

Great-West Life Real Estate Fund

Q3 Bulletin 2025

Key Facts

Date Established

1981

Fund Strategy

CORE

Gross Fund Value

\$5.8B

Net Fund Value

\$4.1B

LTV %

29.2%

of Properties

99

Commercial Sq Ft

13.2M

of Residential Units

5,981

Image: Livmore Westboro,
Ottawa, ON



Across the first three quarters of 2025, the Fund delivered a total return of +0.51%, supported by a robust income return of +2.87%, partially offset by capital depreciation -1.79% and a mark-to-market impact on the Fund's existing debt -0.57%.

In the current environment, core real estate continues to serve as a stabilizing pillar, offering consistent income returns through durable, recurring cashflows. Positive leasing momentum in the office sector is contributing to a measured recovery in asset values, suggesting the market may have moved past its trough.

Investment Activity

In Q3, the Fund completed the sale of two suburban office assets located in Mississauga, ON and Houston, TX. The Houston transaction marks the Fund's final exit from the U.S. market. Combined, the sales generated a better than \$3 million gain over appraised value, a testament to the rigour and discipline of the Fund's industry leading valuation process.

These transactions reflect the Fund's ongoing strategic initiative to reposition the office component of the portfolio toward assets that demonstrate stronger long-term growth potential and greater operational resilience. A number of key office assets across the country have undergone significant renovations that are either complete or nearing the conclusion of their respective capital programs. Strategic dispositions, such as the Houston and Mississauga office assets, enable the Fund to redeploy capital into higher-quality opportunities, thereby enhancing overall portfolio performance, reducing future capital obligations associated with non-core office holdings, and advancing the Fund's sustainability objectives.

Building Blocks

In September, Fund Managers Craig England and Steven Marino joined the Building Blocks podcast to discuss

renewed optimism in the office market and the asset class's evolving value proposition for investors. Listen here: <https://www.gwlrealtyadvisors.com/video/building-blocks-episode-4-creif>

Sustainability Update

The Fund's ongoing commitment to sustainability was reinforced this quarter with Livmore Westboro, a newly developed multifamily property in Ottawa, ON, achieving LEED Silver certification. This latest recognition demonstrates the Fund's focus on delivering high-performing, environmentally responsible buildings that meet the evolving expectations of tenants and investors alike. 96% of the Fund's eligible portfolio has attained green building certifications.

Forward Outlook

With interest rates stabilizing and property level fundamentals sturdy, the Fund is well-positioned to sustain performance through year-end, having now moved into positive territory. The existing portfolio's quality paired with its balanced sector and geographic diversification continue to serve as key drivers of performance while ongoing development activities have the potential for delivering outsized risk-adjusted returns and an enhanced overall profile of the Fund's offering.

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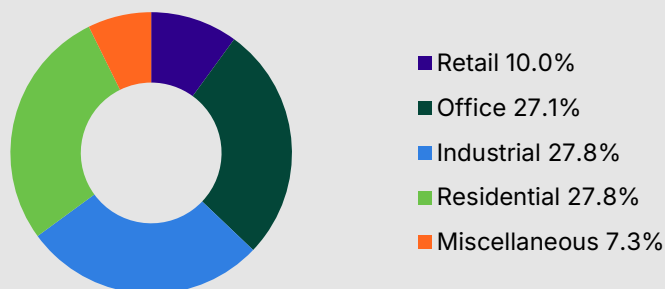
Gross Return	Annualized				YTD
	1 Year	3 Year	5 Year	10 Year	30-Sep
Income	3.7%	3.6%	3.5%	3.9%	2.9%
Capital	(3.3%)	(4.8%)	(0.4%)	0.6%	(2.4%)
Total	0.5%	(1.1%)	3.1%	4.4%	0.5%

Note: Differences due to rounding of decimals.

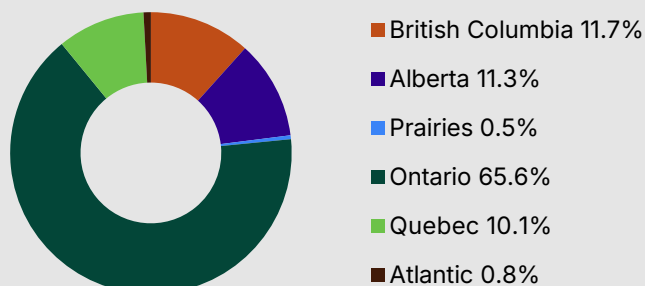
Fund Growth (\$ Millions)						YTD
	2020	2021	2022	2023	2024	30-Sep
Real estate	\$5,639	\$6,141	\$6,502	\$6,312	\$5,916	\$5,706
Cash	\$831	\$449	\$415	\$320	\$303	\$267
Short term assets & liabilities	\$(150)	\$(134)	\$(166)	\$(195)	\$(185)	\$(143)
Gross fund value	\$6,320	\$6,456	\$6,751	\$6,312	\$6,034	\$5,830
Net fund value	\$5,196	\$5,316	\$5,386	\$4,751	\$4,335	\$4,127
Debt/gross fund value	17.8%	17.7%	20.2%	26.2%	28.2%	29.2%

Note: Differences due to rounding of decimals.

Diversification by Type (Gross)



Diversification by Region (Gross)



Vacancy as % of Total – By Type

Retail	0.3%
Office	8.1%
Industrial	1.5%
Residential	1.7%
Total by type	11.6%

Vacancy as % of Total – By Region

British Columbia	0.5%
Alberta	2.7%
Prairies	0.4%
Ontario	6.5%
Quebec	1.0%
Atlantic	0.5%
Total by region	11.6%

Image: Watermark Tower, Calgary, AB