

Perspectives

Real Assets Amid Supply Shocks: *A Window to Buy*

Trade disruptions, tariffs, and geopolitical tensions have pushed construction costs higher and slowed new development. That's created a compelling opening: Asset prices have adjusted, and competition has thinned.

At the same time, the development pipeline has been shrinking. Labor shortages, higher input costs, and permitting delays have been limiting new supply across markets. In some sectors, construction starts have been down sharply from recent peaks. The result we see is a growing gap between long-term demand and future availability.

For investors, that imbalance could matter. Less supply in the years ahead could support income growth and asset values—particularly in sectors with durable demand like housing, logistics, digital infrastructure, and energy. These aren't cyclical tailwinds; they're structural.

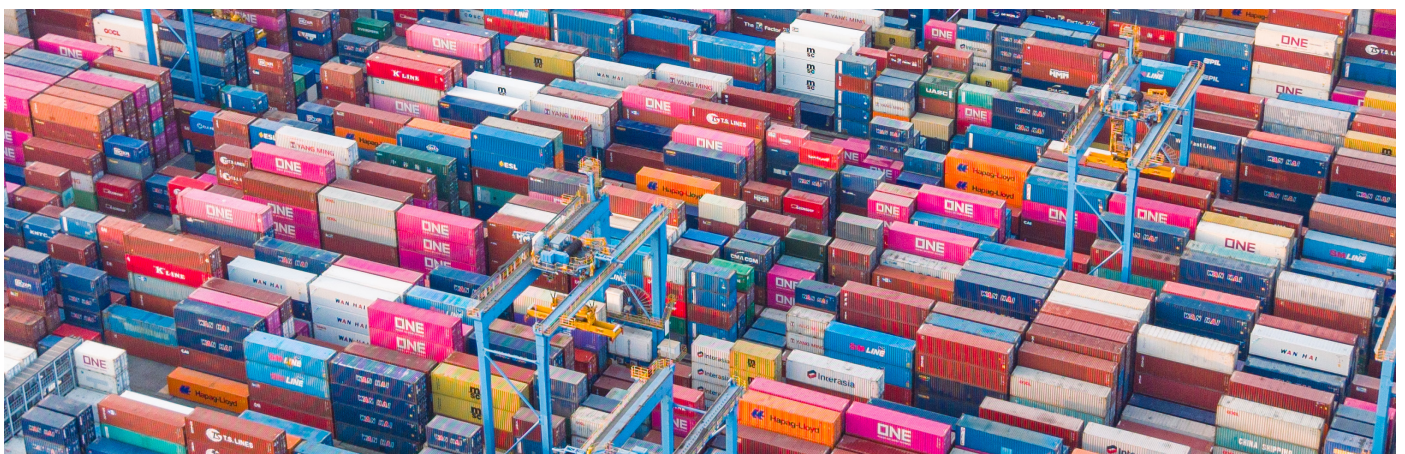
We believe the opportunity now is to be selective and active:

- Acquire existing assets at reset pricing
- Invest in improvements to drive income and tenant appeal
- Secure land or early-stage projects at today's cost basis

Importantly, development hasn't stopped—it's become more disciplined. Projects that move forward today could face less future competition, which could support stronger leasing and rent growth when they deliver.

This is not a passive moment. We believe returns will depend on buying well and actively managing assets over time.

Our view is straightforward: this is a buy phase in the cycle. Those who allocate while pricing is favorable and supply is constrained could be positioned for the next leg of growth.



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