

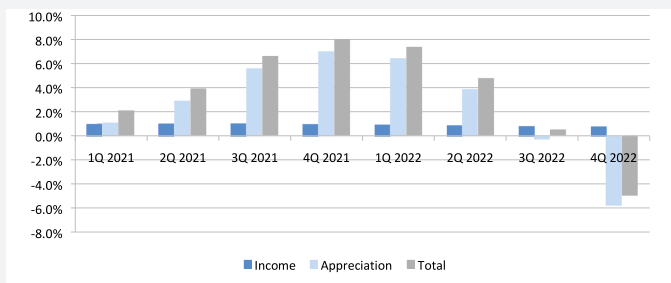
# ODCE

## CORE REAL ESTATE FUNDS' RETURN TURN NEGATIVE, THE LARGEST DECLINE SINCE THE GREAT RECESSION

The NFI-ODCE consists of 26 funds totaling \$341.4 billion of gross real estate assets and \$284.6 billion of net real estate assets.

NFI-ODCE total return gross of fees for the fourth quarter 2022 was -4.97%, down from 0.52% in the previous quarter, and from 7.97% a year ago in fourth quarter 2021. The income return was 0.80%, just below 0.81% in the previous quarter, and down from 0.97% in fourth quarter 2021. The appreciation return was -5.76% for the quarter, well below the previous quarter's -0.28%, and from 2021 fourth quarter's 6.99%. The since inception average quarterly income and appreciation returns are 1.67% and 0.47%, respectively.

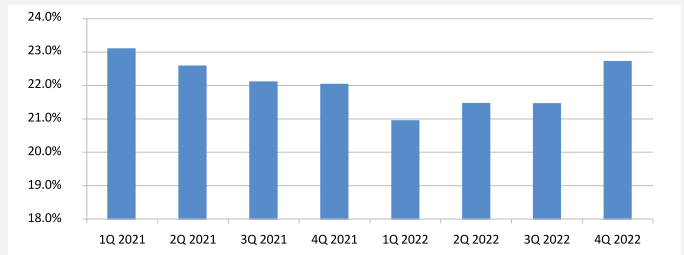
### Quarterly NFI-ODCE Gross Total Return Trends



For the one-year ended December 31, 2022, the NFI-ODCE total return gross of fees was 7.47% comprised of 3.44% income and a 3.92% appreciation return.

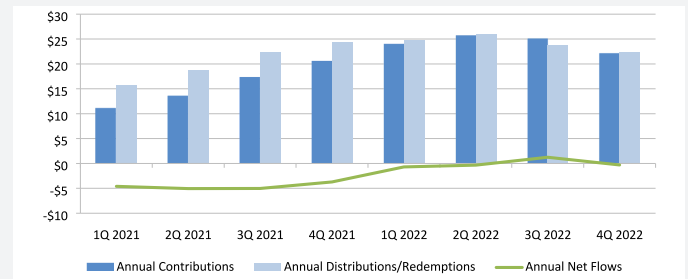
NFI-ODCE returns measure fund-level performance and therefore can reflect leverage and other investments beyond properties, including cash balances. Leverage is conservative among these funds given their core strategies, ranging from 15% to 34% over the quarterly series history beginning in 2000. NFI-ODCE leverage is above the 21.8% average since 2000, registering 22.7% as of current quarter-end, up from 21.5% the previous quarter.

### NFI-ODCE Leverage Trends (% of total assets)



Quarterly investor net cash flows (investor contributions less distributions and redemptions) were negative \$1.1 billion compared to last quarter's positive \$777 million, and fourth quarter 2021's positive \$470 million. For the one-year ended December 31, 2022, contributions were \$22.1 billion, and distributions and redemptions were \$22.4 billion, resulting in an annual investor net cash flow of negative \$291 million.

### NFI-ODCE Investor Cash Flow Trends (4Q Rolling Total, Billions)



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