



Product Viewpoint Specialist Property Fund

ISSUE DATE 11-04-2022

Key information

APIR CODE	WPC0012AU
STATUS	OPEN
ASSET CLASS	PROPERTY AND INFRASTRUCTURE
SECTOR	GLOBAL LISTED PROPERTY
SUB SECTOR	MULTI-MANAGER
PRODUCT TYPE	RETAIL
LEGAL TYPE	UNIT TRUST
PDS OBJECTIVE	TO PROVIDE A LEVEL OF INVESTMENT THAT IS REASONABLE WHEN COMPARED TO THE LONG-TERM INVESTMENT HORIZON OF THE FUND AT THE HIGH LEVEL OF INVESTMENT RISK.
FUND SIZE	\$99.81M
MINIMUM INITIAL / ADDITIONAL INVESTMENT	\$1M / \$10,000
MINIMUM INVESTMENT BALANCE	\$5,000
DISTRIBUTION FREQUENCY	ANNUAL

Fees & costs

MANAGEMENT COSTS	0.97% P.A.
ICR % PA	0.97%
BUY SPREAD / SELL SPREAD	0.06% / 0.02%

Returns after fees (at 31-5-2022)

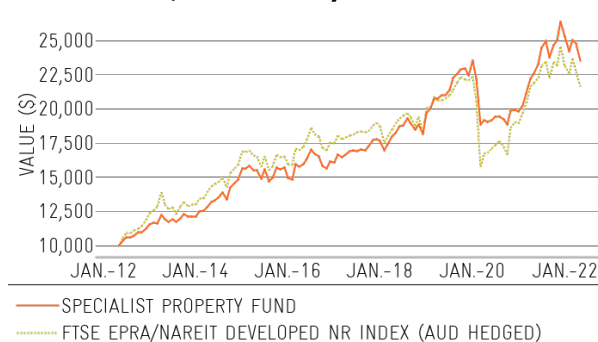
	1 YR	3 YR	5 YR	10 YR
TOTAL RETURN (% PA)	4.36	3.92	6.87	8.94
INCOME RETURN (% PA)	4.86	5.14	8.71	5.91
GROWTH RETURN (% PA)	-0.50	-1.22	-1.84	3.03
LONSEC BENCHMARK (% PA)	-1.19	1.65	3.71	8.03
EXCESS RETURN (% PA)	5.56	2.26	3.16	0.91

BENCHMARK USED: FTSE EPRA/NAREIT DEVELOPED NR INDEX (AUD HEDGED)

Asset allocation (at 30-6-2021)

	%ACTUAL	%MIN	%MAX	%TARGET
LISTED PROPERTY	99.0	-	-	-
CASH	1.0	-	-	-

Growth of \$10,000 over 10 years



What this Rating means

The 'Recommended' rating indicates that Lonsec has strong conviction the financial product can generate risk adjusted returns in line with relevant objectives. The financial product is considered an appropriate entry point to this asset class or strategy.

Lonsec Opinion of this Fund

Overall

Lonsec has maintained the Fund's 'Recommended' rating at its most recent review. The rating reflects the high regard and conviction for the experience and calibre of the investment team. The rating is also underpinned by Lonsec's positive view of the Fund's robust and repeatable investment process. Notably, the increased resourcing post-integration of the OnePath team provides further depth of expertise within investment management and risk management. Considering the integration of MLC is expected to be a multi-year journey, Lonsec will be closely monitoring the degree of collaboration and realised synergies.

Strengths

- The Trust is managed by an experienced and well-led investment team.
- IOOF implements a robust and consistently applied research process underpinning underlying manager selection and portfolio construction functions.
- Relatively strong alignment of interests of the investment team with end investors.
- Since the acquisition of MLC in May 2021, the IOOF Investment team has been selectively accessing the MLC investment team insights and resources. This has been very measured and designed to complement the IOOF's investment process and manager selection.

Weaknesses

- Although the value proposition is strong, the Trust's overall fee load is relatively high in the peer group.

Product Risk Characteristics

	LOW	MODERATE	HIGH
BUSINESS SUSTAINABILITY RISK		●	
CAPITAL VOLATILITY			●
FOREIGN CURRENCY EXPOSURE		●	
SECURITY CONCENTRATION RISK		●	
SECURITY LIQUIDITY RISK		●	

Risk categories are based on Lonsec's qualitative opinion of the risks inherent in the financial product's asset class and the risks relative to other financial products in the relevant Lonsec sector universe.

ESG BiMetric

	LOW	MODERATE	HIGH
		●	

We strongly recommend that potential investors read the product disclosure statement Lonsec Research Pty Ltd ABN 11 151 658 561 • AFSL No. 421 445 • This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports.

ANALYST: RON MEHMET | APPROVED BY: ROBBIE LEW

Specialist Property Fund

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What is this Fund?

The Specialist Property Fund ('the Fund') invests in a single asset class via a selection of specialist Global listed property investment managers. The Fund has an internal investment objective to deliver a return that exceeds the FTSE EPRA/NAREIT Developed Real Estate Index – Hedged AUD ('the Benchmark') by 2% p.a. over five-year periods (before fees).

Using this Fund

Lonsec notes that the Manager has produced a Target Market Determination (TMD) which forms part of its design and distribution arrangements for the Fund. Lonsec has sighted the TMD that has been provided by the Manager and notes that this should be referred to for further details on the Target Market Summary Description of Target Market and Review Triggers.

Suggested Lonsec risk profile suitability

SECURE DEFENSIVE CONSERVATIVE BALANCED GROWTH HIGH GROWTH



For guidance on appropriate asset allocations and risk profiles, refer to the latest Lonsec Strategic Asset Allocation Review and Risk Profile Definitions on our website.

Manager Profile

Insignia Financial Ltd ('Insignia Financial') is a wealth management company offering products and services across, financial advice and distribution, portfolio and estate administration, and investment management. Insignia Financial is listed on the Australian Stock Exchange (ASX code: IFL). As of 31 December 2021, Insignia Financial had \$325.8bn in Funds Under Management and Administration.

Top 10 holdings (at 31-3-2022)

NAME	WEIGHT %
PROLOGIS INC	6.8
WELLTOWER INC.	4.1
INVITATION HOMES INC	3.7
ESSEX PROPERTY TRUST INC USD0.0001	3.5
PUBLIC STORAGE	3.3
KIMCO REALTY CORP	2.9
EQUINIX INC	2.9
HOST HOTELS & RESORTS INC	2.1
EQUITY RESIDENTIAL PROPERTIES TRUST SHS OF BE	1.9
ALEXANDRIA REAL ESTATE EQUITIES INC	1.9

SOURCE: FE FUNDINFO

Glossary

[Click here for the glossary of terms.](#)

About Lonsec

Lonsec Research Pty Ltd (Lonsec) is an investment research house with specialist areas of expertise, that was originally established in 1994 and the current entity was registered on 23 June 2011. From 1 July 2011, Lonsec became a fully owned subsidiary of Lonsec Fiscal Holdings Pty Ltd, a privately owned entity with a multi-brand strategy of providing leading financial services research and investment execution. Lonsec believes that professional financial advisers need informed opinions on the best investment strategies and financial products to provide real value for their clients. To meet this need, Lonsec has in place an experienced research team, which draws on a robust research process to undertake in-depth assessment of managed fund products.

Analyst Disclosure and Certification

Analyst remuneration is not linked to the research or rating outcome. Where financial products are mentioned, the Analyst(s) may hold the financial product(s) referred to in this document, but Lonsec considers such holdings not to be sufficiently material to compromise the rating or advice. Analyst holdings may change during the life of this document. The Analyst(s) certify that the views expressed in this document accurately reflect their personal, professional opinion about the matters and financial product(s) to which this document refers.

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