

### Key information

Bought and sold from [Kernel directly](#) or via all major wrap platforms

**Structure:** Portfolio Investment Entity (PIE)

**Fund Inception:** 28<sup>th</sup> August 2019

**Number of constituents:** 8

**Morningstar AU Fund code:** [24494](#)

**Morningstar Fund Code:** F00001461Z

**Citi Code:** VPO1

**Disclose Register #:** FND15843

**Distribution frequency:** Quarterly

**12 month Yield<sup>1</sup>:** 3.54%

**Indicative Dividend<sup>2</sup>:** 4.40%

**Management fee<sup>3</sup>:** 0.39% p.a.

### Offer documents

**PDS:** [May 2021](#)

**SIPO:** [May 2021](#)

**ESG Policy:** [click here](#)

**Fund Update:** [December 2021](#)

### Index fundamentals

**Index:** [S&P/NZX Real Estate Select](#)

**Price to Book:** 0.97

**Trailing P/E:** 5.07

**Projected P/E:** 21.75

**Implied Earnings Yield:** 4.60%

### Risk (index)

**Fund update risk Indicator:** 5

**12 month volatility<sup>4</sup>:** 11.98%

**Beta<sup>5</sup>:** 0.54

**Sortino Ratio:** 0.94

### Monthly returns standard deviation

	+/-1 (68%)	+/-2 (95%)
<b>1 year</b>	3.51%	7.03%
<b>3 years</b>	4.76%	9.51%
<b>5 years</b>	3.87%	7.73%

### Range of 12 month index returns

	1 year	5 years
<b>Worst</b>	-2.78%	-16.29%
<b>Median</b>	14.83%	10.31%
<b>Average</b>	12.69%	12.48%
<b>Best</b>	51.66%	51.66%

### Fund overview

The Fund provides investors with a diversified portfolio of 8 NZX-listed Real Estate Investment Trusts which own and manage commercial property portfolios. With a single investment you get exposure to over 300 properties throughout New Zealand, ranging from office buildings to supermarkets to industrial estates.

### Benefits

The NZ Commercial Property fund can be used in a variety of investment strategies, for example:

- To diversify your portfolio and manage risk. Property often has a low correlation to other asset classes
- Provide an income stream and protection against inflation

### Performance<sup>6</sup>

	1 month	3 months	1 year	5 years p.a. index*	10 years p.a. index*
<b>Performance</b> (after fees at 0% PIR tax)	-2.89%	-1.27%	-0.45%	11.20%*	11.71%*
<b>Net index* difference</b>	-0.03%	-0.13%	-0.38%	*Index returns do not reflect deductions for charges and taxes.	
<b>Gross tracking difference</b>	0.00%	-0.03%	0.07%		
<b>Tracking error</b>	0.002%	0.008%	0.007%		
<b>Performance</b> (after fees at 28% PIR tax)	-2.90%	-1.40%	-0.89%		

### Index Calendar return

2021	2020	2019	2018	2017
3.11%	7.15%	32.69%	11.74 %	14.37%

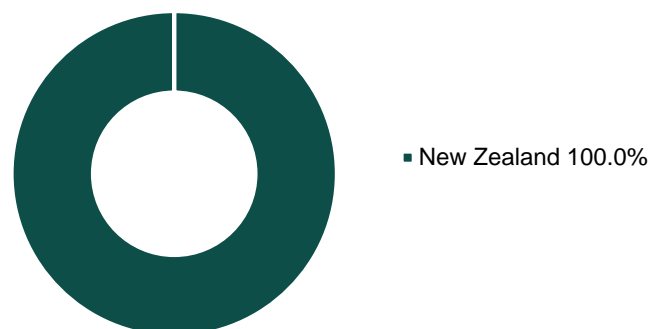
### Index value chart

**\$10,000 invested 5 years ago<sup>7</sup>: \$17,003**



### Where does the fund invest?

This shows the country weight that the fund invests in:



### What does the fund invest in?

This shows the GICS<sup>9</sup> weighting for the fund:



### Asset allocation

Asset	% of fund NAV
Directly held equities	99.83%
Cash and Cash equivalents	0.17%

### Impact

**Carbon Footprint:** 2.77 metric tons per USD1m valuation. 99% lower than benchmark<sup>8</sup>. Operational and first tier supply chain greenhouse gas emissions

**Carbon Efficiency:** 56.26 metrics tons / USD1m revenue. 25% lower than benchmark<sup>8</sup>. The index's absolute owned greenhouse gas emissions divided by the sum of revenues.

### Top 10 investments

Company	% of fund NAV
Precinct Properties	18.83%
Goodman Property	18.09%
Kiwi Property Group	15.35%
Property for Industry	12.33%
Vital Healthcare	11.66%
Argosy Property	10.51%
Stride Property	8.31%
Investore	4.75%
Cash & Cash equivalents	0.17%

The Top 9 investments make up 100% of the fund

### Index Eligibility Criteria

To be included, a constituent must be classified under the GICS Real Estate Sector and in the S&P/NZX All Index. Constituents must also have a minimum float-adjusted market cap of NZD \$300 million and six-month average daily value traded (ADVT) above NZD \$200,000.

Existing constituents are removed if their float-adjusted market cap falls below NZD 200 million or six-month ADVT falls below NZD 100,000 as of the rebalancing reference date.

### Further information

The information is not investment advice. Kernel has taken reasonable steps to ensure that the information in this document is accurate and up-to-date. Kernel does not accept any responsibility for any error or omission or for any loss resulting from the use of this information, except to the extent required by law.

<sup>1</sup> 12 month Yield is calculated as the last 4 quarterly distributions divided by unit price 12 months ago. This is the experience an existing investor would have had.

<sup>2</sup> Indicative Dividend is the index calculation of the underlying dividends in the last 12 months divided by the current valuation

<sup>3</sup> Management fee before rebates.

<sup>4</sup> 12 month volatility is the standard deviation of index daily returns, annualised by multiplying by square root of number of periods. The same measure annualised for 5 years is used for the Risk Indicator.

<sup>5</sup> Beta is portfolio by comparison to the S&P/NZX All index

<sup>6</sup> Performance assumes distributions reinvested. Net index difference is after management fees and transaction costs.

<sup>7</sup> Growth of a hypothetical investment in the index (no allowance for fees or taxes) and no further contributions.

<sup>8</sup> Benchmark is S&P / NZX All index. See explanation of Trucost [methodology](#)

<sup>9</sup> [Global Industry Classification Standard \(GICS\)](#)