

This Minimum Disclosure Document (MDD) provides investors with key information that is intended to assist the investor in understanding the nature and risks of investing in this fund.

Fund Objective and Investment Approach

The Marriott Property Equity Fund has as its primary objective an acceptable dividend yield combined with long-term growth of income and capital. To achieve this objective, apart from liquid assets, securities normally to be included in the portfolio will be financially sound listed property shares, collective investment schemes in property and property loan stock. The portfolio will consist of a carefully selected spread of prime listed commercial and industrial property securities up to a maximum ratio of 85% and a minimum of 50%.

Fund Information

Registered Name	Marriott Property Equity Fund
Fund Size	R 156,411,432.21
Price (NAV)	677.77 cpu
Distribution	14.3296 cpu

Key Features

Fund Classification (ASISA)	South African – Multi Asset – Flexible
Inception Date	2 September 1996
Base Currency	ZAR
Minimum Initial Investment	R500
Minimum Additional Investment	R300
Minimum Debit Order	R300
Distribution Declaration Dates	31 March, 30 June, 30 September, 31 December
Distribution Payment Dates	3 to 4 working days after declaration
Instruction Cut-off	15h00 daily
Fund Valuation Frequency	15h00 daily

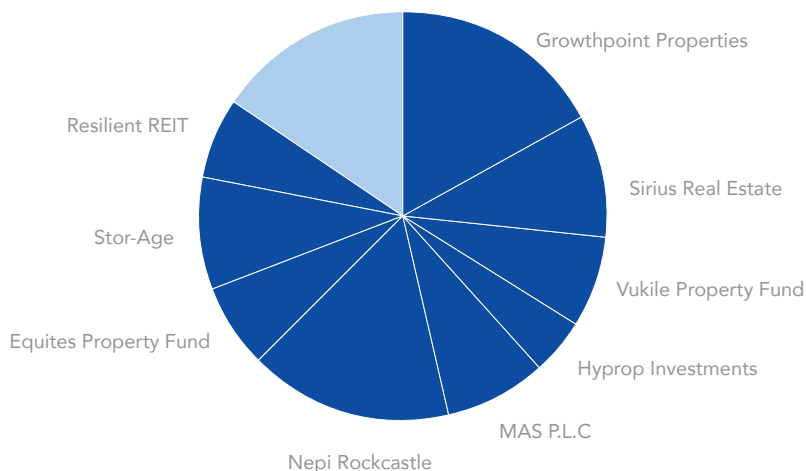
Risk Category Moderate

Low Medium High

This fund aims for a moderate income stream with a long term return greater than inflation. It aims for modest growth on invested capital but may be exposed to a moderate level of capital volatility.

Current Asset Allocation By Security

- Real Estate Inv Trusts 84.7%
- RSA Money Market 15.3%



Source: Marriott

Fund Limits and Constraints

The fund will restrict its investments to listed property and liquid assets. The fund may increase liquidity to 50% if it is deemed necessary by the Fund Manager.

Fees (excluding VAT)

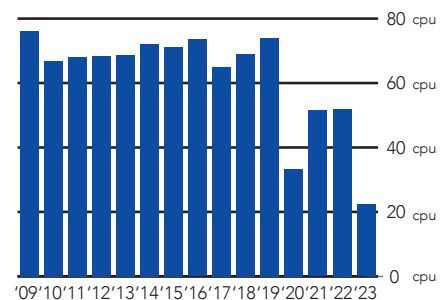
Marriott Initial Fee	0 %
Marriott Annual Management Fee	1 %
Marriott Performance Fee	n/a
Advisor Initial Fee (max)	3 %
Advisor Annual Fee (max)	0.5 %

Expenses (including VAT)

Total Expense Ratio (TER)	1.17 %
Transaction Costs (TC)	0.11 %
Total Invest Charge (TIC)	1.28 %

Distributions Since 2009

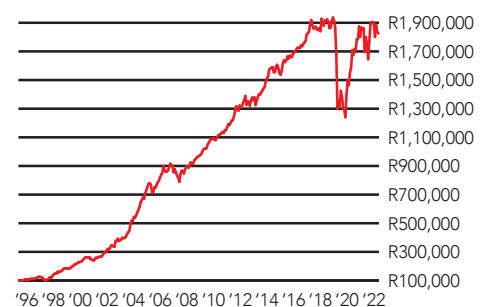
(Paid quarterly in cents per unit)



Source: Marriott

Total Returns Since Inception

(Assuming R100,000 invested at inception)



Source: Marriott

Performance

Net of all fees and expenses as per the TER disclosure (including income)

Annualised (pa)						Volatility of Return Since Inception		
	1 year	2 years	3 years	4 years	5 years	Since Inception (Sep 1996)	Highest 12 Months	Lowest 12 Months
Income Return	8.0%	6.9%	7.0%	6.5%	6.6%	10.0%	-	-
Price Return	-0.4%	-3.8%	1.6%	-7.8%	-7.0%	1.4%	-	-
Total Return	7.6%	3.1%	8.6%	-1.3%	-0.4%	11.4%	69.6%	-35.1%

Source: Marriott

For periods longer than 12 months annualised performance figures are used. An annualised performance figure represents the compounded average return in percentage terms earned by the fund over the given period of time.

Portfolio Security Yields

Company	Weight	Yield
Growthpoint Properties Ltd	17.2%	11.4%
Nepi Rockcastle PLC	16.2%	8.6%
Sirius Real Estate Ltd	9.7%	5.5%
Stor-Age Property REIT Ltd	8.7%	9.6%
MAS P.L.C	8.0%	7.2%
Vukile Property Fund Ltd	7.0%	9.1%
Equites Property Fund Ltd	6.7%	14.8%
Resilient REIT Ltd	6.6%	10.5%
Hyprop Investments Ltd	4.6%	9.7%

Source: Marriott

Commentary

The South African listed property sector posted returns of 0.7% for the quarter ended June 2023, as volatility in financial markets continued. Sentiment continues to be primarily driven by sticky inflation and higher than expected interest rates globally. The current US yield curve, being the most inverted since 1981, indicates that higher interest rates will eventually hurt economies and that a recession is on the horizon - a recession which financial market participants have dubbed to be the most anticipated in history.

While last year, the impact on global property prices was driven due to changes in the capitalization rate, this year, the implications of low growth and higher interest rates on cash flows have come into focus. Those sectors, such as discretionary retail and office, that are more sensitive to changes in the economy will on average have more sensitivity to their cash flow as leases expire. In addition, a company's pricing power, which is measured by overall demand and supply dynamics, as well as the quality of buildings, plays an important role in a company's ability to capture inflation in its rentals - shielding the cash flows against the rise in interest rates.

In the local landscape, the South African property sector has undergone a period of rebasing over the past few years, in which rentals have undergone significant downward reversions and are now set at more sustainable levels. Despite landlords being plagued by rising administration costs, negative reversions, and diesel costs, the sector's net operating income growth has turned positive for the first time since 2019. The growth in net operating income indicates that these costs were not enough to offset the escalations underpinning the leases. Part of this is explained by the high margins of between 50% and 60% at which the sector operates, enabling it to absorb some of the rising costs. SAPOA data also indicates that vacancies across all sectors have peaked and are trending downwards, albeit at a very slow pace.

In general, property, being a capital-intensive asset class, displays more sensitivity to changes in interest rates. The sector has done well to protect itself against the impact of rising interest rates by hedging its debt. On average, 75% of interest rates are hedged for an average of 2.9 years. This plays an important role in reducing the volatility of income streams as interest rates rise.

At Marriott, to produce more reliable and predictable income, it is our priority to have exposure to companies that are less sensitive to the economic cycle, exhibit pricing power, and that have conservative balance sheet leverage and staggered maturity profiles. Stor-age and defensive retail landlords, Vukile and Resilient are good examples that meet this investment criteria. The Marriott Property Equity Fund is currently yielding 10.3% with growth of 3.0%.

Contact us: To find out more about this fund or to obtain free of charge additional information such as brochures, application forms, annual reports and other marketing material, please visit our website www.marriott.co.za or contact our Communication Centre on **0800 336 555**.

Collective investment schemes are generally medium to long-term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. If required, the manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Forward pricing is used. The ruling price of the day is calculated at approximately 15h00 SA time each day. Purchase and repurchase requests must be received by the manager by 15h00 SA time each business day. Prices are published on a daily basis on the Marriott website, www.marriott.co.za. Unit trusts are calculated on a net asset value basis. Net asset value is the value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio. Marriott does not provide any guarantees with respect to the capital or the return of the portfolio. A schedule of fees and charges and maximum commissions is available on request from Marriott. Where initial fees are applicable, these fees are deducted from the investment consideration and the balance invested in units at the net asset value. Commissions and incentives may be paid and if so, would be included in the overall costs. Where, different classes of units apply to the fund these would be subject to different fees and charges. The inclusion foreign securities in a portfolio are subject to risks including but not limited to potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks and the potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Declaration of income accruals are quarterly. Performance figures are based on lump sum investment. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. This portfolio may be closed to new investors in order to manage it more efficiently in accordance with its mandate. The TER shows the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees relating to the management of the portfolio. A higher TER ratio does not necessarily imply poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER. Marriott Unit Trust Management Company (RF) (Pty) Ltd is a member of the Old Mutual Investment Group. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA).

Custodian & Trustee: FirstRand Bank Ltd,
3 First Place Bank City, Cnr Simmonds & Jeppe
Streets, Johannesburg, 2001, +27 (0)87 311 2111

Manager: Marriott Unit Trust Management
Company (RF)(Pty) Ltd.

Asset Manager: Marriott Asset
Management (Pty) Ltd, a licenced financial services
provider, FSP 592

Marriott House

2 Delamore Road Hillcrest 3610

PO Box 2099 Hillcrest 3650 South Africa

Client Relationship Team 0800 336 555

Tel +27 (0)31 765 0700 Fax +27 (0)31 765 0790

Email info@marriott.co.za www.marriott.co.za

