



MEDIA RELEASE FROM THE SA REIT (Real Estate Investment Trust) ASSOCIATION

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SA listed property underpins performance of 2014's top unit trusts

South Africa's listed property sector was a key driver of performance from South Africa's top unit trusts, and Raging Bull Award recipients, in 2014.

Five of the 12 best performing funds for the year were domestic real estate funds.

Laurence Rapp, Chairman of the SA REIT Association, comments: "This highlights the excellent performance of SA REITs and listed property in 2014. Listed property outclassed equities, bonds and cash to deliver total returns of 26.6% and become South Africa's top performing asset class for the year. It has also comfortably outperformed all three other assets classes over 10, five and three years."

Absa Property Equity Fund, which recently scooped the Raging Bull certificate for the Best South African Real Estate Fund over three years and, on a risk-adjusted basis over five years, was the top domestic property fund, and ranked third overall, with a total return 39.67% for the year to 31 December 2014, according to Morningstar. Following it, in overall fourth place is Plexus Wealth BCI Property Fund with returns of 35.29%. In tenth, eleventh and twelfth place respectively, Sesfikile SCI Property Fund returned 28.82%, SIS Property Equity Fund returned 28.28% and Hollard Prime Property Fund returned 28.26%.

Rapp adds that besides SA listed property driving the outperformance of these specialised fund, it is also increasingly being included as an important component in more balanced, retirement and institutional funds.

"2014 was a watershed year for listed property, the investment community really stood up and took notice of the asset class. Adding to its superb track record of strong performance, the introduction of the new REIT structure to SA in 2013 provided a best-of-breed, internationally recognised structure for the publicly traded real estate sector, making it more appealing and accessible to the investment community, locally and globally," says Rapp.

The recipient of the Raging Bull Award for the Best South African Multi-asset Income Fund, Harvard House BCI Flexible Income Fund, attributes its relatively high exposure to listed property as giving it the edge over its competitors in the bond, income and multi-asset income sub-categories. The fund is managed by Willie Pelsner, who has maintained an exposure of about 20% of the fund to listed property since the fund's inception in October 2006. Funds in the multi-asset income sub-category are permitted to have property exposure of up to 25%.



The FTSE/JSE Listed Property Index returned 23.1% a year over three years and 16.25% a year over seven years, to December 2014.

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