

Gresham House Commercial Property Fund

Quarterly Report
1 July 2025 to 30 September 2025



Gresham House
Specialist investment

Highlights

A long-term track record of positive risk-adjusted returns with lower volatility.

This unaudited quarterly update provides an overview of the Gresham House Commercial Property Fund (the Fund) performance between 1 July 2025 to 30 September 2025.

The Fund launched in 2016 with a target return of 8-10% per annum, inclusive of 5% income.

**Unit Price
(NAV per Unit)**

€144.46

Portfolio of ten properties*

€52,645,000

Rental income

€4.48mn p.a.

The Fund produced a return of 2.36% during the quarter ended 30 September 2025.**

The Fund has won the MSCI award for best performing Irish portfolio for the last five years.

Running rental income yield from the portfolio of 8.5% per annum.

* Valued externally by Cushman & Wakefield

** All performance figures stated in this report are 'Net Performance' (i.e. net of fees and charges).

The Investment Manager, Gresham House Asset Management Ireland Limited (Gresham House Ireland Investment Management or the Manager), is a leading Irish based asset manager, managing a range of funds, which invest globally, to grow and protect our clients' assets.

For more information visit

www.greshamhouse.ie

Investment Manager's Report

Fund Performance

The Fund produced a return of 2.36% in the third quarter of 2025, thereby delivering a return for the twelve months to date of 7.81%.

Fund portfolio total return for the quarter to end September was 2.52% versus the MSCI index return of 1.29% (draft MSCI numbers). The Fund portfolio return over 12 months to end June 2025 was 9.53% versus market benchmark of 3.75%.

Fund Portfolio

Cushman & Wakefield, the Fund's independent valuers, completed their quarterly valuation as at 30 September 2025, determining an aggregate fair value of €52.64 million, compared to €52.29 million at 30 June 2025 – an increase of €355,000 or 0.7% for the quarter.

The uplift was primarily driven by improved ESG credentials and targeted asset management initiatives at Tuansgate Tallaght.

- 1 The yield tightening from 9.2% to 8.8% following installation of the new HVRF system, substantially completed in Q3 2025.

The portfolio now generates annualised rent of €4.48 million, equating to an income yield of 8.50% on valuation.

Several assets remain under lease renewal, rent review, and BER enhancement programmes, expected to support incremental income growth in Q4 2025 and early 2026. Improving sustainability credentials continues to be a core priority for the Fund, with further initiatives underway to enhance the GRESB rating. The Fund enters its fourth year of GRESB participation with a target of achieving a four-star rating in 2025, having achieved three-stars in the 2024 assessment.

Market Background

Ireland's economy remains resilient amid global trade pressures. GDP growth is forecast at 3–4% for 2025, supported by robust domestic consumption and business investment. Modified Domestic Demand (MDD) is expected to grow 2.0–2.3%, while inflation remains contained around 1.9%, broadly in line with ECB targets.

Manufacturing and export activity were notably strong in mid-2025, driven by pre-tariff frontloading of U.S. exports. Employment levels remain close to record highs, underpinning consumer spending. However, geopolitical uncertainty and US–EU trade frictions have marginally weighed on sentiment in the services sector.

Public finances remain in good health, with a fiscal surplus expected for both 2025 and 2026, while household balance sheets are strong, supported by rising deposits and falling debt levels.

Office sector

The Dublin office market continued its recovery through Q3 2025. Take-up reached approximately 61,000m² in Q2, bringing the 12-month rolling total to 206,800m², one of the strongest levels since Q2 2024.

Key transactions included Workday's pre-let of College Square (its new European HQ) and Vodafone's lease of 5,900m² at 70 St. Stephen's Green. Activity continues to be dominated by technology and professional services occupiers, accounting for more than 75% of total take-up.

The headline vacancy rate eased to 15.5%, with 735,000m² of available space across the capital. Of the 165,000m² under construction for delivery between 2025 and 2027, over 75% is pre-let or reserved, pointing to an emerging supply pinch from mid-2026.

Prime Grade A+ rents are projected to reach €700 per square metre (€65 psf) by year-end, with further upside expected as supply tightens. Investor sentiment has improved, as highlighted by recent prime transactions at yields of 5.15–5.30%, including Deka Immobilien's acquisition of 20 Kildare Street (€70 million) and Pontegadea's purchase of 10 Hanover Quay (€66 million).

Industrial Sector

The Dublin industrial and logistics market remained stable in the third quarter of 2025, supported by tight supply conditions and sustained occupier demand. Take-up reached 51,449m² in Q3, representing a 10% decline in the previous quarter but bringing total deal activity for the year to date to 164,294m², which is 60% higher than the same period in 2024. Knight Frank reported that development land take-up totaled 284,000m² in the first half of the year, a 20% year-on-year increase, with particularly strong appetite for logistics and health-related sites. The largest transaction of the quarter was JMC Van Fleet's lease of 14,111m² at M7 Real Estate's Ballymount Logistics Hub.

Prime rents are projected to exceed €150 per square metre by year-end, supported by several major deals nearing completion, while three significant investment properties have recently been launched to the market. Although transaction volumes have eased from post-pandemic highs, prime rental growth remains strong due to the persistent shortage of new supplies and ongoing construction constraints. Demand continues to focus on modern, energy-efficient accommodation, particularly within the M50 corridor and key airport logistics hubs, underscoring the market's resilience and the continued attractiveness of high quality.

Retail Sector

Retail performance has been resilient throughout 2025, supported by strong employment and consumer spending. Retail sales volumes have held firm despite rising costs. Prime high street rents are projected to increase by around 2% year-on-year, with Grafton Street at €5,380 per square metre and Henry Street at €3,100 per square metre. The vacancy rate is now just 4.4% with Grafton Street coming off double-digit highs during and in the aftermath of the pandemic.

Investor interest has concentrated on retail park and grocery-anchored assets, with the largest transaction in Q2 being Realty Income Corporation's €123.5 million acquisition of the Trinity Collection (Belgard, M1, and Poppyfield Retail Parks).

Investment Market

Total investment in Irish commercial real estate reached €940 million year-to-date (Q3 2025), compared to the ten year average of €1.9 billion. Q3 saw €699 million in transactions, marking the best Q3 performance since 2022.

The office sector accounted for 47% of total turnover, followed by living (37%), retail (14%), and industrial (13%). Cushman & Wakefield note that core capital is re-engaging selectively, with improving investor sentiment at Expo Real 2025 and yields showing early signs of stabilisation.

Major Q3 deals included Spencer Place (€177 million) and Birchwood Court (€79 million), both acquired by Ardstone, alongside industrial and office transactions at Park West and City Quay.

Market Outlook

The outlook for Ireland's commercial property market in late 2025 is increasingly positive. Falling ECB interest rates, stabilising yields, and sustained occupier demand across office, industrial, and living sectors all point to a measured recovery.

- Office: Vacancy is expected to continue to decline through 2026 amid limited completions.
- Industrial: Supply shortages should maintain upward pressure on rents.
- Retail: Continued resilience supported by wage growth and VAT reductions for food and catering sectors announced in Budget 2026.
- Investment: Volumes are forecast to exceed €1.3 billion by year-end, underpinned by renewed confidence from institutional investors.

Fund Outlook

The Fund continues to outperform the MSCI Irish Property Index on both a three- and five-year basis, reflecting the stability of its income-focused, diversified portfolio.

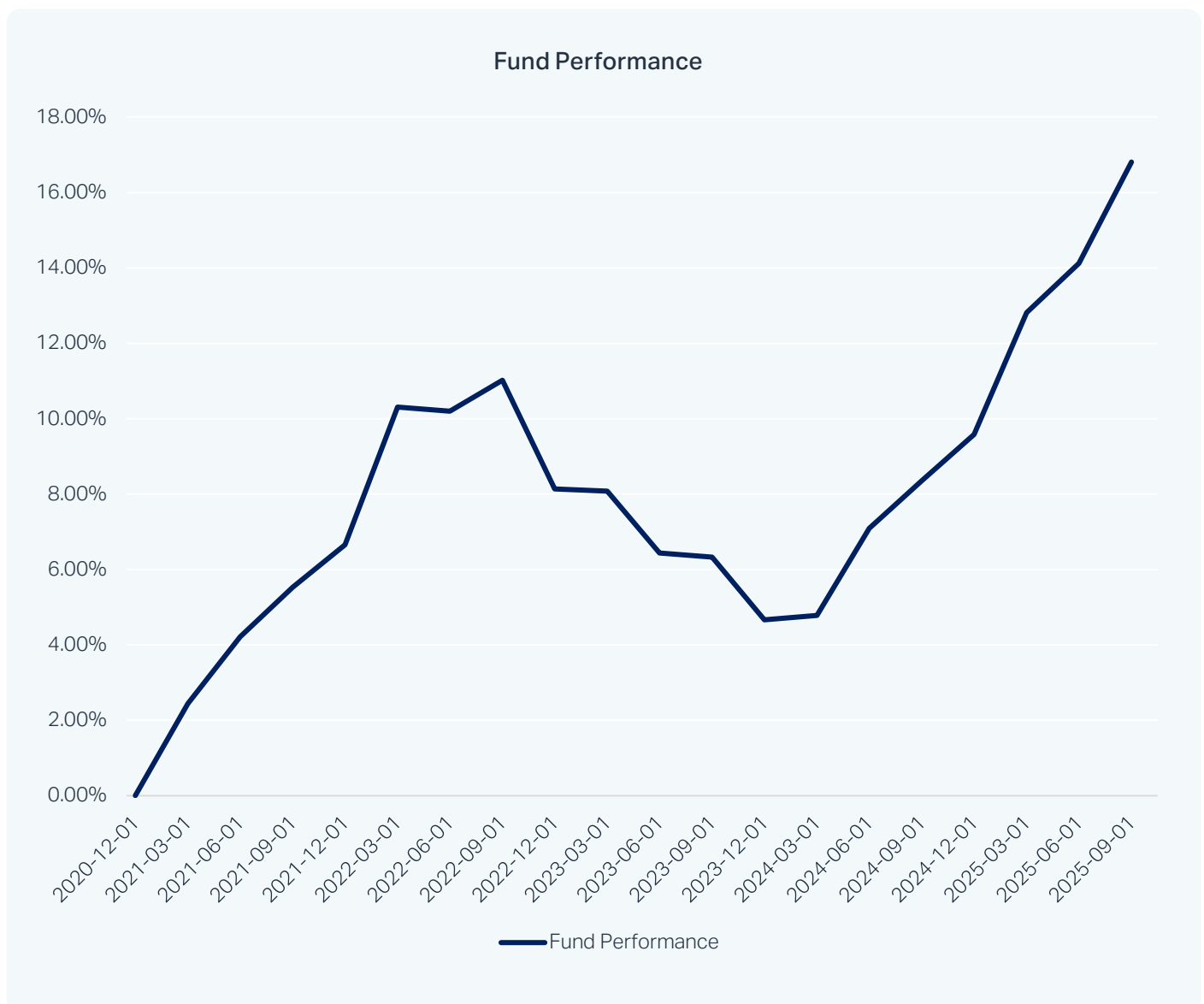
Despite persistent macroeconomic headwinds, income returns remain robust and continue to drive performance. The Fund's diversified exposure across office, retail, and industrial sectors has cushioned it from capital volatility.

With a strong weighted average lease term (WAULT) and ongoing ESG enhancements, the Fund is well-positioned to capture rental reversion and maintain top-quartile performance.

Looking forward, management will maintain a disciplined focus on capital preservation, active asset management, and selective reinvestment opportunities, consistent with the Fund's long-term strategy of delivering sustainable, income-driven returns.

Cumulative Performance	YTD	3 months	6 months	1 year	3 years	5 years	10 years	Since Launch
Gresham House Commercial Property Fund	6.60%	2.36%	3.54%	7.81%	5.21%	16.81%	N/A	44.46%

Annualised Performance	3 Years PA	5 Years PA	10 Years PA	Since Launch
Gresham House Commercial Property Fund	1.71%	3.16%	N/A	4.29%





Fenward House
Sandyford



**73 & 74/75
Patrick Street**
Cork



Tuansgate
Tallaght



Westland House
Dublin 12



**Boromih
Shopping Centre**
Swords



Beaver House
Clonskeagh



Damastown Way
Mulhuddart



Magna Park
Citywest



Applegreen
Celbridge

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