

## INVESTOR UPDATE

### AMP Capital Core Property Fund

ARSN 114 235 326

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**5 JUNE 2020**

Dear Investor,

In our last [update 7 May 2020](#), we provided an update on the latest valuations of our underlying unlisted real estate exposures. We also announced the refinance of the Fund's \$20 million debt facility which remains undrawn.

In this update, we provide information on the recent May valuations of the underlying funds, as well as providing an update on operational matters, as COVID-19 restrictions start to ease across a number of states and territories in Australia and New Zealand.

We will continue to provide you with regular updates on how we are managing your investment in the Fund during this period of market volatility.

Thank you for your ongoing support.

Kind regards,

Claire Talbot  
Fund Manager – AMP Capital Core Property Fund

## Keeping you updated

As previously advised, we want to ensure you have ready access to information that impacts your investment. In addition to our letters to you, we will be including regular information on the [AMP Capital website](#).

## Asset allocation

As at 3 June 2020, the Fund's target asset allocation and actual asset allocation is set out below:

| Source                        | Target | Allocation | Current |
|-------------------------------|--------|------------|---------|
| Unlisted real estate funds    | 50%    | 30-70%     | 51.3%   |
| Listed real estate securities | 50%    | 30-70%     | 45.6%   |
| Cash                          |        | 0-10%      | 2.2%    |
| Debt                          |        |            | 0.0%    |

As you may appreciate asset allocation will vary over time and will be impacted by a number of factors including market movements in each asset class, and active investment decisions that we make.

## Processing withdrawals

At present we are still aiming to process the payment of withdrawal requests within 10 business days of each Specified Withdrawal Date.

However, as previously advised, should current circumstances change, we have discretion to make changes to the frequency of applications and redemptions, and the timeframe for the payment of redemptions as outlined in the PDS. The PDS also outlines what occurs in circumstances where the Fund ceases to be liquid as defined in the Corporations Act. Please refer to the PDS for full details:

[On-platform PDS](#)

[Direct investor PDS](#)

## Valuations of underlying assets

The Fund has exposure to underlying unlisted funds: the AMP Capital Shopping Centre Fund (ASCF) and AMP Capital Wholesale Office Fund (AWOF). These funds recently increased the frequency of the valuation of their underlying assets from quarterly to monthly to reflect COVID-19 impacts.

May valuations were recently booked and are now reflected in the Fund's unit price.

ASCF has experienced a -3.5% fall in market valuation across the portfolio, since the April valuations. This is in addition to the -9.2% fall in valuations booked in April. The externally appointed valuers have further amended short-term cashflow assumptions and softened capitalisation rates on the New Zealand assets and Stockland Townsville shopping centre.

Following a fall in the April valuations of -2.5%, the valuations for the AWOF portfolio of assets generally held value in May, with a slight decrease of -0.2% recorded against the 30 April 2020

carrying value for the portfolio. All assets in both portfolios, except those undergoing development, will be revalued again in June.

The Fund's portfolio of global listed real estate continues to be priced daily and there is no change to our valuation policy with regards to these holdings.

## Operational matters

Easing of COVID-19 restrictions across a number of states and territories in Australia and New Zealand has seen many of our tenants re-opening their businesses. As foot traffic to the assets increases, we continue to work with our tenants to assist them to operationally implement measures to ensure social distancing and hygiene guidelines can be met.

## Retail customer survey results

In May, AMP Capital received over 6,800 responses as part of a quantitative research study from our retail database across Australia and New Zealand. The aim of the study was to build a better understanding of our customers' feelings, needs and wants, as well as changes in shopping behaviour and customer expectations of our managed centres during COVID-19.

The results of the survey have indicated that 'Hygiene', 'Health' and 'Supporting Local' have become, and will continue to be, stronger areas of focus for consumers post COVID-19. After restrictions are eased, consumers are planning to shop in a more planned manner. A third of respondents had visited an AMP Capital managed centre in the last week and almost two thirds during the COVID period. Of those customers, the vast majority were satisfied with how AMP Capital managed the restrictions.

Whilst there is still a degree of concern in terms of visiting shopping centres, for the vast majority of customers, they are visiting the centres and are eager to get back to 'normal' activities.

The survey results provide our retail management team with an indication of the key areas to focus on, including how to engage with our communities, how to ensure we are meeting customers' expectations around hygiene factors, and provides guidance on our communications, marketing and event planning.

## Office customer survey results

An Office Worker Sentiment survey was conducted between 12 – 15 May 2020 with tenants across AMP Capital managed office and business park assets in Australia. The survey was based on a broader study to enable comparison against an Australian benchmark of similar assets.

Overall, AMP Capital's office customers place a value on their place of work and hold the management team in good esteem – indicating high satisfaction levels for 'actions taken' in response to COVID-19, 'cleaning and sanitation processes', and 'communications' – with all metrics out-performing the national benchmarks.

Key results of the survey include:

- Working from home: In 12 months from now, nearly half of respondents expect that their business will have permanently altered their working from home policies
- Floorspace: Less than half of respondents anticipate needing less space in the next 12 months.
- Social distancing: Over 60% anticipate 'formal changes' to workplace usage as a result of social distancing requirements, particularly regarding alterations to the physical workplace

and limiting the number of people accessing the space.

- Technology and culture: 'Remote working technology' and 'team morale and culture' are perceived to be the most important factors to future business.

## Latest Fund performance and insights

Please click on the applicable links below to access the latest performance report for the AMP Capital Core Property Fund and related insight pieces:

### Reports

[Direct investor performance report](#)

[On-platform investor performance report](#)

[Fund Quarterly Report – March 2020](#)

### Recent insights pieces

[Exploring long-term opportunities in real estate as we work through COVID-19](#)

[Three listed real estate sectors riding the tailwinds of the crisis](#)

## We're here to support you

If you are a direct investor and would like to speak to someone in regards to your investment, please contact Client Services on 1800 658 404 or email [clientservices@ampcapital.com](mailto:clientservices@ampcapital.com).

If you are an adviser, you can contact Client Services as above or your [State Account Manager](#).

### Important note

Investors should consider the Product Disclosure Statement (PDS) available from AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232497) (AMP Capital) for the AMP Capital Core Property Fund (Fund) before making any decision regarding the Fund. The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150), a wholly owned subsidiary of The Trust Company Limited (ABN 59 004 027 749), is the responsible entity of the Fund and the issuer of units in the Fund. The PDS contains important information about investing in the Fund and it's important investors read the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. None of the responsible entity, AMP Capital or any other company in the AMP Group guarantees the repayment of capital or the performance of any product or any particular rate of return referred to in this document. Past performance is not a reliable indicator of future performance. While every care has been taken in the preparation of this document, AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This information has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information in this document, and seek professional advice, having regard to the investor's objectives, financial situation and needs. This information is solely for the use of the party to whom it is provided and must not be provided to any other person or entity without the express written consent of AMP Capital.