

The name of the Fund was changed from Resolution Capital Global Property Securities Fund to Resolution Capital Global Property Securities Fund (Managed Fund) on 22 February 2022 to facilitate quotation of the fund on the ASX.

# Resolution Capital Global Property Securities Fund (Managed Fund)

ARSN: 128 122 118 TICKER: RCAP



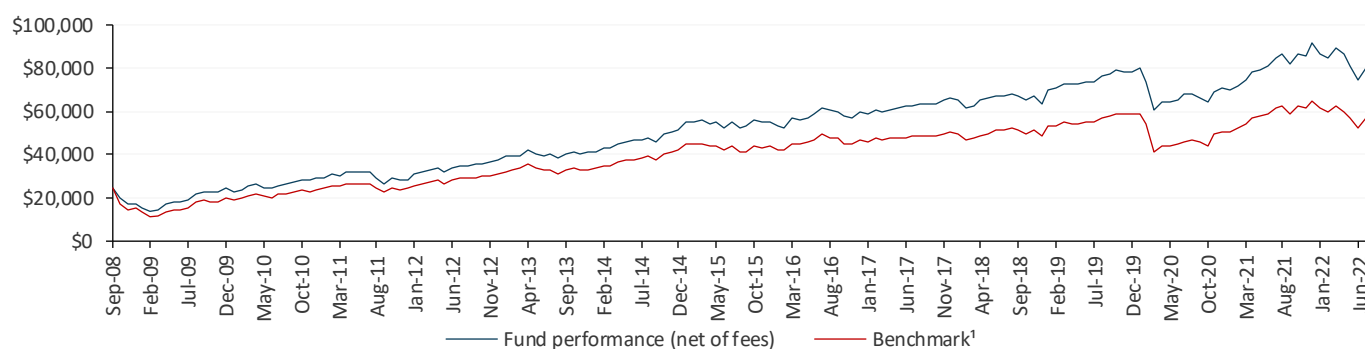
31 August 2022

## Performance Summary

	1 Month %	3 Months %	1 Year %	3 Years p.a. %	5 Years p.a. %	10 Years p.a. %	Since Inception* p.a. %
Fund Return (Net Performance)	-5.77	-7.10	-12.58	-0.15	3.63	7.99	8.28
Benchmark <sup>1</sup> return	-5.71	-6.37	-13.75	-1.81	2.02	6.20	5.63
Value Added (Net Performance)	-0.06	-0.73	1.17	1.66	1.61	1.79	2.65

Performance numbers less than one year are cumulative while numbers greater than one year are annualised. Past performance is no guarantee of future results.

## Growth of \$25,000 invested Since Inception\*



<sup>1</sup>Benchmark is FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI. Prior to 1 April 2015 the benchmark was UBS Global Real Estate Investors Index (AUD Hedged) Net TRI. Past performance is no guarantee of future results.

Source: Resolution Capital

Investors who apply for units directly with the Responsible Entity may pay a different price per unit to an investor who purchases those units on the ASX at the same time, and such differences may have a material impact on the performance of that investment. The above performance reflects the performance of the Fund where units are purchased and redeemed directly with the Responsible Entity only.

## Fund Details

<b>APIR code</b>	WHT0015AU	<b>Management Fee</b>	0.80% p.a.
<b>Benchmark</b>	FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI	<b>Performance Fee</b>	20% of outperformance above the benchmark
<b>ARSN Code</b>	128 122 118	<b>Buy/Sell Spread<sup>2</sup></b>	+0.20%/-0.20%
<b>*Inception Date</b>	30 September 2008	<b>Distribution Frequency</b>	Quarterly
<b>RCAP Listing Date</b>	22 February 2022	<b>No. of Stocks</b>	Generally 30 to 60
<b>Fund Size</b>	\$2,158.7 Million	<b>Platform Availability</b>	<a href="https://rescap.com/globalfund">https://rescap.com/globalfund</a>
<b>NAV per Unit</b>	\$1.68	<b>Minimum Investment<sup>2</sup></b>	\$25,000

<sup>2</sup>only applicable for investors who apply for units directly with the Responsible Entity

## Investors can buy or sell units on the ASX

<b>Ticker</b>	RCAP
<b>Exchange</b>	ASX
<b>Trading Currency</b>	Australian Dollar
<b>iNAV Provider</b>	Solactive
<b>Market Maker</b>	Citigroup Global Markets Australia
<b>Pricing</b>	Intra-day

## Market pricing information on RCAP

	Ticker	iNAV Ticker
Bloomberg	RCAP AU Equity	RCAPAUIV
Reuters/Refinitiv	RCAP.AX	RCAPAUDINAV=SOLA
IRESS	RCAP.AXW	RCAPAUDINAV

## Top 5 Weights

Security Name	%
Invitation Homes	7.15
Prologis	6.84
Equity Residential	6.23
Welltower	5.84
Kimco Realty Corporation	5.53

## Top 5 Contributors

Security Name	%
Public Storage	0.13
Scentre Group	0.08
Host Hotels & Resorts	0.04
CubeSmart	0.04
Sun Hung Kai Properties	0.00

## Bottom 5 Contributors

Security Name	%
Welltower	-0.55
Invitation Homes	-0.36
Prologis	-0.31
Equity Residential	-0.30
Mitsubishi Estate Company	-0.29

## Market Commentary

The FTSE EPRA/NAREIT Developed Index (AUD Hedged) produced a total return of -5.7% for the month ended 31 August 2022. Renewed energy uncertainty in Europe and global inflation weighed on markets. The UK reported 10.1% inflation for the month of July, the first double-digit report in nearly three decades. In the U.S. markets continued to reconcile a strong labour market against rising rates and predictions of a looming recession. Unlike other central banks, China's PBoC cut interest rates to stimulate a sluggish economy still feeling the effects of Covid lockdowns.

All property sectors in the Index, apart from self-storage, posted negative returns in August. Residential and healthcare were the two worst performing sectors with total returns of -7.9% and -7.4% in local currency terms, respectively.

Self-storage was the strongest performer with a total return of +1.2% in local currency terms, reflecting robust results with occupancy and pricing power holding up better than expected. Exposure to the U.S. large st sector specialist, Public Storage (PSA) contributed positively to performance.

August headlines focused on earnings results. In healthcare, U.S. seniors housing guidance slightly tempered as July's performance missed expectations due to a Covid spike in the U.S. that impacted move-ins and labour costs. Activity has since rebounded, suggesting the occupancy recovery is still underway but may be more variable than expected. Our exposure to Welltower (WELL), an owner of senior housing and medical office buildings, detracted from relative returns.

Return-to-office (RTO) visibility remains limited as some companies call workers back to the office, while other companies plan to reduce their footprint. Apple Inc announced it expects employees to be in the office at least three days per week from early September and Goldman Sachs removed all Covid flexibility, requiring employees to be in the office five days per week. KPMG, on the other hand, intends to reduce its New York City office footprint by 40% in 2025 as it moves to a new HQ in Hudson Yards. In London, office availability is the highest it has been in 15 years. Our exposure to west end London office specialist Derwent London (DLN) underperformed.

U.S. Multifamily REITs reported a strong leasing season, with rents peaking in July. Portfolio holding Equity Residential (EQR) published an operational update noting leasing spreads have started to decelerate in 2H22, which is in line with historical seasonality. Meanwhile, U.S. residential rents reached new record highs, with over 50% of cities showing double digit year-over-year rent growth.

Blackstone's Home Partners of America, a single-family landlord which offers a rent-to-own program, announced it will pause buying homes in 38 of the 80+ U.S. cities it operates in as the U.S. housing market cools.

According to local agency Centaline, Hong Kong secondary home prices fell 1.5% in August and are down 5% year to date. Meanwhile Singapore house prices remain resilient and rents have surged by 8.5% in the first half of the year.

Notable transactions in the quarter include:

- Unibail-Rodamco-Westfield (URW) sold its 49% stake in Westfield Santa Anita, a 1.48m square feet mall in Arcadia, California, for US\$537.5m to an undisclosed buyer. This is the largest U.S. mall transaction since 2018. Deal terms represent a sub-6% initial yield, and a 10.7% discount to the latest unaffected appraisal.
- American Tower (AMT) announced the sale of 29% of its U.S. data centre business to Stonepeak for US\$2.5bn. The portfolio includes 27 data centres in 10 major U.S. markets.
- Safehold (SAFE) announced it will merge with iStar (STAR), creating the largest ground lease REIT in the U.S. The deal valued iStar's portfolio at US\$1.6bn.
- Belgian healthcare REIT, Aedifica (AED), acquired a portfolio of four care facilities in Dublin for €161m, reflecting a 5% yield and €261,000 per unit.
- Blackstone (BX) revealed it owns a ~4% stake in Sunstone Hotel (SHO), while having recently reduced its holdings in other U.S. REITs.

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Links to the Product Disclosure Statement: [WHT0015AU](#)

Links to the Target Market Determination: [WHT0015AU](#)

For historic TMD's please contact Pinnacle client service Phone 1300 010 311 or Email [service@pinnacleinvestment.com](mailto:service@pinnacleinvestment.com)

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