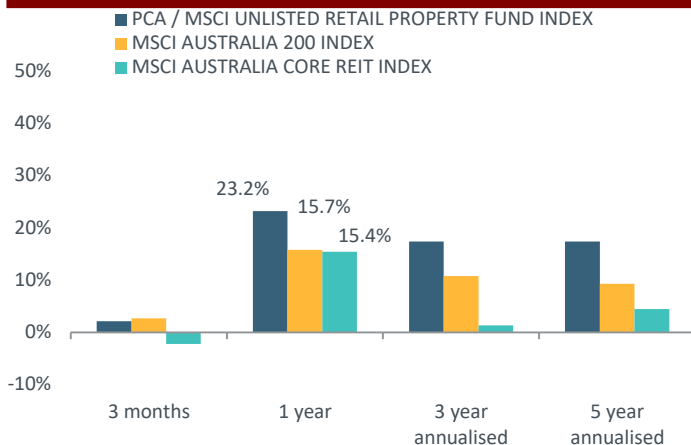


PROPERTY INVESTMENT FACTSHEET - MARCH 2022

Unlisted Funds

UNLISTED PROPERTY VS. EQUITIES RETURNS PERIODS TO MARCH 2022



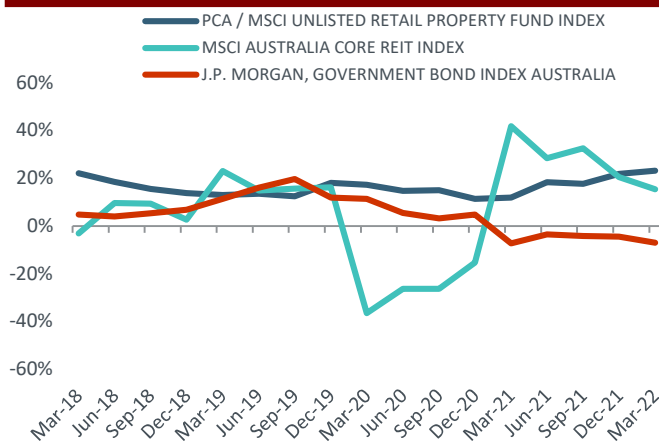
COMMENTARY

While equity markets posted strong returns for the 12 months to 31 March 2022, rising rates, inflation and the war in Ukraine have seen a shift in investor sentiment with a global sell off in both equities and bonds over the quarter. Australian equities stayed in positive territory, supported by strong performance of the energy and resources sectors, outperforming global markets. A-REITs fell over the quarter and are now trading below book value. Meanwhile, Australian unlisted property funds delivered 23.2% for the 12 months to 31 March 2022, continuing their strong performance. Rising rents and capital values were underpinned by record transactional activity in Q1 2022.

LISTED PROPERTY: PRICE TO BOOK VALUE MARCH 2018 TO MARCH 2022



FIXED INCOME, UNLISTED & LISTED PROPERTY MARCH 2018 TO MARCH 2022



DETAILED INVESTMENT TYPE COMPARISON

DATE (12 MONTHS TO)	Unlisted Property PCA / MSCI UNLISTED RETAIL PROPERTY FUND INDEX	Listed Property MSCI AUSTRALIA CORE REIT INDEX	Australian Equities MSCI AUSTRALIA 200 INDEX	Global Equities MSCI WORLD ex AUSTRALIA INDEX	Fixed income J.P. MORGAN, GOVERNMENT BOND INDEX AUSTRALIA	Cash AUSTRALIAN BANKS' TERM DEPOSITS AVERAGE RATE
Mar-18	22.1%	-3.1%	2.1%	11.0%	4.7%	2.0%
Mar-19	12.9%	23.1%	12.4%	6.4%	11.3%	2.0%
Mar-20	17.2%	-36.5%	-15.4%	-10.5%	11.3%	1.3%
Mar-21	11.8%	41.9%	38.6%	54.6%	-7.2%	0.5%
Mar-22	23.2%	15.4%	15.7%	10.6%	-7.0%	0.2%
5 year annualised	17.4%	4.4%	9.3%	12.5%	2.3%	1.2%
Standard deviation	6.5%	22.9%	17.3%	17.9%	7.7%	0.4%

Data sources: MSCI, RBA, Barclays Capital (see other side for more information)

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PROPERTY INVESTMENT FACTSHEET - MARCH 2022

Direct Property

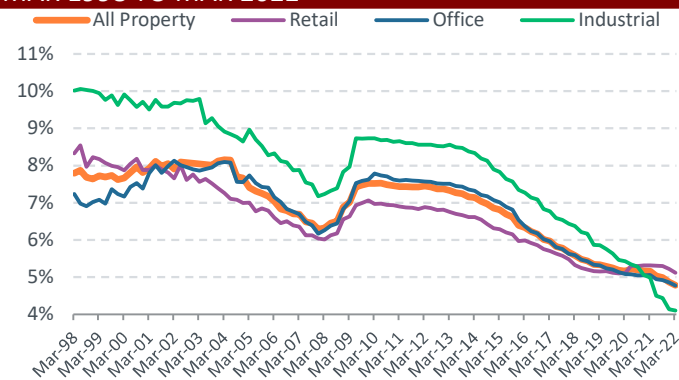
DIRECT PROPERTY INVESTMENT RETURNS MAR 1988 TO MAR 2022



INCOME & CAPITAL RETURN FOR DIRECT PROPERTY 12 MONTHS TO MAR 2021 AND MAR 2022



DIRECT PROPERTY CAP RATES PER SECTOR MAR 1998 TO MAR 2022



DATA SOURCES -All results shown are accumulation indexes-

- UNLISTED PROPERTY The Property Council of Australia/MSCI Australia Unlisted Retail Quarterly Property Fund Index , Core funds, Pre-fee total return
- AUSTRALIAN EQUITIES MSCI Australia 200 Index, Gross total return
- GLOBAL EQUITIES MSCI World ex-Australia Index, Investible Market Index, Gross total return
- LISTED PROPERTY MSCI Australia Core REIT Index, Investible Market Index, Gross total return & Price-to-book-value ratio
- FIXED INCOME J.P. Morgan, Government Bond Index Australia, Unhedged, 7-10 Years, AUD, Total return
- CASH Reserve Bank of Australia, Retail deposit and investment rates, Banks' term deposits (\$10000), Average rate (all terms)
- DIRECT PROPERTY The Property Council/MSCI Australian All Property Index, Total income and capital return & Valuer capitalisation rate
- COMMENTARY Provided by Zenith Investment Partners

DISCLAIMER

The information contained in this factsheet is general in nature and does not take into account your personal situation. You should consider whether the information is appropriate to your needs, and where appropriate, seek professional advice from a financial adviser. While care has been taken in the preparation of this factsheet none of the parties mentioned below accept any liability for its content.

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COMMENTARY

Direct property continues to generate strong total returns of 11.4% for the 12 months to March 2022. Income returns remain attractive at 4.7%, maintaining a healthy margin to bond yields despite rising rates. Capital returns across the sector were 6.5% with all sectors experiencing growth. The industrial and logistics sector contributed the most to capital growth with outsized growth returns of 23% over the period.

COMMENTARY

The outlook for Industrial and logistics remains very strong with rents continuing to rise, while the national industrial vacancy rate is below 2%. Across prime office markets, both face rents and incentives increased resulting in modest net effective rent growth. In retail, rents remained broadly stable albeit CBD assets are yet to fully recover, with city dwellers not back to pre-COVID levels. Overall, the direct property market is currently supported by solid fundamentals with pandemic led flexible working arrangements creating some lingering uncertainty in the office sector.

COMMENTARY

Asset values remain elevated with strong transactional evidence to support record low capitalisation rates across all sectors. Industrial and logistics compressed by 88bps over the 12 months to March 2022 to 4.1%, materially lower than office and retail. Over the same period, a compression by 20bps and 28bps sees capitalisation rates sitting at 5.1% and 4.8% for retail and office respectively. Outside of the traditional sectors, transaction activity has been high across hotels, pubs, service stations and childcare assets.