

# Charter Hall Maxim Property Securities Fund August 2021

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	+5.8%	+12.8%	+34.6%	+9.0%	+6.3%	+9.5%	+3.3%
Income Return	+0.0%	+0.4%	+2.5%	+2.9%	+3.2%	+5.1%	+3.2%
Total Return (after fees but before tax) *	+5.8%	+13.2%	+37.1%	+11.9%	+9.5%	+14.6%	+6.5%
S&P/ASX 300 A-REIT Accumulation Index	+6.4%	+12.8%	+31.8%	+9.4%	+7.1%	+13.2%	+5.1%
Net Value Add	-0.6%	+0.4%	+5.3%	+2.5%	+2.4%	+1.4%	+1.4%

\* 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 and thereafter 0.85% per annum. From 9 June 2021 the Fund's management fee has been reduced to a flat rate of 0.85% per annum. 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

<b>Fund Objective</b>	Outperform the benchmark, being the S&P/ASX 300 AREIT Accumulation Index by 1.5% p.a. (after fees) over rolling 3-year periods
<b>Fund Size</b>	\$238.9 million (gross asset value)
<b>Status</b>	Open
<b>Fund Maturity</b>	Open Ended
<b>Fund Inception Date</b>	October 2005
<b>Investment Horizon</b>	3-5 Years
<b>Distribution Frequency</b>	Quarterly
<b>Minimum Investment</b>	\$5,000
<b>Pricing</b>	Daily
<b>Buy/Sell Spread</b>	+0.25%/-0.25%
<b>Total MER</b>	0.85% p.a. of the gross asset value of the Fund.
<b>SIV Compliant</b>	Yes
<b>ARSN</b>	116 193 563
<b>APIR Code</b>	COL0001AU

## AREIT SECTOR UPDATE

The S&P/ASX 300 A-REIT Accumulation Index returned +6.4% during August, outperforming the Australian equities market (S&P/ASX 300 Accumulation Index) return of +2.5%. Over the past 12 months, AREITs returned +31.8%, outperforming the equities market return of +28.1%.

The best A-REIT performers over the month were Arena REIT (ARF) at +17.8% and Centuria Capital (CNI) at +17.5%. Key underperformers were Bunnings (BWP) at -1.2% and Centuria Office (COF) at +1.6%.

All AREITs provided financial and operating updates during the month. Solid asset value appreciation was witnessed across the industrial, childcare, convenience retail and large format retail asset classes. Office values held up despite concerns around WFH while mall values appear to have troughed. Retail sales showed promising signs when restrictions are not in place and a strong residential market was evidenced via high levels of settlements and pre-sales.

The majority of AREITs provided earnings guidance with some retail-exposed names unable to given uncertainty created by the re-introduction of mandatory rent relief provisions in NSW and Victoria. Balance sheets remain generally healthy, liquidity remains high across the sector and refinance risk remains low in the shorter term.



WINNER 2018  
PROPERTY  
A-REITs



WINNER 2019  
PROPERTY  
A-REITs



WINNER  
AUSTRALIAN LISTED  
PROPERTY  
2020



WINNER  
AUSTRALIAN LISTED  
PROPERTY  
2021

## FUND PERFORMANCE

The Fund returned +5.8% in August (after fees but before tax basis), underperforming the Fund's Benchmark (S&P/ASX 300 A-REIT Accumulation Index) return of +6.4%. Over the twelve months to August 2021 the Fund returned +37.1%, outperforming the Benchmark return of +31.8%.

An overweight holding in Lifestyle Communities (LIC) added relative value during the month of August while an underweight holding in Scentre Group (SCG) detracted relative value.

## SECTOR ALLOCATION

Sector Allocation	Fund	Index <sup>1</sup>	Difference
Diversified AREITs	34.5%	33.6%	+0.9%
Industrial AREITs	26.9%	27.4%	-0.5%
Retail AREITs	15.7%	22.7%	-7.0%
Office AREITs	2.9%	10.1%	-7.2%
Specialised AREITs	6.5%	6.2%	+0.3%
Developers & Managers	8.7%	0.0%	+8.7%
Cash	4.8%	0.0%	+4.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

<sup>1</sup>S&P/ASX 300 A-REIT Index

## TOP 5 ACTIVE OVERWEIGHTS

Lifestyle Communities Limited (LIC)
Rural Funds Group (RFF)
Eureka Group Holdings (EGH)
APN Convenience REIT (AQR)
Waypoint REIT (WPR)

## 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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