



Global Real Estate Capital Flows

Michael Coster
TD Securities



TD Bank Group

Overview



- Headquartered in Toronto, Canada, with more than 100,000 employees in offices around the world, The Toronto-Dominion Bank and its subsidiaries are collectively known as TD Bank Group ("TD").
- TD offers a full range of financial products and services to over 28.1 million customers worldwide.
- Considered one of the World's 50 Safest Banks by Global Finance for the past 15 years and a Top 10 bank in North America.⁽¹⁾
- Solid balance sheet and capital position reflected in strong credit ratings.
 - Stable, organic growth engine supported by strong earnings from the retail segment.
 - Strong risk discipline with a focus on robust capital and liquidity management.

Key Metrics

As of October 31, 2025 (US\$)⁽²⁾

Total Assets	\$1,495B
Total Deposits	\$904B
Total Loans	\$680B
CET1 Capital Ratio	14.7%
Full Time Employees ⁽³⁾	104,121
Total Retail Locations	2,151
Market Capitalization	\$139B

Credit Ratings⁽⁴⁾

Deposits/Counterparty⁽⁵⁾

Aa1 <small>Moody's</small>	A+ <small>S&P</small>	AA <small>Fitch</small>	AA <small>DBRS</small>
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Legacy Senior Debt⁽⁶⁾

Aa2 <small>Moody's</small>	A+ <small>S&P</small>	AA <small>Fitch</small>	AA <small>DBRS</small>
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Bail-In Debt⁽⁷⁾

A1 <small>Moody's</small>	A <small>S&P</small>	AA- <small>Fitch</small>	AA (low) <small>DBRS</small>
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(1) TD Bank Group is the 6th largest bank by total assets, 6th largest bank by total deposits, and the 6th largest bank by market capitalization against North American Peers. Canadian Peers defined as Royal Bank of Canada, Bank of Montreal, The Bank of Nova Scotia and Canadian Imperial Bank of Commerce. U.S. Peers defined as Citigroup Inc., Bank of America Corporation, JPMorgan Chase & Co., Wells Fargo & Company and U.S. Bancorp. ⁽⁵⁾

(2) The Toronto-Dominion Bank's overall financial results are reported in Canadian dollars. The U.S. dollar figures in this graph have been converted using the USD/CAD spot rate. (1.4018)⁽⁶⁾ at closing October 31, 2025.

(3) Average number of full-time equivalent staff for the three months ending October 31, 2025. ⁽⁷⁾

(4) Ratings on senior long-term debt of The Toronto-Dominion Bank as at October 31, 2025. Credit ratings are not

recommendations to purchase, sell, or hold a financial obligation in as much as they do not comment on market price or suitability for a particular investor. Ratings are subject to revision or withdrawal at any time by the rating organization.

Represents Moody's Long-Term Deposits Rating and Counterparty Risk Rating, S&P's Issuer Credit Rating, Fitch's Long-Term Deposits Rating and DBRS' Long-Term Issuer Rating. Includes (a) Senior debt issued prior to September 23, 2018, and (b) Senior debt issued on or after September 23, 2018, which is excluded from the bank recapitalization "bail-in" regime.

Subject to conversion under the bank recapitalization "bail-in" regime.

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Our Industry Coverage

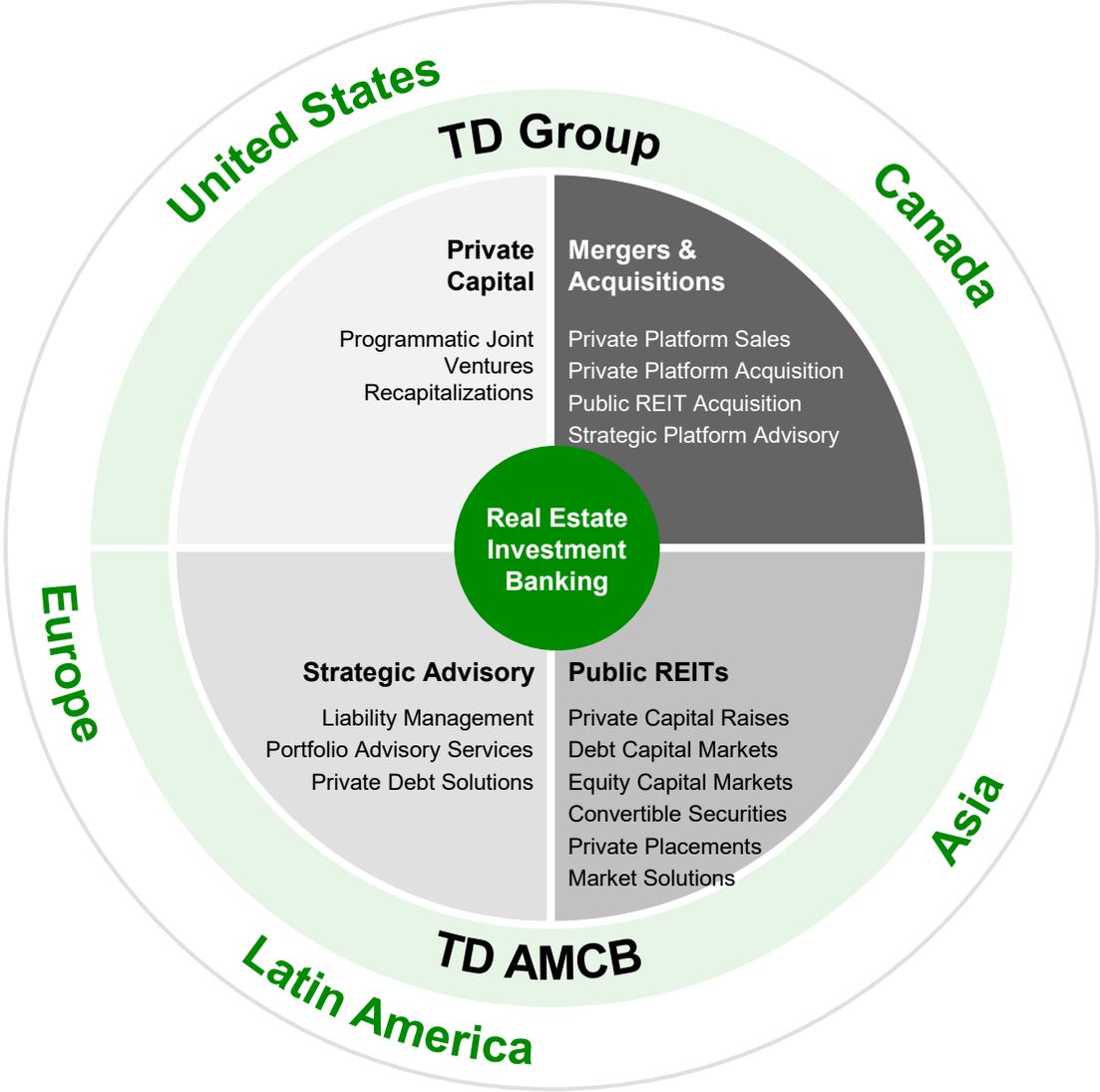
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Real Estate Investment Banking



U.S. Rates Outlook

2026 TD Forecast



Key Themes for U.S. Rates

Fed View

- TD expects the Committee to resume a neutral stance monetary policy strategy in 2026
- TD looks for continued easing albeit at a quarterly pace through Q4 2026, upon reaching a terminal rate of 3.00%
- TD sees 10yr Treasuries reaching 3.75% by Q4 2026

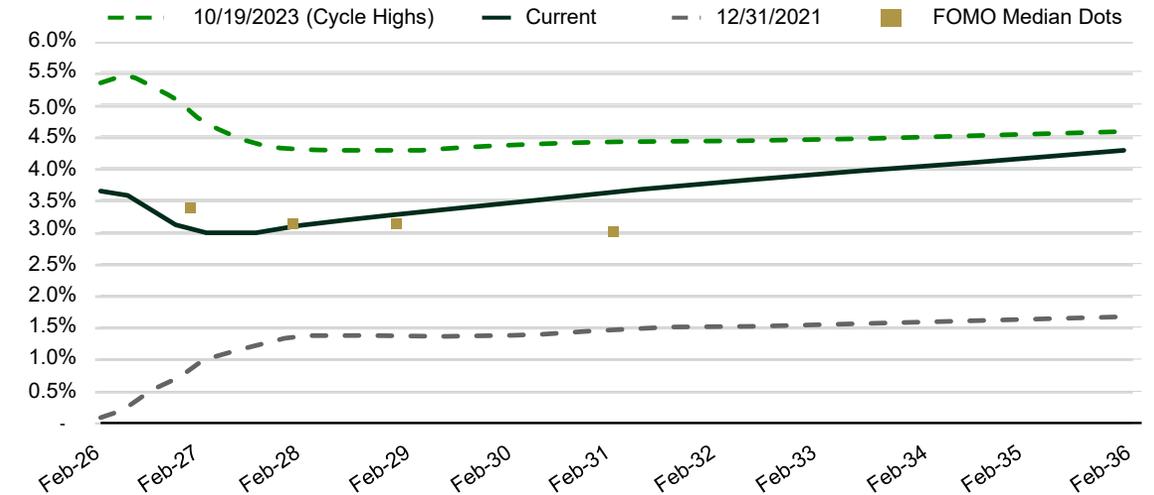
When the Sky Clears

- Following a year of ups and downs, stabilization is expected to emerge in 2026 on the back of policy implementation
- Given the recent stabilization of the labor market, the Fed is likely to focus more on the inflation side of their dual mandate in the near term
- Less restrictive monetary policy and improving labor market conditions will support economic activity in 2026, paired with higher-than-usual tax refunds from the One Big Beautiful Bill Act driving more positive consumption in the first half of the year

Supply Concerns and Swap Spreads

- Fiscal policy remains very loose relative to pre-pandemic norms

Futures Pricing In Gradual Cuts ⁽¹⁾



TD U.S. Rates & Macro Forecast Monitor ⁽²⁾

United States	Current	25Q4A	26Q1F	26Q2F	26Q3F	26Q4F	27Q1F	27Q2F	27Q3F	27Q4F
Fed Funds Upper Bound	3.75	3.75	3.75	3.50	3.25	3.00	3.00	3.00	3.00	3.00
SOFR (5d Avg)	3.66	3.87	3.66	3.41	3.16	2.91	2.91	2.91	2.91	2.91
2yr Yield	3.42	3.47	3.50	3.45	3.25	3.15	3.20	3.25	3.30	3.35
5yr Yield	3.60	3.73	3.75	3.70	3.50	3.35	3.40	3.45	3.50	3.55
10yr Yield	4.04	4.17	4.15	4.10	3.90	3.75	3.75	3.75	3.75	3.75
30yr Yield	4.67	4.84	4.85	4.80	4.55	4.40	4.40	4.45	4.45	4.50
GDP	4.40	2.30	2.60	2.20	2.20	2.30	2.20	2.40	2.30	2.30
Core Inflation	2.79	2.80	2.60	2.60	2.40	2.30	2.40	2.20	2.20	2.20
Unemployment	4.30	4.40	4.30	4.30	4.20	4.20	4.20	4.20	4.20	4.20

Source: Bloomberg, Federal Reserve, TD Securities

(1) 1m OIS forwards are used for this analysis. Long-run median Fed dot assumed to be 5 years out

(2) Core inflation reference y/y Core PCE Deflator

Key Trends Driving The Private Equity Industry



1. Global wealth continues to expand and is in search of professional asset management:

- AUM reached \$147.3tn in 2025, two years sooner than expected

2. Global consolidation among asset management firms

- Top ten largest asset managers will control around half of mutual fund assets globally by 2027

3. Asset managers are looking to increase allocations to alternative investments

- By 2027, alternative assets are expected to increase by \$9tn and provide 55% of global income

4. Institutional investors are seeking deeper ties with a smaller circle of managers and improve limited partner economics

Real Estate Private Capital by the Numbers



16%

Expected year-on-year increase in U.S. commercial real estate investment volume ⁽³⁾

0.9%

Preliminary total return figure for the NCREIF Fund Index in Q4, 2025, up from 0.73% the previous quarter

12.4%

Average current allocation of investors to real estate globally, slightly below an average target allocation of 12.5% ⁽⁴⁾

\$410 billion

Projected global real estate transaction volume for 2025, up from \$391bn last year ⁽¹⁾

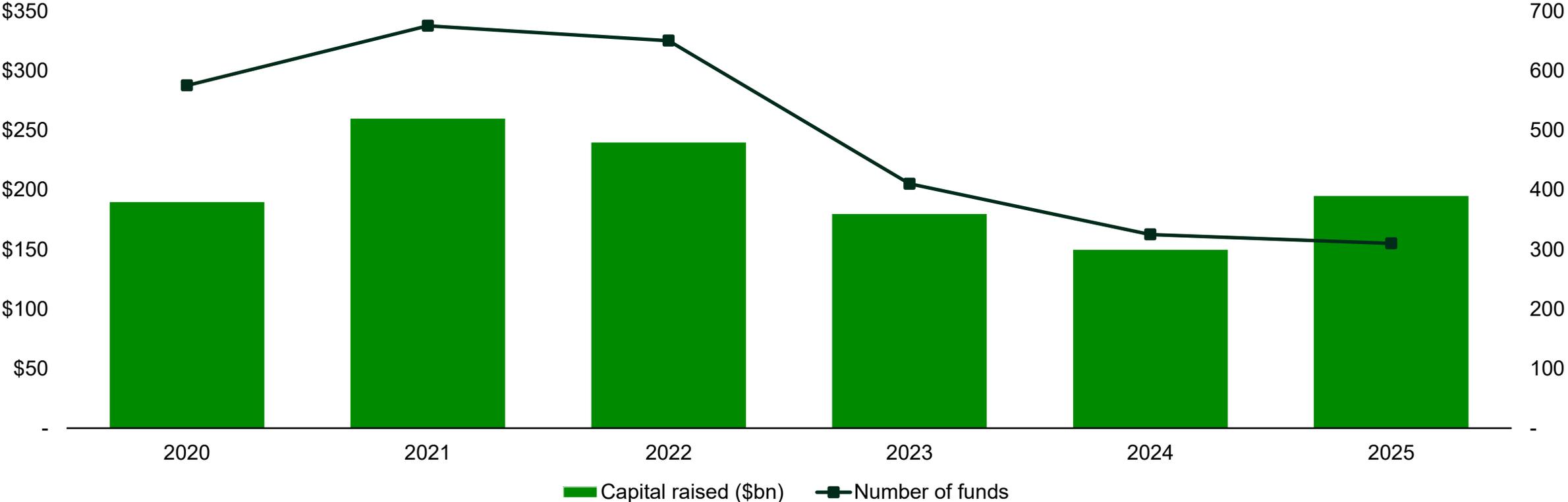
16%

Proportion of total private real estate fundraising last year accounted for by Blackstone and Brookfield funds ⁽²⁾

(1) According to Avison Young
(2) According to PERE

(3) Forecasted by CBRE
(4) According to a survey by INREV, ANREV and PREA

Real Estate Private Capital by the Numbers



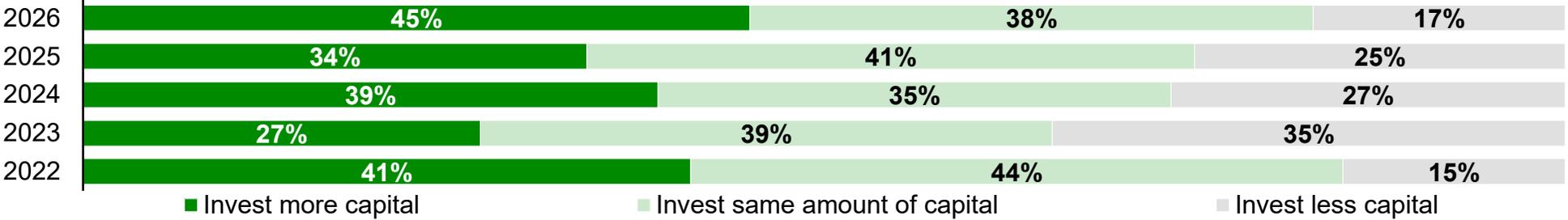
The \$195bn raised for real estate funds in 2025 is a return to growth in fundraising for the first time since the peak of 2021

Source: PERE

Institutional Real Estate Portfolio Allocation Trends

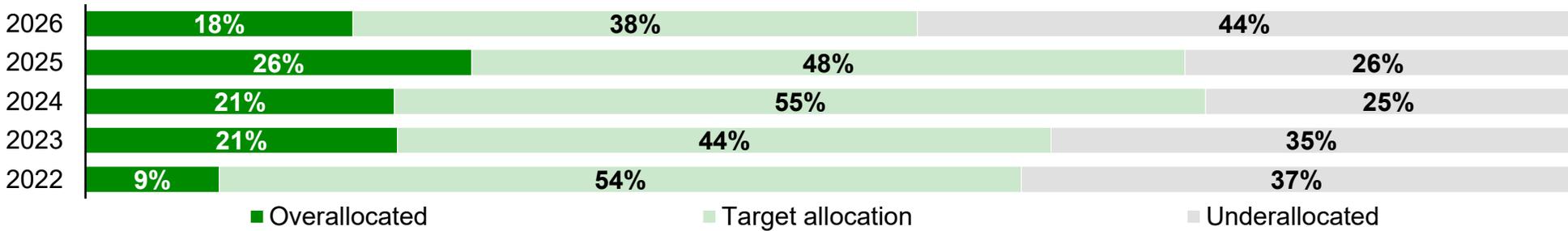


Institutional Appetite For Private Real Estate in 2026



Appetite for additional investments in private real estate for 2026 is strong

Institutional Private Real Estate Allocations in 2026



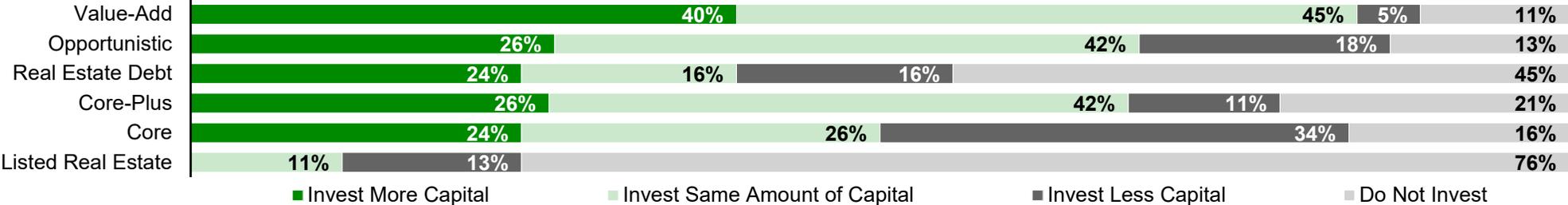
Underallocation to private real estate by institutions is at a new high

Source: PERE

Institutional Real Estate Portfolio Allocation Trends

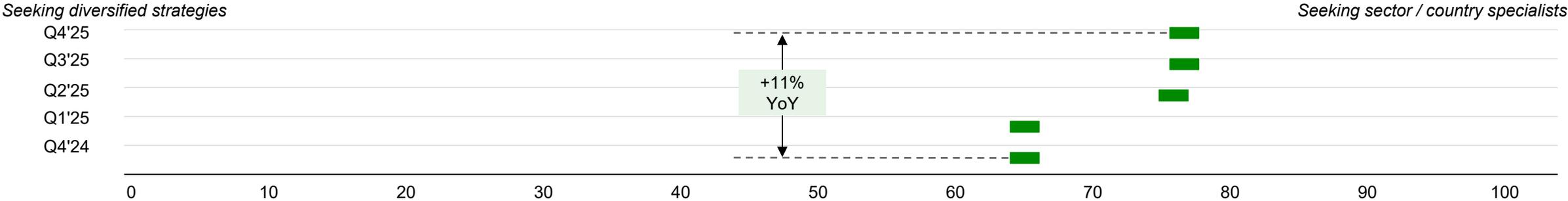


Strategic Investment Appetites for 2026



Value added strategies remain the preferred investment type

Degree of Specialization (%)



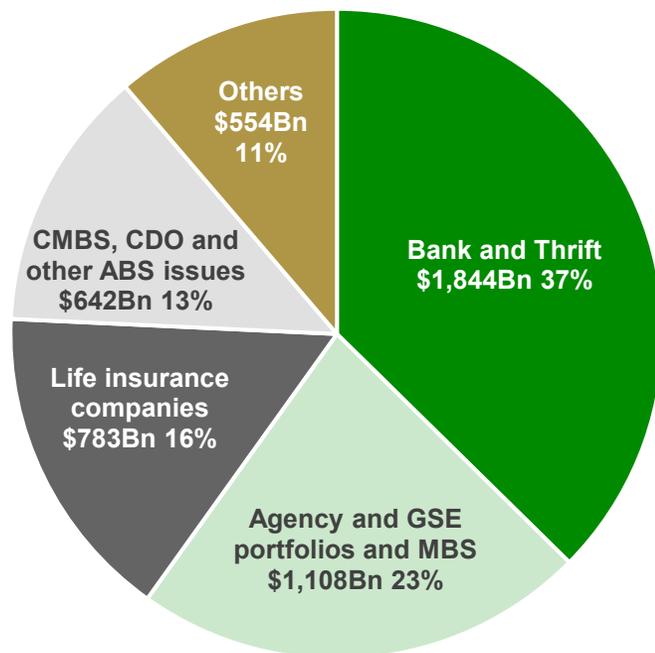
Selectivity will be driven by clear business plans, differentiated sourcing and strong governance

Source: PERE

CRE Debt Markets Overview



Mortgage Debt Outstanding by Sector ⁽¹⁾



CRE Debt Market Trends

- CRE mortgage debt outstanding in the U.S. totaled ~\$4.9 trillion as of 3Q 2025
- CRE spreads tightened, supported by better fundamentals and rising competition
- Spreads remain compelling relative to alternatives, with low perceived risk
- A recovering transaction market should bolster demand and loan growth in 2026
- The office sector recorded the strongest rebound in 2025, driven by elevated issuance in New York
- Large banks are well positioned to expand CRE lending, while smaller banks continue to address legacy credit issues
- Underwriting has loosened, and CMBS lenders are targeting debt yields of 8% to 12%
- Delinquencies outside the office sector have leveled off across CRE lender portfolios

Commercial and Multifamily Real Estate Forecast ⁽²⁾

(Amounts in \$Bn)

	2021	2022	2023	2024	2025	2026	2027	2028
Total CRE Mortgage Lending	890.6	815.6	428.7	498.0	633.7	805.4	743.0	713.8
Total YOY Change	45.0%	-8.4%	-47.4%	16.2%	27.2%	27.1%	-7.7%	-3.9%

Source: Mortgage Bankers Association, Green Street, TD Securities

(1) As of Q3 2025

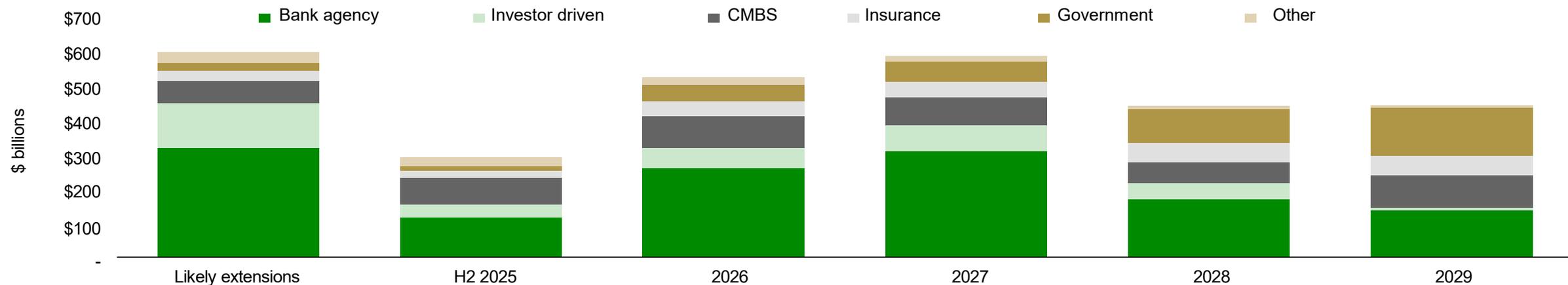
(2) The model accounts for macroeconomic, housing market, and commercial real estate indicators

CRE Loan Maturity Walls and Extensions



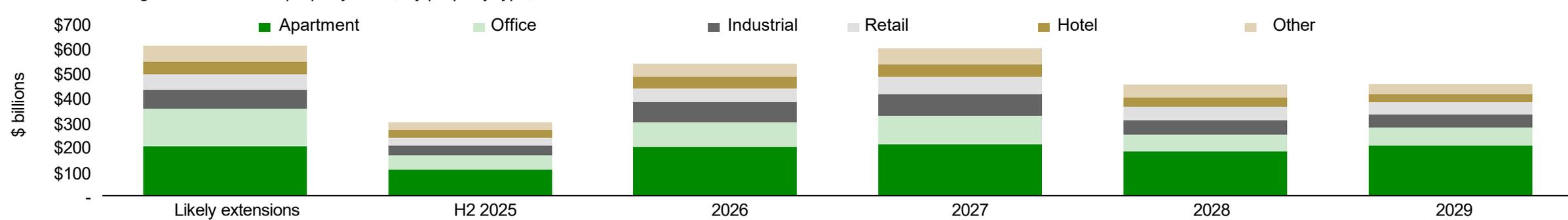
Banks Represent The Largest Lender Segment for Upcoming Maturities ⁽¹⁾

Volume of maturing commercial property loans, by lender type, in \$ billions



Extended and Upcoming Maturities Are Diversified Across Property Types ⁽²⁾

Volume of maturing U.S. commercial property loans, by property type, in \$ billions



Source: Real Capital Analytics, MSCI Real Assets, BlackRock, TD Securities

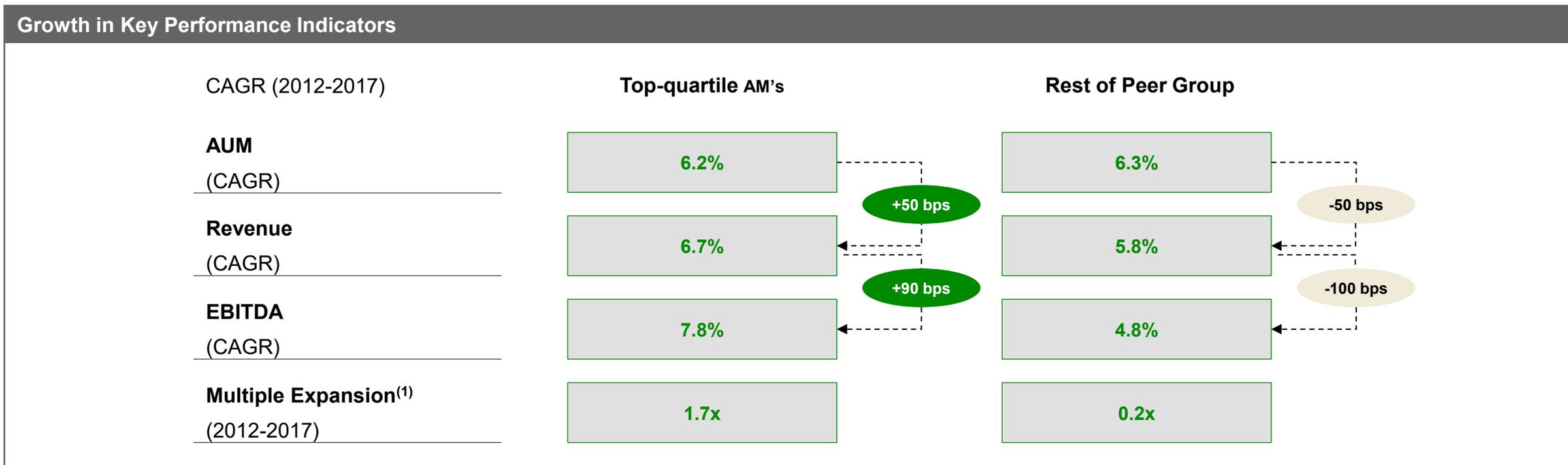
(1) Data is as of September 23, 2025, and reflects the market as of June 30, 2025. 'Bank' includes international, national, and regional/local. 'Other' includes CLOs and private, among others

(2) Data is as of September 23, 2025, and reflects the market as of June 30, 2025. 'Other' includes development sites, senior housing and care, among others

Maximizing Enterprise Value



- The Total Shareholder Return (TSR) overachievers beat their peers with stronger financial performance and expanded EBITDA multiples
 - Ultimately, four key factors are responsible for almost 90% of the variance in an asset managers multiple: EBITDA margin is the most important of these, followed by revenue growth, size, and dividend payout



Valuation Levers Driving a Premium Multiple



Buyers will start their valuation thesis at the comparable median and consider several levers for premium / discount valuation

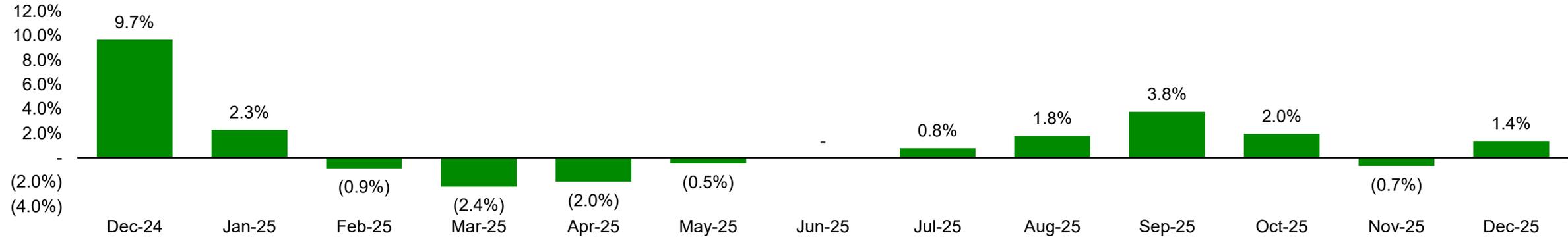
Value Lever	Considerations / Desired Attributes
Investment Performance	<ul style="list-style-type: none"> ▪ Leading indicator of net flows ▪ Realized track record outperformance ▪ Proven access to accretive growth opportunities in an active segment
Margin Improvement	<ul style="list-style-type: none"> ▪ Important in influencing operating earnings growth ▪ Demonstrates ability to execute, operational efficiency and stability ▪ Financial flexibility with variable expenses
Stability	<ul style="list-style-type: none"> ▪ Key employees in place ▪ Cultural and incentive alignment ▪ Efficient capital structure
Net Flows	<ul style="list-style-type: none"> ▪ Critical organic growth rate measure ▪ Positive, sustainable quarterly flows ▪ Strong peer relative comparisons
Capital Support	<ul style="list-style-type: none"> ▪ Solid support from existing LP's ▪ Demonstrated ability to upsize fund offerings
Operating Earnings Growth	<ul style="list-style-type: none"> ▪ Asset managers have sustained relatively strong P/E's as investors view them as growth investments ▪ Evidence of scalability
Expansion Opportunity	<ul style="list-style-type: none"> ▪ Ability to create new offerings in different geographies, product verticals and/or risk profiles ▪ Ability to leverage existing team & acquisition flow into additional offerings
Diversification	<ul style="list-style-type: none"> ▪ Natural hedge within business attractive to investors ▪ Ability to quickly adjust to changing investor preferences



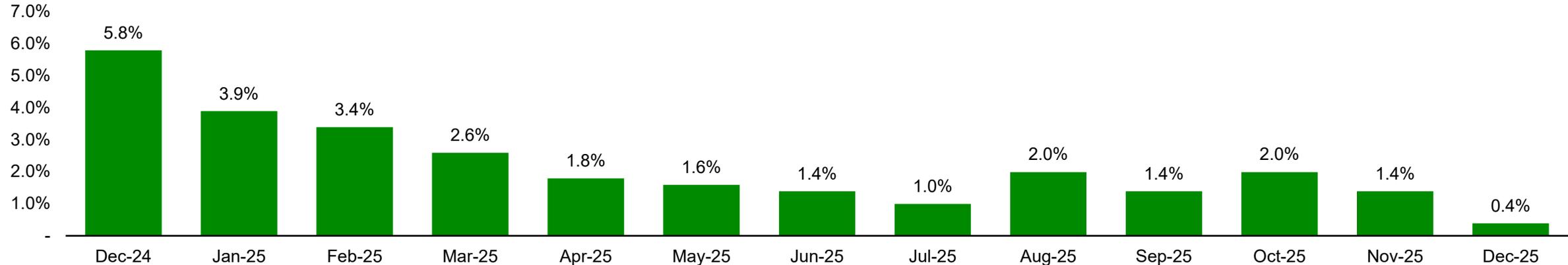
U.S. Residential Real Estate Trends



Total Existing Home Sales (% change year-over-year)



Existing Home Sales Median Price (% change year-over-year)



Source: National Association of Realtors

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