



The TD Greystone Real Estate Strategy: Powering Long-term Growth

Annual Review



Throughout 2025, the Canadian commercial real estate market continued to navigate the cumulative effects of elevated interest rates, declining population growth, moderated economic growth, tariff uncertainty and shifting demand patterns across property sectors. Amidst these economic and political headwinds, the TD Greystone Real Estate Strategy (the “Strategy”) has maintained its course in generating stable and growing income for TD Asset Management (“TDAM”) clients through disciplined, hands-on portfolio management that emphasizes diversification and high-quality commercial real estate.

While investment excellence is always our top priority, understanding our clients’ need for liquidity is also crucial. As such, the Strategy paid out nearly \$983 million in redemptions over 2025. Parallel to creating liquidity for our clients, we have also seen approximately \$347 million in client redemption rescissions, which is a positive sign for capital allocations in 2026.

As of December 31, 2025, the Strategy has \$20.71 billion in assets under management and is invested in 230+ properties that are broadly diversified across property types and location.

Portfolio Overview

Figure 1: Real Estate Strategy Characteristics

Strategy Overview

Gross Asset Value (\$B)	20.71
Net Asset Value (\$B)	13.51
Loan to Value (%)	36.76
YTD Drawdowns (\$M)	202.48
Redemption Queue (\$B)	4.73
2025 GRESB Score	86
Number of Participants	270

Top 10 Properties Exposure	Type	City	Province	Risk Strategy	Weight (%)
The City of Lougheed	Multi-Unit Residential	Burnaby	B.C.	Value Add	2.49%
Uptown	Retail	Victoria	B.C.	Core	1.97%
10254 Hurontario St	Industrial	Brampton	ON	Core	1.86%
Telus Garden	Office	Vancouver	B.C.	Core	1.82%
Fairview Mall	Retail	Toronto	ON	Core	1.78%
Hamilton Airport	Industrial	Hamilton	ON	Core	1.62%
100 Queens Quay East	Office	Toronto	ON	Core	1.61%
Queens Quay & Cooper	Multi-Unit Residential	Toronto	ON	Opportunity	1.58%
100 Front St W	Other	Toronto	ON	Core	1.57%
Constitution Square	Office	Ottawa	ON	Core	1.48%

Portfolio weights are calculated on a GAV basis. TDAM. As at Dec 31, 2025.

Modernization

A major milestone for the Strategy was the successful vote and implementation of the Modernization plan, which aims to simplify the structure and roll the TD Greystone Real Estate Fund Inc., TD Greystone Real Estate L.P. Fund and segregated accounts into a new Master-Feeder structure. The goal of Modernization is to provide clients with more

flexibility and enhanced features designed to align the Strategy with current market best practices, improve operational efficiencies, reduce costs, and allow for greater growth and liquidity opportunities. A key enhancement that is particularly noteworthy for clients in 2026 is the launch of secondary trading capabilities.

Performance

Despite solid income generation, the Strategy posted a negative total return in 2025, primarily driven by softening capital values and the impact of fair value adjustments on debt. While the underlying fundamentals have remained strong, leading to healthy income generation, third-party appraisers have been punitive when setting income and investment assumptions in light of economic uncertainties. As we look more closely at the drivers of performance across property types, multi-unit residential was the largest negative contributor to performance in 2025 driven by cap rate expansion within the core income-producing portfolio and write-downs across most of the land and density holdings. The reason for these write-downs can be attributed to temporary softening fundamentals in the Greater Toronto and Greater Vancouver condo markets. Over the long-term, given the structural supply-demand imbalance in the Canadian housing market, we expect capital values to stabilize. Office has detracted from performance over both a 3- and 5-year basis due to the COVID-related work-from-home (“WFH”) policies that impacted both property-level fundamentals and investor sentiment.

However, given recent return-to-work announcements by Canada’s largest office users (namely financial institutions and various levels of government) and the subsequent leasing absorption we have seen across Canada, office is now a net contributor to total performance. Retail and industrial both posted strong income performance with muted capital performance in 2025, reflective of strong underlying fundamentals despite economic uncertainty. Lastly, our hotel holdings continue to provide solid income and capital performance over this volatile period given strong domestic tourism in 2025. On a relative basis, the MSCI/REALPAC Canada Quarterly Property Index (the “PI”) posted a return of 1.30% which is in-line with the Strategy’s return of 1.32%. 2025 was a challenging year for the entire market, but there are signs for optimism in 2026 as property fundamentals are expected to remain strong and the Strategy has been largely re-priced, which should support future strong risk-adjusted performance.

Since inception, the strategy has provided mid-to-high-single digit returns, in line with expectations for a high-quality, core, diversified real estate strategy.

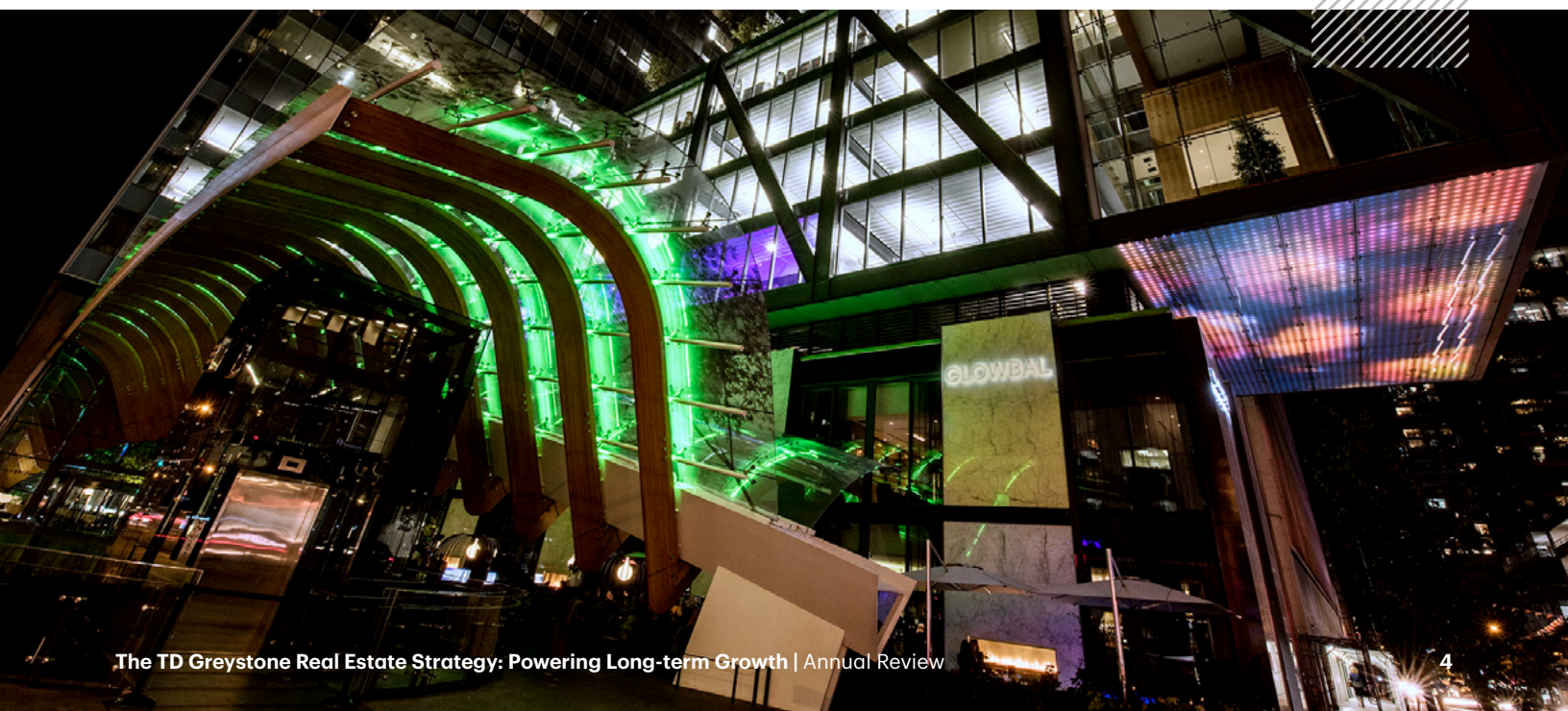
Growth

Returns (%) as of Dec 31, 2025	Weight ¹	2025			Five Year Annualized		
		Cash Yield ²	Capital Return ²	Total Return ³	Cash Yield ²	Capital Return ²	Total Return ³
TD Greystone Real Estate Fund Inc.	100.00	2.59	-3.93	-1.46	2.43	1.10	3.97
Property Type							
Office	23.31	3.05	-4.51	-1.59	2.93	-5.71	-2.95
Retail	15.42	3.75	-1.80	1.88	3.57	-1.35	2.18
Industrial	20.96	2.86	-2.94	-0.17	2.87	6.53	9.59
Multi-Unit Residential	38.26	1.50	-5.76	-4.34	0.96	3.11	4.10
Other	2.05	5.42	12.08	18.15	3.31	14.79	18.60
TD Greystone Real Estate LP Fund	100.00	2.62	-1.91	0.49	2.20	2.77	5.43
Property Type							
Office	19.53	2.62	-2.77	-0.22	2.63	-4.38	-1.87
Retail	14.82	4.64	0.67	5.34	3.57	-3.06	0.41
Industrial	27.39	2.77	-2.20	0.51	2.39	8.73	11.32
Multi-Unit Residential	36.36	1.43	-2.79	-1.40	0.95	2.47	3.45
Other	1.90	5.32	10.99	16.90	3.12	-7.11	-4.19

¹ Portfolio weights are calculated on a Gross Asset Value (GAV) basis.

² Cash Yield and Capital returns may not add up to Total Return due to compounding of returns and a fair value adjustment for debt (effective Nov 28, 2014). Excludes cash.

³ Includes cash. Gross of investment management fees.



Portfolio Management: (Leasing and Capital Expenditures)

Leasing and Occupancy:

Over calendar year 2025, the Strategy's occupancy rate increased from 90.62% in December 2024 to 92.24% in December 2025.

	Core Occupancy	NOI Yield (MSCI)	Cap Rate (MSCI)	Weighted Average Lease Term
Industrial	97.19%	4.80%	5.62%	5.90 Years
Multi-Unit Residential	96.82%	3.20%	4.42%	-
Office	81.95%	5.20%	6.28%	5.62 Years
Retail	93.83%	4.90%	5.88%	4.68 Years
Total Portfolio	92.24%	4.50%	5.47%	5.61 Years

TDAM. Dec 31, 2025.

Office:

The office portfolio saw a slight increase in occupancy over 2025, with over 460,000 square feet of new leasing and 1.15 million square feet of renewals. With 85% of the Strategy's office properties being Class A or above, this amount of leasing activity is credited to the high-quality nature of the office portfolio. The team is focused on the remaining vacancy and we have proactively reinvested capital to improve the marketability of the Strategy's long-term holds.

Retail:

The retail portfolio saw a +3.01% change in occupancy over 2025 with nearly 70,000 square feet of new leasing and 694,000 square feet of renewals. The retail portfolio benefits from a diverse mix of high-quality holdings across various subtypes and geographies. With over 80% of the Strategy's portfolio anchored by grocery tenants, the retail portfolio is well positioned to perform in the future. Furthermore, the Strategy continues to reinvest into long-term holds to drive traffic, sales growth and, by extension, income growth for our clients.

Industrial:

The industrial portfolio saw a +4.24% change in occupancy over 2025 with over 490,000 square feet of new leasing and 553,000 square feet of renewals.

Despite economic uncertainty and some softening in the industrial market, the Strategy's industrial portfolio has demonstrated resiliency, maintaining its high occupancy given the diversified, high-quality and largely newer vintage nature of its holdings. As a result of the industrial portfolio's healthy weighted average lease term ("WALT") of 5.90 years and embedded gap-to-market rent of 28.35%, it is expected that 2026 should be another strong year.

Multi-unit Residential:

The multi-unit residential portfolio saw a -0.57% change in occupancy over 2025, which was driven primarily by a decline in population growth and an increase in supply of new shadow-market condos across Canada, particularly in Toronto and Vancouver. While the Strategy's multi-unit residential portfolio does not typically compete directly with the condo shadow market, the influx of new supply has created some short-term vacancies. Given the Strategy's multi-unit residential portfolio has larger unit sizes and are located in submarkets that are less likely to compete with the shadow condo market, it is expected this rise in vacancy will be temporary. Over the long-term, a return to more normalized immigration levels and the structural lack of housing in Canada should drive vacancy rates down within the multi-unit residential market.

Capital Expenditures:

We engage in three strategies when investing in capital expenditure projects:

1. Enhance building features for improved leasing, marketability, and income growth
2. Preserve institutional quality of property to reduce operational risks and maintain liquidity
3. Implement sustainability initiatives to the property in order to increase operational efficiencies, reduce energy use and improve the carbon footprint

Ultimately, these strategies promote asset enhancement and tenant retention. In 2025, we invested \$200.24 million in 2025, and completed a major renovation at Rice Howard Place, which is a 28- and 21-storey, 571,000 square foot Class 'A' office property located in downtown Edmonton, AB. The renovation project included substantial upgrades to both the property's exterior curb appeal and interior common area lobby while also adding new retail amenities and a 21,300 square foot tenant lounge/fitness centre for tenants. These improvements have significantly increased the marketability of Rice Howard Place, and we expect to retain existing tenants and attract new tenants as a result of this investment.

Figure 2: Summary of 2025 Investment Activity

\$ Millions	2025
Acquisitions	53.30
Developments	125.33
Mortgage Repayments	596.61
Capital Expenditures	200.24
Total Capital Deployed	975.48
Dispositions/Return of Capital	761.30
Mortgage Placements	1,072.38
Total Capital Inflows	1,833.68
Redemptions Paid	982.92
Subscriptions	202.48

TDAM. Dec 31, 2025.

Strategy

While acquisition activity this year was lower than historical averages, the Strategy executed on a number of strategic dispositions, continued to reinvest in accretive developments, and was active on the financing front.

- **Adding to the Vancouver Skyline:** Our ability to not only acquire, but also build, core assets through value-add and opportunity strategies is a key differentiator for the Strategy. Developments continued to be an area of focus for the Strategy with over \$125 million deployed across Canada in 2025. In 2025, we completed construction at Broadway & Granville, a 39-storey landmark development, located in Vancouver, BC. Broadway & Granville is a true transit-oriented, mixed-use development with 182 market rental apartments, 44 affordable rental apartments, 106,000 square feet of Class 'AAA' office space, 23,000 square feet of grocery-anchored retail, all sitting directly above the new South Granville SkyTrain station.
- **Multi-unit Residential Development Pipeline:** Looking ahead, there are currently five projects under construction within the Strategy. Four projects are multi-unit residential developments and are located across Canada from Halifax, NS to Vancouver, BC. These projects should reach substantial completion over the next 1-2 years, delivering 1,338 units (1,308 market rental and 30 affordable rental). The lone condo development, One Delisle (371 market rental condo units), is currently 91.64% sold with minimal closing risk.
- **Acquisitions Through Strategic Fund Investments:** Through the Strategy's modest exposure to closed-ended funds (5.32%) there were a number of strategic acquisitions, including: five small-to-mid-bay industrial properties, three grocery anchored retail centres and two well leased, transit-oriented office properties in major markets. Through its deliberate exposure to closed-ended funds, the Strategy is able to partner with high-quality operators and other institutional investors to make strategic acquisitions at attractive pricing.
- **2025 Disposition Strategy:** In 2025, there were several properties sold with over \$761 million of equity returned from sales. Our disposition strategy involves selling properties that no longer support the long-term strategic themes that we

believe will drive real estate returns over time, and/or when we believe there are more accretive opportunities for capital redeployment. The majority of the Strategy's dispositions in 2025 fell under three key themes:

1. **Reducing Office Exposure Broadly and Within Nodes:** While there are green shoots in the Canadian office market broadly, we expect that future leasing success will be unevenly distributed. As such, we are continuing to reduce the number of office holdings in the Strategy, allowing us to reinvest in the most strategic office holdings. The Strategy's two office dispositions include 2 St. Clair Ave. E located in Toronto, ON and River Centre located in Saskatoon, SK. In both cases, we divested of these properties well above appraised value (10.24% on average) while reducing exposure to nodes where we continue to hold office properties.
2. **Industrial Land Sales to Owner-Users:** Over the past several years, the team has increased the Strategy's industrial weight through development to maximize risk-adjusted returns. Recently, the industrial speculative development market has slowed down and, as such, the team proactively pivoted to sell targeted land parcels to owner-users. In 2025, all industrial dispositions were land parcel sales to owner-users (totaling 90.82 acres across 5 sales). Not only were we able to achieve pricing above appraised value (20.91% on average) but land parcel sales to owner-users have the added benefit of both not competing with future developments within the business parks and driving additional leasing interest to the remaining land parcels.
3. **Recycling Capital from Old to New in Multi-unit Residential:** Given the Strategy's existing weight to income producing multi-unit residential (16,624 units and 36.60%) and our residential development pipeline (1,338 units + 1.59%), the team has taken the opportunity to sell a number of non-strategic, older vintage multi-unit residential properties in 2025. In total, the team sold 4 properties, totaling 642 units across 3 markets at slightly below appraised value.

- Grocery-Anchored Retail Financing:** Actively managing debt is a critical part of our investment process as debt may enhance returns but also increase volatility. We manage debt at the portfolio level, which allows us to seek out the lowest cost of debt in the market. The high-quality nature of the Strategy allowed us to execute on several key financings in 2025, most notably including Westhills Towne Centre which is a major grocery-anchored retail centre located in Calgary, AB. The centre spans over 344,000 square feet and 35.71 acres and is currently 97.49% leased to diversified, high-quality tenants. Given its strong property-level fundamentals and lender demand

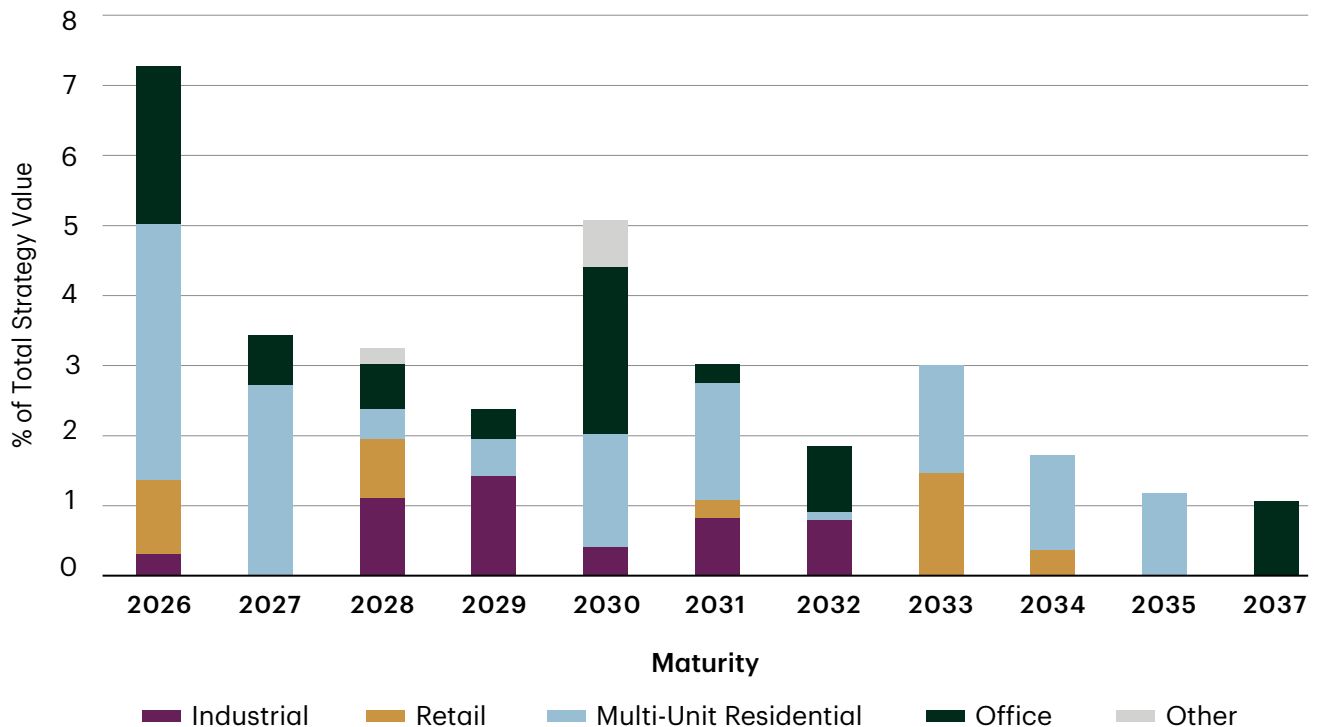
for grocery-anchored retail, TDAM brought Westhills Towne Centre to the lending community to secure long-term, attractive financing. Similar to 201 Portage, the successful bidder was an institutional lender with a long-standing relationship with TDAM. The 7-year term, 49.60% loan to value (“LTV”) loan was locked in at an all-in rate of 4.07% (GOC + 129 bps). Overall, this is a good example of our top-down approach to debt management as we were able to bring an attractive opportunity to market that capitalized on a high-demand property type for lenders (grocery-anchored retail) to achieve the overall lowest cost of debt.

Figure 3: Debt Profile by Property Type

	Loan to Value (%)	Weighted Interest Rate (%)
Commercial	32.84	4.51
Multi-Unit Residential	43.08	3.67
Total	36.76	4.13

TDAM. As at Dec 31, 2025.

Debt Maturity Schedule



TDAM. As at Dec 31, 2025.

ESG:

The Strategy's GRESB assessment hit a major milestone in 2025, achieving its tenth consecutive Green Star ranking and scored 86 out of 100 for standing investments this year¹. This score reflects TDAM's ongoing focus on engaging with asset, property and development managers to improve data quality, coverage and performance across the portfolio, including emphasis on energy, water, waste, building certifications and risk management processes.

Indicator	Description	2022	2023	2024	YoY
GRESB Score²	Annual GRESB Real Estate Assessment	75	84	86	+2
Energy Data Coverage	Properties that monitor energy usage (by gross floor area)	79%	92%	92%	-
Portfolio Certification Coverage	Properties that achieved a green, health and wellness, and/or accessibility-focused certification (by gross floor area)	74%	90%	92%	+2%
Energy Use³	Total energy consumption in megawatt hours (MWh)	1,340	1,262	1,235	-2%
Energy Use Intensity	Total energy consumption per sq foot (MWh / ft ²)	21.3	20.0	19.9	-0.5%
Greenhouse Gas Emissions⁴	GHG emissions (t CO ₂ e)	203,074	186,397	187,668	+0.7%
GHG Emission Intensity	GHG emissions per 000's sq foot (t CO ₂ e / 000 ft ²)	3.22	2.95	3.02	+2.4%
Renewable Energy Generation	Total renewable energy generation (MWh)	1,157	1,100	1,499	+36%
Commercial Green Lease Penetration	Portfolio area covered by a green lease	25%	30%	38%	+27%

TDAM. As at Dec 31, 2025.

¹Source: 2025 GRESB Real Estate Benchmark Report.

² The Global Real Estate Sustainability Benchmark (GRESB) score refers to the calendar year of the data submitted. That is, the '2024' score relates to the 2025 GRESB assessment year.

³Total energy consumption for the TD Greystone Canadian Real Estate Strategy includes estimated data for the active, Core portfolio.

⁴ Annual location-based greenhouse gas (GHG) emissions for the TD Greystone Canadian Real Estate Strategy includes estimated data and Scope 1, 2, and 3 GHG emissions (i.e., tenant emissions) for the active, Core portfolio. GHG emission accounting is in accordance with the GHG Protocol Standard for Corporate Accounting.

TDAM has maintained a strategic focus on data coverage, quality, and analytics as a key area of importance for the Strategy. We view asset-level performance data, including energy consumption and equipment data, as a valuable resource for driving efficiency and operational excellence across our properties. Our focus on expanding energy metering and monitoring has supported an increase in energy data availability across the portfolio properties, increasing from 79% of the total portfolio square footage in 2022 to 92% in 2024. At the asset level, this allows property teams to identify and evaluate efficiency opportunities, yielding both energy cost savings and emissions reductions and supporting overall building operations.

Demonstrating commitment to decarbonization and leadership in sustainable operations, the Strategy continues to pursue Canada Green Building Council's (CAGBC) Zero Carbon Building (ZCB) certifications for strategic assets across the portfolio. In line with this approach, in 2025, the Telus Garden Office building in Vancouver successfully renewed its ZCB Performance certification.

2026 Outlook

Looking ahead, we are optimistic that the broader real estate market will return to a more normalized state in 2026 as investment activity picks up and property-level fundamentals remain strong. The Strategy is well positioned to perform under these market conditions given our high-quality, diversified portfolio. Combining investment excellence with the benefits of Modernization, we are excited for what is to come in 2026 and beyond. ■

Real Estate



All data is at December 31, 2025 unless otherwise stated.

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TD Greystone Canadian Real Estate Fund:

The TD Greystone Canadian Real Estate Fund is comprised of the TD Greystone Canadian Real Estate LP ("Master Fund"), the TD Greystone Real Estate Fund Inc. ("GREF"), the TD Greystone Real Estate LP Fund ("GRELP") and TD Greystone Real Estate LP Fund II ("GRELP II"), collectively the "Feeder Funds".

Each of the Feeder Funds acts as a feeder fund in a master-feeder structure and invests directly or indirectly in the Master Fund but may also make certain investments outside of the Master Fund.

Master:

The Master Fund is priced monthly in CAD and includes any working capital within the Master Fund, as well as the current CAD value of the most recent valuation of the underlying investments. Valuations of the investments held in the Master Fund are done on a quarterly basis. Interim valuations may be made as a result of specific situations.

Feeders:

The Feeder Funds are priced monthly in Canadian dollars and reported to clients in Canadian dollars and include working capital held within the Feeder Funds as well as the updated monthly value of the units held in the Master Fund. The value of the Feeder Funds investment in the Master Fund is determined based on the updated monthly price of the Master Fund. The value of any investments held outside the Master Fund by the Feeder Fund is based on their respective Net Asset Values.

Includes the combined invested and committed capital of TD Greystone Canadian Real Estate LP, the TD Greystone Real Estate Fund Inc. (GREF), the TD Greystone Real Estate Fund LP (GRELP) and TD Greystone Real Estate LP Fund II (GRELP II), in Canadian dollars.

Returns are calculated using daily time-weighted rates of returns for securities and are geometrically linked over the period. Assets are valued using trade date accounting and accrual accounting for all assets that accrue income and dividends. If the since inception period for the security is less than one year, the "Since Inception" return represents the total return for the period.

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MSCI/REALpac returns are not immediately available at quarter-end; therefore, the prior quarter's index return is used in this report for benchmark calculation purposes. When the actual index is available, the benchmark return is then re-calculated.

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