



Research Directions

Office of Research Services

Super Strategies Revealed

Professor Graeme Newell from the School of Economics and Finance is exploring how superannuation funds make decisions about investing in property through collaboration with the Australian Property Research Forum.



'Superannuation funds in Australia are big business – currently accounting for over \$1 trillion in total assets' says Professor Newell. 'Property investment by superannuation funds is seen as an important part of the asset mix, with super funds in Australia actively seeking increased investment in the commercial property sector. This increased significance and strategic role of property with these superannuation funds has increased the need for the property industry to understand superannuation fund decision-making regarding property investment. This project will explore the criteria that super funds apply to determine their property portfolio allocations and future expectations regarding property investments.'

Working closely with Australian Property Research Forum, Professor Newell will survey and interview key staff in corporate, industry and public sector superannuation funds to assess criteria used to determine their property allocation, what returns are required or expected on property investments and whether criteria differ depending on the type of property acquired. Superannuation fund property investment strategies as articulated in annual reports and company policy documents will also be analysed to assess the significance of property in the overall investment portfolio of the funds.

This research will enhance the property industry's understanding of superannuation fund strategies and expectations regarding property allocations and performance, and may lead to more robust and better performing investments by superannuation funds, thus giving improved financial returns and retirement savings to the Australian public.

Project Title: Determining the criteria by which superannuation funds determine their allocation to property

Funding has been set at: \$10,000

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