

# The Property Fund from Zurich

A Bricks & Mortar option for your portfolio

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## Why invest in property

As Ireland's economy grows, so does its property market. The economic signs are good for Ireland; the jobs market continues to improve with unemployment forecasted to fall to approximately 5.5% by the end of 2018; in addition, GDP is estimated to be 3.6% for 2018\*. These indicators are a testament to the current strength and growth of the Irish economy. The natural correlation to this is that rents and prices for industrial and commercial properties are predicted to continue rising over the course of 2018.

We believe this presents opportunities for investment in property and we have outlined below some of the main benefits of investing in The Property Fund from Zurich.

### Diversification

Investing in property provides asset class diversification. Yields from property funds have a low correlation to other asset classes thereby reducing volatility by spreading investments across a wider portfolio of assets.

### Backed by Real Assets

Unlike investing in other asset classes, investing in property means an investment in physical, stabilised assets such as commercial buildings and land. With this investment, even when properties are vacated, the investor still holds an asset which can generate value by being re-let or redeveloped which in turn can further increase return.

### Hedge against Inflation

An investment in property can work as an effective hedge against rising inflation as the economy grows, as seen in Ireland today. This is because rental values are driven higher by increased demand for development of both commercial and residential properties.

### Strong and Stable Income

A constant return, in the form of regular collection of rent can yield a stable long term income from an investment in property. This can be further ensured through the active management and diversification of the asset portfolio in terms of geography, length of leases, and quality of tenants.

**\*Source:** Zurich Life, February 2018

## How the fund works

Property has different characteristics to other asset classes such as equity, bonds and cash. In particular, it can take a long time to buy and sell property assets. We recommend that you discuss any investment decision with your financial advisor prior to investing. We will be issuing new Terms & Conditions to everybody investing in the fund.

Withdrawals and switches out of this fund can be deferred. If you invest in this fund there may be extended periods when you do not have any access to your money.

For an Approved Retirement Fund (ARF) policy, periods with no access to your money may be of particular importance if you are relying on the property fund to provide income in retirement. Tax implications may also apply as you will be taxed on income from an ARF even if you do not draw it down.

There are a number of operational points to note in relation to the fund:

### Tranching

Your investment will initially be invested in a cash fund before being switched into the Property fund. The cash fund will have a set return of 1.5% per annum, before charges.

#### Tranche 1 (up to 7 March 2018)

New premiums or switches received up to and including 7 March 2018 will be invested in a cash fund and switched into the Property Fund in early April 2018.

#### Tranche 2 (up to 8 April 2018)

New premiums or switches received between 8 March 2018 and 9 April 2018 will be switched into the Property Fund in early May 2018. Further tranches may apply.

### Investment Limits

We may limit the total investment per policyholder to €250,000.

### Additional Annual Management Charge

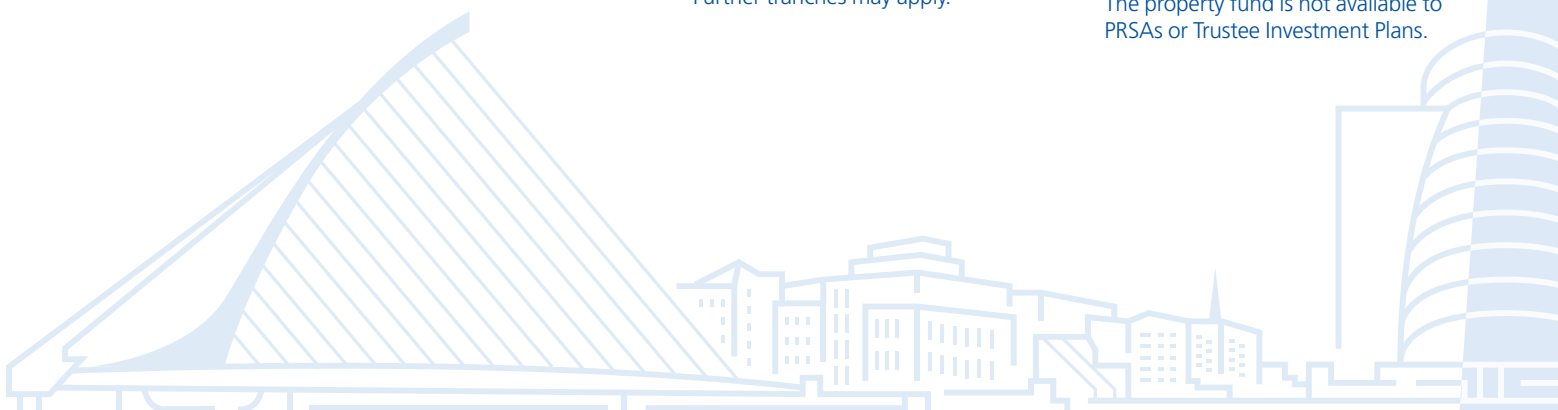
In addition to Zurich Life's normal AMC, this fund has an extra management charge of 0.25% p.a.

### Regular Premiums

Currently the Property Fund is not available for regular premiums.

### Product availability

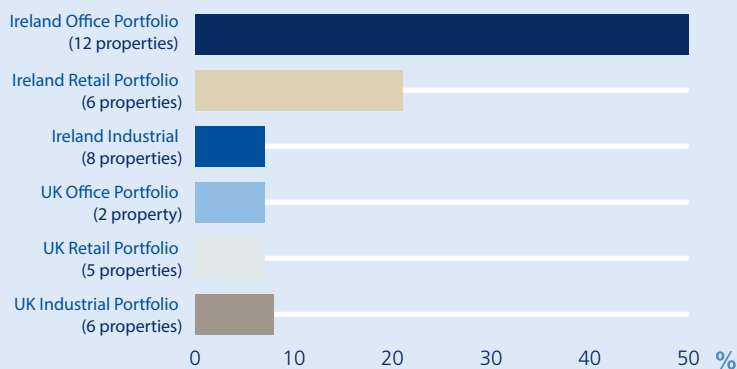
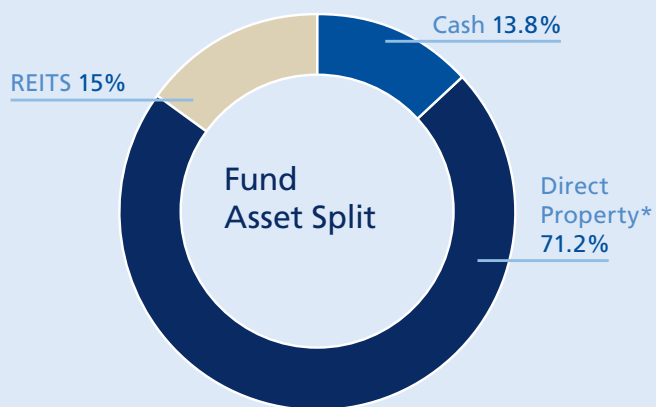
The property fund is not available to PRSAs or Trustee Investment Plans.





# Fund Facts

as at 31/12/17



Source: Zurich Life, February 2018

Number of Properties

39

\* The Fund invests in the Windwise Property Fund managed by SSgA to obtain its direct property exposure.

Some of the properties in the SSGA Windwise Property Fund



Deloitte House



Wilton Terrace

# Investment insights with Zurich

## Online



**Webinars, Pre-Sales Reports, Portfolio Builders, Podcasts** and much more. All designed to help you stay up to date and to keep your clients informed.

## Reports



Showcasing the latest **investment thinking, fund updates and performance information** from Zurich Investments.

## Analysis



Providing information on **individual funds, market performance, and investment sales ideas.**

## Live



With the Zurich Investment front office based here in Ireland, and with a dedicated Investment Sales Team, we are able to provide **support for client presentations, investment seminars, and in-house investment workshops** directly with our fund managers.

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**Warning: Benefits may be affected by changes in currency exchange rates.**

**Warning: The value of your investment may go down as well as up.**

**Warning: If you invest in these funds you may lose some or all of the money you invest.**

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Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

The information contained herein is based on Zurich Life's understanding of current Revenue practice as at February 2018 and may change in the future.

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