara Santa Monica	86,400,000	81,898,674	86,400,000	81,569,181	3.50%	9/29/17	10/1/29
Folio	55,000,000	50,380,768	55,000,000	50,189,925	2.55%	7/31/20	8/1/30
OneEleven	131,290,000	129,871,027	131,290,000	129,448,279	3.30%	2/12/15	3/1/25
The Porter Del Ray	57,150,000	52,383,309	57,150,000	52,195,836	2.55%	7/31/20	8/1/30
Square on Fifth	76,414,591	75,952,843	76,799,427	76,036,513	3.91%	9/9/16	10/1/28
Total Apartments	406,254,591	390,486,621	503,039,427	481,696,706			
Industrial							
West Coast Industrial Portfolio - CA	177,580,000	176,854,954	177,580,000	176,578,326	5.58%	2/28/23	9/5/27
West Coast Industrial Portfolio - WA	42,420,000	42,246,802	42,420,000	42,180,722	5.58%	2/28/23	9/5/27
Chicago Industrial Portfolio	100,000,000	95,186,332	100,000,000	94,797,067	3.57%	6/30/17	7/5/29
Dallas Industrial Portfolio	90,000,000	85,298,348	90,000,000	84,963,491	3.60%	3/28/18	4/1/30
Total Industrial	410,000,000	399,586,436	410,000,000	398,519,606			
Office							
353 North Clark	286,000,000	281,239,787	286,000,000	280,092,956	3.60%	2/12/15	2/15/25
28 State Street	192,000,000	174,916,898	192,000,000	174,694,060	4.33%	5/5/21	5/10/31
Total Office	478,000,000	456,156,685	478,000,000	454,787,016			
Retail							
Pacific Commons	145,000,000	136,881,089	145,000,000	135,830,282	3.75%	12/30/15	4/1/28
Shops at Wailea	136,800,000	130,338,208	136,800,000	129,384,793	3.80%	8/12/15	9/1/27
Total Retail	281,800,000	267,219,297	281,800,000	265,215,075			
Storage							
Storage Post I Portfolio	150,000,000	149,465,982	150,000,000	149,663,160	1.60%	12/1/22	12/1/25
Metro Portfolio	75,290,702	75,226,944	75,471,801	75,269,383	4.36% - 6.43%	3/1/17 - 8/4/23	7/1/24 - 9/1/27
Storage Post II Portfolio	50,000,000	49,821,900	50,000,000	49,887,723	1.60%	4/1/21	4/1/29
CubeSmart II Portfolio	44,250,000	44,129,666	44,250,000	44,088,858	1.27%	5/15/23	12/16/24
Total Storage	319,540,702	318,644,492	319,721,801	318,909,124			
Total mortgage notes payable	\$ 1,895,595,293	\$ 1,832,093,531	\$ 1,992,561,228	\$ 1,919,127,527			
Total notes payable	\$ 2,395,595,293	\$ 2,297,267,127	\$ 2,492,561,228	\$ 2,381,451,088			

1. As of March 31, 2024 and December 31, 2023, SOFR was 5.34% and 5.38%, respectively.

2. Asset was sold on January 31, 2024.

Notes to Condensed Combined Financial Statements

As of March 31, 2024 and December 31, 2023, the fair value of mortgage notes payable totaled \$1,832,093,531 and \$1,919,127,527, respectively, bearing fixed interest rates of 2.55% - 6.43% and 2.55% - 6.00%, respectively. As of March 31, 2024 and December 31, 2023, these mortgage notes payable were collateralized by properties with an aggregate fair value of \$3,952,308,385 and \$4,225,942,146, respectively. All of the mortgage notes payable contain prepayment penalty provisions. As of March 31, 2024, aggregate contractual maturities of debt are as follows by calendar year:

Year Ending December 31	
2024	\$ 93,701,212
2025	618,906,558
2026	1,681,820
2027	635,549,718
2028	217,511,485
Thereafter	830,550,000
Total	\$ 2,397,900,793

The Fund has \$509,554,355 of debt maturing within one year of the issuance date of the condensed combined financial statements. The Fund has the intent and ability to refinance or pay down the mortgage notes payable upon maturity. The Fund is currently evaluating various strategies to satisfy debt obligations as they mature, which include potential dispositions, refinancings of maturing loans, or paydown. The Fund believes market-based alternatives to refinance the mortgage notes payable would be available based on the historical operating performance of properties and existing capital market conditions.

5. RELATED PARTY TRANSACTIONS

The Fund has engaged the General Partner to provide investment management services. Below is a detailed summary of the fees incurred for these services for the three months ended March 31, 2024 and the year ended December 31, 2023.

SCHEDULE OF INVESTMENT MANAGEMENT FEES

Investment Management Fees	Financial Statement Caption	Three Months Ended March 31, 2024	Year Ended December 31, 2023	Fee Description
Loan Origination ^{1 4}	Financing Costs	\$ -	\$ 575,000	0.20%-0.50% of new loan proceeds
Asset Management Fees ²	N/A ³	16,083,347	69,864,037	% of NAV (varies)
Total Investment Management Fees		\$ 16,083,347	\$ 70,439,037	

- In accordance with the Partnership Agreements, the Fund will pay the General Partner financing fees for each financing that the General Partner arranges on behalf of the Fund.
- In accordance with the Partnership Agreements, each of the limited partners has separately engaged the General Partner to provide asset management services. For the three months ended March 31, 2024 and the year ended December 31, 2023, the limited partners paid asset management fees in the amounts of \$16,753,817 and \$72,127,551, respectively. As of March 31, 2024 and December 31, 2023 asset management fees of \$16,083,347 and \$16,753,817, respectively, remain outstanding to be paid by the limited partners.
- Asset Management Fees are not included in the Fund's combined financial statements as the asset management service arrangements are directly between the limited partners and the General Partner. The General Partner may direct a portion of the limited partners' distributions to the General Partner for payment of such asset management fees. If such amount is insufficient to cover the asset management fee in any quarter, the limited partner will be required to remit the difference to the General Partner.
- For the three months ended March 31, 2024, the Fund did not pay any financing fees. For the year ended December 31, 2023, the Fund paid \$575,000 in financing fees at a rate of 0.20% - 0.50% for the new loan proceeds.

For the three months ended March 31, 2024 and the year ended December 31, 2023, the Fund did not incur any financing fees to the General Partner for non-consolidated real estate corporations and ventures.

For the three months ended March 31, 2024 and the year ended December 31, 2023, the Fund did not incur any acquisition fees to any of its venture partners. In addition, the Fund's venture partners are paid a property management fee based on a percentage of gross receipts ranging from 1.5% - 6.0%.

6. FINANCIAL HIGHLIGHTS

The Fund computes net assets per share on a quarterly basis. The financial highlights for the three months ended March 31, 2024 and the year ended December 31, 2023, are as follows:

Per share operating performance	2024	2023
Net asset value, beginning of period	\$ 1,285.5396	\$ 1,497.1290
Income from investment operations		
Net investment income	14.0936	54.6479
Net realized and unrealized loss	(34.5012)	(217.8982)
Total from investment operations	(20.4076)	(163.2503)
Less distributions	(12.1842)	(48.3391)
Net asset value, end of period	\$ 1,252.9478	\$ 1,285.5396
Total return ^{1 2}	-1.6%	-11.0%
Supplemental Data:		
Net assets, end of period	\$ 8,689,437,277	\$ 8,952,973,942
Ratios to average net assets:^{2 3}		
Total expenses	1.1%	4.0%
Net investment income	1.3%	4.6%

- Net assets attributable to the Fund calculated on an asset-weighted basis using beginning of period values, adjusted for contributions, including reinvested dividends, redemptions, and distributions. Contributions, redemptions, and distributions are weighted based on the effective date of cash flows.
- An individual limited partner's total return and ratios to average net assets may differ due to the timing of contributions and redemptions.
- Average net assets are calculated as the average of the ending quarterly net assets attributable to the Fund, for the three months ended March 31, 2024 and the year ended December 31, 2023.

7. SUBSEQUENT EVENTS

On April 18, 2024, the Fund made a distribution in the amount of \$84,500,000 from operating cash flow, of which asset management fees of \$16,083,347 were paid directly to the General Partner by the limited partners. In addition, \$11,714,927 of the distribution was reinvested into the Fund as part of the limited partners' elected DRIP.

On April 18, 2024, the Fund paid \$50,000,000 in redemption requests.

The Fund evaluated activity through May 6, 2024 (the date these condensed combined financial statements were available to be issued) and concluded that no additional subsequent events have occurred that would require recognition or additional disclosure.