



Folkestone Maxim A-REIT Securities Fund added to Colonial First State FirstWrap

The Folkestone Maxim A-REIT Securities Fund (“Fund”) is now available on Colonial First State FirstWrap.

The Fund offers something unique to investors, through a high conviction actively managed investment strategy, delivering a concentrated portfolio of ASX listed real estate securities bought on merit, rather than benchmark weights.

This Fund looks inside and outside the S&P/ASX 300 A-REIT Index (“Index”) for attractive investment opportunities. The Index is highly concentrated with the top two A-REITs, Westfield and Scentre, comprising 36% of the Index, the top 8 comprising 80% of the Index and the retail sector making up almost 60% of the underlying assets owned by A-REITs.

Mr Winston Sammut, Portfolio Manager for the Fund said, “in an environment of rising bond yields and property cap rates stabilising, the A-REIT sector may come under short-term pricing pressure. As a result, we think advisers and their clients who adopt a well-disciplined, active strategy focused on individual security selection may have the potential to be rewarded whilst an Index strategy may likely underperform.”

Security selection continues to work for the Fund. For the year to 31 December 2017 investors received a total return of 11.97% (after fees, before tax) outperforming the Index return of 6.45% by a value add of 5.52%.

Mr Sammut said “The Fund’s strong performance in the past year can be attributed to taking active positions in securities such as Rural Funds (agricultural sector) and Lifestyle Communities (seniors living sector) and not investing in a number of the retail focused A-REITs which have underperformed due to the cyclical and structural changes impacting the retail sector.”

“Strong performance, generated through a high conviction, active investment style, does not have to add to volatility (risk) to an A-REIT securities fund” says Mr Sammut.

“Over the three years to 31 December 2017, the Fund generated outperformance of +3.10% p.a. (after fees, before tax) above the Index return while maintaining a lower level of volatility¹ of 10.61% p.a. as compared to the Index of 12.64% p.a.².

¹ Standard Deviation of Returns

² S&P/ASX 300 Accumulation Index. Source: Morningstar December 2017



Mr Adrian Harrington, Head of Funds Management, said “We are delighted by the growing adviser demand for the Fund. Over the last two years, we have been growing our presence in the retail market with the Fund now available on a range of platforms including; Asgard eWrap, Asgard Infinity, BT Wrap, BT Panorama, Hub 24, IOOF Pursuit, Macquarie Wrap, Netwealth, Powerwrap, Symetry and uXchange. We also have an SMA with Mason Stevens and are running MDAs for a financial advisory group and a number of Family Offices.”

Folkestone Maxim was a finalist in the Money Management/Lonsec's 2017 Fund Manager of the Year Awards in both the Property & Infrastructure Securities and the Emerging Manager categories. In December 2017, the Fund was awarded the inaugural Financial Standard Investment Leadership Award for Australian Listed Property.

WINSTON SAMMUT

Managing Director
Folkestone Maxim Asset Management
Tel: 02 8667 2825

ADRIAN HARRINGTON

Head of Funds Management
Folkestone Limited
Tel: 02 8667 2882

About Folkestone and Folkestone Maxim

Folkestone (ASX: FLK) is an ASX listed real estate funds manager and developer providing real estate wealth solutions. Folkestone's funds management platform, with more than \$1.3 billion under management, offers listed unlisted real estate funds to private clients and select institutional investors.

Folkestone Maxim Asset Management is a wholly owned subsidiary of Folkestone and specialises in the management of A-REIT securities funds.

Disclaimer: Investors should consider the product disclosure statement (PDS) issued by the Responsible Entity, One Managed Investment Funds Limited (ABN 47 117 400 987) (AFSL 297042) (OMIFL) is the responsible entity of the Folkestone Maxim A-REIT Securities Fund ARSN 116 193 563 (Fund). The information contained in this document was not prepared by OMIFL but was prepared by other parties. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information contained therein cannot be warranted or guaranteed. Anyone reading this report must obtain and rely upon their own independent advice and inquiries. Investors should consider the Product Disclosure Statement (“PDS”) dated 11 June 2014 and RG97 Website Notice dated 26 September 2017 issued by OMIFL before making any decision regarding the Fund. The PDS contains important information about investing in the Fund and it is important investors obtain and read a copy of the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. A copy of the PDS may be obtained from <http://oneinvestment.com.au> or <http://folkestone.com.au/>. Folkestone Maxim Asset Management Limited (ABN 25 104 512 978) (AFSL 238349) is the investment manager of the Fund (Folkestone Maxim). Neither OMIFL nor Folkestone Maxim 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, Folkestone Maxim makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This fact sheet has been prepared for the purpose of providing general information only, 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 fact sheet, and seek professional advice, having regard to their objectives, financial situation and needs. Information in this fact sheet is current as at 31 December 2017.