

Key information

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

Structure: Portfolio Investment Entity (PIE)

Fund Inception: 28th 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 Yield¹: 3.46%

Indicative Dividend²: 4.28%

Management fee³: 0.39% p.a.

Offer documents

PDS: [May 2021](#)

SIPO: [May 2021](#)

ESG Policy: [click here](#)

Fund Update: [September 2021](#)

Index fundamentals

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

Price to Book: 1.01

Trailing P/E: 5.18

Projected P/E: 22.00

Implied Earnings Yield: 4.55%

Risk (index)

Fund update risk Indicator: 5

12 month volatility⁴: 10.96%

Beta⁵: 0.54

Sortino Ratio: 0.96

Monthly returns standard deviation

	+/-1 (68%)	+/-2 (95%)
1 year	2.66%	5.32%
3 years	4.54%	9.08%
5 years	3.71%	7.41%

Range of 12 month index returns

	1 year	5 years
Worst	-2.78%	-16.29%
Median	14.83%	10.31%
Average	13.45%	12.62%
Best	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

Performance⁶

	1 month	3 months	1 year	5 years p.a. index*	10 years p.a. index*
Performance (after fees at 0% PIR tax)	-3.96%	-7.83%	-0.31%	11.69%*	12.91%*
Net index* difference	-0.03%	-0.08%	-0.24%		
Gross tracking difference	0.00%	+0.01%	+0.21%		
Tracking error	0.002%	0.002%	0.013%		
Performance (after fees at 28% PIR tax)	-4.00%	-7.92%	-0.79%		

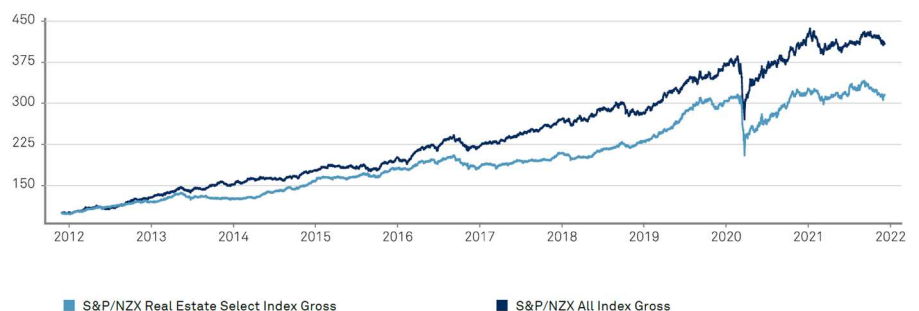
**Index returns do not reflect deductions for charges and taxes.*

Index Calendar return

2020	2019	2018	2017	2016
7.15%	32.69%	11.74 %	14.37%	3.32%

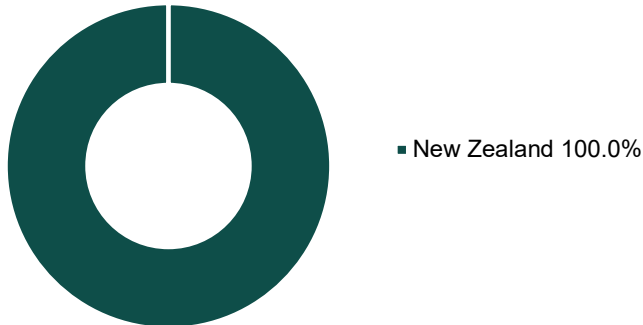
Index value chart

\$10,000 invested 5 years ago⁷: \$17,383



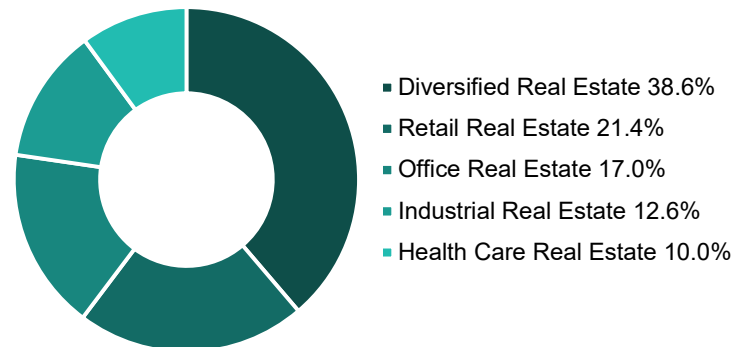
Where does the fund invest?

This shows the country weight that the fund invests in:



What does the fund invest in?

This shows the GICS⁹ weighting for the fund:



Asset allocation

Asset	% of fund NAV
Directly held equities	99.58%
Cash and Cash equivalents	0.42%

Impact

Carbon Footprint: 2.77 metric tons per USD1m valuation. 99% lower than benchmark⁸. Operational and first tier supply chain greenhouse gas emissions

Carbon Efficiency: 56.26 metrics tons / USD1m revenue. 23% lower than benchmark⁸. The index's absolute owned greenhouse gas emissions divided by the sum of revenues.

Top 10 investments

Company	% of fund NAV
Goodman Property	18.47%
Precinct Properties	17.03%
Kiwi Property Group	16.39%
Property for Industry	12.65%
Argosy Property	11.27%
Vital Healthcare	9.96%
Stride Property	8.83%
Investore	4.99%
Cash & Cash equivalents	0.42%

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.

¹ 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.
² Indicative Dividend is the index calculation of the underlying dividends in the last 12 months divided by the current valuation
³ Management fee before rebates.
⁴ 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.
⁵ Beta is portfolio by comparison to the S&P/NZX All index
⁶ Performance assumes distributions reinvested. Net index difference is after management fees and transaction costs.
⁷ Growth of a hypothetical investment in the index (no allowance for fees or taxes) and no further contributions.
⁸ Benchmark is S&P / NZX All index. See explanation of Trucost [methodology](#)
⁹ [Global Industry Classification Standard \(GICS\)](#)