

# DD Property Fund N.V.

## Monthly report February 2020

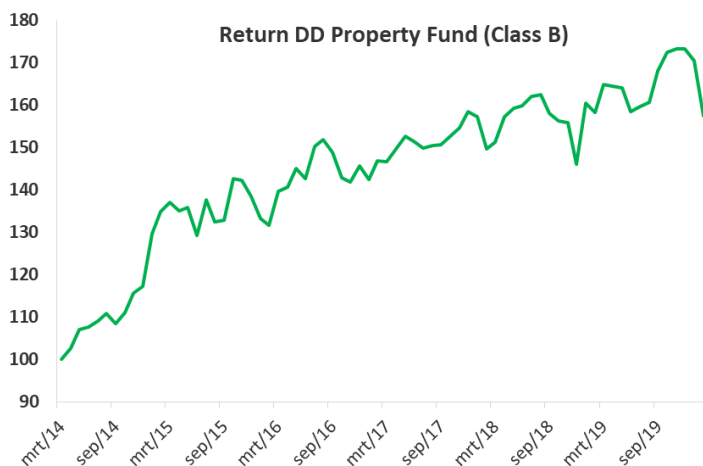


### Profile

DD Property Fund N.V. (DDPF or DD Property Fund) is a sustainable real estate equity fund with a focus on Europe. The fund has a net return target of 7%\* on average per annum and aims for a consistent slightly growing dividend. DDPF has a focus on the long-term and does not use a benchmark. DDPF invests with the conviction that an integrated analysis of financial and sustainability aspects makes a positive contribution to the fund's risk-return profile. This translates into a portfolio of high-quality real estate companies. DDPF sees it as its fiduciary duty to actively represent the interests of its shareholders in its investments. DD Property Fund is listed on Euronext in Amsterdam and can be traded daily.

### Return\*

DD Property Fund achieved a return of -7.63% (class B) for the month of February 2020. At the end of February 2020, the net asset value per share B amounted to € 33.70.



\* The value of your investment may fluctuate. Results achieved in the past do not provide any guarantees for the future.

### Fund information

#### Key facts

Fund size	€ 32.7 m
# shares A	395.508
# shares B	402.018
# shares C	182.498
Net asset value A*	€ 32.85
Net asset value B*	€ 33.70
Net asset value C*	€ 33.71
# positions	23

#### Costs

Management fee A	1.20%
Management fee B	0.70%
Management fee C	0.50%
Other costs**	0.45%
Up/down swing factor	0.25%

#### Other

Start date	Class A: May 2005 Class B: Jan 2015
Manager	DoubleDividend Management B.V.
Status	Open-end, daily
Exchange	Euronext Amsterdam
ISIN (A)	NL0009445915
ISIN (B)	NL0010949350
Benchmark	None
Currency	Euro

#### Risk monitor



\* per share  
\*\* estimated

**Table: monthly total return in % (after costs, dividend included) \***

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>2009</b>	-0.93	-4.09	-1.62	6.58	4.56	-4.94	1.52	9.69	1.91	-1.53	-1.03	0.32	<b>9.87</b>
<b>2010</b>	1.46	-0.29	4.57	-1.62	-6.72	1.07	5.14	1.00	5.21	2.46	-3.26	4.08	<b>12.75</b>
<b>2011</b>	2.08	2.75	-0.17	1.75	3.52	-2.20	-2.90	-8.16	-4.90	3.69	-5.90	1.26	<b>-9.62</b>
<b>2012</b>	1.53	2.02	4.59	-3.24	-2.34	1.51	3.09	-0.18	1.49	2.56	0.48	-0.02	<b>11.81</b>
<b>2013</b>	0.83	0.72	-1.41	4.38	1.39	-7.59	2.56	-1.31	3.14	2.61	-0.81	-0.67	<b>3.35</b>
<b>2014</b>	-0.47	5.76	-1.86	2.69	4.37	0.54	1.24	1.66	-2.20	2.36	4.13	1.48	<b>21.18</b>
<b>2015</b>	10.58	3.96	1.72	-1.51	0.52	-4.86	6.54	-3.70	0.32	7.37	-0.40	-2.56	<b>18.13</b>
<b>2016</b>	-3.76	-1.28	6.08	0.71	3.13	-1.62	5.37	1.01	-1.97	-4.02	-0.70	2.66	<b>5.13</b>
<b>2017</b>	-2.14	3.02	-0.13	2.01	2.08	-0.83	-1.11	0.45	0.11	1.32	1.34	2.44	<b>8.74</b>
<b>2018</b>	-0.74	-4.78	1.03	3.91	1.37	0.32	1.40	0.29	-2.75	-1.15	-0.21	-6.35	<b>-7.82</b>
<b>2019</b>	9.85	-1.37	4.20	-0.25	-0.27	-3.32	0.67	0.65	4.62	2.61	0.42	0.02	<b>18.63</b>
<b>2020</b>	-1.55	7.63											<b>-9.06</b>

\* From 2015 Class B shares returns are used. The value of your investment may fluctuate. Results achieved in the past do not provide any guarantees for the future.

## Market developments

The global real estate stock market had a reasonable start to the month, but the further spread of the corona virus outside China caused considerable panic among investors. The EPRA Global REIT Index fell on balance by 6.7% in February, but fell by more than 12% since the peak in mid-February. The DD Property Fund also had a poor month with a decline of 7.6%. It is clear that the impact of the corona virus, in addition to human suffering, is very large. Public life in contaminated areas is coming to a standstill and the impact on the economy is large, mainly due to declining consumer spending. In the first instance, this is mainly bad news for the already troubled retail investors, but eventually other real estate investors will also suffer. A bright spot is that interest rates have fallen further. Ultimately, it is expected that governments will get the virus under control and that a vaccine will be found. In China, for example, the number of infections is falling and factories are being restarted. However, it is still too early to be able to estimate the exact economic impact. For that reason we continue to operate with caution.

## Biggest positive and negative contribution

The largest positive contribution last month came from Finnish home investor Kojamo, which appreciated 2,3% in value. We also achieved a positive return on the position in Public Storage, but the contribution to the result was small. Heavy weights SL Green, Unibail-Rodamco-Westfield and Klépierre made – not surprisingly - a significant negative contribution.

**Table: top 3 contribution to result (in €)**

Top 3 highest contribution			Top 3 lowest contribution		
	Return	Contribution		Return	Contribution
Kojamo (Fin)	2.3%	0,0%	SL Green (VS)	-14.0%	-1.0%
Public Storage (VS)	3.3%	0,0%	URW (Fra)	-11.1%	-0.8%
Foncière Lyonnaise (Fra)	-0.8%	0,0%	Klépierre (Fra)	-12.1%	-0.8%

Source: DoubleDividend/Bloomberg

## Portfolio changes

In the past month, we have only slightly expanded the position in the Irish home investor I-RES and somewhat reduced the position in the Paris office investor Foncière Lyonnaise. We sold the position in the American Public Storage in full, just before the big decline started. As a result, we achieved a positive result on the position, while the share closed the month more than 6% lower.

**Table: top 10 positions in portfolio per ultimo month**

Company weights			
Unibail-Rodamco-Westfield (Fra)	7.3%	Eurocommercial Prop. (Neth)	5.8%
SL Green (US)	7.0%	Merlin Properties (Spa)	4.8%
Vonovia (Ger)	6.5%	I-RES (Ire)	4.8%
Klépierre (Fra)	6.4%	Mitsui Fudosan (Jap)	4.5%
ADO Properties (Ger)	6.2%	Kojamo (Fin)	4.2%

Source: DoubleDividend

## Team DoubleDividend

### Annex: portfolio characteristics

The table below shows the main characteristics of the portfolio. The cash flow yield shows the direct return (the rental income less costs) compared to the current price. Revaluations of the real estate are therefore not included. The price to net asset value indicates whether the portfolio is trading at a premium or a discount in relation to the value of the underlying real estate. If this value is lower than 100%, then there is a discount to net asset value and vice versa. The dividend yield is the dividend yield of the current year divided by the current price (closing price of the month).

The debt ratio is the net debt to the market value of the property. The VAR (Value At Risk) shows the maximum loss of the portfolio on an annual basis with 95% certainty based on Monte Carlo simulation. The standard deviation is a statistical measure for the distribution of the returns around the mean.

**Table: Characteristics DDPF per month end**

Valuation		Risk	
Cashflow yield. current	6.5%	Debt Ratio	32%
Price / Net Asset Value. current	74%	VAR (Monte Carlo. 95%. 1-year)	14.9%
Dividend yield. current	4.6%	Standard deviation	9.9%

Source: DoubleDividend/Bloomberg

## Distribution per country and sector

