

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).

Current running yield  
**6.00%** pa<sup>1</sup>

**Performance** 31 May 2019

	1 month	3 months	6 months	1 year	3 years pa	5 years pa	7 years pa	10 years pa	Since inception <sup>2</sup> pa
APN AREIT Fund Income <sup>3</sup>	0.51%	1.58%	3.38%	6.63%	6.30%	6.92%	7.55%	8.36%	8.34%
APN AREIT Fund Total return <sup>4</sup>	1.83%	4.92%	10.85%	10.56%	5.60%	11.50%	13.44%	14.44%	13.85%

1. As at 31 May 2019. 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;
- have a tax advantaged income component of distributed income;
- 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 volatility<sup>5</sup>.

**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 with tax advantaged income.
- 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.
- Investors seeking tax effective income.
- SMSFs - investors managing their own retirement.
- Investors wanting access to a diversified portfolio of quality AREITs.
- Medium to long term investors.

**Research ratings**

- Morningstar<sup>6</sup> Analyst Rating™ - Silver (May 2019)
- Lonsec<sup>7</sup> - Recommended rating (April 2019)
- SQM Research<sup>8</sup> - 4.25 Star Superior rating (September 2018)
- Zenith<sup>9</sup> - Recommended rating (July 2018)

Note: See footnotes 5, 6, 7, 8 and 9 over page.

**AT A GLANCE**

Type of fund	Income focused AREIT fund
mFund	APF01
Commencement date	19 January 2009
Fund size	\$1,274.99m as at 31 May 2019
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 <sup>10</sup>	APN AREIT Fund Yield <sup>11</sup>	110% of Benchmark Yield <sup>12</sup>	Outperformance
Jun 2018	6.11%	5.78%	0.33%
Jun 2017	6.05%	5.12%	0.93%
Jun 2016	6.38%	5.18%	1.21%
Jun 2015	6.84%	4.85%	1.99%
Jun 2014	7.73%	6.03%	1.70%

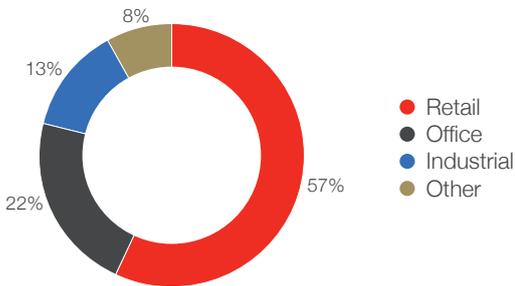
10. Yield is expressed as the annualised trailing twelve months yield.

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

12. AREIT 200 average dividend yield for period.



## Underlying property sector allocation 31 May 2019



## Top 5 AREIT holdings 31 May 2019

Stock	Sector	% of APN AREIT Fund
Scentre Group	Retail	21%
Stockland	Diversified	10%
Vicinity Centres	Retail	7%
Mirvac Group	Diversified	6%
Dexus Property Group	Office	6%

## Asset class allocation 31 May 2019

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.

## 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 has a strong record of delivering a range of property based investment solutions for institutional and retail clients since 1996.

## Investment team

**Pete Morrissey** Chief Executive Officer, Real Estate Securities  
**Michael Doble** Chief Investment Officer, Real Estate Securities  
**Mark Mazzarella** Assistant Fund Manager, Real Estate Securities  
**Matthew Coleman** Fund Analyst, Real Estate Securities

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- The APN AREIT Fund aims to deliver lower risk compared to investing in the S&P/ASX 300 Property Trust Accumulation Index.
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