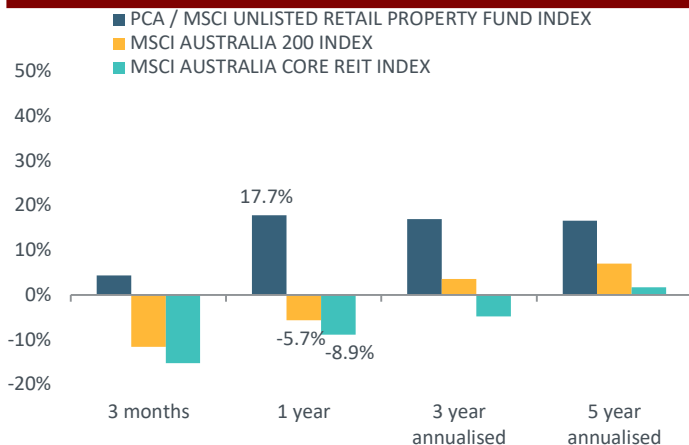


PROPERTY INVESTMENT FACTSHEET - JUNE 2022

Unlisted Funds

UNLISTED PROPERTY VS. EQUITIES RETURNS PERIODS TO JUNE 2022



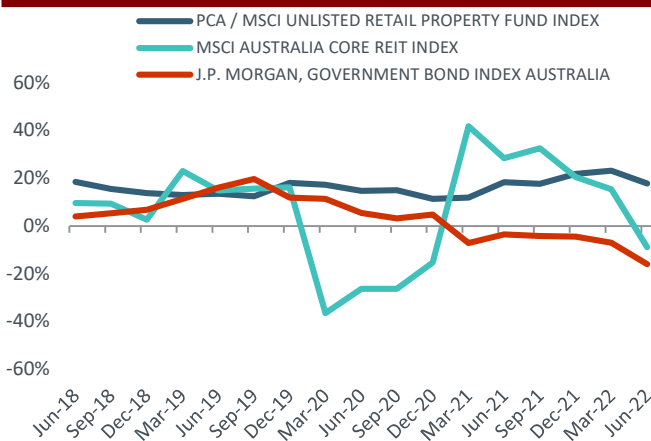
COMMENTARY

The headwinds of rising rates and inflation have continued to weigh on investor sentiment with a global sell off in both stocks and bonds delivering negative returns for the 12 months to 30 June 2022. Australian equities continued to decline over the quarter, declining -11.6%. A-REITs declines also deepened over the quarter (-15.3%) in the face of rising real yields. Meanwhile, Australian unlisted property funds delivered 17.7% for the 12 months to 30 June 2022, continuing their fundamentally strong performance. Broadly, rising rents have supported valuations despite slowing transactional volumes in Q2 2022.

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



FIXED INCOME, UNLISTED & LISTED PROPERTY JUNE 2018 TO JUNE 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 |
|------------------------|---|---|---|--|--|--|
| Jun-18 | 18.5% | 9.7% | 12.9% | 11.9% | 4.0% | 2.0% |
| Jun-19 | 13.5% | 14.9% | 11.9% | 5.9% | 16.1% | 1.9% |
| Jun-20 | 14.7% | -26.3% | -8.7% | 3.1% | 5.5% | 1.0% |
| Jun-21 | 18.3% | 28.4% | 28.8% | 39.2% | -3.6% | 0.3% |
| Jun-22 | 17.7% | -8.9% | -5.7% | -11.7% | -15.9% | 0.2% |
| 5 year annualised | 16.6% | 1.7% | 7.0% | 8.5% | 0.6% | 1.1% |
| Standard deviation | 6.2% | 24.0% | 18.3% | 19.6% | 8.3% | 0.4% |

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

CONTENT PROVIDERS

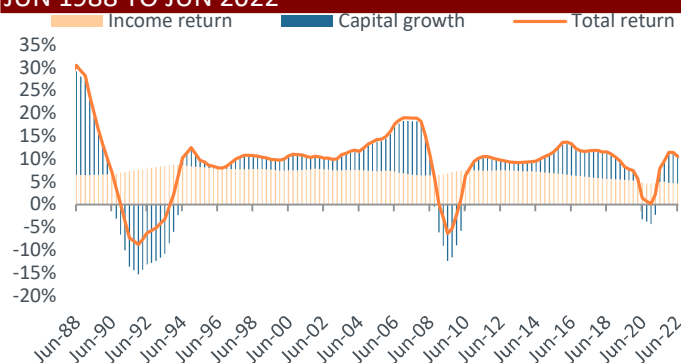
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PROPERTY INVESTMENT FACTSHEET - JUNE 2022

Direct Property

DIRECT PROPERTY INVESTMENT RETURNS JUN 1988 TO JUN 2022



COMMENTARY

Direct property has continued to generate strong total returns of 10.4% for the 12 months to 30 June 2022. Income returns delivered 4.4%, maintaining a positive, albeit narrowed, margin to bond yields as rates rise sharply. All property sectors experienced growth over the year. The industrial and logistics sector contributed the most to capital growth with a continuation of outsized growth returns of 16% over the period, and while new supply is historically high, it seems unlikely to bring the market into equilibrium.

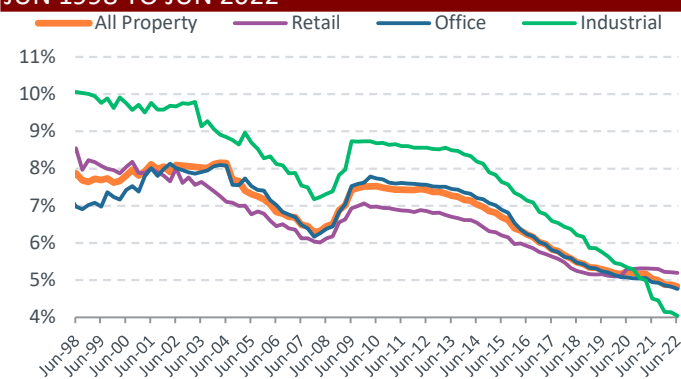
INCOME & CAPITAL RETURN FOR DIRECT PROPERTY 12 MONTHS TO JUN 2021 AND JUN 2022



COMMENTARY

The outlook for industrial and logistics continue to remain strong with rents continuing to rise with vacancy rates remaining below 2% in most capitals. In prime office markets, face rents rose however incentives remain elevated resulting in modest net effective rent growth. In retail, rents remained broadly stable albeit CBD assets are yet to fully recover, with city workers not back to pre-COVID levels. Overall, the direct property market remains supported by solid fundamentals with office looking the weaker of the sectors on a relative basis.

DIRECT PROPERTY CAP RATES PER SECTOR JUN 1998 TO JUN 2022



COMMENTARY

Asset values have largely remained supported with conditions broadly positive across all sectors. However, record low capitalisation rates are expected to face potential pressure in the face of elevated uncertainty and higher interest rates. Industrial and logistics compressed by -0.46% over the 12 months to June 2022 to 4.0%, materially lower than office and retail. Over the same period, capitalisation rates for retail and office compressed -0.11% and -0.17% to 5.2% and 4.8% respectively.

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

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