

Resolution Capital Global Property Securities Fund



APIR Code	WHT0015AU
ARSN Code	128 122 118

Month Ending December 2018

	1 Month %	3 Months %	1 Year %	3 Years p.a. %	5 Years p.a. %	7 Years p.a. %	10 Years p.a. %	Since Inception* p.a. %
Fund Return (After Fees)	-5.97	-6.11	-4.51	4.36	9.10	11.89	13.59	9.45
Benchmark# Return	-6.03	-5.76	-3.95	3.27	8.06	10.21	12.08	6.61
Value Added (After Fees)	0.06	-0.35	-0.56	1.09	1.04	1.68	1.51	2.84

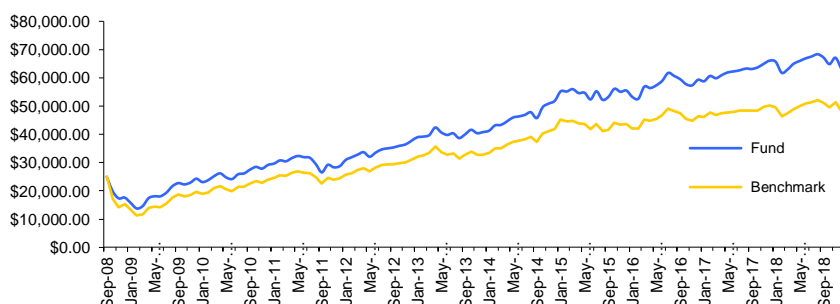
*30 September 2008.

#Benchmark was UBS Global Real Estate Investor Index (AUD Hedged) Net TRI to 31 March 2015. From 1 April 2015 FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI.

Fund Facts

*Inception Date	30 September 2008
Fund Size	\$922.4 Million
Management Costs	0.80% p.a. plus 20% of outperformance above the benchmark
Buy/Sell Spread	+0.20%/-0.20%
Minimum Investment	\$25,000
Distribution Frequency	Half Yearly

\$25,000 invested Since Inception*



Top 5 Weights

Security Name	%
1. Simon Property Group	5.99
2. Prologis	5.95
3. Equity Residential	5.87
4. Deutsche Wohnen	4.33
5. HCP	3.82

Market Commentary

The FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI produced a total return of -6.0% for the month ended 31 December 2018. Regionally, Australia was the strongest performer, delivering a total return of 2.3% in local currency terms. The poorest performing region was the U.S. with a -8.2% total return, followed by Continental Europe delivering -5.0%.

Top 5 Contributors

Security Name	%
1. Link REIT	0.22
2. Dexus	0.17
3. Sun Hung Kai Properties	0.13
4. Wharf Real Estate	0.08
5. Assura	0.07

Overall, the market appeared to be concerned with signs of slowing economic growth in many of the world's larger economies. U.S. REITs were impacted by rising US interest rates together with signs of pressure on corporate profit margins.

Bottom 5 Contributors

Security Name	%
1. Prologis	-0.54
2. Boston Properties	-0.41
3. Simon Property Group	-0.33
4. Empire State Realty Trust	-0.22
5. Federal Realty Investment Trust	-0.19

As part of its strategy to expand its resort offering, DiamondRock Hospitality (DRH) acquired a 142-room resort in the Golden Gate National Recreation Area in Sausalito, California for US\$150m or a 12.8x earnings multiple.

Healthcare REIT, Welltower (WELL) announced the acquisition of 55 buildings from CNL Healthcare for US\$1.25bn. During the month, the Qatar Investment Authority (QIA) established an interest in WELL through a US\$300m investment. In the terms, QIA also has an option to acquire an interest in a development pipeline of urban senior living communities.

There were also a number of equity offerings during the month. Healthcare REIT, HCP announced a forward equity sale of c.US\$500m, to be settled within 12 months of entry into the forward sale agreement. Apartment REIT, UDR Properties (UDR) raised US\$300m through an equity offering. The company is likely to invest the proceeds in the New York and Philadelphia markets.

In Canada, ECREIT or European Commercial Real Estate Investment Trust (ERE.UN) announced the acquisitions of 41 multi-residential properties in the Netherlands from Canadian Apartment Properties (CAPREIT) for C\$634m. The sale will create Canada's first European-focused multi-residential REIT. The transaction was partially funded through issuance units, giving CAPREIT majority ownership of ECREIT. During the month, CAPREIT also raised approx. C\$250m through an equity offering.

Hong Kong based retail REIT, Link REIT (823) disposed of 12 properties to Gaw Capital Partners for a total of HK\$12bn at a 32% premium to the appraised value of the portfolio. Following the disposal of the properties and the acquisition of Beijing Jingtong Roosevelt Plaza (as announced in November 2018), Link will have approx. 90.1% of its assets in Hong Kong and 9.9% in mainland China.

In Europe, diversified property company Covivio (COV) exited a portfolio of non-strategic assets in Italy (Milan and Turin) for €220.5m, implying a net yield of c.4%. Proceeds from the sale were used to complete the purchase of a building in Greater Paris for €121m.

Finally, Belgian healthcare company Aedifica (AED) acquired a portfolio of 93 healthcare properties in the UK for £450m at an initial gross yield of 7%. The acquisition marks the groups entry into the UK market. The properties are leased to 14 operators on inflation-linked triple net leases with a 22 year lease term.

Fund Details

Investment Manager	Resolution Capital
Objective	<ul style="list-style-type: none">The Fund aims to achieve an annual total return that exceeds the total return of the Benchmark after fees on a rolling 3 year basis.
Benchmark	<ul style="list-style-type: none">FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI.
Portfolio Allocation	<ul style="list-style-type: none">85-100% invested in global listed REITS and real estate securities.0-15% invested in cash and short dated money market securities.
Investment Timeframe	<ul style="list-style-type: none">Medium to long term, being 5 or more years.
Number of Stocks	<ul style="list-style-type: none">Generally 30 to 60.
Minimum Investment	<ul style="list-style-type: none">Indirect investors: refer to the operator of your service.Direct investors: minimum initial investment \$25,000.
Platform Availability	<ul style="list-style-type: none">AEGISAMP NorthAMP PortfolioCareAMP WealthViewANZ Grow WrapASGARDBT PanoramaBT WrapCFS First WrapFNZHUB24IOOF Portfolio ServiceIOOF Pursuit SelectMacquarie WrapMLC NavigatorMLC WrapNetwealthPremium ChoiceSimple WrapuXchange

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