# CBRE Australian Property Securities Fund - Class A

## October 2026

### Fund Description

The Fund is an actively managed fund investing in a portfolio of 15-25 securities, primarily comprising Australian listed property securities, with limited exposure to international property and property-related securities.

### Investment Strategy

The Fund uses a multi-step investment process that combines top-down sector allocation with bottom-up stock selection. Top-down sector allocation is determined through a systematic evaluation of listed and direct property market trends and conditions. Bottom-up stock selection is driven by proprietary analytical techniques to conduct fundamental company analysis.

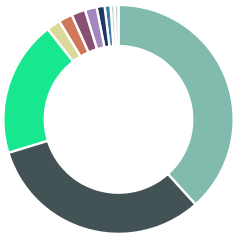
### Investment Objective

The Fund aims to outperform the S&P/ASX 300 A-REIT (Sector) Total Return Index (after management fees and costs) over rolling three-year periods.

### Fund Information

| | |
|---|---|
| Inception Date | 1-Feb-1993 |
| Fund Size | A$333m |
| Management Fee | 0.85% p.a. |
| Minimum Initial Investment | A$50,000 |
| Distributions | Quarterly |
| Buy/Sell Spread | +/-0.25% |
| Currency Management | Unhedged |
| APIR Code | SBC0816AU |

### Sector exposure (%)



| | |
|---|---|
| Industrial REITs | 38.3% |
| Diversified REITs | 32.1% |
| Retail REITs | 19.0% |
| Office REITs | 2.1% |
| Other Specialized REITs | 2.0% |
| Multi-Family Residential REITs | 1.9% |
| Data Center REITs | 1.7% |
| Asset Management & Custody Banks | 1.0% |
| Real Estate Operating Companies | 0.8% |
| Cash | 0.7% |
| Real Estate Development | 0.4% |
| Total: | 100.0% |

### Top 10 positions by stock

| Name | Country | Portfolio Weight (%) |
|---|---|---|
| Goodman Group | Australia | 38.26 |
| Charter Hall Group | Australia | 11.22 |
| Scentre Group | Australia | 10.24 |
| GPT Group | Australia | 9.58 |
| Vicinity Centres | Australia | 8.72 |
| Stockland | Australia | 8.26 |
| Mirvac Group | Australia | 2.98 |
| Arena REIT | Australia | 1.99 |
| Ingenia Communities Group | Australia | 1.92 |
| Digico Infrastructure REIT | Australia | 1.69 |

### Top 5 overweight by stocks

| Name | Country | Active Weight (%) |
|---|---|---|
| Charter Hall Group | Australia | 4.81 |
| GPT Group | Australia | 3.43 |
| Vicinity Centres | Australia | 2.42 |
| Goodman Group | Australia | 1.94 |
| Stockland | Australia | 1.39 |

### Top 5 underweight by stocks

| Name | Country | Active Weight (%) |
|---|---|---|
| Dexus | Australia | (4.05) |
| Scentre Group | Australia | (2.02) |
| Mirvac Group | Australia | (1.86) |
| Region Group | Australia | (1.75) |
| Charter Hall Long Wale REIT | Australia | (1.44) |

### Fund net performance #

Class A

| | 1 Month | 3 Months | 1 Year | 3 Years p.a. | 5 Years p.a. | 7 Years p.a. | 10 Years p.a. | Since Inception p.a. 1/02/1993 |
|---|---|---|---|---|---|---|---|---|
| Fund Net Return | 1.66% | -6.62% | -14.32% | 12.68% | 3.24% | 4.59% | 7.57% | 7.53% |
| Benchmark Return* | 1.59% | -6.86% | -13.23% | 12.10% | 3.11% | 3.51% | 6.27% | 7.77% |
| Active Return (After fees) | 0.07% | 0.24% | -1.09% | 0.58% | 0.13% | 1.08% | 1.30% | -0.24% |

* S&P/ASX 300 A-REIT (Sector) Total Return Index. Prior to 1 June 2012, the benchmark was 85% S&P/ASX 300 Property Accumulation Index, 15% EPRA NAREIT developed index (hedged in AUD).
Performance figures are net of ongoing fees and expenses. The performance figures quoted are historical, calculated using end of month redemption prices, and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions.
Past performance is not a reliable indicator of future performance. Performance may be volatile and future returns may vary from past returns.

#The performance data presented herein pertains specifically to the Class A Fund month-end unit prices expressed in Australian Dollars. Net return of the Fund has been calculated after the deduction of management fees and operating costs. Please note that these figures do not factor in the potential tax obligations at an individual investor level. This is historical performance data. The value of an investment can rise and fall and past performance is not indicative of future performance. All figures disclosed within this report are net of GST and RITC. Investors are reminded to seek independent financial advice before making investment decisions based on this performance data.

# CBRE Australian Property Securities Fund

October 2026

## MARKET REVIEW*

The Australian listed real estate market, represented by the S&P/ASX 300 A-REIT Index, returned 1.6% in October, outperforming the broader S&P/ASX 300 Index, which returned 1.1%.

The CBRE Australian Property Securities Fund (the Fund) returned 1.66% in October (net), outperforming the benchmark, which returned 1.59%.

### Investment environment

Economic growth expectations are moderating in response to inflationary pressures and higher interest rates. The labour market is gradually softening from post-pandemic lows, with unemployment reaching 4.7% in September. Core inflation has accelerated to 3.7% and remains above the Reserve Bank of Australia's 2-3% target range, driven partly by higher energy prices.

### Property fundamentals

Retail sales remain resilient, supported by lower occupancy costs and strong sales productivity. Industrial conditions have softened, with vacancy and leasing incentives rising across major markets. Office vacancy remains elevated, although valuations appear to be troughing and investor demand is improving. The residential cycle is maturing, with investor activity easing following higher interest rates and changes to federal taxation settings.

### Sector valuation

The A-REIT sector is forecast to deliver earnings growth of 6% in FY2027, led by fund managers and data centres. Balance sheets remain strong, with sector gearing of 27%, compared with more than 40% before the global financial crisis. The sector trades at an 18% discount to CBRE Investment Management's assessment of net asset value, which is expected to grow 4% in FY2027.

* The market review reflects the S&P/ASX 300 A-REIT Index as at 31 October 2026. Index performance reflects the reinvestment of earnings and gains but does not reflect fees or expenses, which would reduce returns. An index is unmanaged and is not available for direct investment. Past performance is not a guarantee of future results.

## PORTFOLIO POSITIONING

### Contributors

The largest contributor during October was the Fund's overweight position in Charter Hall Group. The company benefited from falling bond yields, which retraced significantly during the month and signalled a more stable interest-rate outlook. This supported confidence among capital allocators, highlighted by Charter Hall establishing a new $1.2 billion industrial and logistics investment partnership with Tokyo Tatemono and UBS Asset Management.

The Fund's overweight position in Arena REIT also contributed. Arena resolved the uncertainty surrounding its early learning centres occupied by Edge Early Learning, which had entered voluntary administration. The company introduced a group of high-quality replacement tenants and subsequently upgraded its earnings guidance.

### Detractors

The largest detractor during October was the Fund's overweight position in DigiCo Infrastructure REIT. During the month, DigiCo announced a 71 MW long-term contract at its SYD1 data centre. The 15-year agreement with a global technology company provides long-term earnings visibility and is supported by investment-grade credit backing.

The Fund's overweight position in GemLife Communities Group also detracted. Sentiment towards the land lease developer was affected by deteriorating housing conditions, with declines in dwelling prices accelerating towards their fastest pace on record. At Citi's Australia Conference in October, GemLife reiterated the strength of its vertically integrated business model and its ability to take advantage of countercyclical opportunities to replenish its land bank.

## MARKET OUTLOOK

As a new real estate cycle unfolds, CBRE Investment Management (CBRE IM) is witnessing a pivotal shift from defence to offense among companies, underscored by improving cash flows and robust dividend coverage.

Rising construction costs are constraining supply across most asset classes and enhancing existing landlord pricing power. Fixed-rate debt and rental leases with annual CPI escalations offer protection and upside capture of persistent inflation. Balance sheets are healthy and dividends payout ratios are conservative, preserving excess cash for accretive growth opportunities.

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CBRE IM believes listed real estate offers a compelling investment opportunity for investors targeting resilient income, attractive valuations, and healthy total returns.

Allocating to listed real estate can reduce concentration in broad equities and add income characteristics that wider indices do not provide. CBRE IM sees genuine value in the sector and are actively managing the portfolio to capture it.

## Further Information

| | |
|---|---|
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| Web | channelcapital.com.au |

## Platform Availability

| | | |
|---|---|---|
| AMP North | BT Panorama | CFS Edge |
| HUB24 | Insignia Expand | Macquarie Wrap |
| Netwealth | | |

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