

31 May 2018

Fact Sheet

Investment objective	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.		
Investments held	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.		
Investment Manager	SG Hiscock & Company Limited & LaSalle Investment Management Securities, LLC		
APIR	ETL0394AU	mFund Product Code	SHF06
Commencement	29 January 2014	Management costs¹	0.98% p.a.
Minimum initial investment	\$20,000	Buy spread	+0.25%
Fund size	\$1.88 million	Sell spread	-0.25%

Unit Prices	Application	Net Asset Value	Withdrawal
31 May 2018	\$ 1.1010	\$ 1.0983	\$ 1.0956

Performance as at 31 May 2018 ²	1 mth %	3 mths %	6 mths %	1 yr %	2 yr % pa	3 yr % pa	Inception % pa
Distribution Return	0.00	0.00	1.46	5.41	8.58	7.36	7.13
Growth Return	2.40	7.78	-1.98	-2.58	-7.76	-3.47	2.13
Total Net Return	2.40	7.78	-0.52	2.83	0.82	3.89	9.26
Index Return ³	2.80	8.45	-0.15	3.64	3.34	5.08	9.77

Income Distributions	30-Jun-16	31-Dec-16	30-Jun-17	31-Dec-17
CPU	13.9788	1.5446	4.3749	1.6704

Top 5 holdings as at 31 May 2018			
Company	Holding (%)	Country	Description
Simon Property Group	7.93%	United States	US REIT which primarily invests in regional malls and community shopping centres.
Equity Residential	5.87%	United States	US REIT whose business activities include the acquisition, development, and management of multifamily properties in the US.
Public Storage	5.15%	United States	US REIT whose business activities include the acquisition, development, ownership and operation of self-storage facilities. Public Storage also owns an equity interest in an owner and operator of self-storage facilities in Europe.
AvalonBay Communities Inc.	5.10%	United States	US REIT that develops, redevelops, acquires, owns, and operates multifamily communities in the United States.
Welltower Inc.	4.89%	United States	US REIT which primarily invests in senior housing and health care real estate properties.

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 31 May 2018				
Regions	Countries	Allocations (%)	Current portfolio (%)	Benchmark (%)
Asia Pacific	Hong Kong	4.41	10.67	12.22
	Japan	5.74		
	Singapore	0.52		
Europe	Continental	13.59	20.72	20.17
	UK	7.13		
North America	Canada	1.32	68.61	67.61
	US	67.29		
TOTAL		100.00	100.00	100.00

Commentary

The country allocations of the portfolio were adjusted in May. The overweight position to Hong Kong was modestly increased as exposure to Singapore was reduced. The portfolio remains underweight to Singapore. The portfolio remained overweight to the United States and the United Kingdom; underweight to Japan and Canada; and market weight to Continental Europe.

The portfolio underperformed its benchmark in May. Relative performance was driven by negative stock selection, stemming from underperformance in the United States and Europe. A large portion of this underperformance was attributable to the Fund's lower risk bias, particularly an underweight position to the U.S. hotel sector which is excluded from its investable universe. The U.S. hotel sector outperformed benefiting from positive operating results and acquisition activity within the sector. The impact of regional allocation decisions were mostly flat during the month.

The global economy is healthy and economic growth expectations remain near current cycle peak levels. Leading economic indicators, while recently off highs, remain at levels supportive of continued economic expansion.

This economic backdrop has been accompanied by higher interest rates and inflation expectations. However, this modest shift in financial conditions has not reached a level that has significantly impacted the pricing of direct real estate and is likely to be mitigated to some degree by the benefits generated for the real estate sector in such an environment.

Given the health of real estate fundamentals in the current economic and capital market environment, LaSalle continues to expect solid levels of earnings and dividend growth for real estate securities. The sector continues to offer attractive pricing relative to its historical trading pattern with broader market alternatives – particularly its relationship with private real estate.

Source: FTSE International Limited ("FTSE") © FTSE 2018. FTSE® is a trade mark of the London Stock Exchange Group companies and is used by FTSE under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

For more information visit www.sghiscock.com.au

Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975), a subsidiary of EQT Holdings Limited (ABN 22 607 797 615) a publicly listed company on the Australian Securities Exchange (ASX:EQT), is the Responsible Entity of the Fund. SG Hiscock & Company (ABN 51 097 263 628 AFSL 240679) is the Investment Manager of the Fund and has prepared this document for general information purposes only. It does not contain investment recommendations nor provide investment advice. Neither Equity Trustees Limited nor its related entities, directors or officers guarantees the performance of, or the repayment of capital or income invested in the Fund. Past performance is not necessarily indicative of future performance. Professional investment advice can help you determine your tolerance to risk as well as your need to attain a particular return on your investment. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. You should not act in reliance on the information contained in this document. We strongly encourage you to obtain detailed professional advice and to read the relevant product disclosure statement (PDS) in full before making an investment decision. Equity Trustees Limited does not express any view about the accuracy or completeness of information that is not prepared by Equity Trustees Limited and no liability is accepted for any errors it may contain. Investors can acquire units by completing the application form accompanying a current PDS or, where available by making an application through the mFund settlement service (mFund) by placing a buy order for units with your licensed broker. A current PDS can be obtained by contacting SG Hiscock & Company Limited on 1300 555 511.