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Top 5 reasons to consider an allocation to direct real estate

Investors today are re-evaluating risk and reward in their portfolios. Real estate can fulfill a need for stability, diversification, performance, and yield, in a world starved of income.

1

Volatility management
Rolling quarterly total returns
2000 – 2025

Strategic allocation to direct real estate can help reduce portfolio volatility and can smooth a portfolio's return profile.*

Legend: Public U.S. REITs — Private real estate

2

Diversification
U.S. commercial real estate correlation
2000 – 2025

Commercial real estate may provide portfolio diversification for enhanced market resilience.

	U.S. Real Estate	Listed REITs	U.S. Equities	Fixed Income	10-yr Treasuries
U.S. Real Estate	1.00	0.20	0.03	-0.16	-0.05
Listed REITs	0.20	1.00	0.67	0.23	-0.10
U.S. Equities	0.03	0.67	1.00	-0.09	-0.42
Fixed Income	-0.16	0.23	-0.09	1.00	0.86
10-yr Treasuries	-0.05	-0.10	-0.42	0.86	1.00

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

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3

Potential inflation hedge

U.S. real estate income and inflation growth
2000 – 2025

Real estate has often been an inflation hedge.

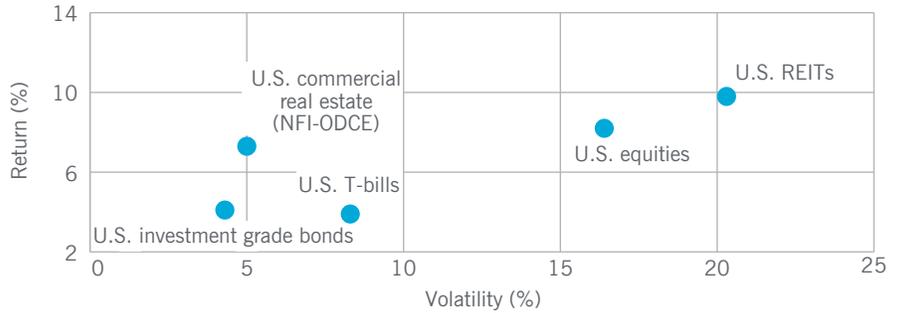Legend: U.S. inflation — U.S. real estate net operating income

4
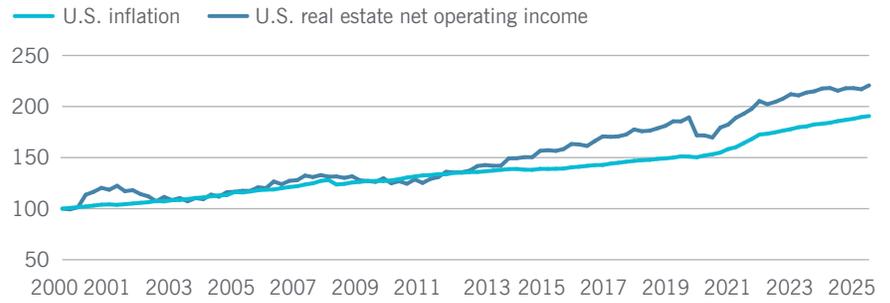
Risk-adjusted returns

Asset class returns and volatility
2000 – 2025

Historically, real estate has offered investors both strong total return and lower volatility than many other asset classes.*
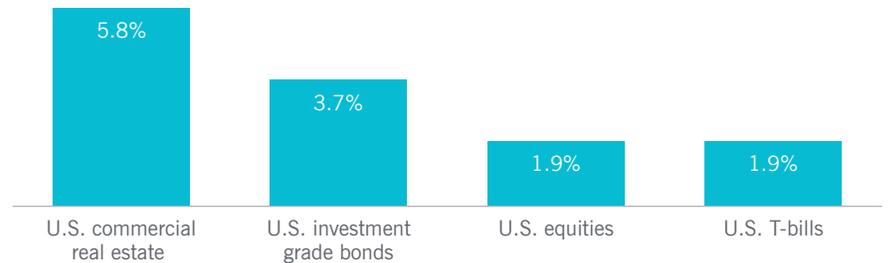

Chart: Return (%) vs Volatility (%). U.S. commercial real estate (NFI-ODCE), U.S. REITs, U.S. equities, U.S. T-bills, U.S. investment grade bonds.

5

Income

Average annual income
2000 – 2025

Real estate has traditionally offered investors a higher level of income compared to other asset classes.

Bar chart: U.S. commercial real estate 5.8%, U.S. investment grade bonds 3.7%, U.S. equities 1.9%, U.S. T-bills 1.9%.

For more information, please consult with your financial advisor and visit nuveen.com.

Chart 3 Potential inflation hedge: Data source: **Real estate net operating income** is from the NCREIF NFI-ODCE Index and **U.S. Inflation** is provided by Moody's Analytics, 2025. **Chart 4 Risk-adjusted returns: U.S. commercial real estate** is represented by the NCREIF NFI-ODCE Index, **U.S. equities** are represented by the S&P 500 Index, **U.S. investment grade bonds** are represented by the Bloomberg Barclays U.S. Aggregate Bond Index, **U.S. T-bills** are represented by 3 month U.S. T-bills, and public **U.S. REITs** are represented by FTSE NAREIT All Equity REITs Index. Volatility is represented by standard deviation. Standard Deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation and volatility. **Chart 5 Income: U.S. commercial real estate income** is represented by the income return component of the NCREIF NFI-ODCE Index, **U.S. investment grade bond income** is represented by the yield to maturity of the Bloomberg Barclays U.S. Aggregate Bond Index, **U.S. equity income** is represented by the dividend yield of the S&P 500 Index, and U.S. T-bill income is represented by 3-month U.S. T-bills.

Glossary

NFI-ODCE Index The NCREIF Fund Index - Open-End Diversified Core Equity (NFI-ODCE Index) is a fund-level capitalization weighted, time-weighted return index and includes property investments at ownership share, cash balances and leverage (i.e., returns reflect the fund's actual asset ownership positions and financing strategy). NFI-ODCE Index Income Return: Measures the portion of total return attributable to each property's net operating income (NOI) It is computed by dividing NOI by the average daily investment for the quarter. **S&P 500 Index** The S&P 500 is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. **Bloomberg Barclays U.S. Aggregate Bond Index** The Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and nonagency). **FTSE NAREIT All REITs Index** The FTSE Nareit All REITs Index is a market capitalization-weighted index that and includes all tax-qualified real estate investment trusts (REITs) that are listed on the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market List.

Net operating income (NOI) is a calculation used to analyze the profitability of income-generating real estate investments. NOI equals all revenue from the property, minus all reasonably necessary operating expenses.

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or investment strategy and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with their financial advisors.

This material, along with any views and opinions expressed within, are presented for informational and educational purposes only as of the date of production/writing and may change without notice at any time based on numerous factors, such as changing market, economic, political, or other conditions, legal and regulatory developments, additional risks and uncertainties and may not come to pass.

*While commercial real estate may help manage against volatility, it does not have the liquidity of a listed security. Please note real estate investments have different risk and return expectations from other asset classes, due to differences in liquidity, expenses, tax and other features. Real estate investments are not substitutes for other asset classes and should be considered in light of diversification objectives.

Important information on risk: Past performance is no guarantee of future results. All investments carry a certain degree of risk, including the possible loss of principal, and there is no assurance that an investment will provide positive performance over any period of time. Certain products and services may not be available to all entities or persons.

Asset Class Related Risks: There are risks inherent in any investment, including the possible loss of principal. Different types of asset investments have different risks and attributes resulting in different outcomes. These differences can include: investment objectives, costs and expenses, liquidity, fluctuation of principal or return, and tax features. In general, equity securities tend to be more volatile than fixed income or hybrid securities. Foreign investments may involve exposure to additional risks such as currency fluctuation and political and economic instability. The value of, and income generated by, debt securities will decrease or increase based on changes in market interest rates. High yield corporate bonds are subject to liquidity risks and heightened credit risk. Government bonds are guaranteed as to the timely payment of principal and interest.

Nuveen, LLC provides investment services through its investment specialists.