

# Dexus Core Property Fund

(ARSN 114 235 326)

## On-Platform Class A

July 2024

### Investment objective

Dexus Core Property Fund (the Fund) aims to generate income and capital growth on a rolling 3-year basis by investing in Australasian unlisted real estate and Australasian and global listed real estate.

### How we manage your money

The Fund provides access to unique investment opportunities that are otherwise difficult for an individual investor to obtain. The Fund is well diversified across a strategic mix of Australian unlisted and global listed real estate. It targets high quality unlisted assets which have high occupancy rates and stable income streams, complemented by a global listed portfolio that targets alternative real estate sectors that we believe will provide superior long term growth.

### Performance as at 31 July 2024

| Current investment strategy <sup>1</sup> | Blend of current and previous investment strategies <sup>1</sup> |           |           |         |            |            |                                    |             |                                    |
|--|--|-----------|-----------|---------|------------|------------|------------------------------------|-------------|------------------------------------|
|  | 1mth (%)   | 3mths (%) | 6mths (%) | 1yr (%) | 3yrs (%pa) | 5yrs (%pa) | Since inception <sup>2</sup> (%pa) | 10yrs (%pa) | Since inception <sup>2</sup> (%pa) |
| Total return – net of fees               | 3.94   | 4.91      | 0.87      | 2.29    | -2.84      | -0.36      | 2.00                               | 4.87        | 5.37                               |
| Total return – gross of fees             | 3.99   | 5.10      | 1.42      | 3.43    | -1.73      | 0.68       | 3.03                               | 5.86        | 6.35                               |
| Distribution return                      | 0.00   | 0.84      | 1.61      | 3.14    | 3.47       | 3.94       | 4.30                               | 4.02        | 4.67                               |

Past performance is not a reliable indicator of future performance.

Past performance shown for the blend of current and previous investment strategies is not a reliable indicator of future performance under the current investment strategy.

Returns are shown after fees, before tax and assumes distributions are reinvested. Performance shown for the Fund is annualised for periods of greater than one year.

<sup>1</sup> On 1 August 2018, the Fund revised its investment strategy. We have provided the Fund's performance under the revised investment strategy and also provided the combined performance of the previous strategy to 31 July 2018 with the current strategy from 1 August 2018 (shown under Blend of Current and Previous Investment Strategies). The key changes to investment strategy were:

- Removal of the Fund's performance benchmark and move to a benchmark-unaware investment objective
- Change in target asset allocation from:
  - 50% actively managed Australasian and US direct property
  - 25% indexed Australian listed property securities, and
  - 25% actively managed global listed property securities
 to
  - 50% actively managed Australasian and US direct property; and
  - 50% actively managed Australasian and global listed property securities
 (which incorporated a move from a partially passively managed Fund to fully actively managed Fund)

<sup>2</sup> The relevant inception dates are as follows:

- Dexus Core Property Fund is 1 July 2005
- The current investment strategy of the Dexus Core Property Fund is 1 August 2018

### Fund facts 31 July 2024

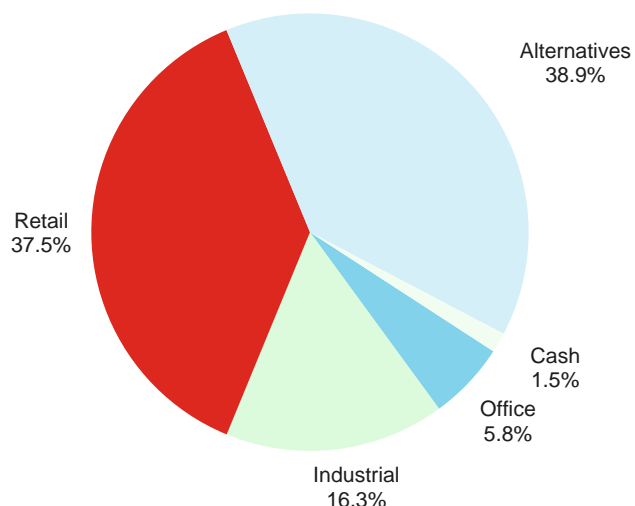
|                             |                 |
|-----------------------------|-----------------|
| APIR                        | AMP1015AU       |
| Inception date              | 01 July 2005    |
| Fund size (Gross assets)    | \$221.4 million |
| Management costs*           | 1.39% p.a.      |
| Buy/sell spread*            | +0.08/-0.08%    |
| Distribution frequency      | Quarterly       |
| Minimum investment          | \$500,000       |
| Minimum suggested timeframe | 5 years         |

\*The Fund PDS outlines management costs components, as well as other fees and costs that may apply to your investment. You can review the PDS at [www.dexus.com/dcpfinvest](http://www.dexus.com/dcpfinvest)

### What happened last period

- During July, the Dexus Core Property Fund (DCPF or the Fund) experienced a strong positive return that was driven by the Fund's listed real estate portfolio. The unlisted exposure was steady from a valuation perspective and continues to contribute strong income returns.
- The listed component delivered a 6.07% return (before fees) in July, with the market generally benefitting from expectations that the timing of rate cuts will be brought forward. The largest sector contributors were diversified, industrial, and office. In the diversified sector a key contributor was the Charter Hall Group, which benefited from the more dovish rhetoric and expectations of positive impacts on asset valuations and capital raising prospects. In industrial, First Industrial Realty Trust was a key contributor over the period, announcing strong increases in lease renewals and same store net operating income rising over the quarter. Lastly in office, Kilroy Realty Corp was a key contributor as prospects of a more favourable rate environment provided tail winds for performance.
- We are increasingly positive on the outlook for most real estate classes over the next 12-36 months given significant declines in net new supply as well as barriers to entry, while most asset classes are experiencing strong occupancy and margin trends. In the near term, high interest rates are a headwind on earnings growth, however most public REITs have strong balance sheets with minimal exposure to variable rate debt and well-staggered debt maturity schedules. If the US Federal Reserve does cut rates in 2H24, we believe capital should flow back to the sector, augmenting external growth prospects alongside solid internal growth.

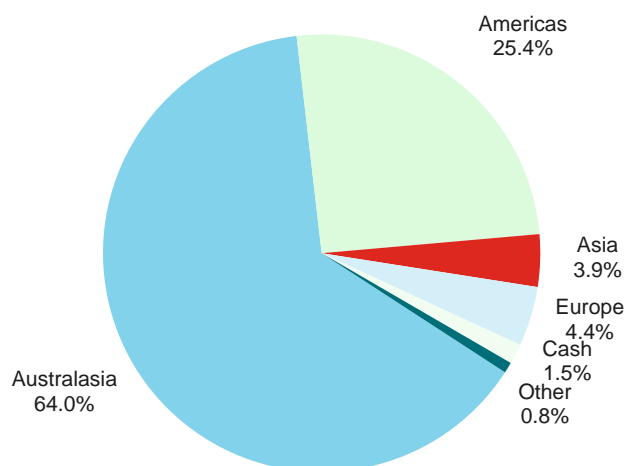
## Sector allocation



### Underlying investments

|                                      |       |
|--------------------------------------|-------|
| DCPF Listed Real Estate Portfolio    | 66.8% |
| Dexus Wholesale Shopping Centre Fund | 31.7% |
| Cash                                 | 1.5%  |

## Regional allocation



## Fund Manager



Damon Mumford is the Fund Manager for the Dexus Core Property Fund. Damon has more than 25 years' experience in real estate investment management, valuation, transactions, development feasibility and corporate advisory in Australia and internationally.

Damon joined Dexus in 2023 as part of the broader acquisition of AMP Capital's real estate and domestic infrastructure business. He was previously the Valuation Manager for AMP Capital Real Estate in Australia and New Zealand for seven years and has a detailed knowledge of the real estate market.

Furthermore, in his previous role Damon provided commercial and investment advice to the Funds Management, Investment Management and Development Management teams and was a member of the Property Investment Committee.

## Contact details

For more information on the Fund including fees, product features, benefits and risks talk to your adviser or call us on 1300 374 029 or visit [dexus.com/dcpf](https://www.dexus.com/dcpf)

**Important notice:** The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150) is the responsible entity (Responsible Entity) of the Dexus Core Property Fund (ARSN 114 235 326) (Fund) and the issuer of the units in the Fund. Dexus Funds Management Limited (ABN 24 060 920 783, AFSL 238163) (DXFM) is the investment manager of the Fund and has been appointed by the Responsible Entity to provide investment management and associated services in respect of the Fund. This documentation has been prepared by DXFM and has not been prepared by the Responsible Entity.

To invest in the Fund, investors will need to obtain the current Product Disclosure Statement (PDS) from DXFM. The PDS contains important information about investing in the Fund and it is important that investors read the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. Investors should also review the Target Market Determination (TMD) to consider if the Fund is suitable for them. The PDS and a TMD for the Fund are available at [www.dexus.com/dcpfinvest](https://www.dexus.com/dcpfinvest).

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