

Resolution Capital Global Property Securities Fund – Series II



APIR Code	IOF0081AU
ARSN Code	118 190 542

Month Ending November 2018

	1 Month %	3 Months %	1 Year %	3 Years p.a. %	5 Years p.a. %	10 Years p.a. %	Since Inception* p.a. %
Fund^ Return (After Fees)	3.47	-1.88	3.01	6.76	9.05	12.11	3.55
Benchmark# Return	3.57	-1.56	3.26	5.67	8.85	13.70	5.62
Value Added (After Fees)	-0.10	-0.32	-0.25	1.09	0.20	-1.59	-2.07

*30 April 2006.

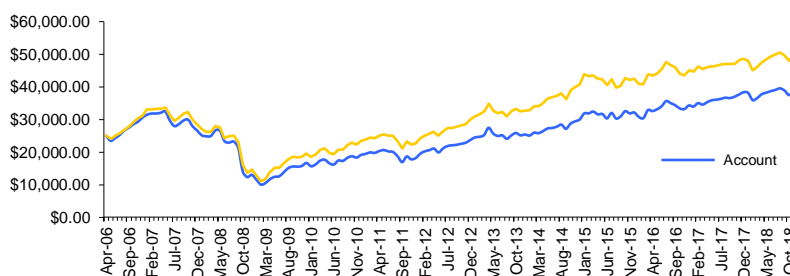
^Please note this Fund was previously known as the Perennial Hedged Global Property Wholesale Trust. Resolution Capital was appointed the investment manager of the Fund effective 1 November 2014.

#Benchmark is FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI to 1 November 2014. Thereafter UBS Global Real Estate Investors Index (AUD Hedged) Net TRI. From 1 April 2015, FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI.

\$25,000 invested Since Inception*

Fund Facts

*Inception Date	30 April 2006
Fund Size	\$88.1 Million
Management Costs	1.05 % p.a.
Buy/Sell Spread	+0.30%/-0.30%
Minimum Investment	\$25,000
Distribution Frequency	Half Yearly



Top 5 Weights	
Security Name	%
1. ProLogis	5.84
2. Equity Residential	5.61
3. Simon Property Group	5.26
4. Boston Properties	4.11
5. Dexus	4.07

Market Commentary

The FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI produced a total return of 3.6% for the month ended 30 November 2018. Regionally, Hong Kong was the strongest performer, delivering a total return of 8.7% in local currency terms as U.S.-China trade fears eased in the lead up to the G20 meeting. The poorest performing region was the U.K., delivering -4.5% for the month as an aborted M&A deal and Brexit fears weighed.

Top 5 Contributors	
Security Name	%
1. Sun Hung Kai Properties	0.38
2. Equity Residential	0.33
3. Boston Properties	0.21
4. HCP	0.16
5. Healthcare Realty Trust.	0.12

Hong Kong based retail REIT, Link (823) delivered a total return of 9.1% for the month in local currency terms. During the month Link announced the acquisition of Beijing Jintong Roosevelt Plaza for HK\$2.9bn (~US\$377m). The company continues to increase its exposure to China, with this deal taking its mainland weighting to 9.5% of total assets.

Troubled U.K. retail REIT, Intu Properties (INTU) delivered an abysmal total return of -41.9% for the month in local currency terms after the consortium comprising The Peel Group (27% shareholder), The Olayan Group and Brookfield Property Group, aborted its indicative takeover proposal citing uncertainty around macroeconomic conditions in the U.K. On the same day, INTU advised that it will cut the FY19 dividend by an amount yet to be disclosed.

Bottom 5 Contributors	
Security Name	%
1. Gecina	-0.22
2. Wharf Real Estate	-0.18
3. Segro PLC	-0.13
4. URW - NL	-0.12
5. Covivio	-0.11

Amazon announced it would split its second U.S. headquarters (dubbed "HQ2") in two locations; Crystal City in Northern Virginia and Long Island City in New York. The decision most directly benefited U.S. listed office/residential REIT JBG Smith (JBGS) due to its significant exposure to Crystal City, with the stock delivering a total return of 7.5% over the month. Amazon will lease up to 500,000 square feet of existing office space and also acquire from JBGS several existing buildings and land parcels with a potential density of up to 4.1m square feet. Financial details of the transaction were not disclosed. No listed REIT has a material exposure to Long Island City, however the news is positive for REITs with New York exposure.

U.S. industrial REIT, Prologis (PLD) announced an agreement to form a US\$890m joint venture (JV) in Brazil with Canadian based real estate investment company, Ivanhoe Cambridge. PLD

will retain a 20% stake in the JV that will be seeded with a portfolio of properties from its balance sheet. The JV will mainly target the São Paulo and Rio de Janeiro industrial markets.

U.S. power shopping center REIT, SITE (SITC) announced that it has closed a JV with two Chinese institutional investors. SITC will retain a 20% stake in the JV that will be seeded with 10 properties from its balance sheet valued at US\$607m. SITC will use the proceeds to reduce short term debt.

Sun Communities (SUI-US), a U.S. focused manufactured housing REIT, announced that it will take a strategic investment in Ingenia Communities Group (INA) - an A-REIT that owns similar properties in Australia. SUI will invest approximately US\$54m (A\$73m) for a 9.9% ownership stake in INA. SUI and INA will also form a 50/50 joint venture with the goal to establish and grow a manufactured housing community development program in Australia.

U.S. office REIT, Boston Properties (BXP) announced the sale of US\$1.0bn of 4.5% senior unsecured notes due in 2028. The proceeds will be used to refinance completed green projects and finance future eligible green projects.

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.For reasons of investment efficiency, the Fund may gain its exposure by holding units in other Resolution Capital Funds.
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">AMP NorthASGARDBT PanoramaBT WrapCFS First WrapFNZHUB24IOOF Portfolio ServiceIOOF Pursuit SelectMacquarie WrapMLC NavigatorMLC WrapPremium ChoiceuXchange

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