

30 June 2017

## Fact Sheet

<b>Investment objective</b>	The Fund seeks to provide total return through long-term capital appreciation and current income by investing primarily in equity and equity-related securities issued by international property companies. It provides investors exposure to attributes of property ownership along with liquidity offered by tradable securities. The Fund focuses on core property companies, which are considered by the Investment Manager to have a lower risk profile than the broader universe of property securities. Please note the investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve.		
<b>Investments held</b>	Listed property securities which are considered by the Investment Manager to have a lower risk profile than the broader property securities universe, and which are listed on major world stock exchanges including US, Canada, Western Europe and Asia.		
<b>Investment Manager</b>	SG Hiscock & Company Limited & LaSalle Investment Management Securities, LLC		
<b>APIR</b>	ETL0394AU	<b>mFund Product Code</b>	SHF06
<b>Commencement</b>	29 January 2014	<b>Management costs<sup>1</sup></b>	0.98% p.a.
<b>Minimum initial investment</b>	\$20,000	<b>Buy spread</b>	+0.25%
<b>Fund size</b>	\$2.55 million	<b>Sell spread</b>	-0.25%

Unit Prices	Application	Net Asset Value	Withdrawal
30 June 2017	\$ 1.1384	\$ 1.1356	\$ 1.1328

Performance as at 30 June 2017 <sup>2</sup>	1 mth %	3 mths %	6 mths %	1 yr %	2 yr % pa	3 yr % pa	Inception % pa
Distribution Return	3.88	3.84	3.83	4.94	8.79	7.44	8.68
Growth Return	-3.16	-4.00	-4.41	-8.76	-1.61	0.61	2.53
Total Net Return	0.72	-0.16	-0.58	-3.82	7.18	8.05	11.21
Index Return <sup>3</sup>	0.90	1.75	2.39	-0.12	8.69	8.47	11.68

Income Distributions	31-Dec-15	30-Jun-16	31-Dec-16	30-Jun-17
CPU	1.0000	13.9788	1.5446	4.3749

Top 5 holdings as at 30 June 2017			
Company	Holding (%)	Country	Description
Simon Property Group	8.44%	United States	US REIT which primarily invests in regional malls and community shopping centres.
Equity Residential	6.40%	United States	US REIT whose business activities include the acquisition, development, and management of multifamily properties in the US.
Welltower Inc.	4.88%	United States	US REIT which primarily invests in senior housing and health care real estate properties.
Boston Properties	4.71%	United States	US REIT which owns, manages and develops office properties in Boston, New York, Washington D.C., San Francisco, and Princeton.
Avalon Bay Communities Inc.	4.34%	United States	US REIT that develops, redevelops, acquires, owns, and operates multifamily communities in the United States.

1. Includes estimated GST payable, after taking into account Reduced Input Tax Credits ("RITC").  
 2. Performance: Distribution Return is the return due to distributions paid by the Fund, Growth Return is the return due to changes in initial capital value of the Fund, Total Net Return is the Fund return after the deduction of ongoing fees and expenses and assumes the reinvestment of all distributions.  
 3. Index = FTSE EPRA/NAREIT Developed Rental Index \$A hedged (ex Australia).

## Fact Sheet

Asset allocation as at 30 June 2017				
Regions	Countries	Allocations (%)	Current portfolio (%)	Benchmark (%)
Asia Pacific	Hong Kong	2.11	8.92	11.66
	Japan	5.81		
	Singapore	1.00		
Europe	Continental	12.54	20.65	18.73
	UK	8.11		
North America	Canada	1.56	70.43	69.62
	US	68.87		
<b>TOTAL</b>		<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

### Commentary

The regional tilts of the fund were adjusted in June. We reduced our exposure to Continental Europe and moved from a modest overweight to a market weight position, and increased our overweight to the United States. We maintained our overweight position to the United Kingdom and underweight positions to Singapore, Japan and Canada. We are market weight to Hong Kong.

The portfolio modestly underperformed the benchmark in June. Negative stock selection results were the main driver of relative performance, driven by underperformance in Continental Europe. Regional allocation (allocation and currency combined, exclusive of cash) results were flat this month, as positive allocation results in Japan were offset by negative allocation results in the United States. Currency hedging positively impacted relative performance of the fund this month.

Leading economic indicators remain mostly positive across much of the globe and we continue to expect a moderate level of global economic growth. As global growth expectations have firmed, central banks have begun to hint that the continued improvement of economic data may warrant tighter monetary policy. Investors are weighing the impact this potential policy change could have on what are currently very supportive financial conditions. At the same time, global economic growth expectations and real estate fundamentals are generally healthy across most of the globe. We believe the health of real estate fundamentals in today's economic and capital market backdrop should support earnings growth for real estate securities.

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