

London Life Real Estate Fund

Q2 Bulletin 2025

Key Facts

Date Established

1998

Fund Strategy

CORE

Gross Fund Value

\$3.7B

Net Fund Value

\$2.8B

LTV %

23.2%

of Properties

76

Commercial Sq Ft

7.7M

of Residential Units

3,729

Image: Gulf Canada Square,
Calgary AB



In the first half of 2025, total Fund performance (+153bps) was led by the strength of the income component of return (+210bps) and offset by modest capital depreciation and mark-to-market impacts (-60bps). Asset values are stabilizing and while macroeconomic uncertainty continues to cloud the near-term outlook, the longer-term thesis for real estate investment remains squarely intact. In the current environment, core real estate serves as a stabilizing anchor offering consistent performance through its durable, recurring cashflows and holds the potential for outsized capital performance as the sector recovers.

Rental Market Update

Canada's purpose-built rental housing market remains underpinned by strong structural demand drivers. Short term policy shifts and an over supplied condominium market have put pressure on rental rates however national averages remain above historical norms and in-place rents continue to grow year-over-year.

Looking ahead, the long-term fundamentals are compelling. An aging population, constrained housing supply, and the need to sustain GDP growth through immigration are all factors which reinforce continued demand for purpose-built rental.

The Fund is supporting this demand through its established core holdings and is actively advancing its future multi-residential development pipeline. A key focus remains on strategic timing and delivering well-positioned, high-quality residential offerings that attract sustained tenant interest and reflect the Fund's commitment to institutional-grade management.

Industry Accolades

Both downtown Calgary office assets highlighted in the previous bulletin, Gulf Canada Square and Watermark Tower, received distinguished recognition from BOMA in quarter.

Gulf Canada Square was awarded both BOMA Best and The Outstanding Building of the Year (TOBY) in the over 1 million sq. ft. category, while Watermark Tower earned a TOBY in the 250,000-499,999 sq. ft. category. These accolades reflect the Fund's ongoing commitment to operational excellence and asset quality, underscoring the dedication and expertise of the management teams whose execution of targeted capital projects and day-to-day stewardship were instrumental in achieving these honours.

Forward Outlook

As we look to the balance of 2025, the Fund remains well-positioned to navigate a complex and evolving market landscape. The quality, diversification, and geographic balance of the Fund's portfolio continues to provide resilience and stability. Backed by strong fundamentals across key asset classes and guided by a disciplined, opportunity-driven capital strategy, the Fund is exceptionally well-positioned to capitalize on market shifts and deliver sustained, high-quality performance.

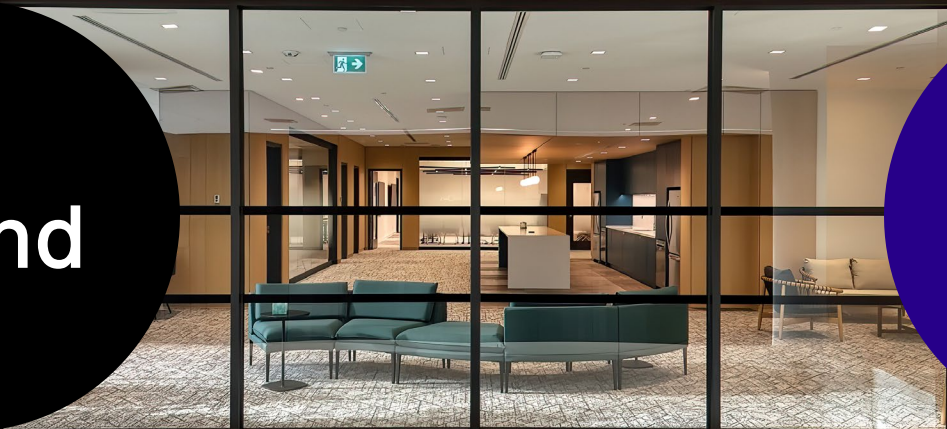
Building Blocks

Be sure to check out our latest episode of the Building Blocks Podcast which can be found here:

www.gwlrealtysadvisors.com/invest-with-us/

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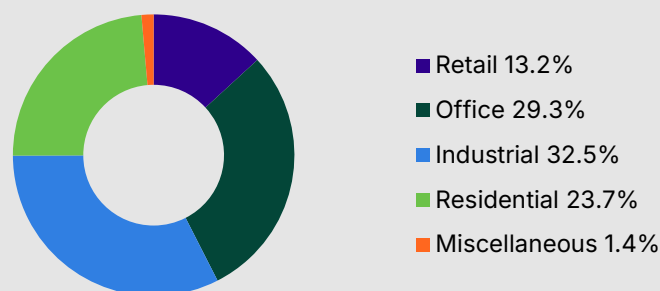
Gross Return	Annualized				YTD
	1 Year	3 Year	5 Year	10 Year	30-Jun
Income	4.0%	3.9%	3.7%	3.9%	2.1%
Capital	(3.1%)	(5.3%)	0.7%	1.0%	(0.6%)
Total	1.1%	(1.2%)	4.4%	4.9%	1.5%

Note: Differences due to rounding of decimals.

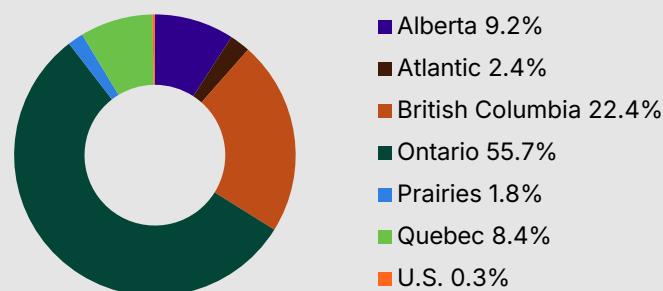
Fund Growth (\$ Millions)						YTD
	2020	2021	2022	2023	2024	30-Jun
Real estate	\$3,066	\$3,520	\$3,536	\$3,348	\$3,244	\$3,281
Cash	\$355	\$366	\$269	\$338	\$501	\$466
Short term assets & liabilities	\$(91)	\$(94)	\$(82)	\$(91)	\$(96)	\$(96)
Gross fund value	\$3,329	\$3,791	\$3,722	\$3,596	\$3,694	\$3,652
Net fund value	\$2,603	\$3,061	\$2,952	\$2,755	\$2,803	\$2,805
Debt/gross fund value	21.8%	19.3%	20.7%	23.4%	23.2%	23.2%

Note: Differences due to rounding of decimals.

Diversification by Type (Gross)



Diversification by Region (Gross)



Vacancy as % of total – By Type

Retail	0.4%
Office	6.1%
Industrial	1.3%
Residential	1.3%
Total by type	9.1%

Vacancy as % of total – By region

Alberta	1.6%
Atlantic	1.1%
British Columbia	1.3%
Ontario	4.4%
Prairies	0.1%
Quebec	0.6%
U.S.	0.0%
Total by region	9.1%

Image: Watermark Tower, Calgary, AB