CLARION PARTNERS by Franklin Templeton

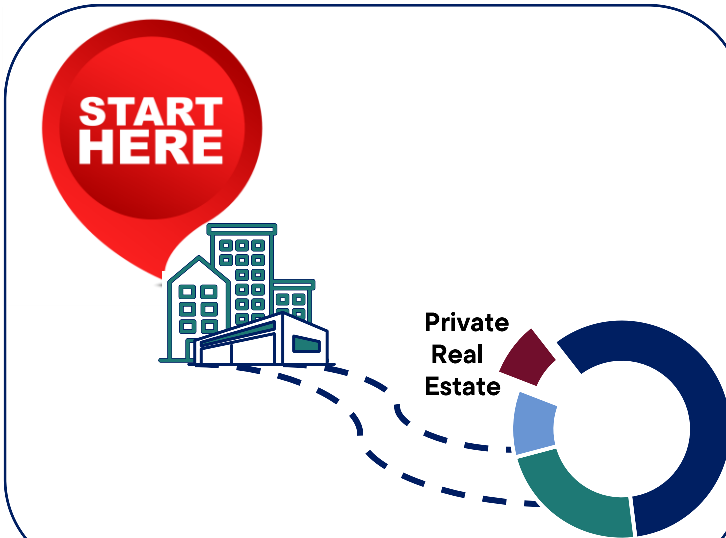
Clarion Calls: Start here – Why private real estate first?

August 2026

An ideal starting point to invest in private markets

What you need to know

- Private markets are reshaping Defined Contribution (DC) investing
- Multiple implementation paths now exist
- Private real estate offers a starting point with an established track record
- It also combines participant benefits with operational readiness



Why start with private real estate?

A proven track record

Built on experience, not theory

- ✓ 20 + years in DC plans
- ✓ ~ $45B already invested in DC plans[1]
- ✓ Private real estate has an established operational precedent

Built for long-term investors

A natural bridge between stocks & bonds

- ✓ Income generation
- ✓ Long-term appreciation potential
- ✓ Inflation alignment
- ✓ Lower volatility than public REITs

1 Defined Contribution Real Estate Council Private Real Estate in Defined Contribution Survey 2025.

Operationally ready

Designed for today's DC ecosystems

- ✓ Daily pricing
- ✓ Evergreen structures
- ✓ Ongoing contributions & withdrawals
- ✓ Compatible with modern DC platforms

Why it makes sense

A practical first allocation to private markets

- ✓ Familiar asset class
- ✓ Participant-friendly
- ✓ Institutional diversification
- ✓ Durable return profile

What this means for investors

- ✓ **Private real estate is a recognized solution for DC plans**
- ✓ **It offers durable income and diversification**
- ✓ **Modern structures support operational simplicity**
- ✓ **It can serve as an effective first step into private markets**

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