

# A good curator selects only the best

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## Broadening horizons: A diversified approach to property investing

The selected investment manager of the **Curate Momentum Flexible Property Fund**, Sesfikile Capital, believes in long-term value investing. However, the manager's specialist focus allows it to take advantage of short-term growth opportunities.

Of the more than 50 unit trusts within the ASISA South Africa (SA) Real Estate General category, the Curate Momentum Flexible Property Fund is among only a handful of funds invested in listed real estate companies in SA and around the world. It's also one of only three with more than 10% exposure to global property investments, which makes the fund unique.

Sesfikile Capital, carefully selected to manage the fund, covers the entire SA listed property market and 348 companies globally. This creates diversification benefits for the portfolio that expands Sesfikile's investable universe, unlike many other peers within the property sector.

Offshore real estate markets offer a wider variety of sectors compared to SA. In addition to retail, office, storage and industrial sectors offered in the listed SA property market, offshore listed property includes sectors such as healthcare, residential, data centres, hospitality, and gaming.

### SA-only mandates

Local REITs (ALPI\*)

- 5 property sectors
- 20 property shares
- 1 country

### SA and global property mandate

Local REITs (ALPI\*)

- 5 property sectors
- 20 property shares
- 1 country

#### + additional diversification

Global REITs (RNGR\*\*)

- More than 10 sectors
- 337 property shares
- 22 countries

Source: \* FTSE/JSE All Property Index (ALPI)

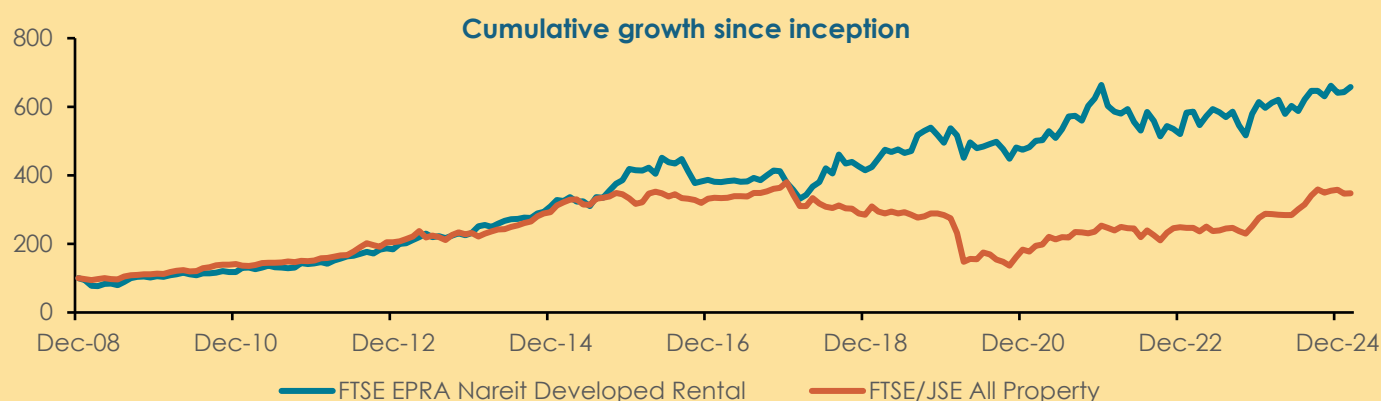
\*\* Global REITs as per EPRA/NAREIT Developed Rental Index Net TR USD (RNGR)

### What about returns?

The Curate Momentum Flexible Property Fund is measured against the benchmark composite, which is 40% FTSE/EPRA Developed Rental Index (in rand terms) (RNGR) and 60% FTSE/JSE All Property Index (ALPI).

The graph below shows the cumulative growth since common inception of the RNGR and ALPI. It shows how R100 invested in each benchmark would have grown monthly until the end of February 2025. Since 2008, global property outperformed local property by a cumulative 309.9%. However, in the past three years, local property outperformed global property by 33.1%. This highlights that there will be periods where local or global property returns diverge and, by combining them, you can benefit when this happens.

The divergence in returns between local and global property markets during certain periods also highlights how combining local and global property provides good diversification. For example, from mid-2018 to the end of 2020, global property rose strongly, while local property declined. Conversely, in 2022, local property was relatively flat, while global property fell sharply.




Source: Sefikile Capital, Morningstar Direct, at February 2025

### Why consider the Curate Momentum Flexible Property Fund?

- As a specialist portfolio, the manager looks for the best opportunities in listed property in SA and around the world, therefore increasing diversification and reducing risk. The fund's benchmark is 60% local and 40% global property, although Sefikile has the flexibility to upweight/downweight exposures accordingly.
- Over time, it aims to give investors growth on their capital and an income stream that can be either paid out or reinvested.
- As it is managed with careful risk control in mind, the fund can act as a diversifier within an income-generating portfolio, particularly as part of a living annuity.

### Overview of the Curate Momentum Flexible Property Fund

Client need being addressed	Fund	Unique attributes about the underlying manager	Annual management fee (excl. VAT)	Why use this fund?	Information
Capital growth	Curate Momentum Flexible Property Fund	 <p><b>SEFIKILE CAPITAL</b> Property Investments</p> <p>Sefikile Capital is unique for its diverse team, passionate about property. The business is structured that there are no individual incentives, but everyone shares in the profit pool.</p>	1% (A-class)	Specialist property manager with a local and global property mandate	Watch the team at Sefikile present on its investment philosophy and process <a href="#">here</a>

If you'd like to learn more about the [Curate Momentum Flexible Property Fund](#) and how the fund can act as a diversifier within an income-generating portfolio, please reach out to your Curate fund specialist.

For more information, visit our website or click [here](#).

Kind regards  
**The Curate Team**

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