

The **APN** AREIT Fund is an income focused, award winning property securities fund that invests in a portfolio of listed Australian Real Estate Investment Trusts (AREITs).

Performance 31 January 2020

	1 month	3 months	6 months	1 year	3 years pa	5 years pa	7 years pa	10 years pa	Since inception ² pa
APN AREIT Fund Income ³	0.51%	1.47%	2.95%	6.63%	6.54%	6.57%	7.16%	7.96%	8.23%
APN AREIT Fund Total return ⁴	4.57%	3.04%	4.54%	16.05%	9.99%	9.41%	11.73%	12.38%	13.97%

1. As at 31 January 2020. Current running yield is calculated daily by dividing the annualised distribution rate by the latest entry unit price. Distributions may include a capital gains component. Distributions are not guaranteed and past performance is not an indicator of future returns. 2. Fund inception 19 January 2009. 3. Distributions may include a capital gains component. 4. 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 an indicator of future performance.

Investment objectives

The primary investment return objectives of the Fund are to:

- provide a gross annual income yield (before management fees and expenses) that equates to at least 110% of the average yield of the S&P/ASX 200 AREIT Index Dividend Yield;
- provide a level of capital growth which at least matches increases in CPI over a 5-7 year time horizon; and
- provide lower than market volatility⁵.

Benefits

- Focus on generating sustainable, regular and relatively high income returns through investing in listed property securities.
- Access to an underlying diversified portfolio of thousands of quality commercial real estate assets predominantly located in Australia.
- Monthly distributions.
- Actively managed (non-index aware) portfolio, applying a highly disciplined and proven strategy designed to deliver on the Fund's income and risk objectives.
- 100% liquid – daily applications and withdrawals.

This Fund is suited to:

- Investors seeking consistent and relatively high levels of income.
- SMSFs - investors managing their own retirement.
- Investors wanting access to a diversified portfolio of quality AREITs.
- Medium to long term investors.

**Current
running
yield**

**5.65%
pa⁸**
APN AREIT
Fund

**4.41%
pa⁸**
AREIT Index⁷

Note: See footnotes 5, 6 and 7 over page.

AT A GLANCE

Type of fund	Income focused AREIT fund
mFund	APF01
Commencement date	19 January 2009
Fund size	\$1,310.30m as at 31 January 2020
Investment timeframe	5 - 7 years
Minimum investment amount	\$1,000
Minimum additional amount	\$500 (\$100 per month with regular investment savings plan)
Income distribution	Monthly
Unit pricing	Daily
Withdrawals	Daily
Distribution reinvestment plan	Available
Management costs	0.85% pa
Buy/sell spread	0.25% buy and 0.25% sell

Note: Fund has no entry or exit fees. Fund has no borrowing.

APN AREIT Fund performance versus Fund objective

Financial Year Ending ⁹	APN AREIT Fund Yield ⁹	110% of Benchmark Yield ¹⁰	Outperformance
Jun 2019	6.18%	4.97%	1.21%
Jun 2018	6.35%	5.42%	0.92%
Jun 2017	6.00%	5.12%	0.87%
Jun 2016	6.38%	5.18%	1.20%
Jun 2015	6.84%	4.85%	1.99%
Jun 2014	7.73%	6.03%	1.70%

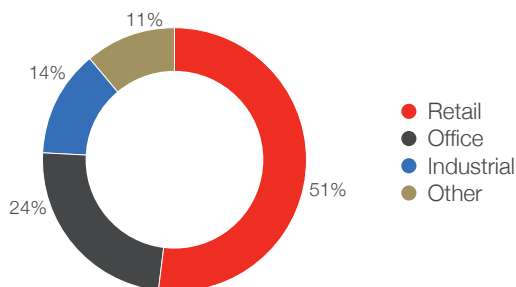
8. Yield is expressed as the annualised distribution divided by the average ex-application price for the financial year.

9. Average distributions after management fees and expenses. Distributions may include a capital gains component. Past performance is not an indicator of future performance.

10. AREIT 200 average dividend yield for period.



Underlying property sector allocation 31 January 2020



Top 5 AREIT holdings 31 January 2020

Stock	Sector	% of APN AREIT Fund
Scentre Group	Retail	18%
Stockland	Diversified	9%
Mirvac Group	Diversified	6%
Vicinity Centres	Retail	6%
GPT Group	Diversified	6%

Asset class allocation 31 January 2020

AREITs 97% Cash 3%

Note: Cash includes accrued income and accrued expenses. Asset allocations may change depending on market conditions and in accordance with the Fund's mandate.

Research ratings

- SQM Research¹¹ - 4.25 Star Superior rating (September 2019)
- Zenith¹² - Recommended rating (June 2019)
- Morningstar¹³ Analyst Rating™ - Silver (May 2019)
- Lonsec¹⁴ - Recommended rating (April 2019)

Platform availability

AMP North, AMP Personalised Portfolio Platform, ANZ Grow Wrap, Asgard eWrap, Asgard Infinity, ASX mFund, BT Panorama, BT Wrap, CFS FirstChoice, CFS FirstWrap, Emerald Wrap, Freedom of Choice, Hub24, IOOF Pursuit, Lifeplan, Linear Wrap, Macquarie Wrap, MLC Wrap, Navigator, Netwealth, OneVue, Powerwrap, Praemium, uXchange

About the Manager

APN Funds Management Limited (APN FM) is a wholly owned subsidiary of APN Property Group Limited (ASX code: APD), a specialist real estate investment manager. An active investment manager with a concentrated focus on income, APN FM has a strong record of delivering a range of property based investment solutions for institutional and retail clients since 1998.

Investment team

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- The APN AREIT Fund aims to provide than lower market volatility compared with the S&P/ASX 300 AREIT Index over a 5-7 year time horizon.
- As at 31 January 2020. Current running yield is calculated daily by dividing the annualised distribution rate by the latest entry unit price. Distributions may include a capital gains component. Distributions are not guaranteed and past performance is not an indicator of future returns.
- S&P/ASX 200 Property Trust Accumulation Index.
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- The Zenith Investment Partners ("Zenith") ABN 60 322 047 314 rating (assigned June 2019 for the APN AREIT Fund) referred to in this document is limited to "General Advice" (as defined by section 766B of Corporations Act 2001) and based solely on the assessment of the investment merits of the financial product on this basis. It is not a specific recommendation to purchase, sell or hold the relevant product(s), and Zenith advises that individual investors should seek their own independent financial advice before investing in this product. The rating is subject to change without notice and Zenith has no obligation to update this document following publication. Zenith usually receives a fee for rating the fund manager and product against accepted criteria considered comprehensive and objective.
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