

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 28 February 2021

	1 month	3 months	6 months	1 year	3 years pa	5 years pa	7 years pa	10 years pa	Since inception ¹ pa
APN AREIT Fund Income ²	0.49%	1.38%	3.17%	5.37%	6.16%	6.14%	6.64%	7.44%	7.90%
APN AREIT Fund Total return ³	(1.17%)	(4.68%)	5.79%	(16.86%)	1.27%	2.14%	6.65%	8.68%	10.50%

1. Fund inception 19 January 2009. 2. Distributions may include a capital gains component. 3. 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 volatility⁴.

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**

6.13%
pa⁷

APN AREIT
Fund

4.90%
pa

AREIT Index⁸



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	\$924.78m as at 28 February 2021
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.

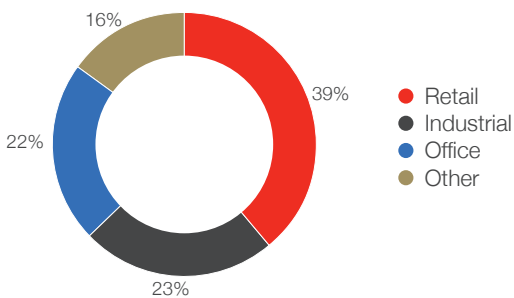
APN AREIT Fund performance versus Fund objective

Financial Year Ending ⁷	APN AREIT Fund Yield ⁸	110% of Benchmark Yield ⁹	Outperformance
Jun 2020	6.38%	5.60%	0.78%
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%

- 7. Yield is expressed as the annualised distribution divided by the average ex-application price for the financial year.
- 8. Average distributions after management fees and expenses. Distributions may include a capital gains component. Past performance is not an indicator of future performance.
- 9. AREIT 200 average dividend yield for period.



Underlying property sector allocation 28 February 2021



Top 5 AREIT holdings 28 February 2021

Stock	Sector	% of APN AREIT Fund
Goodman Group	Industrial	10%
Scentre Group	Retail	10%
Stockland	Diversified	8%
Charter Hall Retail REIT	Retail	6%
Mirvac Group	Diversified	6%

Asset class allocation 28 February 2021

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 Research¹⁰ - 4.25 Star Superior rating (September 2020)
- Zenith¹¹ - Recommended rating (June 2020)
- Lonsec¹² - Recommended rating (April 2020)
- Morningstar¹³ Analyst Rating™ - Bronze (31 July 2020)
- High Morningstar Sustainability Rating¹³ - (31 December 2020)

Platform availability

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

Pete Morrissey Chief Executive Officer, Real Estate Securities
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Steven Tjia Fund Analyst, Real Estate Securities

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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 28 February 2021. 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.
- The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.
- The Zenith Investment Partners ("Zenith") ABN 60 322 047 314 rating (assigned June 2020 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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- APN AREIT Fund received Morningstar Analyst Rating™ of 'Bronze' as of 31/07/2020. APN AREIT Fund received High Morningstar Sustainability Rating™ out of 1173 Real Estate Sector Equity funds as of 31 Dec 2020. Based on 95 of AUM. Data is based on long positions only. Historical Sustainability Score as of 31 Jan 2021. Sustainability Rating as of 31 Dec 2020. Sustainability provides company-level analysis used in the calculation of Morningstar's Historical Sustainability Score. © 2021 Morningstar, Inc. All rights reserved. Neither Morningstar, its affiliates, nor the content providers guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution. Any general advice or 'regulated financial advice' under New Zealand law has been prepared by Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or Morningstar Research Ltd, subsidiaries of Morningstar, Inc, without reference to your objectives, financial situation or needs. For more information refer to our Financial Services Guide (AU) or Financial Advice Provider Disclosure Statement (NZ) at www.morningstar.com.au/s/fsq.pdf and www.morningstar.com.au/s/fapds.pdf. You should consider the advice in light of these matters and if applicable, the relevant Product Disclosure Statement before making any decision to invest. Our publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a professional financial adviser.