

Charter Hall Maxim Property Securities Fund August 2020

Charter Hall Property Securities Management Limited
ACN 104 512 978 AFSL 238349

PERFORMANCE

	August %	3 Months %	1 Year % p.a.	3 Years % p.a.	5 Years % p.a.	10 Years % p.a.	Since Inception % p.a.*
Growth Return	+7.2%	+6.0%	-15.9%	+1.6%	+4.1%	+6.0%	+1.4%
Income Return	+0.0%	+1.2%	+2.8%	+3.5%	+4.2%	+5.0%	+3.3%
Total Return (after fees but before tax) **	+7.2%	+7.2%	-13.1%	+5.1%	+8.3%	+11.0%	+4.7%
S&P/ASX 300 A-REIT Accumulation Index	+7.9%	+7.3%	-17.2%	+4.7%	+6.2%	+9.8%	+3.5%
Net Value Add	-0.8%	-0.1%	+4.1%	+0.4%	+2.1%	+1.2%	+1.2%

*Fund inception date October 2005. **Please note the Fund's management fee was reduced from 1.45% p.a. to 0.95% p.a. of the Fund's gross asset value up to \$50 million on the 16 May 2014. The Fund's gross asset value exceeded \$50 million on 2 May 2018 therefore the tiered rate of fees has been applied since that date. The Fund's after fees but before tax performance only reflects the new management fees from these dates. Past performance is not an indicator of future performance.

FUND OVERVIEW

Fund Objective	Outperform the benchmark, being the S&P/ASX 300 AREIT Accumulation Index by 1.5% p.a. (after fees) over rolling 3-year periods
Fund Size	\$147.2 million
Status	Open
Fund Maturity	Open Ended
Fund Inception Date	October 2005
Investment Horizon	3-5 Years
Distribution Frequency	Quarterly
Minimum Investment	\$5,000
Pricing	Daily
Buy/Sell Spread	+0.25%/-0.25%
Total MER	0.95% p.a. of the gross asset value of the Fund up to and including \$50 million; plus 0.85% p.a. of the gross asset value of the Fund in excess of \$50 million.
SIV Compliant	Yes
ARSN	116 193 563
APIR Code	COL0001AU

AREIT SECTOR UPDATE

The S&P/ASX 300 AREIT Accumulation Index returned +7.9% for the month of August, outperforming the Australian equities market (S&P/ASX 200 Accumulation Index) return of +2.8%. In the past 12 months, AREITs returned -17.2%, underperforming the equities market return of -5.1%.

The best AREIT performers over the month were Stockland Group (SGP) at +24.1% and Charter Hall Group (CHC) at +18.9%. Key underperformers were Unibail-Rodamco-Westfield (URW) at -8.6% and Centuria Industrial (CIP) at -4.2%.

All AREITs provided financial and operating updates during the month. Operating metrics deteriorated for the larger shopping centre landlords such as Scentre Group (SCG) and Vicinity (VCX), while grocery anchored AREITs performed much better. SCG and VCX both recorded valuation declines around -10% and rental collection was approximately 50% for the June quarter due to rental waivers and provisions. The office and industrial sectors operating metrics were materially stronger, and those firms exposed to the residential sector saw sales rates lift considerably in June and July. The fund managers provided strong guidance, led by Charter Hall (CHC) and Goodman Group (GMG) while Long WALE assets also performed well. All A-REITs are receiving earning tailwinds from lower borrowing costs.



**WINNER 2018
PROPERTY
A-REITs**



**WINNER 2019
PROPERTY
A-REITs**



**WINNER 2020
AUSTRALIAN LISTED
PROPERTY**

TOP 5 ACTIVE OVERWEIGHTS

Lifestyle Communities (LIC)
Rural Funds (RFF)
Growthpoint Properties (GOZ)
Primewest Property Group (PWG)
APN Convenience Retail (AQR)

FUND PERFORMANCE

In August the Fund returned +7.2% (after fees but before tax basis), versus the Fund's Benchmark (S&P/ASX 300 AREIT Accumulation Index) return of +7.9%. Over the year to 31 August 2020 the Fund delivered a -13.1% return (after fees but before tax) outperforming the Benchmark return of -17.2%.

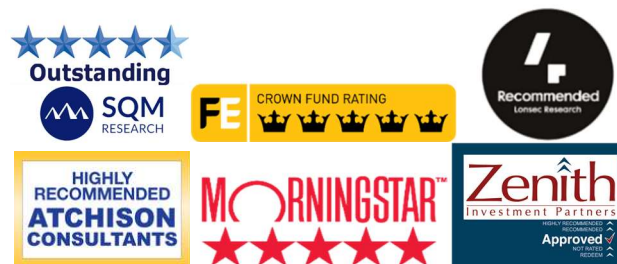
Positive contributions to returns during the month came from overweights in both Lifestyle Communities (LIC +10.8%) and Eureka Group Holdings (EGH +23.2%). A negative contribution to August returns came from an underweight holding in Charter Hall Group (CHC +18.9%) and an underweight holding to Stockland (SGP +24.1%).

SECTOR ALLOCATION

Sector Allocation	Fund	Index ¹	Difference
Diversified AREITs	30.1%	31.8%	-1.7%
Industrial AREITs	22.0%	27.9%	-5.9%
Retail AREITs	11.9%	23.3%	-11.4%
Office AREITs	15.0%	11.3%	+3.7%
Specialised AREITs	6.7%	5.7%	+1.0%
Developers & Managers	12.3%	0.0%	+12.3%
Cash	2.0%	0.0%	+2.0%
Total	100.0%	100.0%	0.0%

¹S&P/ASX 300 A-REIT INDEX

RESEARCH RATINGS



PLATFORMS

Asgard, Colonial First State FirstWrap, BT Panorama, BT Wrap, HUB24, Macquarie Wrap Solutions, Netwealth, IOOF Pursuit, Powerwrap, Symetry, uXchange

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