

Freehold Australian Property Fund

FREEHOLD
Investment Management

JULY 2020 Investment Update

OVERVIEW

An open-ended fund that provides quarterly tax effective income and long-term capital growth from a portfolio of direct and listed real estate and infrastructure, as well as select value-add and development opportunities.

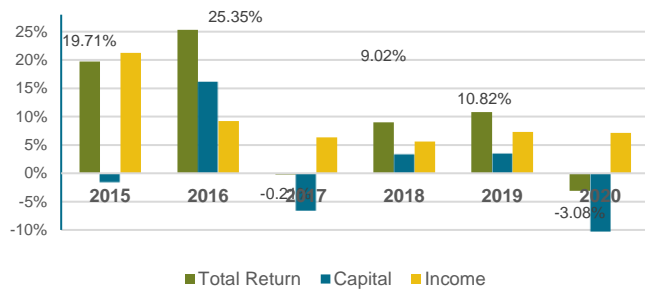
Investment Performance

	Month	Quarter	1 Year	3 Years	5 Years	Since inception**
Freehold Australian Property Fund (net of fees)	(1.3%)	0.5%	(5.9%)	5.3%	6.6%	11.1%
A-REITs Index*	0.6%	6.4%	(22.2%)	2.6%	3.7%	10.4%
Listed Infrastructure Index*	(2.2%)	(0.9%)	(12.3%)	7.8%	9.6%	15.4%
Unlisted Property Index*	0.2%	(0.6%)	(2.8%)	5.2%	8.0%	8.5%

*A-REITs Index is the S&P/ASX 300 AREIT Accumulation index; Listed Infrastructure Index is a subset of S&P/ASX 200 Index infrastructure sub industries, as defined by the Global Industry Classification Standard (GICS); Unlisted Property Index is the Mercer/IPD Australia Core Wholesale Property Fund Index

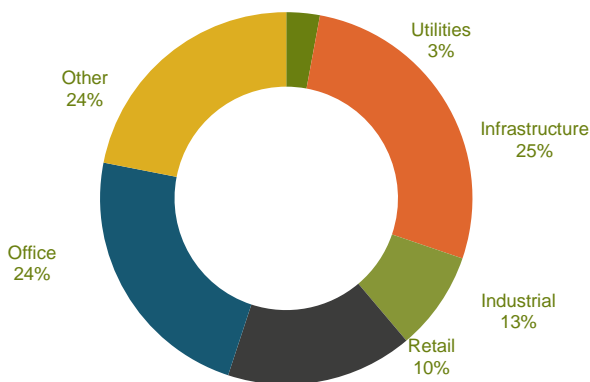
** Freehold Australian Property inception date – effective 7 November 2011. Performance numbers are NET and assume reinvestment of distributions.

Return Split by Financial Years

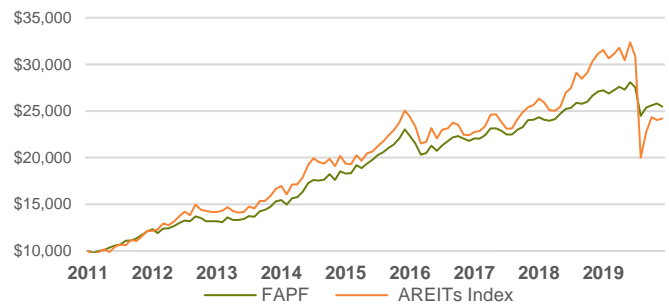


*Income distribution include net realised capital gains

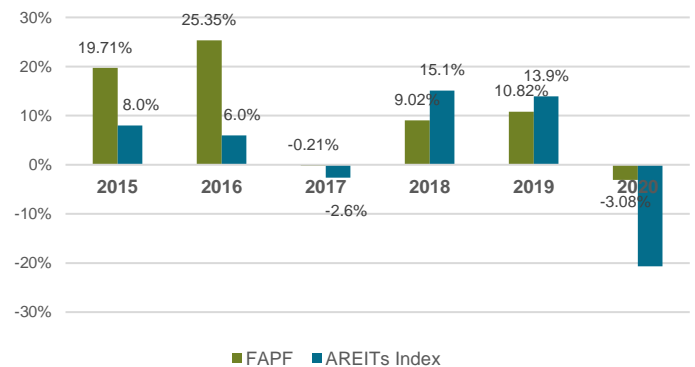
Sector Allocation



Since Inception Return



Financial Year Returns



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Listed Performance Update

Contributors

GMG (overweight) – Goodman Group continues to be a key beneficiary of the strong e-commerce thematic given their status of one of the best owners, managers and developers of logistics properties globally.

VCX (not held) – The second wave of COVID-19 in Victoria severely impacted Vicinity Centres given circa 40% of its portfolio is exposed to the State.

Detractors

CLW (not held) – Strong defensive characteristics underpinned by a long average lease term to high quality tenants. We believe Charter Hall Long WALE REIT's balance sheet is stretched and view the Group as a prime candidate to seek an equity injection to bolster its capital position.

DXS (overweight) – Dexus was impacted by negative office sentiment due to prolonged work from home policies, which challenge the demand outlook for commercial office space. We believe the 'death of office' is overplayed and anticipate a resilient earnings result in August.

Current & Active Weights

Asset Class	Benchmark	Range	Current	Active Weight
A-REITs	35%	20%-100%	25.8%	(9.2%)
Listed Infrastructure	15%	0-60%	13.7%	(1.3%)
Unlisted Property	50%	0%-80%	59.7%	9.7%
Cash	0%	0%-20%	0.8%	0.8%

Top 6 Portfolio Positions

Security	Portfolio Weight	Sector
Transurban Group	7.5%	Infrastructure
Freehold Debt Income Fund	7.3%	Other
8 Station Street Property Unit Trust	5.9%	Office
Dexus Property Group	5.5%	Office
Charter Hall Core Plus Industrial Fund	5.3%	Industrial
Scentre Group	5.3%	Retail

Unlisted Property Portfolio

Fund	Portfolio Weight	Sector Weight
Freehold Debt Income Fund	7.3%	12.2%
8 Station Street Property Unit Trust	5.9%	9.9%
Charter Hall Core Plus Industrial Fund	5.3%	8.9%
AMP Capital Wholesale Office Fund	5.3%	8.8%
Freehold Development Trust 2	5.2%	8.8%
Jade Development Fund No.1	4.5%	7.5%
AMP Capital Diversified Infrastructure Trust	4.3%	7.2%
Palisade's Renewable Energy Fund	4.0%	6.7%
Dexus Healthcare Wholesale Property Fund	3.9%	6.6%
Westpac House Investment Trust	3.6%	6.0%
Investa Commercial Property Fund	2.2%	3.7%
Caboolture Retail Trust	1.9%	3.2%
Freehold Development Trust 3	1.6%	2.7%
Bolton Street Property Unit Trust	1.5%	2.5%
Alceon UPG Trust	1.5%	2.5%
Micro Nest Holding Trust	0.9%	1.5%
Perth Rail Link Property Trust	0.8%	1.4%
TOTAL	59.7%	100.0%



Fund Details	
Fund Inception Date	Model Portfolio – 7 th Nov 2011 Fund – 15 th Feb 2015
Objective	Outperform the Benchmark on a rolling 3-year basis
Benchmark	The Australian Real Assets Index which comprises the Australian Listed Real Assets Index and the Australian Unlisted Real Assets Index., combined on a 50/50 basis.
Investment Timeframe	3-5 Years
Minimum Investment	\$10,000
Income Distribution	Quarterly
Unit Pricing	Daily
Management Costs	0.165% to 1.015% p.a. (incl. GST)
Buy / Sell Spread	0.25% / 0.25%
Responsible Entity	Responsible Entity Partners Ltd
ARSN	164 098 855
APIR Code	LAM0044AU
Platforms	BT Wrap, Asgard eWrap, Asgard Infinity Wrap, Netwealth

Important Notice

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