

# MARQ

## CAPITAL

### Fund Profile

### Objective

The Fund has been designed with an objective of achieving, a total return before tax of the Reserve Bank of Australia (RBA) Money Market Interest Rate (Cash Rate), plus a margin of 2%. The RBA Cash Rate is linked to inflation, and MARQ Capital considers that long term capital growth of property is also linked to inflation. Over an investment time frame of three to five years, MARQ Capital considers that movements in the total return to unit holders of the Fund will broadly reflect movements in the RBA Cash Rate.

### Investment Strategy

The MARQ Capital Diversified Direct Property Fund over the long term provides investors with the opportunity to participate in property returns from a widely diversified portfolio of property funds managed by leading managers in each of the following sub sectors of the property market; Australian direct retail, office, industrial, seniors living and residential property, together with returns from allocations to Australian listed property securities, overseas listed property and overseas direct property.

### Research

Advisor Edge Research Rating

3.25 Stars

**Advisor Edge**  
Investment Research



### Fund Features

Suggested Investment Time Frame	At least 3 to 5 years
Risk Profile	Medium
Minimum Initial Investment	\$5,000 Retail \$500,000 Wholesale
Distributions	Quarterly at 30 June, 30 Sept, 31 Dec and 31 March
Fund Commencement Date	October 2006
Management Fee	0.92% pa Retail 0.82% pa Wholesale
Performance fee	20% above 10% per annum
Investment Manager	MARQ Capital Limited
Responsible Entity	RE Funds Management Limited

### Australian and Overseas Property

Property returns are more dependent on local economic and financial conditions than other investment assets. Cross border investment in equities and fixed interest is extensive, so that the markets are increasingly integrated, which contrasts with the low integration of property markets.

Australia represents about 1% of the global property universe, so that opportunities globally are significant in the other 99%. In the global universe, the range of property types is more extensive, adding investment grade residential, warehouse, hotels and healthcare to the opportunity set. Broader opportunities extend across core, value added and alternative property. Correlations of returns from global property with other investment assets are relatively low. This results in significant enhancement of volatility-adjusted returns for diversified portfolios. Enhancement of volatility-adjusted returns through inclusion of global property is greater than from the inclusion of global equities and fixed interest.

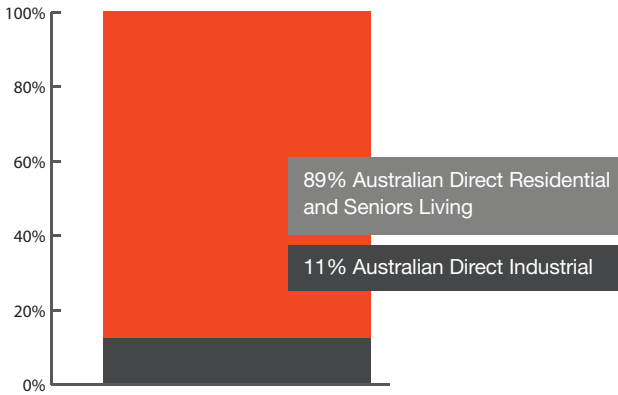
### Inclusion of Listed Property and Direct Property

When the fundamental differences in pricing, volatility of prices and market drivers are taken into account, direct and listed property both play an important role in a diversified portfolio. By combining direct and listed property in a diversified property portfolio, it is possible to achieve a better volatility/return trade-off than is attainable from solely holding either one or the other. Increasing the level of listed property increases the volatility of returns significantly relative to unlisted property. The inclusion of listed property provides liquidity not available in unlisted property.

### MARQ

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MARQ Capital is a boutique property investment manager. MARQ Capital's investment team has over 25 years experience in property funds management and development.



**Asset Allocation** **MARQ**  
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The Fund has a target allocation which will be diversified both locally and internationally across the retail, office and industrial sectors with exposure to residential and seniors living projects managed by MARQ Capital Limited. The actual allocation initially is 89% Australian Direct Residential & Seniors Living and 11% Australian Direct Industrial. MARQ Capital Limited intend to retain the present asset allocation with new investments directed to meeting the Funds investment allocation targets. MARQ Capital Limited expects the Fund to be in line with its benchmark allocations when investment in the Fund reaches \$20 million.

<b>MARQ</b> CAPITAL	Benchmark	Proposed Ranges	
		Minimum	Maximum
Australian Direct Retail	12.50%	5.00%	30.00%
Australian Direct Office	12.50%	5.00%	30.00%
Australian Direct Industrial	5.00%	0.00%	20.00%
Australian Direct Residential & Seniors Living	10.00%	5.00%	20.00%
Australian Listed	30.00%	20.00%	40.00%
Overseas Listed	17.00%	10.00%	30.00%
Overseas Direct	10.00%	0.00%	20.00%
Cash	3.00%	0.00%	10.00%
<b>TOTAL</b>	<b>100.00%</b>		

**Actual Allocation** **MARQ**  
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The actual asset allocation of the fund may vary according to market conditions. On occasion MARQ Capital may vary the allocations outside the proposed ranges to take advantage of a particular investment opportunity or its felt prudent to do so.

**Making An Investment**

<b>Platform</b>	Available on <b>netwealth</b> <small>Investment &amp; Superannuation</small>
<b>Platform</b>	Available on <b>Symetry</b>
<b>How To Invest</b>	Request a Product

Disclosure Statement (PDS) from your adviser, via our website or email us.

**Core Managers**

The underlying managers represent some of the largest and most successful property managers in Australia with expertise in managing property assets in their respective sectors, and an impressive track record in delivering value to investors.

**MARQ Capital Limited** chosen in order to achieve the desired asset allocation to Australian direct residential, seniors living and industrial property.

**Principal** Global Investors chosen in order to achieve the desired asset allocation to Australian listed property.

**Dexus** chosen in order to achieve the desired asset allocation to Australian direct, retail, industrial and global direct property.

**ING Investment Management Limited** chosen in order to achieve part of the desired asset allocation to global listed property securities.

**MARQ Capital Limited**  
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MARQ Capital Limited is a Corporate Representative ASIC No. 290186 of Quaestor Financial Services Group Pty Ltd AFSL 277615.

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