

Global Property Forum 2008

Management through Fund of Funds

ATCHISON
CONSULTANTS

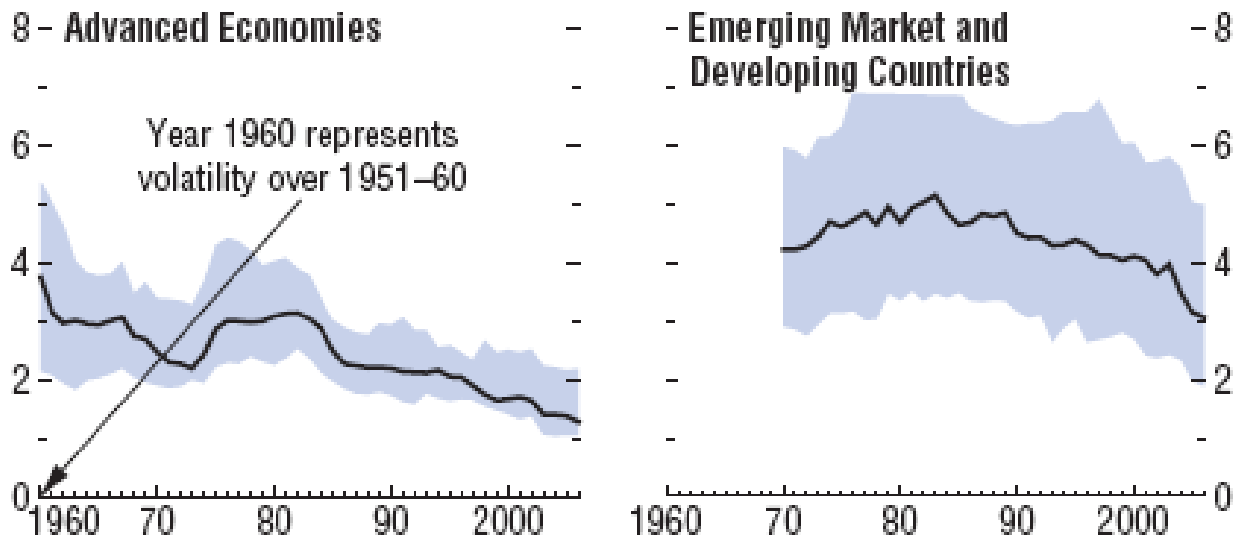
FORTIS
Fortis Investments 


FRANKLIN TEMPLETON
INSTITUTIONAL

Property World

- **Global universe** **\$US17,300 billion**
- **Global Investment Grade** **\$US7,800 billion**
- **Global Listed** **\$US1,500 billion**
- **Australian Universe** **\$A560 billion**
- **Australian Listed** **\$A100 billion**

Volatility of Growth in the Main World Regions

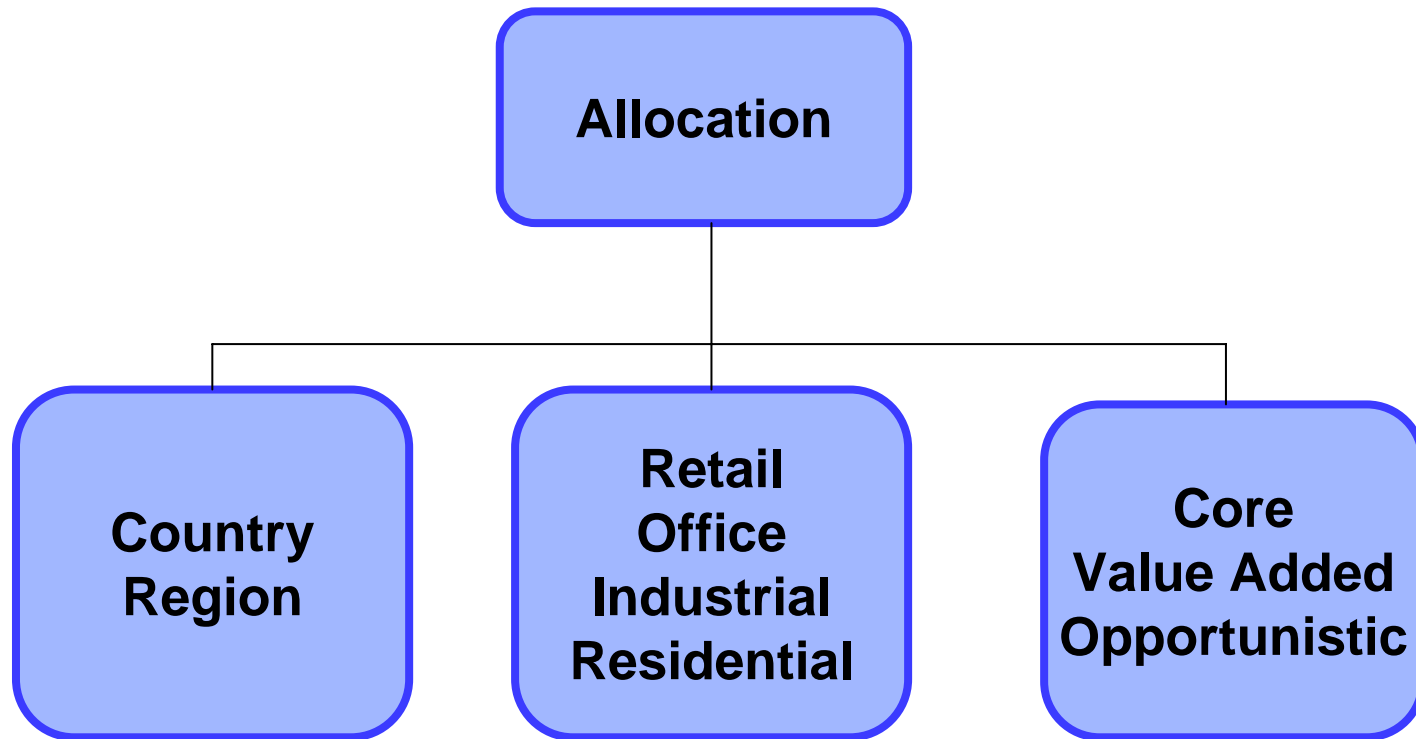


Correlation of Property Markets 10 Years to 31 December 2007

	Asia	Europe	North America	Australia
Asia	1.00	0.02	0.45	0.76
Europe	0.02	1.00	0.52	0.06
North America	0.45	0.52	1.00	0.56
Australia	0.76	0.06	0.56	1.00

Source: Atchison Consultants

Portfolio Structure



Manager Structure

- **Geography – 20 Countries**
- **Sectors – 4 – 8 property types**
- **Commercial risks - spectrum**

Advantages of real estate fund of funds

- Access and manager selection for investors with limited capital and resources
- Multiple layers of diversification by sector, geography and manager
- Single manager for tax and currency management
- Managed fund liquidity
- Overcoming high minimum investment amounts

Fund of Funds

- **Regional structure**
- **Gearing**
- **Target return – 8%-20% p.a.**
- **Fees – multiple**
- **Secondaries**

Implementation

- **Time Frame**
- **Managers and funds analysis**
- **Advisors/Consultants**
- **Mandate for management**