



APN's AREIT Fund celebrates 10-year anniversary

APN Property Group is proud to mark the 10-year anniversary of the APN AREIT Fund ('Fund') this week.

With more than \$1.2 billion funds under management, the APN AREIT Fund has become the fund of choice for many financial advisers and investors seeking regular, predictable income derived from the listed commercial property sector.

Investing in a diversified portfolio of high yielding, lower risk Australian Real Estate Investment Trusts (AREITs), the Fund has proven to be a strong performer over the last ten years.

Delivering a total return of 13.43% pa¹ since inception to 31 December 2018, and currently yielding 6.28% pa², the Fund is ideally suited to investors looking for a high yielding investment.

Tim Slattery, Chief Executive Officer, commented: "Ten years on, we're proud that the Fund has consistently delivered a high level of income across all market conditions. We think that the Fund remains very relevant for conservative, income-seeking investors, particularly given the current low interest rate environment".

"Despite the highly volatile environment at the time of launching the Fund in 2009, APN held a strong conviction that an actively managed AREIT fund would meet the demands of investors looking for a regular and stable income stream."

"We attribute the Fund's outperformance to our Real Estate Securities team's disciplined investment process based on APN's income focused investment philosophy and deep real estate expertise."

Pete Morrissey, CEO Real Estate Securities, said "it's an excellent legacy to inherit as I step into the role of lead portfolio manager of the Fund and CEO of APN's securities investment team. Michael Doble and our team have delivered an excellent ten years for the Fund. I've been fortunate to have been involved in the Fund from the very beginning and I'm optimistic in our team's ability to deliver income and risk-adjusted returns that are synonymous with our track record today".

Mr Morrissey said, "Our 'Property for Income' investments continue to appeal to investors, which are underpinned by quality hard assets, high cash yields and modest debt levels. One of the most compelling features about commercial property has always been the protection afforded by long dated lease contracts. Whilst economic and business environments fluctuate, rental payments are locked in, often over 5, 10, 12 or more years. And those rents increase year-on-year, providing a natural hedge against inflation. It's the certainty of income from commercial property which makes the sector very attractive."

Whilst there are a number of headwinds to monitor, high occupancy rates, rental growth across all property sectors, demand for quality assets and well managed balance sheets are supportive of a solid outlook over the medium to long term. We expect a total return in the order of 9-11% over the next twelve months.

Available on all major platforms and widely available on Approved Product Lists within the financial planning network, the Fund also accepts direct retail applications via the Product Disclosure Statement with a minimum investment of \$1,000.

- 1 Returns after all fees and expenses. Assumes distributions are reinvested. Investors' tax rates are not taken into account when calculating returns. Past performance is not necessarily an indicator of future performance.
- 2 Current running yield as at 10 January 2019, is calculated daily by dividing the annualised distribution rate by the latest entry unit price. Distributions may include a capital gains component. Past performance is not an indicator of future returns.

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APN Property Group

A specialist real estate investment manager

We actively invest in, develop and manage real estate and real estate securities on behalf of institutional and retail investors. APN's approach to real estate investment is based on a 'property for income' philosophy.

Established in 1996, APN's listed on the ASX and manages \$2.8 billion (as at 30 June 2018) of real estate and real estate securities. APN trades on the ASX under the code 'APD'.

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