NORTH CAROLINA
INVESTMENT AUTHORITY

Real Estate Asset Class Review

November 18, 2026

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

Discussion Outline

I. The Real Estate Team
II. Allocation, Performance, and Lessons Learned
III. Strategy & Approach
IV. Opportunities, Pipeline, and Risks & Challenges
V. Initiatives
VI. Appendix

The Real Estate Team

TEAM MEMBER / ROLE	NCIA TENURE	INDUSTRY EXPERIENCE	PRIOR EXPERIENCE
Tessa Tanis Director	4.5 years	25 years	REITs: DDR (now SITE Centers Corp.) and Highwoods Properties Institutional: NCRS (2015–2018; May 2025–present) Private Equity Developers: Lifestyle Communities and Ram Realty Advisors
Casey High Portfolio Manager	14 years (5 years on Real Estate team)	16 years	Institutional: CAPTRUST and NCRS Public Equity Team
Hassan Ahmed Portfolio Manager	Joined Q2 2026	15 years	Institutional: OPTrust and State Street
Laura Johnson Associate Portfolio Manager	Joined Q3 2026	20 years	REIT: Highwoods Properties Private Equity/Credit: Tiverton Advisors
Alena Thomas Analyst	Joined Q3 2026	May 2026 graduate	Private Equity: Stack-It Storage Technology: Cisco

Real Estate Allocation

As of 9/30/26

NCIA IPS OBJECTIVES

1 Long-term absolute returns

- Competitive long-term with public equity and sufficient to compensate for property-level risk, leverage and illiquidity.
- Identify secular trends or sectors with supply-demand imbalances, while also capitalizing on market dislocation.

2 Diversification and cash yield

- Differentiate from corporate equity while generating high contractual cash yields.
- Focus on attractive cash-on-cash returns and income yield from assets.
- Diversify across the real estate portfolio to mitigate risk, while letting opportunity and investment conviction guide strategy.

3 Inflation protection

- Capture contractual rent escalators at property and operating-company levels.
- Focus on NOI growth vs cap rate compression to drive long-term returns.

RE ALLOCATION GUIDELINES



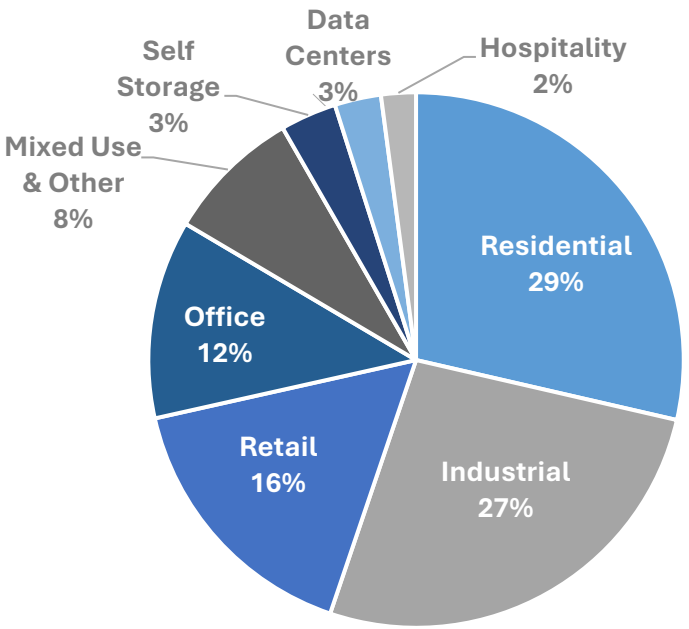
NCIA Investment Policy Statement (IPS) adopted February 25, 2026.

Current Real Estate Portfolio Composition

As of 9/30/26

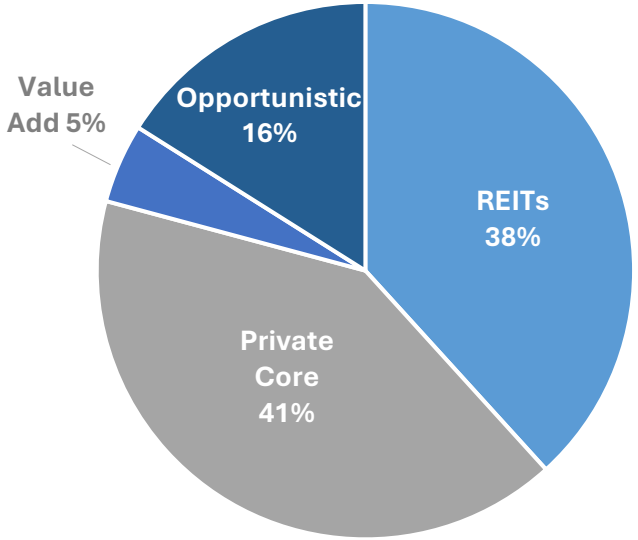
To seek higher risk adjusted returns for the real estate portfolio, we expect to increase allocations to niche sectors and higher-return strategies, while keeping the portfolio primarily U.S.-focused given the depth of the opportunity set and comparatively lower risk hurdles.

By Sector



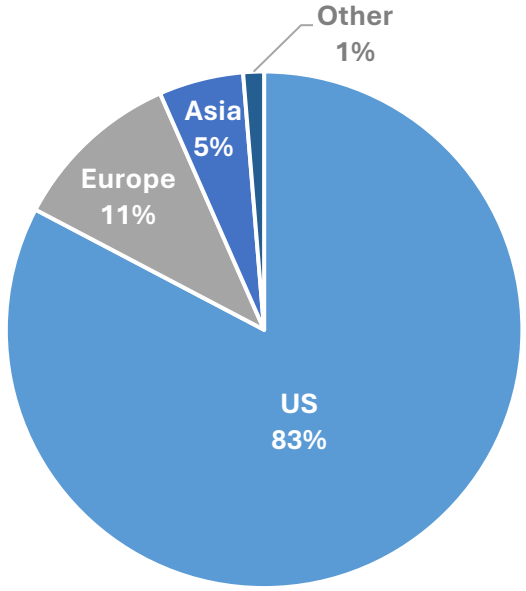
- We are focused on specific subsectors within these general categories

By Risk Category



- REITs + Private Core = 79% total exposure
  (71% excluding staging portfolio)

By Geography



- Primarily concentrated in the US, with some exposure to UK through SMAs, and to Europe and Asia through funds

Real Estate Portfolio Performance

2010+ Vintages | IRR Performance Metrics

As of 6/30/2026

NET IRR (ITD)	MOIC	PME - DIRECT ALPHA	PME - K&S
7.35	1.29	1.98	1.07

PME Benchmark = FTSE EPRA NAREIT Global Index

All Vintages | Time-Weighted Returns

Cash flow adjusted valuations as of 9/30/2026

Asset Class	1 Year	3 Years	5 Years	10 Years	15 Years
Real Estate Portfolio	.57	(.98)	(.40)	3.80	6.42
Benchmark	.61	(.82)	.56	3.56	5.85

Benchmark: A time series linked benchmark comprised of two components:

1. **The legacy static policy weighted subcomponent benchmarks:**
   - Non-Core: MSCI Private Capital indices: 80% U.S. Non-Core Real Estate and 20% Non-U.S. Non-Core Real Estate
   - Core: 80% Custom NCREIF ODCE Net and 20% FTSE EPRA NAREIT Global Index;

and

2. **The new dynamic weighted subcomponent benchmarks:**
   - Non-Core: MSCI Private Capital Opportunistic and Value Add (US only) universe return on a quarter lag; and
   - Core: NCREIF ODCE on a quarter lag.

Real Estate Portfolio Performance 2010+ Vintages

As of 6/30/2026

	Valuation ($Ms)	IRR (ITD)	MOIC	PME – Direct Alpha	PME – K&S
Total Real Estate	**$ 12,027**	**7.35**	**1.29x**	**1.98**	**1.07**
Private RE Total	**$ 7,425**	**7.54**	**1.31x**	**2.17**	**1.08**
Private Core RE	**$ 4,921**	**5.08**	**1.26x**	**0.67**	**1.03**
Private Non-Core RE	**$ 2,504**	**10.92**	**1.36x**	**4.15**	**1.12**
Value-Add	**$ 588**	**11.93**	**1.38x**	**4.62**	**1.12**
Opportunistic	**$ 1,916**	**10.61**	**1.36x**	**4.01**	**1.12**

PME Benchmark = FTSE EPRA NAREIT Global Index.

REIT Portfolio Performance

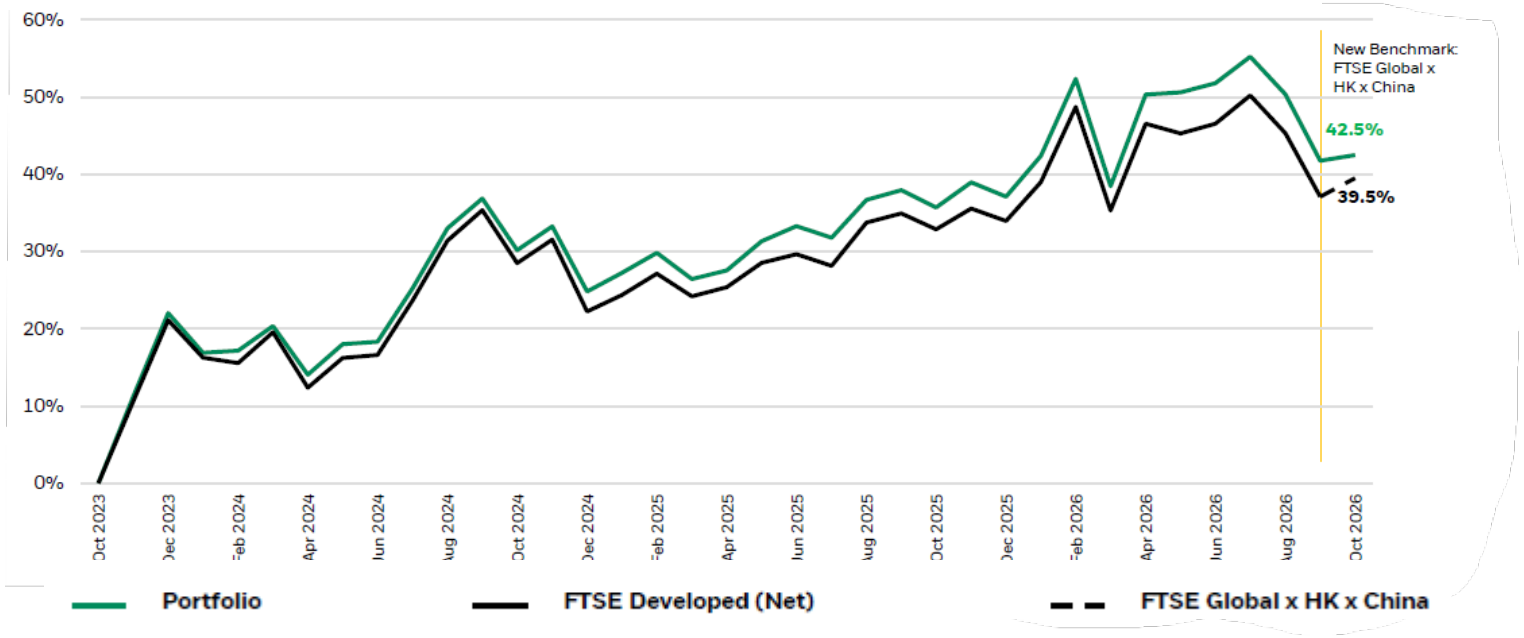
As of 10/31/2026

REIT investing provides access to themes where the private markets do not offer sufficient scale, exposure to real estate beta plays during periods of public-private market dislocation, pricing discovery for private investments, and the ability to assist with plan rebalancing efforts. Inception-to-date, the REIT portfolio has outperformed the benchmark by 224 bps.

Market Value	$4.6B (including $3.2B staging portfolio)
ITD Annualized Return	Portfolio: 5.54% Benchmark: 3.50%
TTM Dividend Yield	Portfolio: 3.58% Benchmark: 3.96%

Recent REIT performance weakness is primarily driven by rising Treasury yields and renewed inflation concerns.

3-Year Performance Snapshot



Source: BlackRock as of Oct 31, 2026

Benchmark history: FTSE EPRA NAREIT Developed Index (Net) through Apr 14, 2026; performance hold from Apr 14-28, 2026; same FTSE benchmark from Apr 28 to July 23, 2026; performance hold from Jul 23-Aug 06, 2026; same benchmark from Aug 06-Sep 30, 2026; FTSE EPRA NAREIT ex HK ex China Net Tax Index from Sep 30-Oct 31, 2026

Real Estate Performance Drivers

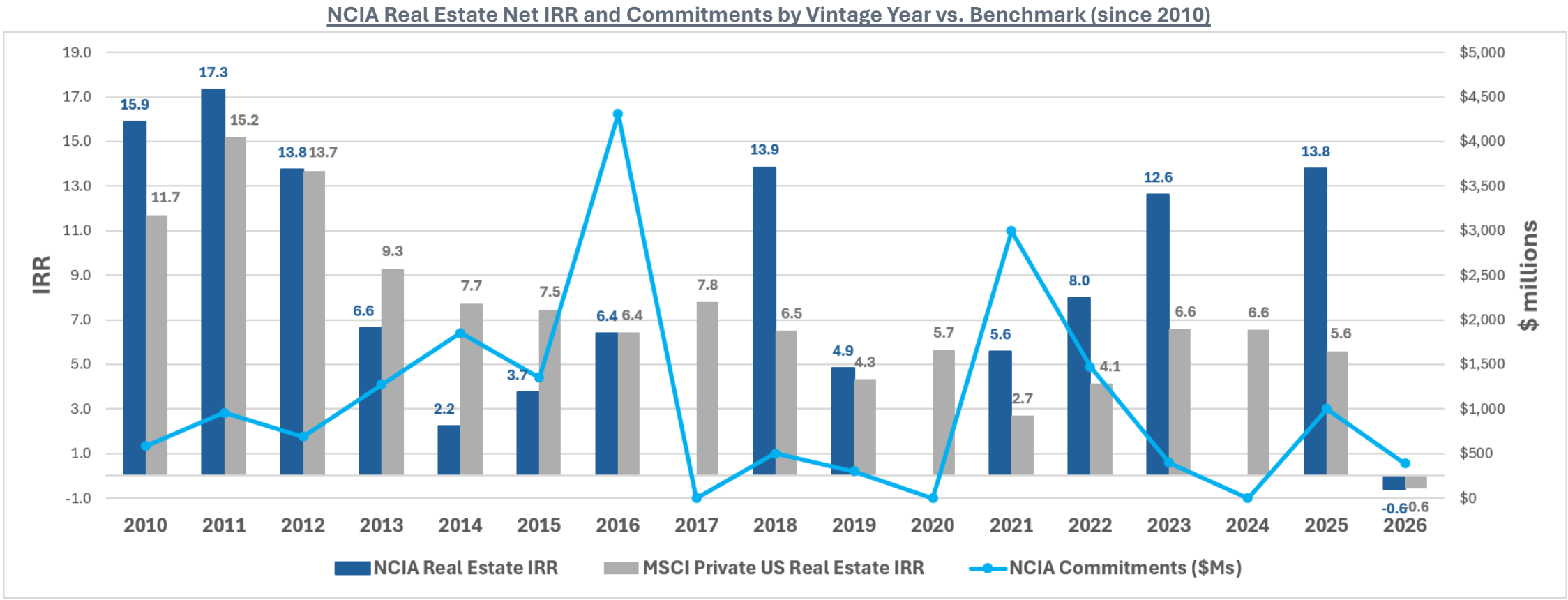
NCIA real estate portfolio's underperformance has been driven by a combination of adverse market cycles, a broad diversification approach, limited control, and inconsistent active management.

01 **Market shocks, structural shifts, and repricing**	Primary market drivers of portfolio underperformance include the structural shifts caused by COVID, primarily to office income and valuations where NCIA held 30% (~$2.6B) of its real estate allocation in 2020. Today the portfolio still holds about $1.0B of legacy office investments that are primarily in liquidation mode. Other contributors include REIT volatility and the J-curve impact of the ~$2.7B in new SMA commitments made since 2023. These commitments are about 50% invested and are expected to post strong 1-year returns in 2027.
02 **Legacy fund overhang**	Many legacy fund managers have delayed valuation write-downs and held through bid–ask gaps, leading to recapitalizations or costly gap financing, and eroding returns. Separate account managers have been more proactive, and we are assessing plans to maximize remaining value.
03 **Governance and policy changes**	Very little new capital deployment during the bullish post COVID era before cap rates compressed, while financing rates were low, distress was high, and capital was scarce.
04 **Separate account misalignment**	Legacy separate account structures created the illusion of control, while in practice subtle misalignments contributed to suboptimal execution.

Private Real Estate Net IRR and Commitments by Vintage Year

As of 6/30/2026

Inconsistent commitment timing across vintage years has resulted in several years of missed valuation growth.



Lessons Learned

Active portfolio management

- Real estate is granular – staff appropriately for sufficient direct investment oversight.
- Preserve and grow the income, while also actively exploring upside potential.
- Retain financing flexibility.
- Guard against strategy drift.

Control & investment structure

- Prioritize structures that provide for LP control over strategy, major decisions, and exit timing.
- Align GP compensation with realized net performance.
- Do not count on open ended vehicles for liquidity or rebalancing efforts.

Business plan execution

- Plan for the exit when you buy and revisit regularly.
- Identify and execute de-risking strategies at every stage of the business plan.
- Hold for fundamentals, not for a comeback.

Underwriting & investment economics

- Emphasis on cost basis is important
- Ensure unlevered returns meet at least 6.5% hurdle
- Do not let fee savings drive strategy decisions.
- Non reliance on cap rate compression

RE Portfolio Strategy & Approach

PUBLIC REITS	PRIVATE INVESTMENTS	TOTAL PORTFOLIO
$4.6B	**$7.4B**	**$12.0B**

$1.4B in primary REIT portfolio

$3.2B in REIT staging portfolio

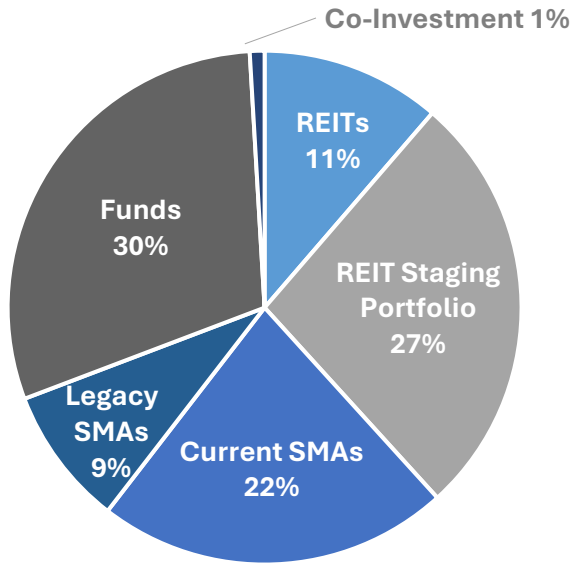
$2.0B in active funds

$2.7B in active SMAs

$2.2B undergoing hold / sell analysis

$550M legacy assets to be managed out by a third-party administrator

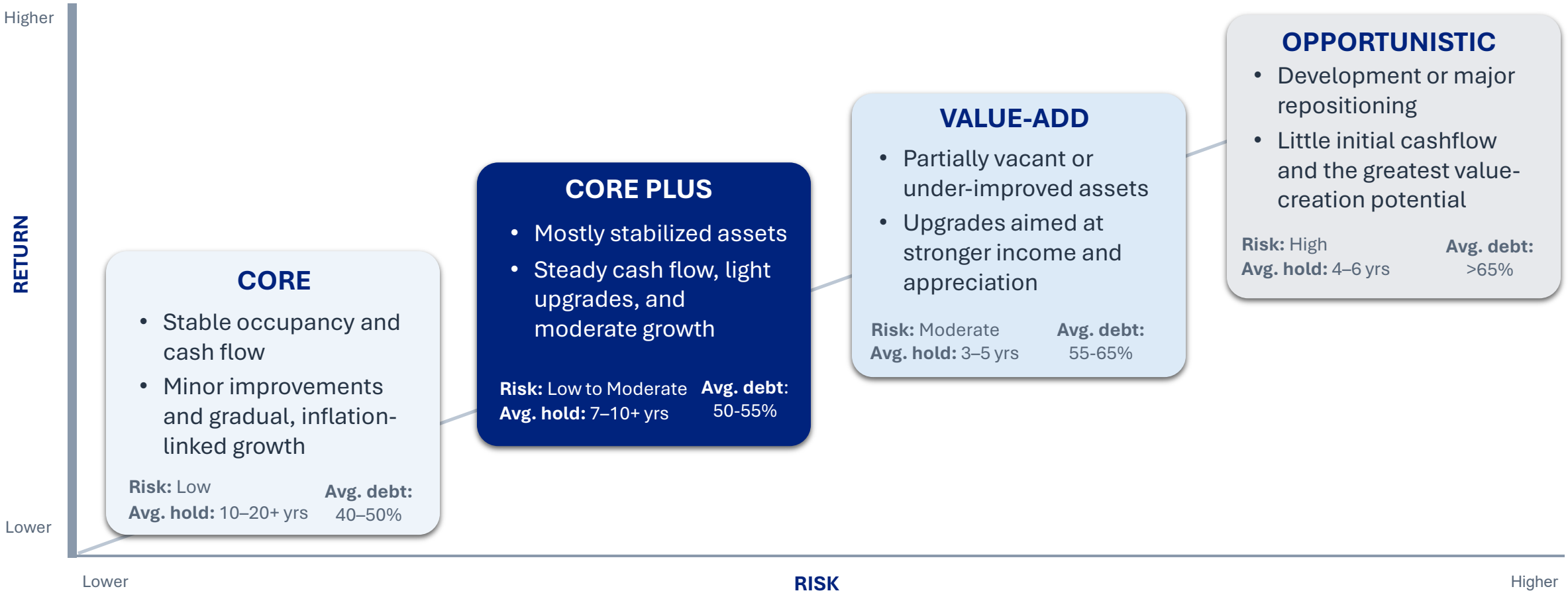
Breakdown by Market Value



Note: Totals and percentages may not sum due to rounding.

Real Estate Strategy & Approach

Taking a long-term view, we consider investments across the risk spectrum with a preference for disciplined underwriting, active management, and a clear path to value creation and exit.



Real Estate Strategy & Approach

Since 1/1/25, the Real Estate Team has closed on $1.8 billion of commitments across 7 investments and currently has ~$3.3 billion in due diligence, and another ~$3.0B in the pipeline.

Pipeline Progression



Real Estate Sector Focus

- Data Center BTS & Powered shell
- Multifamily, active adult & manufactured housing
- Dislocated Class A office & residential conversions
- Medical office, healthcare & outpatient facilities
- Real estate operating companies
- Mixed-use development
- Industrial, outdoor storage, & advanced manufacturing
- Self-Storage
- Necessity based & grocery-anchored retail

Real Estate Strategy & Approach

Real estate is management intensive; long-term value creation requires strategic partnerships, LP-friendly governance, proactive asset management, and timely exits.

01 Investment Sourcing	• Deployment scale and availability of capital provide competitive advantage • Third-party relationships drive deal sourcing and bandwidth to act quickly	• High-conviction manager roster promotes idea generation and priority access to new deals
02 Investment Structuring	• Direct investment structures including SMAs reduce fee drag, improve governance, and allow for nimble execution	• REITs provide a mechanism for price discovery, portfolio rebalancing, and investment during market dislocations • OpCo and GP stake investments can generate outsized returns and superior deal flow
03 Asset Management	• Active LP involvement in business-plan decisions improves GP accountability and proactive decision making	• Ability to capitalize investments on a low leverage or unlevered basis when interest rates are high, debt availability is scarce, or terms are restrictive
04 Timely Disposition	• Rotate out of non-strategic assets and low-growth sectors regularly using governance levers	• Optimize value creation by having the flexibility to sell one-off assets or aggregate portfolios that will generate a premium in hard-to-scale sectors

Real Estate Strategy & Approach

The Real Estate team is evaluating options for legacy holdings that will optimize forward-looking portfolio returns.

LEGACY SMA ASSETS UNDER REVIEW

6 vehicles/11 assets = $2.2B

LEGACY FUNDS TO MANAGE THROUGH LIQUIDATION

38 funds = $553M

Criteria for Legacy SMA Assets Under Review:

Hold	• Assets in high-growth markets with strong fundamentals and limited or no new supply: • Projected cash yield, rent growth, and occupancy are favorable; and • The positive metrics outweigh projected expense increases, refinancing risk, and capital needs.
Restructure	• Assets in high-growth markets with strong fundamentals and limited or no new supply: • Actionable changes can improve governance, asset management, or the business plan that will create value; and • Value created exceeds the cost of any capital, transaction expenses, added risk, and the return from selling now.
Sell	• Non-strategic assets; • Properties where the business plan is complete and limited upside remains; • Property operations or market fundamentals are projected to weaken; or • Forward-looking risk-adjusted return no longer justifies the capital, risk, or effort required to hold it.

Opportunities in Real Estate

Broad themes are driving specific real estate opportunities. Secular trends, evolving demographics, and technological changes are creating strong tailwinds across many sectors.

Geopolitical

Manufacturing onshoring, defense spending, energy independence

- Industrial outdoor storage (IOS)
- Advanced manufacturing
- Big box and distribution logistics

Power & Technology

Electrification, AI infrastructure adjacencies, and employment disruption

- Powered shell data center
- Ground leases with available power capacity
- Innovation build-to-suit campuses
- Infill last mile industrial (e-commerce)
- Selective class A office
- Real estate/infrastructure hybrid investments

Social Shifts

Aging population, K-shaped economy and affordability, shifting consumer preferences

- Active adult living
- High end experiential retail
- Necessity retail
- Affordable housing
- Market specific class A residential
- Medical office and outpatient facilities
- Master planned communities
- Luxury resort hospitality

Pipeline

Shifting from a broad diversification mandate to a flexible rifle shot approach allows the RE Team to prioritize the best opportunities over artificial constraints.

Most favorable

Evolving secular trends, sector & market dislocation, supply and capital constraints

- Active Adult / Senior Housing
- Selective Multi-Family
- Industrial Outdoor Storage & Small Bay
- Advanced Manufacturing
- Necessity Retail
- Select Gateway Office
- Net Lease
- Mixed-use and Other Select Development
- Resort Hospitality
- Secondaries and Recapitalizations
- Participating Preferred Equity Positions

Neutral

Moderating supply & average NOI growth with low going in basis

- Retail
- Big Box Industrial
- Standard Hospitality
- Self Storage
- Data Centers
- Student Housing

Least favorable

Stretched valuations, oversupply, commodity product, high operating costs

- Life Sciences
- Commodity and Tertiary Office
- Commodity Multifamily
- Cold Storage
- Speculative Development

Risks & Challenges

Effective risk management will remain a key focus for the RE Team from sourcing and underwriting through execution and exit. We will capitalize on market dislocation by selectively pursuing distressed and mispriced assets, backed by disciplined underwriting, prudent leverage, and active management.

Capital Markets Risks

- Persistent inflation and energy shocks
- Higher treasury yields and interest rates
- Geopolitical impacts
- Potential Iran conflict escalation
- Rising US deficit
- Concentrated AI related equity valuations

Mitigants:

- Monitor dislocation and be prepared to act quickly when opportunities arise
- Base investment decisions on the real estate and plan for worst case scenarios

Real Estate Risks

- Reduced liquidity and transaction volume
- Valuation uncertainty
- Higher debt costs
- Social pressure impacts (ie: single family rentals and data centers)
- Rising construction costs and supply chain bottlenecks
- Over supply in certain areas or sectors (ex. Multifamily in sunbelt markets)
- REIT volatility

Mitigants:

- Underwrite based on property and sector fundamentals
- Maintain debt and exit flexibility

NCIA RE Team Challenges

- Limited internal team capacity to underwrite direct deals
- Nimble execution required to gain competitive edge for best opportunities
- Deep level of knowledge and expertise required to evaluate deals in niche sectors
- Data and technology constraints to effectively manage and report on direct real estate holdings

Mitigants:

- Establish ecosystem of 3rd party advisors and SMA partners to leverage bandwidth, expertise, and technology
- Broaden reporting requirements from GPs for direct investments

Initiatives

The team continues to advance key priorities through 2026.

	COMPLETED	UNDERWAY
Team buildout and development	✓ Build out internal investment team ✓ NCIA transition projects ✓ Conduct 3rd party advisor search	○ Expand team training and development ○ Hire administrative help
Legacy portfolio decisions	✓ Shortlist legacy fund managers ✓ Internal analysis on direct legacy assets	○ Hire 3rd party admin to manage out funds ○ Complete 3rd party hold/sell analysis for direct assets
Active portfolio management	✓ Allocate RE team primary and secondary leads ✓ Develop strategic plan for RE portfolio	○ Improve SMA asset-level reporting and establish quarterly portfolio reviews ○ Backstop CRM initiative
New deal flow process improvement	✓ Formalize pipeline and deal screening process ✓ Establish 3rd party resources as extension of staff to expedite researching, sourcing, conducting due diligence, and closing new investments.	○ Create Opt Out SMAs with high-conviction managers and 3rd party advisor for direct deals ○ Integrate AI into screening and underwriting process ○ Expand sourcing network of investment bankers, lenders, secondary managers

Appendix

NORTH CAROLINA
INVESTMENT AUTHORITY
Bradford B. Briner, State Treasurer and Board Chair

The Role of Real Estate

To achieve attractive risk-adjusted returns by:

- Using relationships and scale to form control-oriented partnerships and gain priority access to direct deal flow
- Actively drive income growth and value creation, maintain disciplined oversight, and prioritize exit optionality.

	Income	Inflation Hedging	Growth	Diversification	Optionality
PORTFOLIO ROLE	✓ Contractual cash flow ✓ Annual escalations ✓ 4–6% cash yield	✓ Shorter lease terms ✓ CPI-linked increases ✓ Operating expense pass-throughs	✓ Invest in secular and demographic trends ✓ Benefit from supply & capital constraints	✓ Public and private exposure ✓ Wide risk spectrum ✓ Secular trends and geographic breadth	✓ Deep third-party relationships ✓ Patient capital ✓ All-cash acquisition and development
INVESTMENT CHANNELS	✓ REITs ✓ Private Core/Core-Plus ✓ NNN leases	✓ Housing ✓ Hotels ✓ Storage ✓ Retail ✓ NNN leases	✓ Senior housing ✓ Healthcare ✓ Power ✓ Logistics ✓ Retail ✓ Mixed-use ✓ Multifamily	✓ Uncorrelated sectors or strategies ✓ Public-private market dislocations ✓ Preferred equity	✓ Common/preferred equity ✓ Co-investments ✓ JVs ✓ SMAs ✓ OpCo and GP stakes ✓ Secondaries

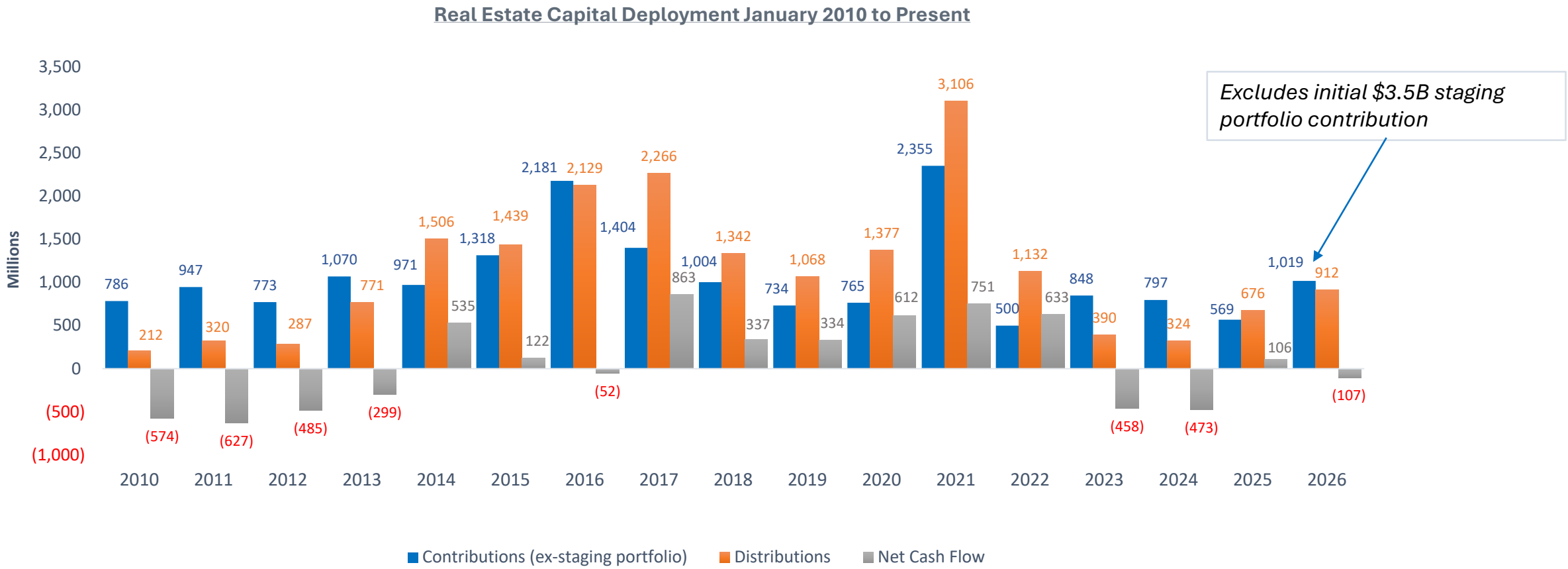
The Role of Real Estate

We plan to achieve attractive risk-adjusted returns by:
- Using relationships and scale to gain priority access to direct deal flow
- Actively drive income growth and value creation, maintain disciplined oversight, and prioritize exit optionality.

	Income	Inflation Hedging	Growth	Diversification	Optionality
PORTFOLIO FOCUS	✓ Optimize contractual rents and increases ✓ Control operating and capital costs ✓ Monitor debt coverage ratios ✓ Capture income throughout the RE value chain	✓ Target supply constrained markets with high demand and population growth ✓ Track real NOI growth against nominal growth	✓ Identify supply-demand imbalances ✓ Capitalize on capital market dislocation, liquidity needs, refinancing pressure, etc. ✓ Focus on NOI growth vs. cap rate compression	✓ Invest across the real estate spectrum and value chain ✓ Rotate the portfolio proactively before conditions change	✓ Stay nimble ✓ Adapt and pivot to protect and maximize value ✓ Continuously assess de-risking and exit options

Real Estate Capital Deployment

Since 2010, periodic changes in pension plan investment policy, combined with negative market cycle impacts, have resulted in inconsistent real estate capital deployment.



Real Estate Co-Investment & Underwritten Investments

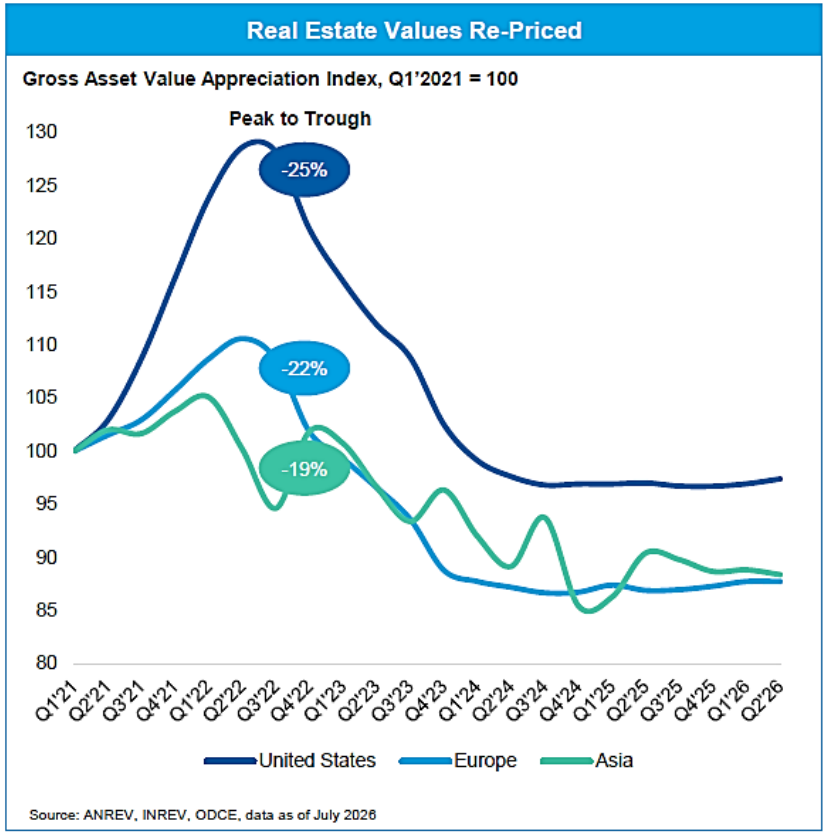
The Real Estate co-investments and underwritten investments have returned a net 10.5% to date, falling in the 2nd quartile of the MSCI Fund Universe.

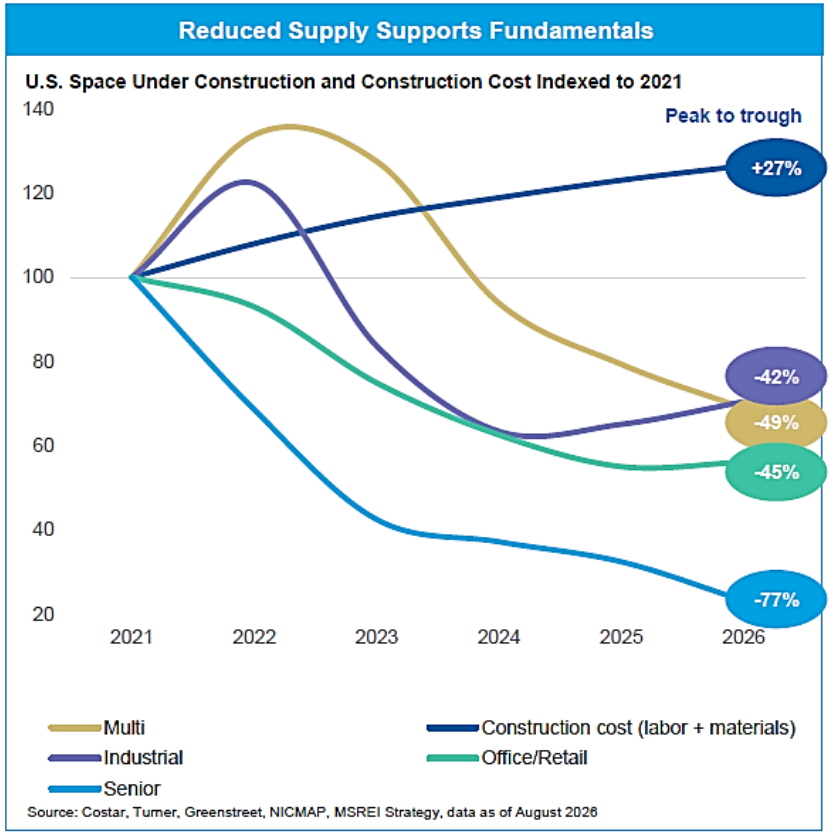
										MSCI Fund Universe IRR by Vintage				
Vintage	Commitment	Paid In	Distribution	Valuation	IRR	TVPI	DPI	Quartile	Percentile	95th	75th	50th	25th	5th
2005	80,000,000	76,984,724	147,321,289	649,420	8.69	1.92	1.91	1	75th-95th	11.28	4.39	1.73	(6.39)	(15.54)
2006	20,000,000	19,260,998	21,157,103	-	1.57	1.1	1.1	2	50th-75th	11.09	1.61	(2.41)	(10.06)	(27.76)
2011	205,000,000	205,040,376	621,265,227	-	21.28	3.03	3.03	1	75th-95th	26.26	21.10	15.10	9.34	3.15
2013	78,320,018	78,320,018	112,210,774	-	40.02	1.43	1.43	1	95th+	30.58	17.09	11.31	5.21	0.39
2014	531,877,210	418,613,424	364,332,894	44,926,258	-0.44	0.98	0.87	4	5th-25th	24.88	15.41	7.53	2.09	(18.74)
2015	50,131,558	50,148,710	49,686,454	9,872,556	4.11	1.19	0.99	3	25th-50th	21.57	12.71	9.01	2.77	(15.94)
2016	150,000,000	152,792,552	144,206,703	34,867,839	3.2	1.17	0.94	3	25th-50th	21.34	10.74	7.99	(1.97)	(13.49)
2018	125,000,000	114,409,808	142,158,415	56,879,547	14.65	1.74	1.24	1	75th-95th	27.03	14.14	9.03	4.46	(24.49)
2021	272,000,000	257,505,829	23,636,337	380,136,231	12.42	1.57	0.09	1	95th+	11.60	7.45	4.11	(1.15)	(15.72)
2022 (1)	475,000,000	226,578,895	46,343,716	181,678,222	0.36	1.01	0.2	3	25th-50th	11.97	7.64	4.52	(0.86)	(14.10)
2025	150,000,000	45,000,000	-	51,867,811	19.81	1.15	0	1	75th-95th	37.78	10.72	(2.79)	(12.57)	(51.13)
2026 (2)	189,458,032	188,550,000	4,454,100	188,550,000	2.37	1.02	0.02	1	75th-95th	8.73	(0.55)	(5.31)	(26.65)	(47.19)
All	**2,326,786,818**	**1,833,205,334**	**1,676,773,011**	**949,427,883**	**10.46**	**1.43**	**0.91**	**2**	**50th-75th**	**24.89**	**12.61**	**7.32**	**0.55**	**(15.92)**

(1) Investment is a development project that has not yet been marked-to-market.
(2) Investment was acquired in 2026 and has not yet been marked-to-market.

Attractive Cyclical Entry Point + Lower Supply for Real Estate

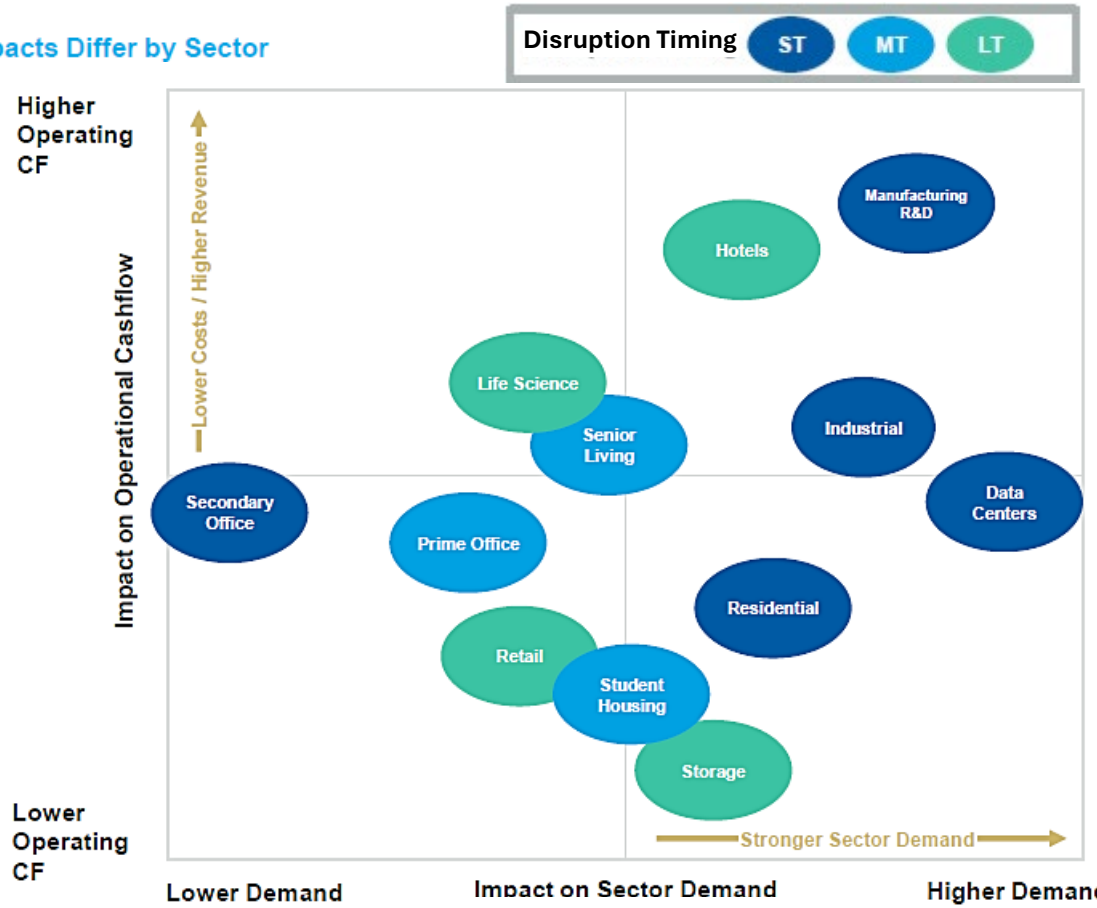
- Pricing down ~20-25%
- Low supply will be supportive of fundamentals
- Defensive attributes:
  - Inflation hedging
  - Durable cash flows
  - Low correlation to equities and fixed income





NCIA Source: Morgan Stanley Investment Management, Global Themes presentation, October 2026.
Note: Past market performance is not indicative of future results. The opinions expressed herein are those of the MSREI team as of the date of the presentation and are subject to change at any time due to changes in market or economic conditions. Readers should be aware that forward-looking statements, and statements regarding MSREI's assessment of the market are by their nature inherently uncertain insofar as actual realized returns or other projected results can change quickly based on, among other things, unexpected market movements, changes in interest rates, legislative or regulatory developments, acts of God, and other developments All forecasts are subject to change at any time and may not come to pass due to changes in such developments. Estimates of future performance are based on assumptions that may not be realized

AI/Tech Diffusion & Sector Impacts



Examples: AI may Widen Sector Performance Divergence

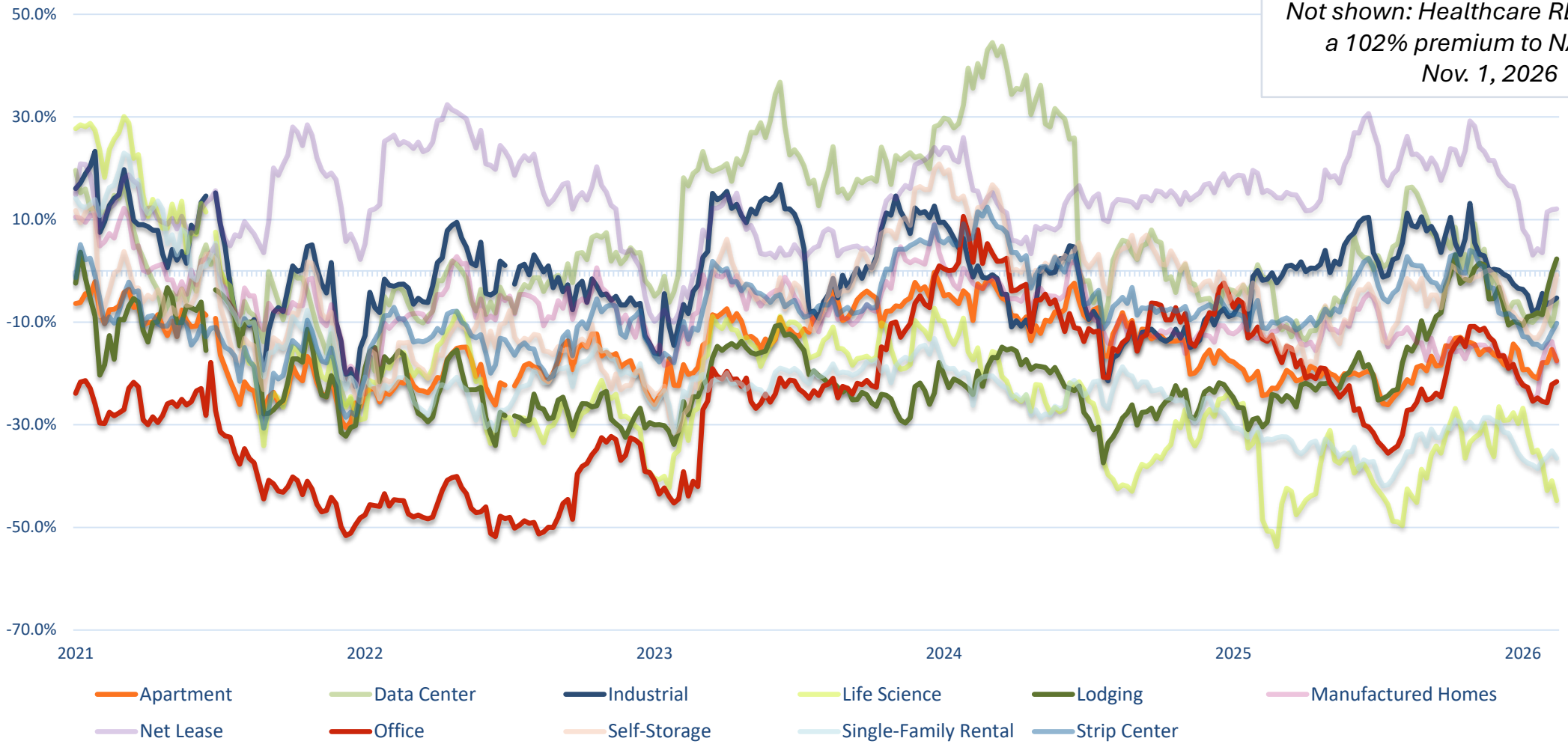
Data Center	• Medium cashflow upside (operational efficiencies, e.g., water usage) • Hyperscaler capex ($3T) driver of demand + power constraints • Obsolescence, residual value and concentration risk considerations
Residential	• Low cashflow upside (AI leasing, resident screening, dynamic pricing, data analytics, fraud detection) • Innovation / talent hubs may see incremental demand
Industrial	• Medium cashflow upside (e.g., robotics, AVs, inventory optimization) • AI-fueled ecommerce and derivate data center uses drive demand • Assets with access to high power vs older, less functional assets
Retail	• Low cashflow upside (e.g., data analytics, leasing optimization) • High street, highly curated and necessity-based retail to outperform • AI-fueled eCommerce may cannibalize commodity retail
Hotel	• High cashflow upside (e.g., check-in /front of house automation, house-keeping optimization, automated marketing) • Higher demand for unique and Immersive travel experiences vs undifferentiated offerings, gaming locations
Office	• Medium cashflow upside (e.g., smart building, energy efficiency) • Higher leasing in innovation / talent hubs • LT demand destruction through white collar job automation
Storage	• Low cashflow upside (e.g., customer self-selected digital options, automated pricing) • More job disruption = greater mobility as people need to reskill/upskill = more storage demand
Senior Housing	• Medium cashflow upside (e.g., labor optimization, personalized resident experience, proactive care) • Amenities, communities, continuum of care, higher acuity offerings differentiated vs at-home AI-enabled care

Source: MS Research, MSREI Strategy, February 2026. **Notes:** Operational Impact determined from impact of AI on jobs in each sector, based on analysis of across 162 companies employing ~525k people.

The opinions expressed herein are those of the MSREI team as of the date of the presentation and are subject to change at any time due to changes in market or economic conditions. Readers should be aware that forward-looking statements, and statements regarding MSREI's assessment of the market are by their nature inherently uncertain insofar as actual realized returns or other projected results can change quickly based on, among other things, unexpected market movements, changes in interest rates, legislative or regulatory developments, acts of God, and other developments. Past performance is not indicative of future results. All forecasts are subject to change at any time and may not come to pass due to changes in market or economic conditions.

U.S. REIT NAV Premium/(Discount)

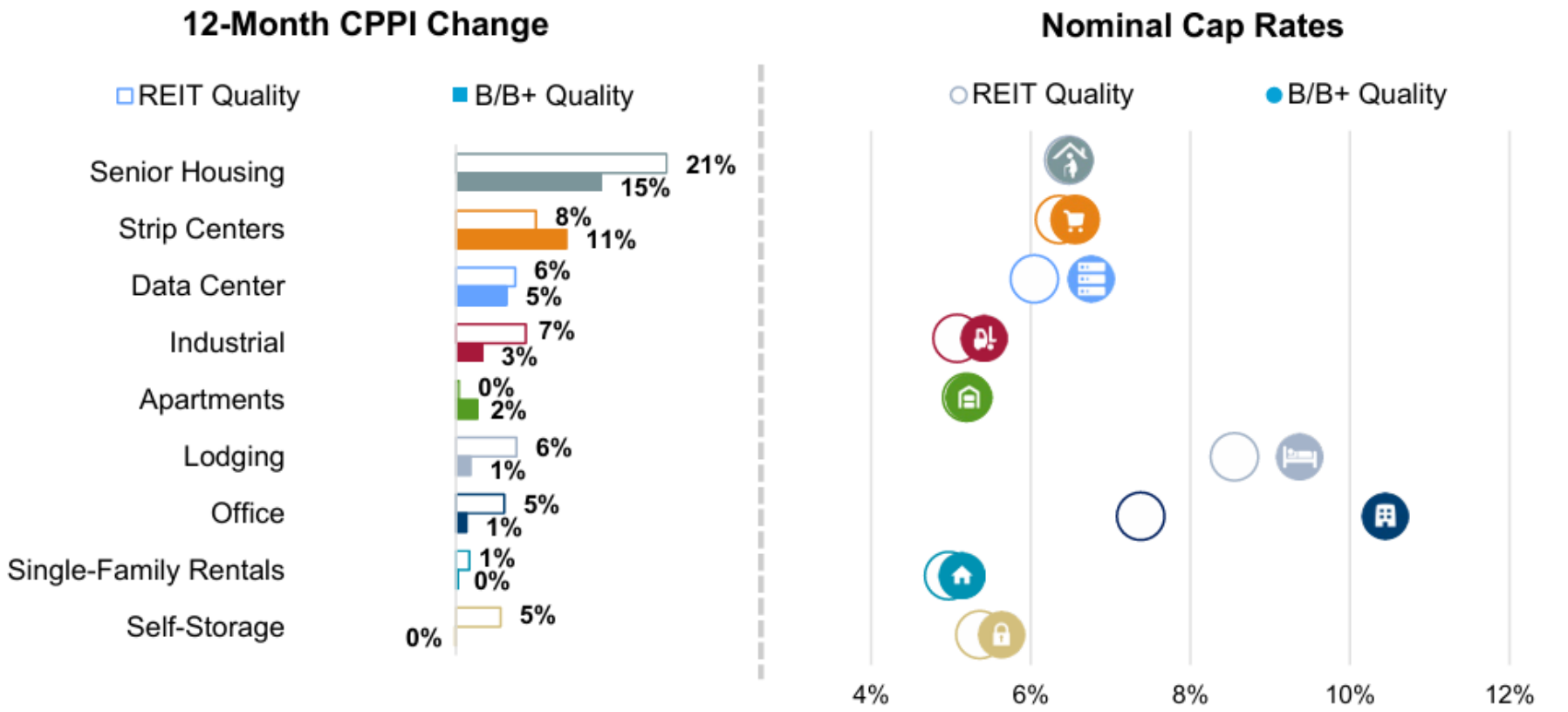
Not shown: Healthcare REITs trade at a 102% premium to NAV as of Nov. 1, 2026



Source: GreenStreet Research as of Nov 1, 2026. Healthcare REITs excluded from the chart to preserve scale.

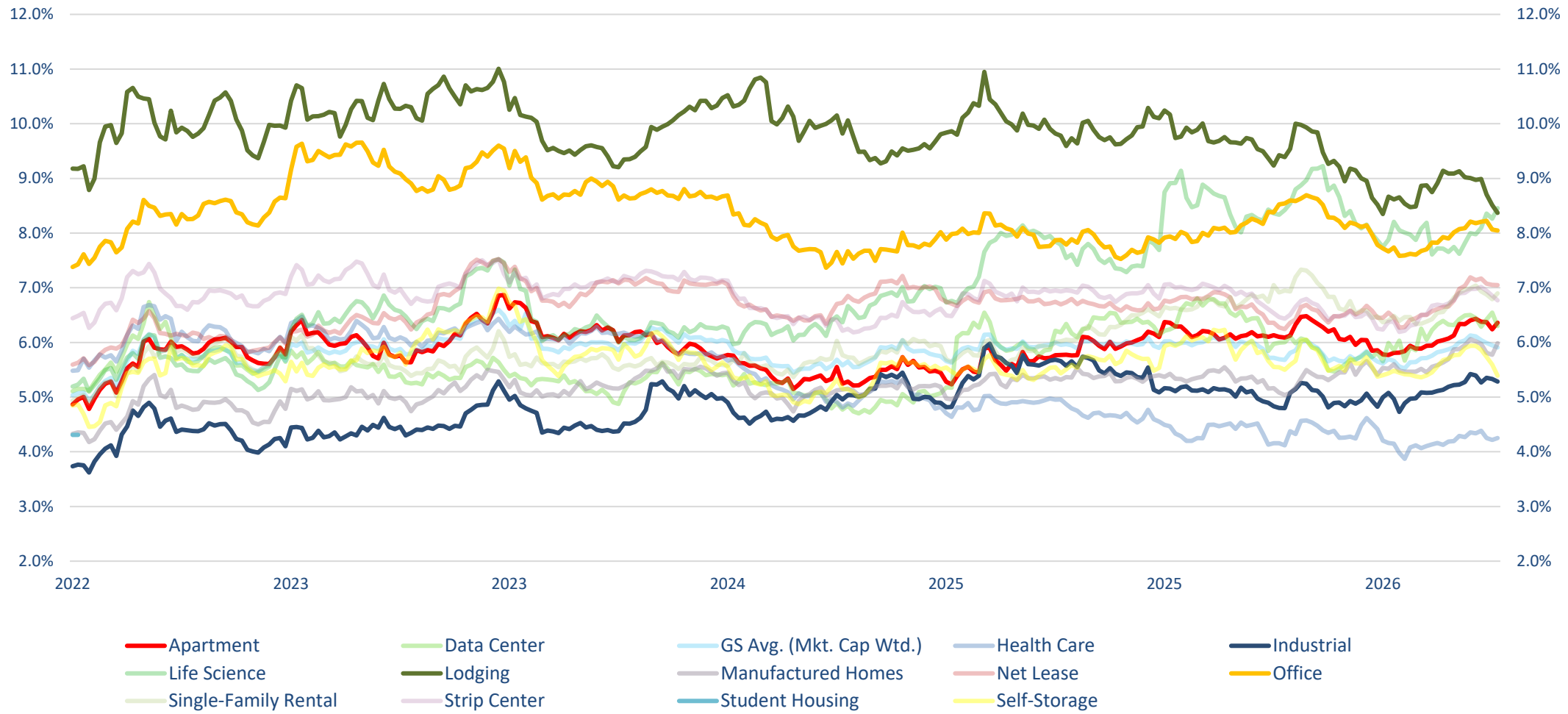
U.S. Real Estate Performance and Cap Rates

High-quality assets generally posted stronger 12-month price gains, while higher cap rates in Office and Lodging point to distinct sector pricing and risk profiles



Source: Green Street; Cap Rate Observer – 08.27.2026

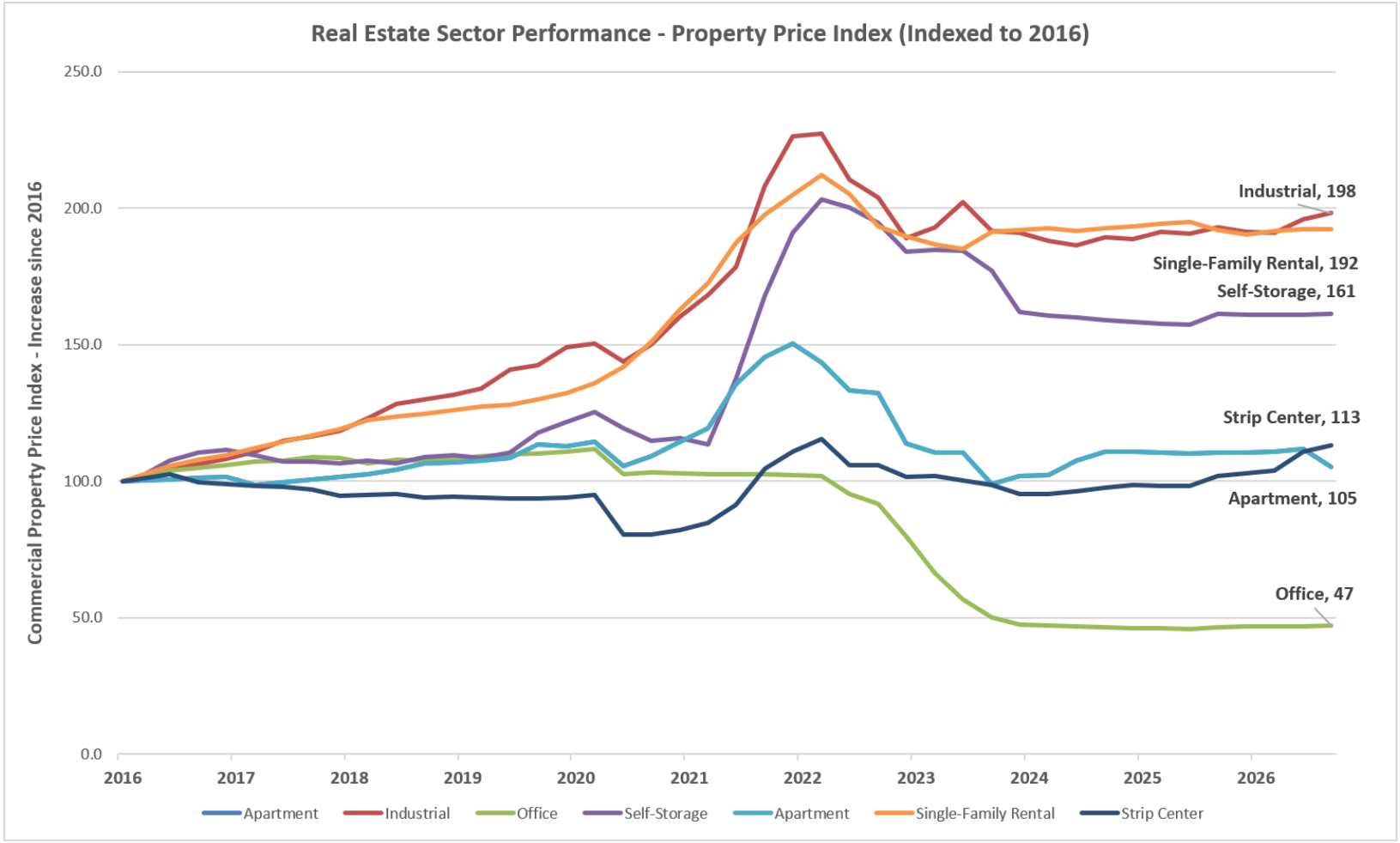
U.S. REIT Implied Cap Rates



Source: GreenStreet Research as of Nov 1, 2026.

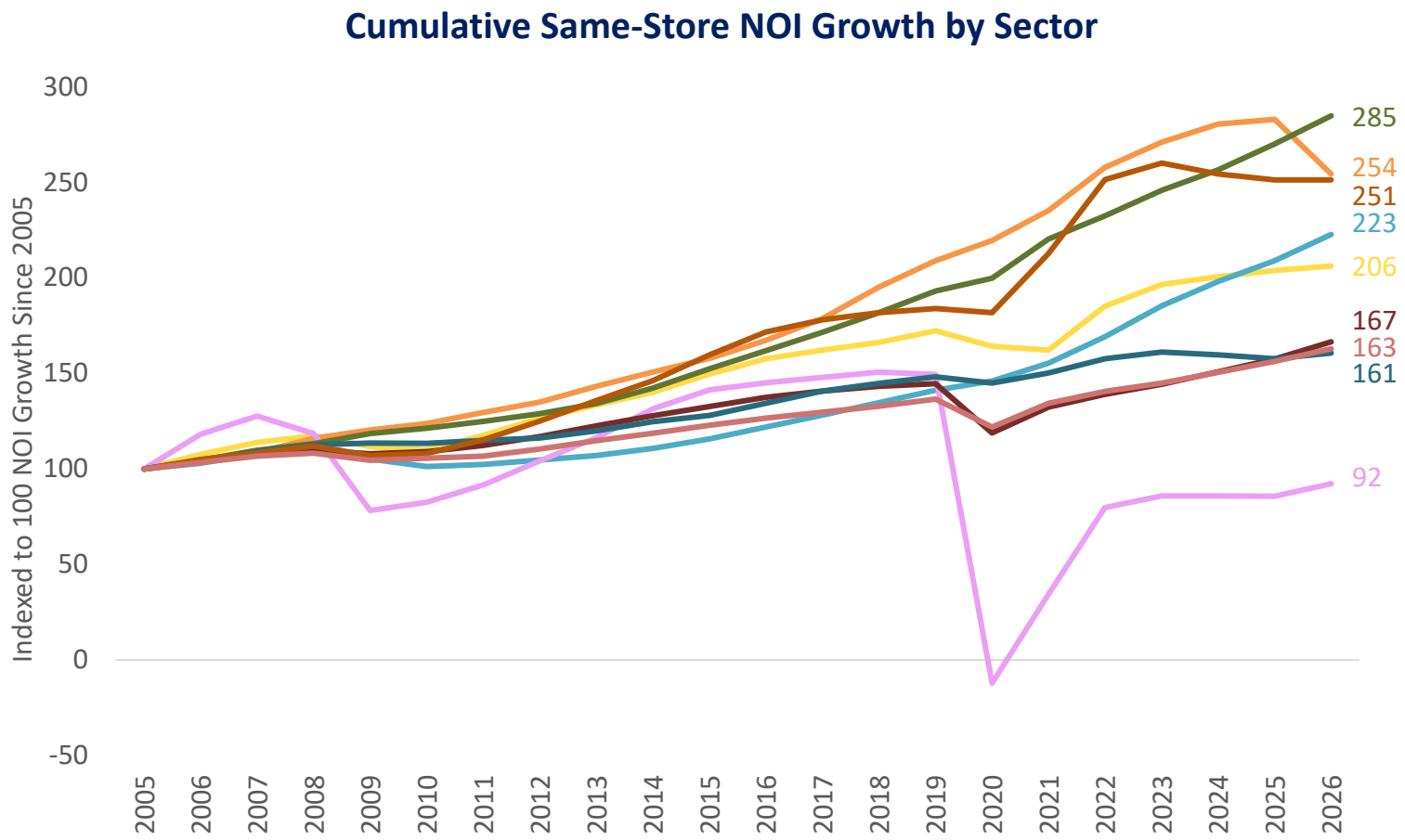
Real Estate Sector Performance

Industrial, SFR and Self-Storage have led in property price appreciation (excluding operating cash flow) since 2016.



Source: Green Street; Commercial Property Price Index (CPPI), 2016-2025

Real Estate Same-Store NOI Growth



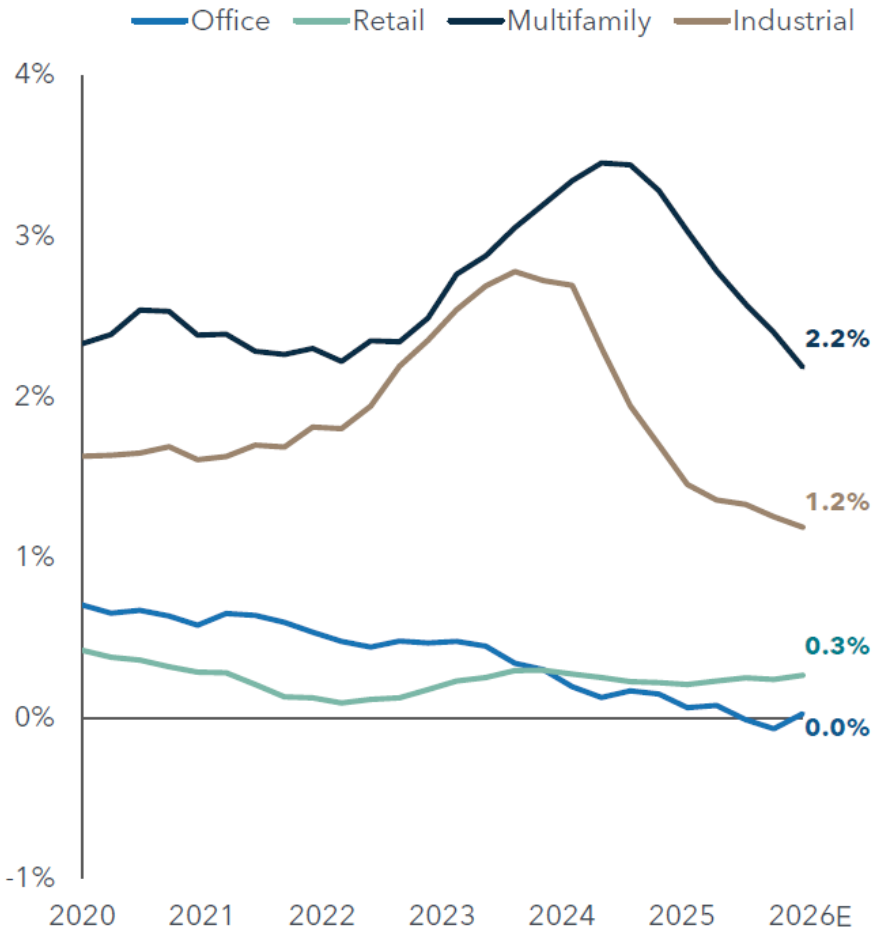
Same-Store NOI CAGR

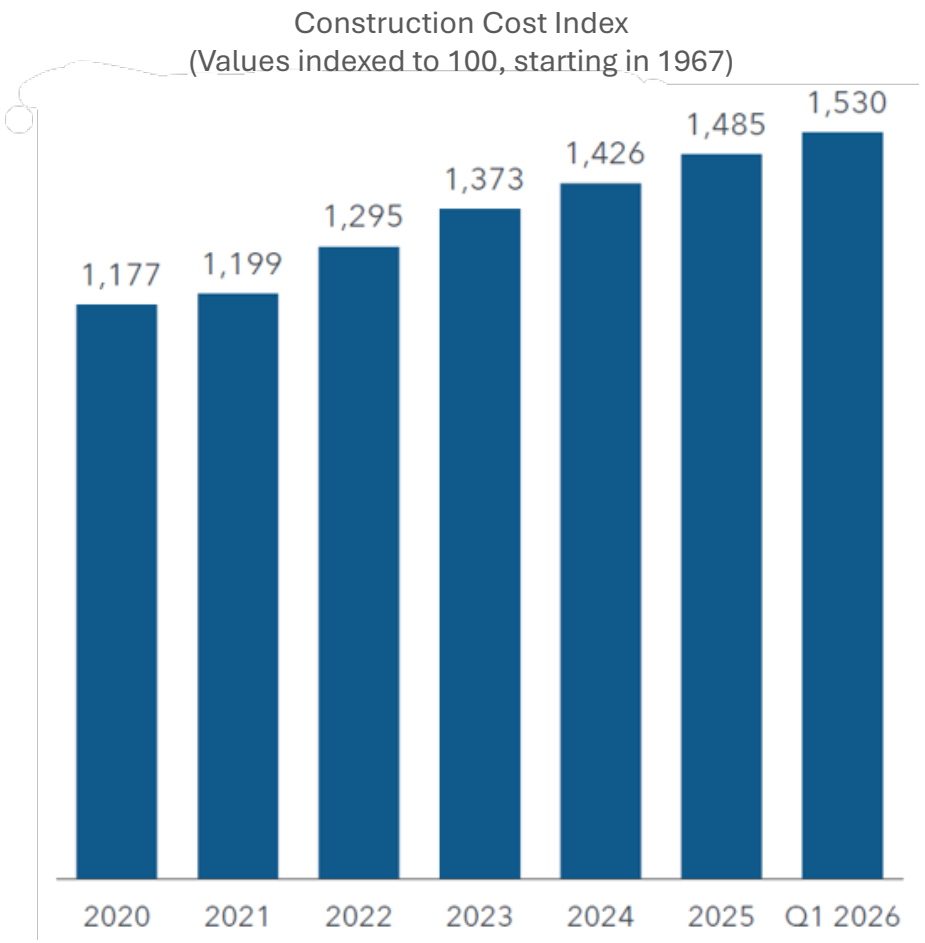
Manufactured Homes: 5.11%
Life Science: 4.55%
Self-Storage: 4.49%
Industrial: 3.89%
Apartment: 3.51%
Mall: 2.46%
Strip Center: 2.24%
Office: 2.28%
Lodging: (.38)%

Source: GreenStreet Research as of Nov 1, 2026.

Real Estate Supply

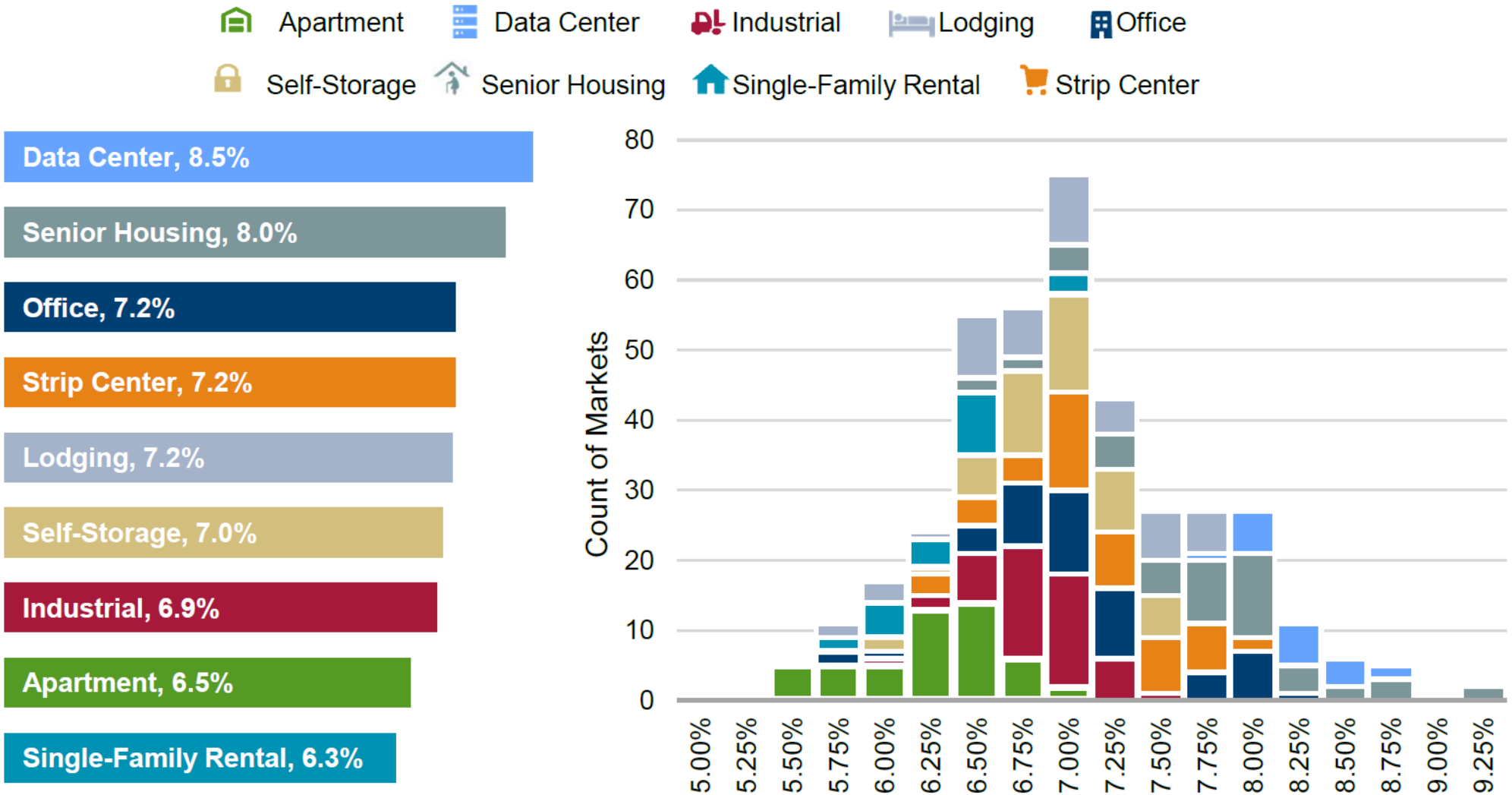
Real estate supply is coming down (left chart) while construction cost is up ~30% since 2020 (right chart), improving outlook for rental growth.





Source: CoStar and Turner Building Cost Index as of May 2026; provided by TPG Real Estate

Market Risk-Adjusted IRR Distribution



Source: Green Street; U.S. Commercial Markets Observer 8/28/2026

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BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA