

The APN Unlisted Property Fund (UPF) has been established to enable APN Property for Income Fund (APN PFIF) and APN Property for Income Fund No.2 (APN PFIF2) unitholders to withdraw from those funds. The UPF portfolio comprises unlisted property trust assets (i.e. Illiquid assets) that were held by APN PFIF and APN PFIF2.

The UPF is an illiquid fund and is not open for new investment.

Performance 30 June 2015

	1 month	3 months	6 months	1 year	2 years pa	Since inception ² pa
APN UPF Total return ¹	0.21%	1.04%	6.37%	12.00%	7.80%	6.08%

¹ Net total return. Past performance is not necessarily an indication of future performance.

² Fund inception 23 July 2012.

Fund objective 30 June 2015

The primary objective is to sell down assets as soon as possible and return capital to investors through a highly disciplined and strategic sales programme which ensures value is preserved. The Fund is on target to return investors' capital within the original mandate.

Fund update 30 June 2015

The Fund returned 1.04% over the quarter to 30 June 2015 and 12% for the year.

The Fund announced a 1 cpu distribution for the 6 months ending June 2015. Since inception the Fund has returned \$132.21 million to investors representing a 72% return of capital and income distributions.

The Fund originally held amounts to the value of \$186 million comprising over 30 individual unlisted trusts. The Fund currently holds 8 remaining investments which equates to \$69.47 million in net asset value.

As capital is progressively returned to investors, the Fund's Net Tangible Asset (NTA) value per unit will also reduce accordingly.

Asset allocation 30 June 2015

Investments	99%
Cash	1%

Note: Cash includes accrued income and accrued expenses. Asset allocations may change depending on market conditions and in accordance with the Fund's mandate.

Underlying property sector allocation 30 June 2015

Retail	31%	Office	34%
Industrial	19%	Other	16%

AT A GLANCE

Type of fund	Unlisted property securities fund
Commencement date	23 July 2012
Fund size	\$69.47m ³ as at 30 June 2015
Current / Net running yield	5.4% pa ⁴
Number of investments (including cash)	8
Look through gearing	30.1%
Investment timeframe	Minimum 3 - 5 years
Income distribution ⁴	Semi-annual
Liquidity	The Fund is illiquid and closed to new investment

³ FuM ex 30 June distribution payment.

⁴ As at 30 June 2015. Current running yield is calculated by dividing the annualised distribution rate divided by the latest entry unit price. Distributions may include a capital gains component. Past performance is not an indicator of future performance. Subject to variation based on current holdings at the time of distribution.

Top 5 holdings 30 June 2015

Stock	Sector	% of UPF
LaSalle Australia Core-Plus Fund	Diversified	40.40%
Goodman Australia Industrial Fund	Industrial	14.74%
APN Regional Property Fund	Office	13.41%
APN Property Plus Portfolio	Other	10.93%
MAB Diversified Property Trust	Diversified	10.83%

About the Manager

APN Funds Management Limited (APN FM) is a wholly owned subsidiary of APN Property Group Limited (ASX code: APD), a specialist real estate investment manager. An active investment manager with a concentrated focus on income, APN has a strong record of delivering a range of property based investment solutions for institutional and retail clients since 1996.

Investment team

Michael Doble	Chief Executive Officer, Real Estate Securities
Pete Morrissey	Fund Manager, Real Estate Securities
Steven Chai	Portfolio Manager, Real Estate Securities
Mark Mazzarella	Fund Analyst, Real Estate Securities



Adviser Services Hotline
1300 027 636



apnpg@apngroup.com.au



[@apngroup](https://twitter.com/apngroup)



apngroup.com.au

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