# <u>EXHIBIT 6 TO AFFIDAVIT</u>

Intelligent Investment

# 2025
# U.S. Real Estate Market Outlook Midyear Review

REPORT

Market Fundamentals Remain Stable

CBRE RESEARCH
JULY 2025

# Foreword

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Global Head of Research

Numerous changes in macroeconomic conditions this year due to tariffs and geopolitical issues have led us to lower our forecasts for overall rent growth. Nevertheless, we see pockets of outperformance as both occupiers and investors continue to move forward with leasing and sales transactions.

Erratic U.S. trade policy, geopolitical uncertainty and risks associated with large, ongoing deficit spending have tempered business and consumer confidence. CBRE has lowered its forecast for annual GDP growth to 1.5% from between 2% and 2.5% in January but still expects the 10-year Treasury yield to end the year near 4.3%. On a positive note, tensions in the Middle East appear to have cooled as of this writing.

The recently enacted tax-and-spending bill maintains favorable tax treatment for real estate, which provides confidence in our forecasts for commercial real estate fundamentals and deal activity throughout the second half of 2025.

Commercial real estate investment activity is expected to grow by 10% this year to $437 billion, 18% below the pre-pandemic (2015-2019) annual average. Although the 10-year Treasury yield has remained somewhat elevated and volatile, it has not derailed a recovery in investment activity. Fundamentals are still in good shape across all commercial real estate sectors, especially for prime assets. CBRE expects cap rates will begin to slowly ease from their cyclical peak over coming quarters.

The U.S. office market remains bifurcated, as the gap between the prime and non-prime vacancy rate widens. CBRE forecasts a moderate increase in gross office leasing activity this year. New construction will be constrained as the cost of capital and building materials remains elevated. CBRE forecasts positive office rent growth for 46 of the 64 markets it tracks, led by Tier 1 and gateway metros.

The industrial sector will continue to see a flight to quality by occupiers at the expense of older assets. Annual leasing volume is expected to be on par with that of last year and largely driven by third-party logistics providers. Economic uncertainty and potentially higher materials costs due to tariffs could limit construction completions through 2027.

In the retail sector, little new construction is expected to keep the supply of available space limited for the rest of this year. While closures from bankruptcies have returned some space to the market, much of it is in underperforming suburban or mall-adjacent areas. Demand in regions with strong population growth like the Sun Belt and Southeast continues to improve. Well-located power centers are also performing well and bidding wars for anchor space are intensifying in many core markets.

The multifamily market began to stabilize in H1 2025. However, expectations of slower economic growth in the near-term have moderated our outlook for multifamily fundamentals. Although H1 2025 saw the first appreciable year-over-year increase in national multifamily rent, the timeline for rent growth recovery has been extended in certain high-supply markets.

Demand for data centers remains strong, with preleasing of new construction consistently above 75% across primary markets. However, supply growth is being constrained by longer power delivery timelines, along with ongoing construction and supply chain delays.

01

# Economy

01
**Economy**

# Midyear Outlook

- A raft of universal tariff announcements on April 2, followed by a 90-day pause, caused a significant hit to business and consumer confidence. The resultant uncertainty caused CBRE to lower its outlook for 2025 GDP growth to 1.5% at midyear from between 2% and 2.5% in January. As of this writing, trade agreements have been concluded with some countries, and more are expected. The Trump administration also appeared ready to impose higher levies on several countries. Uncertainty about future tariff rates has chilled business sentiment, resulting in expectations of just 0.5% job growth for the year and a 4.4% unemployment rate at year-end.

- The effective U.S. tariff rate has increased to approximately 17% from the low single digits. This increase will temporarily push inflation to 3.1% in 2025. Market sentiment around interest rate cuts remains volatile, reflecting a growing divergence between soft sentiment indicators and hard economic data. While the U.S. economy continues to demonstrate resilience, we anticipate the effects of recent tariffs and policy shifts might begin to materialize in the second half of the year.

- The added risks of higher inflation and debt levels, combined with weaker economic growth, will result in the 10-year Treasury yield ending the year at around 4.3%.

- The recently enacted tax-and-spending bill enhances the tax advantages of owning commercial real estate. While the bill should have a net positive impact on the commercial real estate market, a potential rise in debt levels could mitigate some of these benefits, particularly if interest rates remain elevated for an extended period.

# Key Updates to Forecast

**Upgraded**

- Potential adverse economic impacts of President Trump's trade policy are not as severe as previously expected. Recent hard data (e.g., employment, CPI) points to a more benign effect.

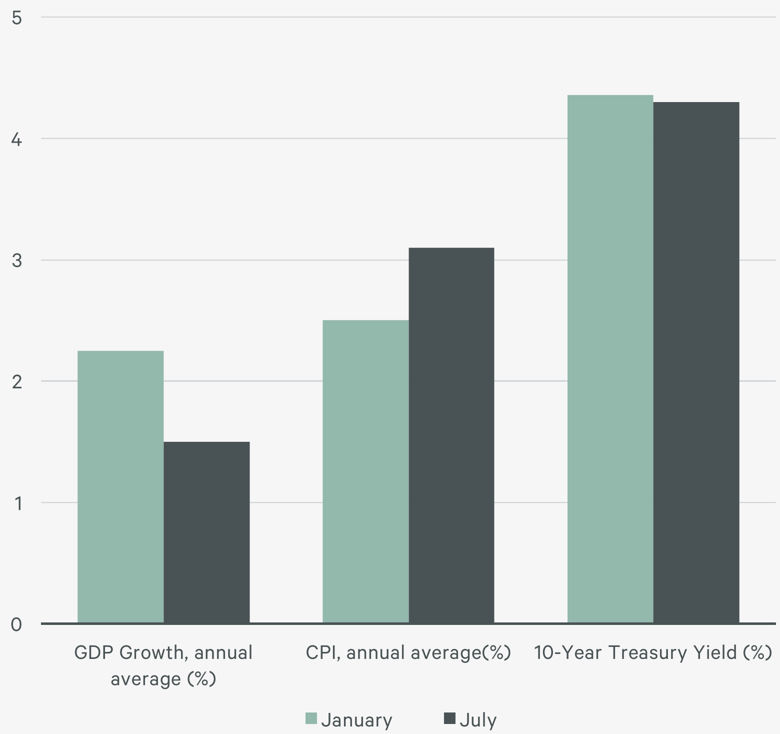
- A wide gap has emerged between consumer and business sentiment and hard data from the economy and financial markets. Growth could be better than expected.

**Downgraded**

- Our expectation that long-term bond yields will remain above 4% for the next several quarters has been bolstered by a weaker U.S. fiscal outlook and the prospect for higher inflation.

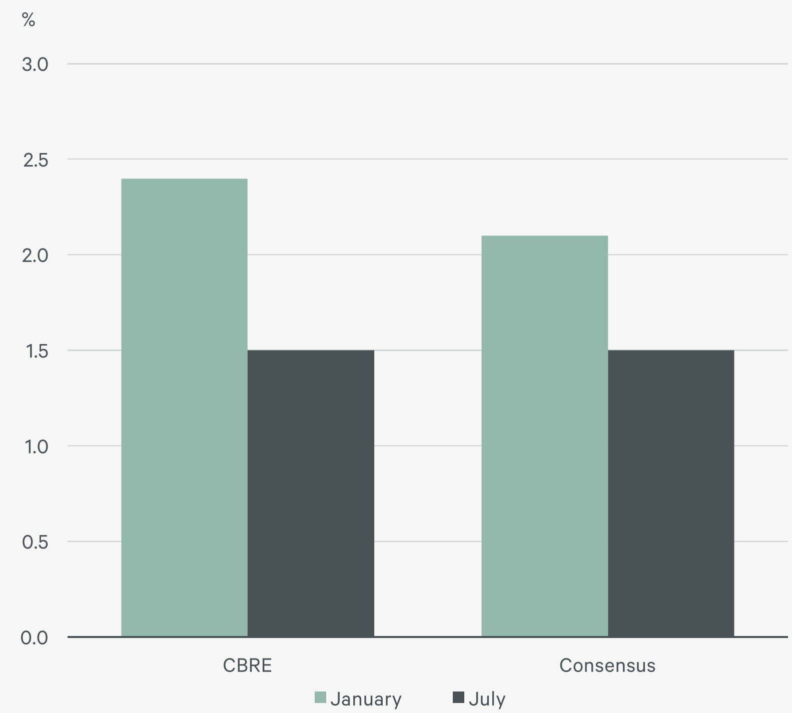
01
## Economy

### Figure 1: Forecast Changes in Select Economic Indicators for 2025




Source: CBRE Research.

### Figure 2: 2025 GDP Forecast vs. Consensus View




Note: Consensus forecasts reflect views published in January and July.
Source: CBRE Research, Bloomberg.

02

# Capital Markets

02
**Capital Markets**

## Midyear Outlook

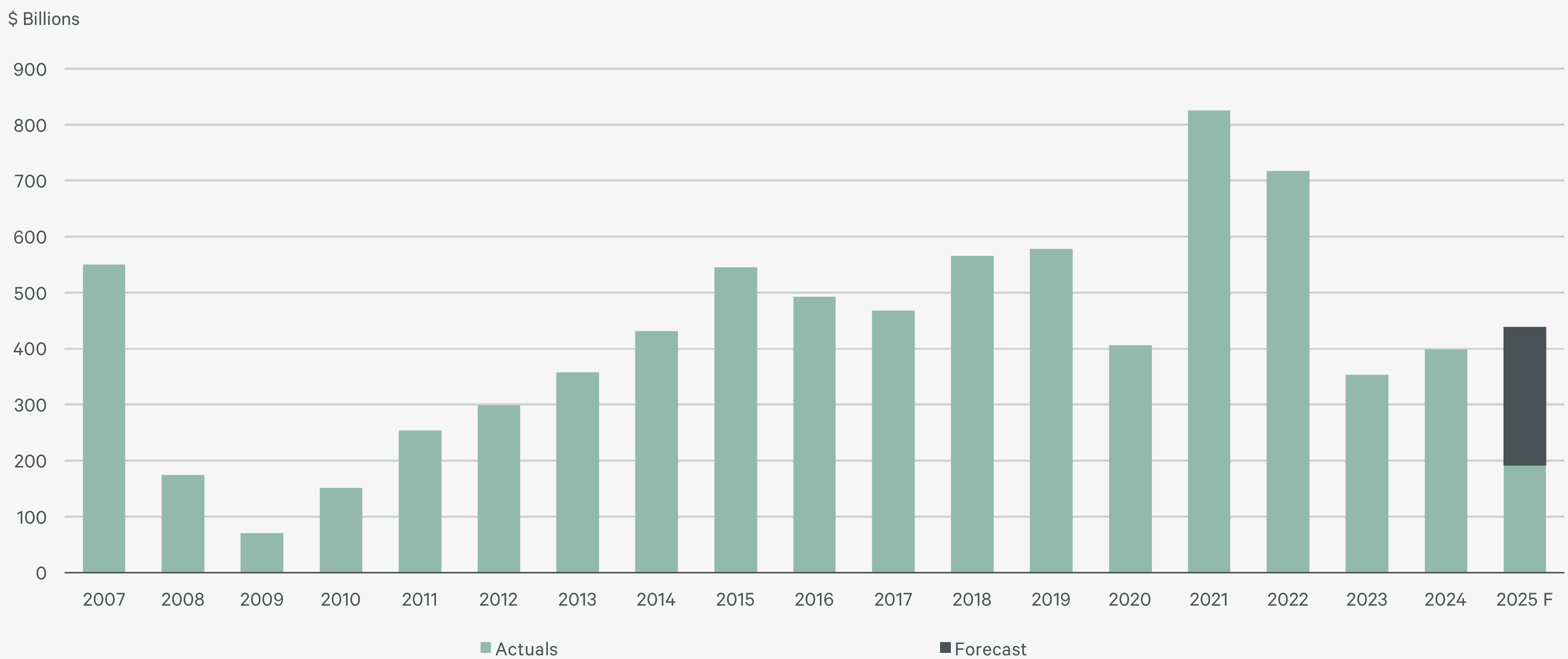
- As expected, trade policy (tariffs) and fiscal policy (taxes and spending) have fueled financial market volatility. Although uncertainty about trade is lessening, the industrial and retail sectors remain most exposed to impacts. The 10-Year Treasury yield has remained elevated, but not at levels that have prevented deals from getting done.
- Heightened economic uncertainty and elevated long-term rates will remain a headwind for investment activity. We have maintained our forecast of 10% growth in annual investment volume. The office sector is expected to see the biggest increase, up by 19% for the year.
- Despite bond market volatility, cap rates have remained relatively stable. Though we still expect some incremental compression in certain sectors, it likely will be less than previously expected and materialize more broadly in 2026. We believe that returns will largely be income driven this cycle as long-term interest rates remain elevated; consequently, good underwriting and asset management will be crucial.

## Key Updates to Forecast

- The new tax-and-spending law will generally support commercial real estate fundamentals. Key provisions will encourage consumer and business spending, as well as support investment activity through various deductions, credits and favorable tax treatment. All of this gives us continued confidence in our forecasts for healthy property market fundamentals and deal activity in 2025.
- We now expect lower economic growth and higher inflation than we did at the start of the year due to lingering uncertainty over U.S. trade policy. However, more clarity on tariffs later this year should lessen this headwind to investment activity.
- With continued growth and healthy fundamentals, investors can realize the best returns of the cycle by acquiring assets in coming quarters, as is historically the case just after a peak in cap rates. Savvy investors will find strategic opportunities amid reset pricing.
- Due to continued 10-year Treasury yield volatility, we now expect cap rates to remain largely stable and begin to compress more slowly than previously expected. Large budget deficits could add to upward pressure on the 10-year Treasury yield, which would temper investment sales activity. Nevertheless, investors still appear eager to take advantage of cyclical opportunities and relatively supportive capital markets conditions and market fundamentals. As a result, we expect investment volume will increase by 10% this year.

02
## Capital Markets

**Figure 3: Annual Commercial Real Estate Investment Volume**




Source: MSCI Real Assets, CBRE Research, Q2 2025.

03

# Office/Occupier

03
**Office/ Occupier**

# Midyear Outlook

- Leasing activity totaled 104.4 million sq. ft. in the first half of this year, compared with the seven-year H1 average of 102.5 million sq. ft. For the full year, leasing is expected to increase only moderately over 2024 due to economic uncertainty, slower office-using job growth and persistently high interest rates. Despite these headwinds, demand is projected to remain fairly resilient, though some occupiers may delay leasing decisions until there is more economic clarity.

- Average lease sizes are expected to increase this year, signaling slower right-sizing and more expansion. CBRE's latest occupier sentiment survey shows more companies plan to grow their portfolios, particularly by financial and tech firms. Smaller occupiers (10,000–20,000 sq. ft.) will remain key drivers of leasing.

- As of Q2 2025, the prime vacancy rate of 14.5% was 4.8 percentage points lower than the non-prime vacancy rate. This gap is expected to widen, supported by a sustained flight to quality and limited new supply. The prime vacancy rate is expected to fall to 13.6% by year-end and is on track to return to its pre-pandemic level of 8% by late 2027.

- New supply will be modest, with 2025 deliveries revised down to 13 million from 17 million sq. ft. The drop reflects growing construction challenges, including rising materials and labor costs.

# Key Updates to Forecast

- We expect that the overall office vacancy rate will be 30 basis points higher than initially forecast, ending the year at 18.9%. The increase reflects softer second-half demand due to economic and geopolitical uncertainty, as well as slower job growth.

- The office market divide will widen in 2025 by both asset class and location. Manhattan is expected to lead demand, with financial and tech firms driving vacancy lower amid limited supply. Charlotte, San Francisco and Dallas are also forecast to see declining vacancies, supported by strong tenant pipelines and minimal new construction.

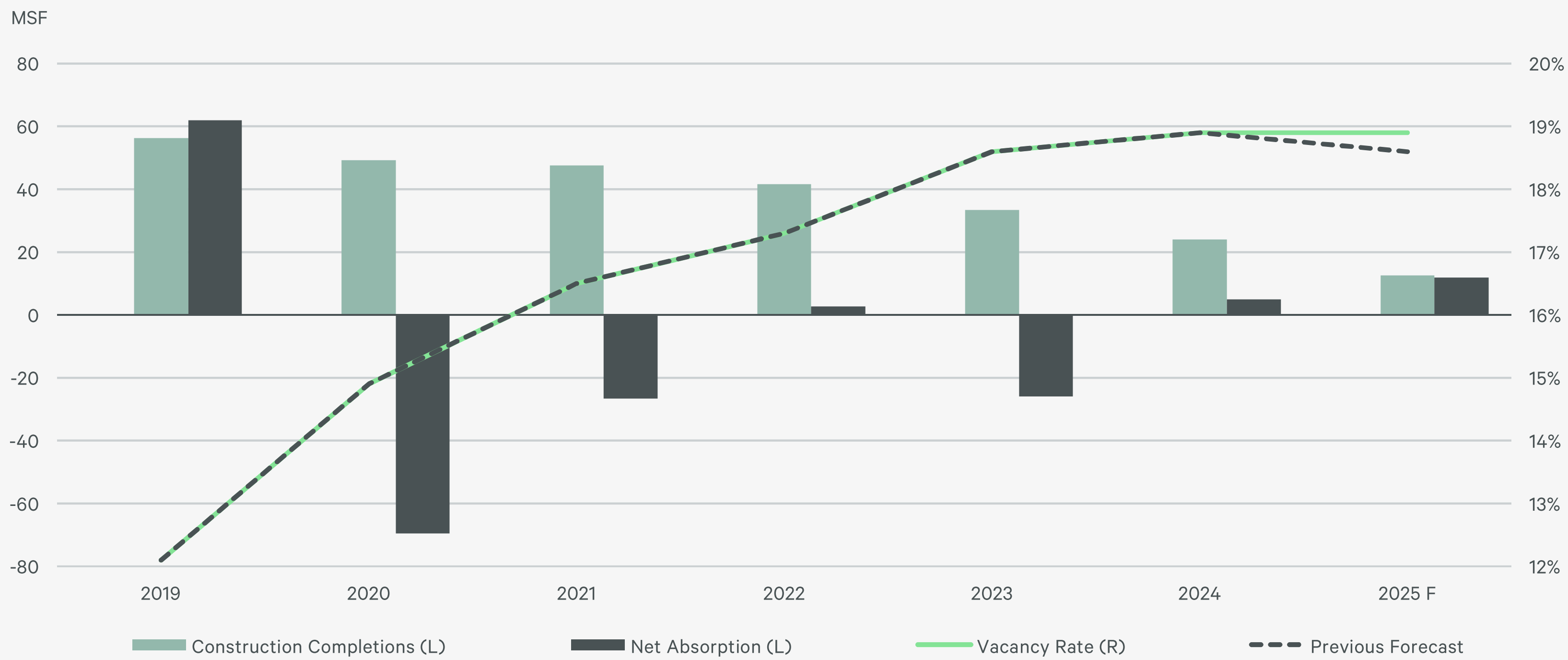
- Prime office will continue to outperform in high-demand submarkets. As of Q2 2025, prime vacancy was especially low in Preston Center in Dallas (3.9%), Santa Clara in Silicon Valley (6.4%), Midtown Manhattan (6.8%) and East-End Washington, D.C. (9.2%). Prime space in these vibrant, connected and mixed-use submarkets will become more scarce, benefiting the next tier of buildings or nearby markets as demand spills over.

- Office deliveries are projected to hit a 13-year low of 13 million sq. ft. in 2025. Construction remains concentrated in high-growth Sun Belt markets like Austin, Nashville and Miami, which will see 2025 inventory growth of over 1% compared with just 0.3% nationally. These markets will likely face a short-term rise in vacancy.

- Net absorption, or the change in occupied space, is expected to remain positive in 2025, with the forecast revised down to 12 million from 24 million sq. ft. due to cyclical factors. CBRE's latest occupier sentiment survey shows a gradual rise in office utilization as more employers mandate attendance. More occupiers also plan to expand or maintain office footprints over the next three years, driven by expected headcount growth.

03
## Office/ Occupier

**Figure 4: Office Net Absorption, Completions & Vacancy Rate**




Source: CBRE Econometric Advisors, Q2 2025.

04

# Industrial & Logistics

04
**Industrial & Logistics**

# Midyear Outlook

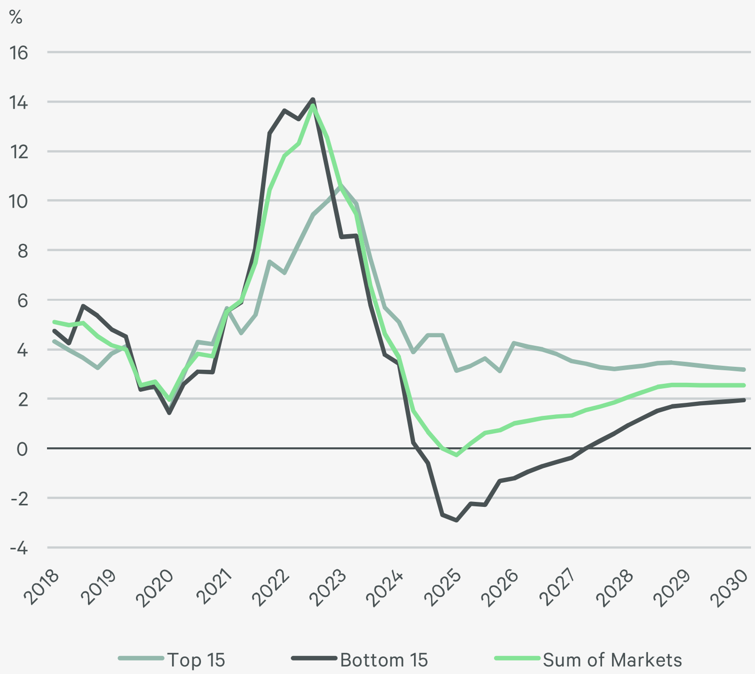
- The Q1 slowdown in construction completions was not as great as originally expected and we now forecast 217 million sq. ft. of new supply this year, 37% lower than in 2024. Economic uncertainty and the potential for higher construction costs due to tariffs caused us to lower our completions forecast through 2027.
- While completions are expected to slow, the increase in move-outs from older space due to occupier flight to quality will lower net absorption to levels last seen in 2010. We expect significant negative absorption of space built before 2020, but solid demand for new construction will keep the overall total positive.
- Although rent growth will slow to between 0.3% and 1.0% for the year, we expect it will return to medium-term forecast trends by the end of 2025.
- Secondary markets in the middle of the country with direct access to the Mexican border and/or a growing manufacturing base will be more insulated from macroeconomic impacts and should be relative outperformers. Coastal gateway markets that are more susceptible to economic headwinds and supply-chain uncertainty have a greater risk of weakening fundamentals.

# Key Updates to Forecast

- Economic and global supply chain uncertainty will lead to even more demand from third-party logistics providers (3PLs) in 2025. Our original forecast of 35% market share by 3PLs has increased to 40%. Greater demand from 3PLs will lead to shorter average lease terms and will be a boon for demand in lower-rent markets near major logistics hubs.
- The potential for inventory shortages, combined with consumers looking for better deals due to economic uncertainty, has increased our forecast of e-commerce's share of total retail sales to over 25%. Faster-than-expected growth of online purchasing will accelerate physical retailers' flight to quality and pressure landlords to renovate older vacant facilities.
- Leasing activity is still expected to remain on par with 2024. While year-to-date leasing activity has increased by 8.5% compared with H1 2024, occupier uncertainty regarding tariffs may lead to a slowdown in the second half of 2025.
- Leasing will remain slow in the over-700,00-sq.-ft. segment, as corporate occupiers remain on the sidelines. The 100,000-to 300,000-sq.-ft. size range is the most preferred by 3PL occupiers and will be the best performing size segment in 2025. The light-industrial segment could see a greater-than-expected reduction in demand if retail sales decline.
- Despite fewer construction completions, an acceleration of obsolete building move-outs and record sublease space could lead to a higher-than-expected growth in vacancy to 20 bps per quarter. The overall vacancy rate is projected to reach 7.0% by year-end and will peak in mid-2026.

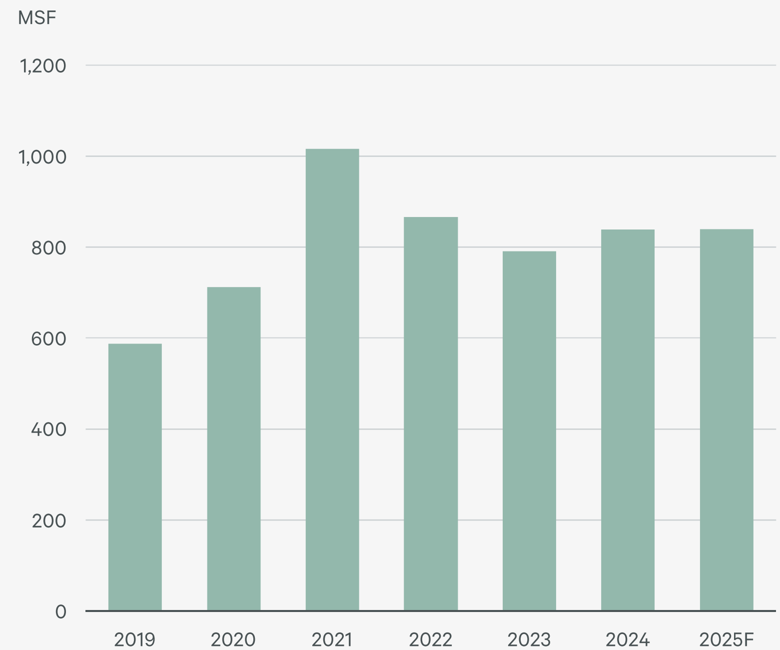
04
## Industrial & Logistics

### Figure 5: Industrial Asking Rent Growth With Forecast – Top & Bottom 15 Markets




Note: Top and bottom markets[1] ranked by five-year rent growth CAGR forecast.
Source: CBRE Econometric Advisors, Q2 2025

### Figure 6: Annual Industrial Leasing Activity




Note: includes new leases and renewals of 10,000 sq. ft. or more.
Source: CBRE Econometric Advisors, Q2 2025

[1] Top markets are Nashville, Detroit, Richmond, Toledo, Louisville, Honolulu, Cincinnatti, Orlando, Milwaukee, Omaha, Greenville, Dayton, Central New Jersey, Albuquerque and South Central PA.

Bottom markets are Riverside, Phoenix, Houston, Oakland, El Paso, Hartford, San Francisco, Vallejo, Seattle, Memphis, Fort Lauderdale, Pittsburgh, Northern New Jersey, Los Angeles and Austin.

05

# Retail

05
**Retail**

# Midyear Outlook

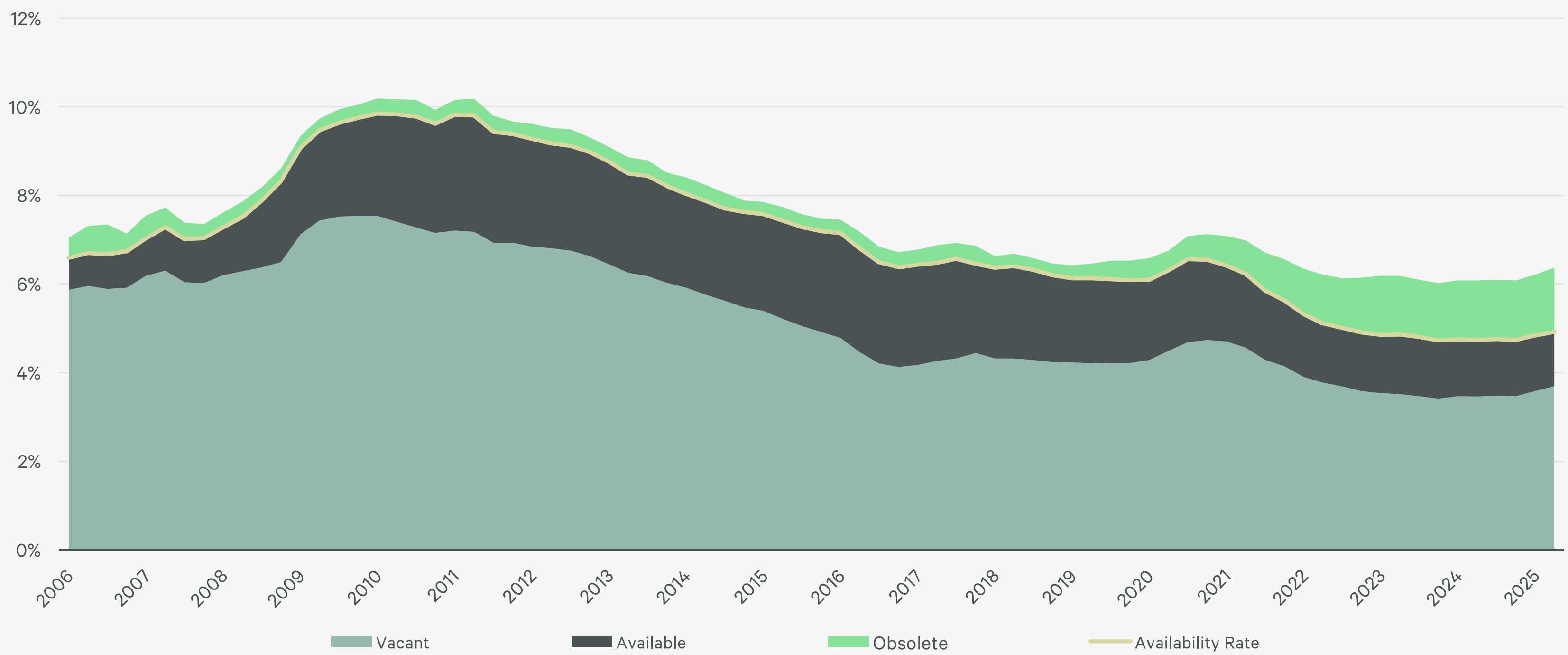
- The overall retail availability rate increased slightly to 4.9% at midyear, reflecting limited new supply. Obsolete space reached a record-high 1.4% of total retail square footage.
- Deliveries through the first half of the year fell short of the pre-pandemic average for the same period. Retailers continue to express a strong preference for high-traffic, open-air centers and are often willing to wait for the right space to become available. Closures from bankruptcies have released space onto the market, but much of it is concentrated in underperforming suburban or mall-adjacent areas. Power centers are still performing well and bidding wars for anchor space are intensifying in many core markets.
- Value-oriented spending continues to dominate, as evidenced by stronger-than-expected expansion by discounters and dollar stores. Luxury brands also posted solid growth, especially in more affluent markets. The overall vacancy rate for essential retail centers, such as those with grocery stores and pharmacies, remains more than a full percentage point below that of other open-air centers, resulting in higher rent growth for this category. While consumer confidence remains fragile, retail sales are still on pace to exceed 2024 levels. In response, retailers continue to favor grocery-anchored and convenience-driven centers.
- Trade policy uncertainty is beginning to influence site-selection decisions. As retailers shift supply chain operations closer to home, many are prioritizing expansions near key logistics hubs and southern U.S. trade corridors. Retailers are also optimizing store layouts to improve efficiency and customer convenience. Some retailers are downsizing footprints, while devoting more space for returns and fulfillment.

# Key Updates to Forecast

- Retail fundamentals remain healthy overall, with availability holding near record lows and demand outpacing expectations in several densely populated markets. While leasing has moderated in some markets, the national retail market continues to benefit from limited new supply, consumer resilience and a disciplined approach to expansion.
- Markets outperforming original forecasts tend to have high population density, limited store closures or retail obsolescence and stable traffic supported by hybrid work. Additionally, commuter-heavy markets like New York City, Philadelphia, New Jersey and Westchester are benefiting from increases in housing supply and improving fundamentals tied to weekday foot traffic.
- Sun Belt markets, many of which grew rapidly over the past several years, are showing signs of leveling off. While overall occupancy in these markets remains strong (above 90%), rent growth is slowing due to a shortage of well-located space and, in some cases, lower in-migration levels. Of the 69 markets tracked by CBRE, 27 are now expected to see lower demand and rent growth than initially forecast. However, national rent growth remains positive, averaging 2.1% year-over-year.

05
## Retail

**Figure 7: Retail Vacancy Rate, Availability Rate & Percentage Obsolete**




Note: Obsolete retail space is unavailable to rent (off market).
Source: CBRE Econometric Advisors, CBRE Research, Q2 2025.

06

# Multifamily

06
**Multifamily**

# Midyear Outlook

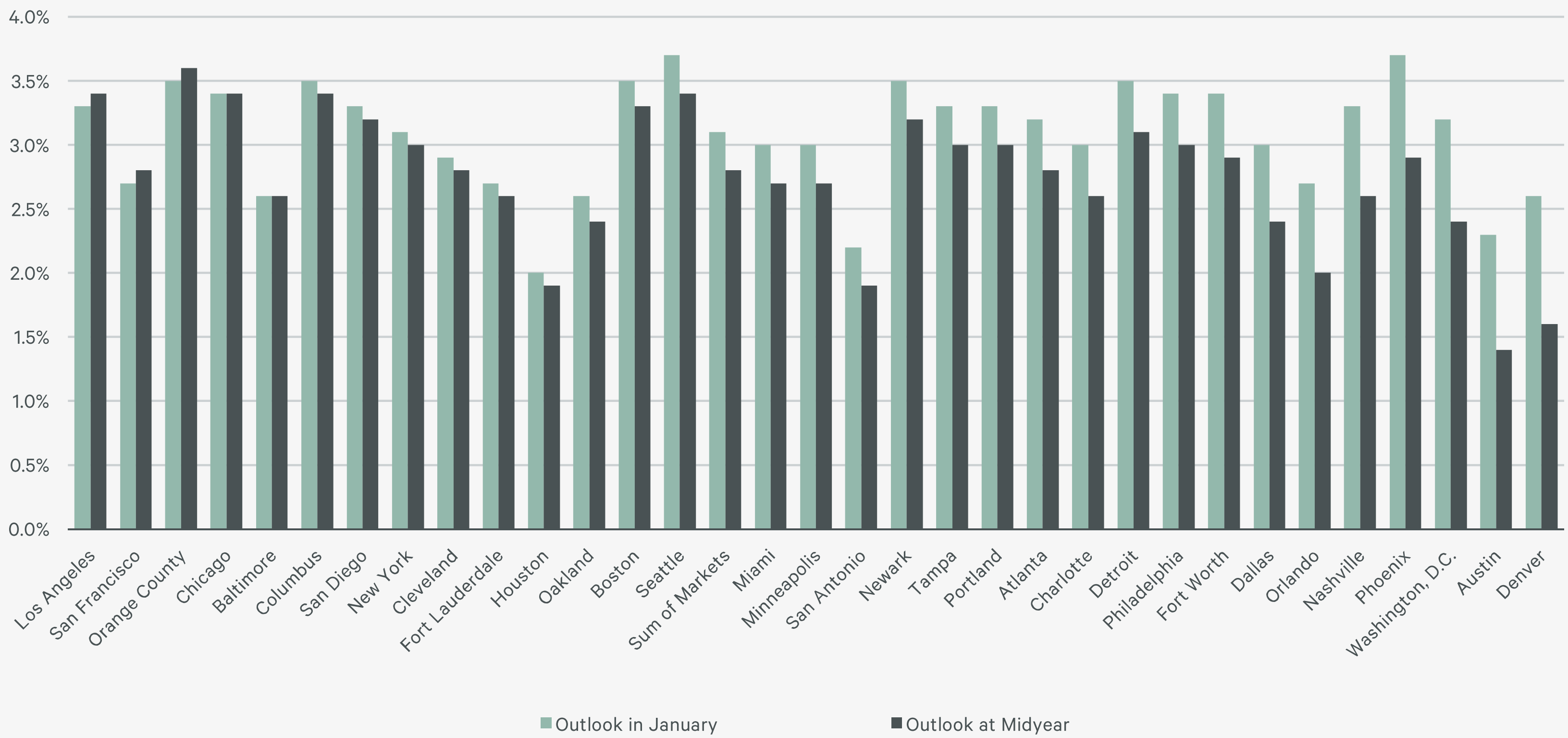
- As expected, the market began normalizing in H1 2025. However, the prospect of slower economic growth caused us to update our two-to-three-year outlook for the sector. In certain high-supply markets, the timeline for rent growth recovery has been extended.
- Absorption was even stronger than our forecast in H1 2025, lowering the overall multifamily vacancy rate to nearly 4%. We expect vacancy to increase in the second half of 2025 and remain relatively stable thereafter, as supply and demand gain balance in 2026. The recovery is most tenuous where supply pressures are strongest across much of the Sun Belt and Mountain regions.
- As forecast, rent growth appeared to bottom out at the end of last year and H1 2025 saw the first appreciable increase in over a year. Macroeconomic headwinds may delay a full recovery in rent until the second half of 2027.

# Key Updates to Forecast

- With the downgrade in CBRE's near-term economic outlook, we lowered our forecast of multifamily rent growth over the next five years to 2.8% from 3.1%. Despite many high-supply and Sun Belt markets having the largest revisions, many are still expected to see rent growth in line with the national average due to population and job growth.
- Certain markets are more or less sensitive to economic changes. Rent growth in the Sun Belt and West Coast has historically been more sensitive to macroeconomic changes than in the Northeast and Midwest.

06
## Multifamily

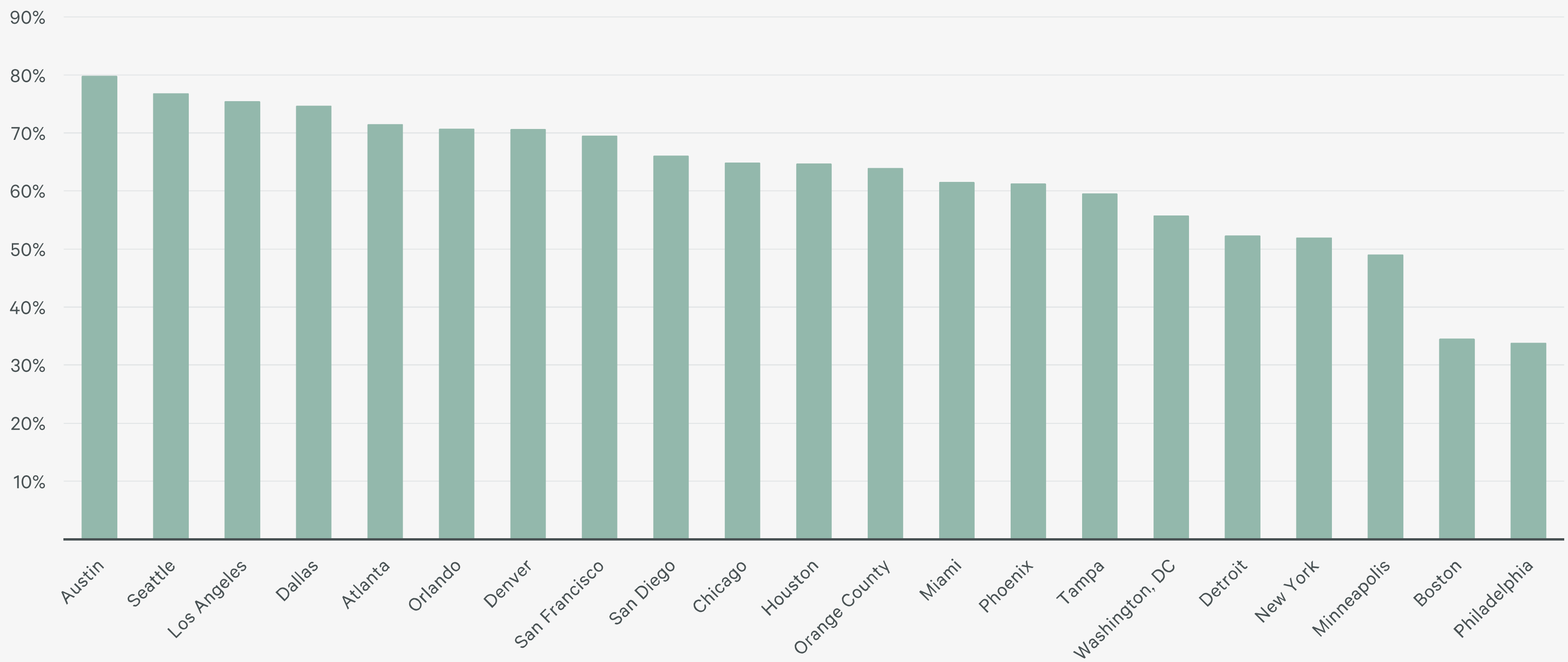
### Figure 8: Five-Year CAGR Multifamily Rent Forecast




Source: CBRE Econometric Advisors, Q2 2025.

06
## Multifamily

**Figure 9: Correlation Between Annual Multifamily Rent & Employment Growth (1991-2025)**




Source: CBRE Econometric Advisors, U.S. Bureau of Labor Statistics, Q2 2025.

07

# Data Centers

07
**Data Centers**

# Midyear Outlook

- We maintain our outlook for rising rental rates, backed by record-low vacancy of 1.9% in H2 2024. As a result, we expect average rental rates for 250-500kW requirements to be above $200 per kW. While our forecast of 90% preleasing was slightly high, current activity is consistently above 75% across primary markets. With demand continuing to outpace available supply, we've updated our estimate for 2025 under-construction preleasing to 80%.
- Under-construction volume in primary markets reached 6,350 MW by year-end 2024, an increase of more than 3 GW from 2023 and the largest jump we've ever recorded. This unprecedented growth is being driven by extended power delivery timelines, along with ongoing construction and supply chain delays that are keeping projects in the pipeline longer than usual.
- With traditional utility power slow to deliver, there is growing interest in short-term solutions like on-site or temporary power setups that help deliver 10 to 30 MW faster.
- Overall, the data center sector remains exceptionally strong, with demand consistently outpacing available supply and new projects staying in the pipeline longer due to power and construction delays. This environment is influencing how both primary and secondary markets are evolving, each facing unique pressures and opportunities.

# Market Commentary

**Primary Markets**

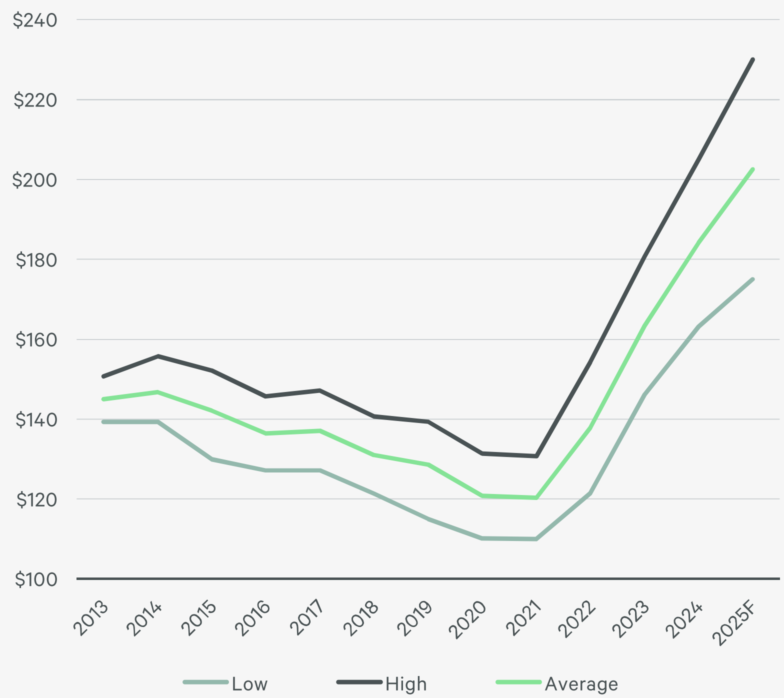
- Hillsboro, Silicon Valley and Dallas-Ft. Worth continue to evolve rapidly with ongoing changes in utilities and local planning.
- Hillsboro remains supply constrained, but a path for expedited new development is challenged by approvals and power procurement timelines. Additionally, Oregon just passed a new electricity rate mandate for data centers vs. other electricity users.
- In Silicon Valley, several projects are idle while awaiting power delivery. The outside shells of these buildings are fully constructed but still lack interconnection to the grid.
- Dallas-Ft. Worth continues to deal with large amounts of load requests. South Dallas has seen some power delivery timelines extended to 2028-2030+ from 2026-2028.

**Secondary Markets**

- Austin-San Antonio continues to receive interest from developers along I-35, where timelines for power procurement are relatively short.
- Charlotte-Raleigh along I-85 is benefiting from low-cost power and land availability to compete with major markets on the East Coast.
- Colorado failed to pass state tax incentives in 2025.

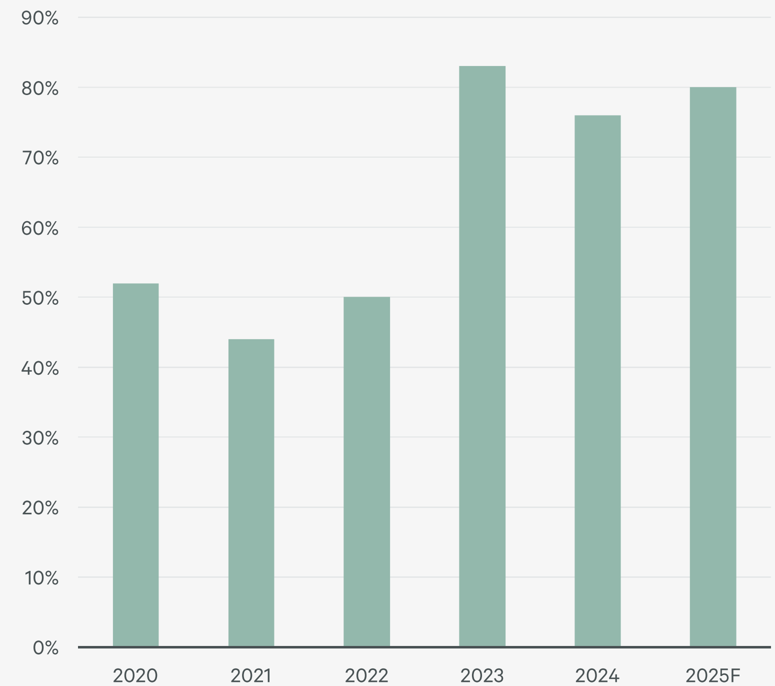
07
## Data Centers

**Figure 10: Average Rental Rate in Primary Markets for 250-500kW Requirement**




Source: CBRE Research, Q2 2025.

**Figure 11: Preleasing Rate of Under-Construction Data Centers in Primary Markets**




Source: CBRE Research, Q2 2025.

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