



# Product Viewpoint Specialist Property Fund

ISSUE DATE 19-04-2023

## 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	\$93.9M
MINIMUM INITIAL / ADDITIONAL INVESTMENT	\$1M / \$10,000
MINIMUM INVESTMENT BALANCE	\$5,000
DISTRIBUTION FREQUENCY	QUARTERLY

## Fees & costs (% per annum)

MANAGEMENT FEES AND COSTS	0.97
PERFORMANCE FEE COSTS	0
NET TRANSACTION COSTS	0.1
NET OF BUY SPREAD / SELL SPREAD	0.14 / 0.14
ANNUAL FEES AND COSTS (PDS)	1.07

WHERE MANAGEMENT FEES & COSTS IS NULL "-" NO DATA HAS BEEN PROVIDED AND THE ANNUAL FEES & COSTS (PDS) CANNOT BE CALCULATED. REFER TO THE PDS FOR THE FEE INFORMATION.

## Returns after fees (at 30-4-2023)

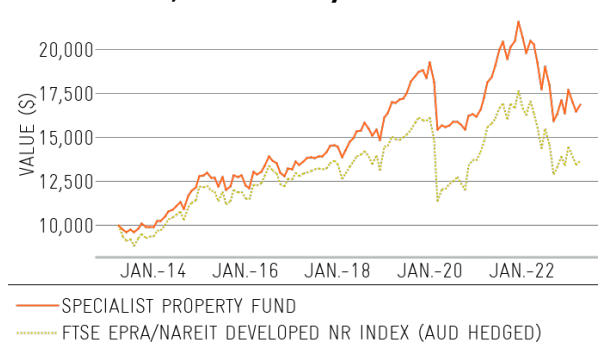
	1 YR	3 YR	5 YR	10 YR
TOTAL RETURN (% PA)	-16.93	2.46	2.72	5.36
INCOME RETURN (% PA)	1.92	4.48	6.38	5.66
GROWTH RETURN (% PA)	-18.85	-2.02	-3.66	-0.29
LONSEC BENCHMARK (% PA)	-16.36	4.29	0.52	3.19
EXCESS RETURN (% PA)	-0.57	-1.83	2.20	2.17

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

## Asset allocation (at 31-3-2023)

	%ACTUAL	%MIN	%MAX	%TARGET
UNLISTED 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 recent review. The rating reflects the high regard and conviction for the experience and calibre of the broader investment team. Further, lead Portfolio Manager, Simon Gross is considered sufficiently skilled and experienced to manage the Fund effectively. The rating is also underpinned by Lonsec's positive view of the Fund's robust and repeatable investment process. The increased resourcing from the combined heritage IOOF, OnePath and MLC businesses, provides further depth of expertise within investment management, asset allocation and risk management.

Lonsec notes the Fund's overall fee load is considered high compared to peers.

### Strengths

- The Fund is managed by an experienced and well-led investment team.
- Increased breadth of resources and tools in particular manager research, asset allocation, performance analytics, governance and implementation teams.
- The Manager implements a robust and consistently applied investment process underpinning underlying manager selection and portfolio construction functions.
- Integration of the broader investment team has been progressing well to further enhance the Manager's investment capabilities.

### Weaknesses

- Although the value proposition is strong, the Fund'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.

ANALYST: ISRIN KHOR | APPROVED BY: ALEC LEUNG

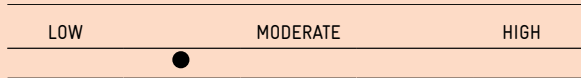
# Specialist Property Fund

ISSUE DATE 19-04-2023

ANALYST: ISRIN KHOR | APPROVED BY: ALEC LEUNG

P 2-2

## ESG BIometric



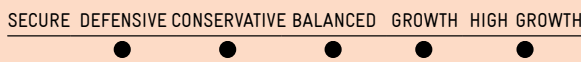
### What is this Fund?

The Specialist Property Fund (‘the Fund’) is an active, multi-manager, global listed property strategy. The Fund provides exposure to three investment managers predominantly holding large-cap listed Australian and international real estate securities, whilst remaining style-neutral. The Fund has an internal investment objective to outperform the FTSE EPRA/NAREIT Developed Real Estate Index – Hedged AUD (‘the Benchmark’) by 2% p.a. (before fees), with a targeted Tracking Error of less than 5% p.a. over rolling five-year periods.

### 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



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’). As of 31 December 2022, Insignia Financial had \$285.1bn in Funds Under Management and Administration.

## Top 10 holdings (at 31-3-2023)

NAME	WEIGHT %
PROLOGIS INC	8.1
INVITATION HOMES INC	5.0
REALTY INCOME CORPORATION	4.1
PUBLIC STORAGE	4.0
EQUINIX INC	3.8
WELLTOWER INC.	3.6
EQUITY RESIDENTIAL PROPERTIES TRUST SHS OF BE	2.8
KIMCO REALTY CORPORATION	2.5
SUN HUNG KAI PROPERTIES LTD	2.4
MITSUI FUDOSAN CO., LTD.	2.3

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.

**LONSEC STRONGLY RECOMMENDS THIS DOCUMENT BE READ IN CONJUNCTION WITH THE PRODUCT REVIEW AND PRODUCT DISCLOSURE STATEMENT.** Issued by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Please read the following before making any investment decision about any financial product mentioned in this document. Lonsec receives a fee from the fund manager or financial product issuer(s) for researching the financial product(s) set out in this document and for services including research subscriptions. Lonsec’s fee is not linked to the rating(s) outcome. Lonsec does not hold the financial product(s) referred to in this document. Lonsec’s representatives and/or their associates may hold the financial product(s) referred to in this document, but details of these holdings are not known to the Analyst(s). **Warnings:** In line with industry practice returns may be estimated, to access verified returns please refer to the product provider. Past performance is not a reliable indicator of future performance. Any advice is General Advice based on the investment merits of the financial product(s) alone, without considering the investment objectives, financial situation and particular needs of any particular person. It is not a recommendation to purchase, redeem or sell the relevant financial product(s). Before making an investment decision the reader must consider his or her financial circumstances or seek personal financial advice on its appropriateness. Read the Product Disclosure Statement for each financial product before making any decision about whether to acquire a financial product. Lonsec’s research process relies upon the participation of the fund manager. Should they no longer be an active participant in Lonsec’s research process, Lonsec reserves the right to withdraw the document at any time and discontinue future coverage. **Disclaimer:** This document is for the exclusive use of the person to whom it is provided and not to be relied upon by any other person. Lonsec makes no representation, warranty or undertaking in relation to the accuracy or completeness of the information presented in this document, which is drawn from unverified public information. Financial conclusions, ratings and advice are reasonably held at the time of completion but may change without notice. Lonsec assumes no obligation to update this document following publication. Except for any liability which cannot be excluded, Lonsec, its directors, officers, employees and agents disclaim all liability for any error or inaccuracy in, misstatement or omission from, this document or any loss or damage suffered by the reader or any other person as a consequence of relying upon it. ©2023 Lonsec. All rights reserved.