

AMP CAPITAL CORE PROPERTY FUND

Property is a large and diverse asset class that includes a broad range of sub-sectors including residential buildings, office buildings, business parks, hotels, industrial buildings, shopping centres, retirement villages, self-storage facilities, laboratories and hospitals.

The AMP Capital Core Property Fund (the Fund) seeks to generate income and capital growth by investing in Australian and global direct property as well as Australian and global property securities.

Why property?

Packaging direct and listed property can combine the benefits of numerous property sectors:

Direct property:

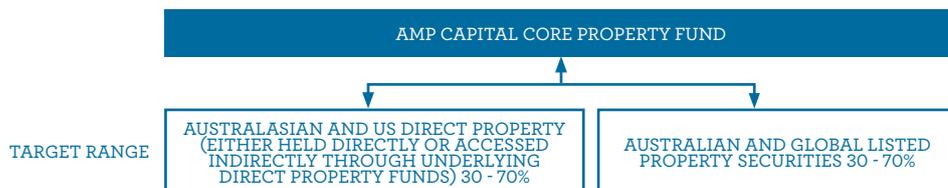
- > Potential for more stable, long-term returns underpinned by leases to national tenants
- > Diversification against purely listed markets
- > Exposure to quality assets
- > Aims to provide stable income streams

Listed property:

- > Liquidity
- > Diversification, both geographically and by sector
- > Absolute return potential

Why invest in the AMP Capital Core Property Fund?

By investing in a strategic mix of Australian and global direct property, and listed property securities, the Fund gives investors a single property solution for their investment portfolios. It offers equity style capital growth and bond-like yield but with an in-between risk profile. The Fund aims to provide smoother returns through its blend of direct and listed property.



- > **A diversified property portfolio:** As an open-ended hybrid property fund, the Fund invests in a strategic mix of property assets, with a target asset allocation of 50% in Australian and global direct property and 50% in Australian and global listed property, which provides the potential for capital growth.
- > **Access to quality direct properties:** The Fund's underlying direct property investments are in quality, well located properties with lengthy and secure income streams.
- > **Compelling investment opportunities:** Through investments in underlying funds, the Fund invests in premium, established blue chip property assets that would be unattainable for most retail investors due to the amount of capital required.
- > **Aims to provide investors with smoother returns:** With a blend of direct and listed property, the Fund is designed as a full cycle investment with the aim of providing investors with smoother, more stable performance. As direct and listed markets in different locations perform differently at times, this blend provides the

- potential for more stable income and capital growth than investing in just one type of property investment.
- > **Transparency:** Direct assets that the Fund has exposure to are regularly revalued by a panel of independent external valuers to more accurately reflect the current value of the portfolio which gives greater transparency to investors.
- > **Inflation hedging:** Some real estate leases contain provisions for rental increases to be indexed to inflation, while in other cases there is an opportunity to increase rental rates whenever a lease term expires and the tenant is renewed.
- > **Local property specialists who understand the dynamics of their region:** Our team's on-the-ground presence in Australia, North America, Europe and Asia provide insights into local trends and changing market conditions. Information sharing across regional teams and regular property visits with property managers are key to how we manage our investments.

PORTFOLIO MANAGER



Claire Talbot

Until her appointment as Fund Manager for the AMP Capital Core Property Fund in May 2017, Claire Talbot has been the Assistant

Fund Manager for the AMP Capital Retail Trust, assisting with the implementation of investment strategy and the delivery of major development pipeline projects at Macquarie Centre and Pacific Fair. Ms Talbot brings considerable experience in property investment management to her role.

“Information sharing across regional teams and regular on-the-ground property visits means our clients benefit from insights into local trends and changing market conditions.”

How can you use the fund in your portfolio?

- > **Within the growth part of an overall balanced portfolio:**
The Fund can provide a higher yield relative to other asset classes, and it is often less volatile in pricing.
- > **To diversify your portfolio:** Real estate has a lower correlation to other asset classes and can provide effective diversification benefits and reduce the overall volatility in an investment portfolio.

What you need to be aware of:

The key risks of the Fund include:

- > **Liquidity:** assets subject to liquidity risk may be difficult to trade and it may take longer for their full value to be realised, and in circumstances where the Fund's portfolio ceases to be 'liquid' for Corporations Act purposes, there may be significant delays or a freeze on withdrawal requests.
- > **Property investments:** Factors such as the quality of underlying properties and geographic location may affect the Fund's performance.
- > **Share market investments:** The value of the Fund's investment in listed securities may decrease as a result of adverse share market movements.
- > **Derivatives:** The use of derivatives may magnify any losses incurred.
- > **Gearing:** Has the effect of magnifying the Fund's returns, both positive and negative.
- > **Interest rates:** Including the risk of capital loss in a rising interest rate environment.
- > **International investments:** Including losses related to currency exchange rates, hedging, and changes in the state of the Australian and world economies.
- > **Investment management** – There is a risk that the investment manager will not perform to expectation or factors such as changes to the investment team or a change of investment manager may affect the Fund's performance.
- > **Securities lending** – Although engaging in securities lending by underlying funds in which the Fund invests may benefit the Fund by providing increased returns, there is a risk of capital loss.

For more information, investors should refer to the PDS for the Fund.

SPEAK TO AN EXPERT



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Key Facts

The Fund aims to provide total returns (income and capital growth) after costs and before tax above the Fund's performance benchmark on a rolling 3 year basis.

	OFF PLATFORM	ON PLATFORM
APIR CODE	AMP1074AU	AMP1015AU
MINIMUM INVESTMENT	A\$10,000	Check with your platform provider or speak with your financial adviser.
MANAGEMENT COSTS*	1.62% of the Fund's net assets	1.28% pa of the Fund's net assets
<i>Management fee</i>	1.57%	1.23%
<i>Recoverable expenses</i>	0.02%	0.02%
<i>Estimated other indirect costs</i>	0.03%	0.03%
DISTRIBUTION FREQUENCY	Quarterly	
SUGGESTED MINIMUM INVESTMENT TIMEFRAME	5 years	
BENCHMARK	Mercer/IPD Australia Core Wholesale Property Fund Index (post fee & NAV weighted) – 50% S&P/ASX 300 A-REIT Accumulation Index – 25% FTSE EPRA/NAREIT Developed Rental Index Hedged in AUD Net TRI Index – 25%	
EXTERNAL FUND MANAGERS	BlackRock Investment Management (Australia) Limited	

*Total management costs are rounded up to the nearest whole number

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**INSIGHTS
IDEAS
RESULTS**

Important note: Investors should consider the Product Disclosure Statement (PDS) available from AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232497) (AMP Capital) for the AMP Capital Core Property Fund (Fund) before making any decision regarding the Fund. The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150), a wholly owned subsidiary of The Trust Company Limited (ABN 59 004 027 749), is the responsible entity of the Fund and the issuer of units in the Fund. The PDS contains important information about investing in the Fund and it's important investors read the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. None of the responsible entity, AMP Capital or any other company in the AMP Group guarantees the repayment of capital or the performance of any product or any particular rate of return referred to in this document. Past performance is not a reliable indicator of future performance. While every care has been taken in the preparation of this document, AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This information has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information in this document, and seek professional advice, having regard to the investor's objectives, financial situation and needs.