

Welcome to APAA Workshop

We will start from 6:30pm



CAMERON HARRISON



Acknowledgement

APAA would like to acknowledge the Wurundjeri people who are the Traditional Custodians of this Land. APAA would also like to pay our respects to Elders past, present and emerging.



AUSTRALASIA
PROPERTY ADVISORY
ASSOCIATION





Our Team

We are a not-for-profit organisation creating a community for property developers and multidisciplinary leaders that operate across the entire development lifecycle.

APAA Partners



MAX LAM
Chairman



SHAUN CHENG
President



KEVIN LI
Executive Committee



TREVOR DU
Executive Committee



RAY WANG
Executive Committee



HUI LI
Executive Committee



TZE CHIANG GOH
Executive Committee



CHERYL CHEN
Executive Committee



SHARON LI
Executive Committee



FANNY LU
Executive Committee



HAN LIU
Internship



INGRID FILMER, CEO
INVESTMENT & ADVISORY



TRISTAN BOWMAN, PARTNER
WEALTH MANAGEMENT



ANDREW MCCARTHY, CEO
FAMILY OFFICE



CAMERON HARRISON



Questions to Sli.do



Or joining at [Slido.com](https://www.slido.com) with the
event code [#3289406](https://www.slido.com/join/3289406)

Intergenerational Wealth

Tristan Bowman – Cameron Harrison

Level 17, North Tower
80 Collins Street
Melbourne, Victoria 3000

GPO Box 1559
Melbourne, Victoria 3001

+613 9655 5000
cameronharrison.com.au

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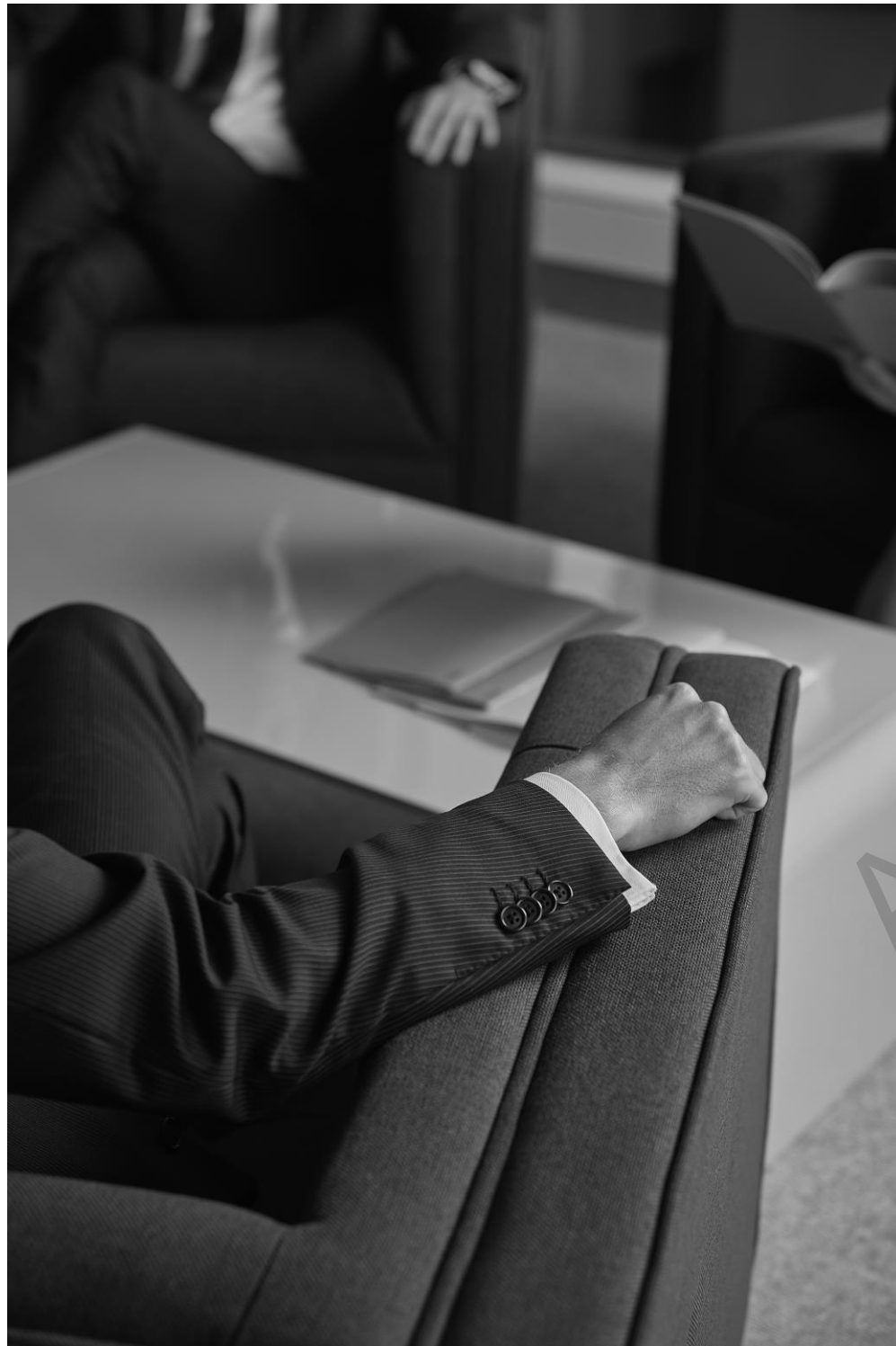
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Agenda

1	The Wealth Journey
2	Intergenerational Wealth – Making it Last
3	Watch Points
4	About Cameron Harrison

About Cameron Harrison



We're in the business of mapping strategy, where the compass is never true north. It's a journey where insights and experience are vital.

We are wealth managers and advisers for families and business owners. We act for private investors who seek both responsible stewardship of their wealth and strategic & technical advice across their affairs.

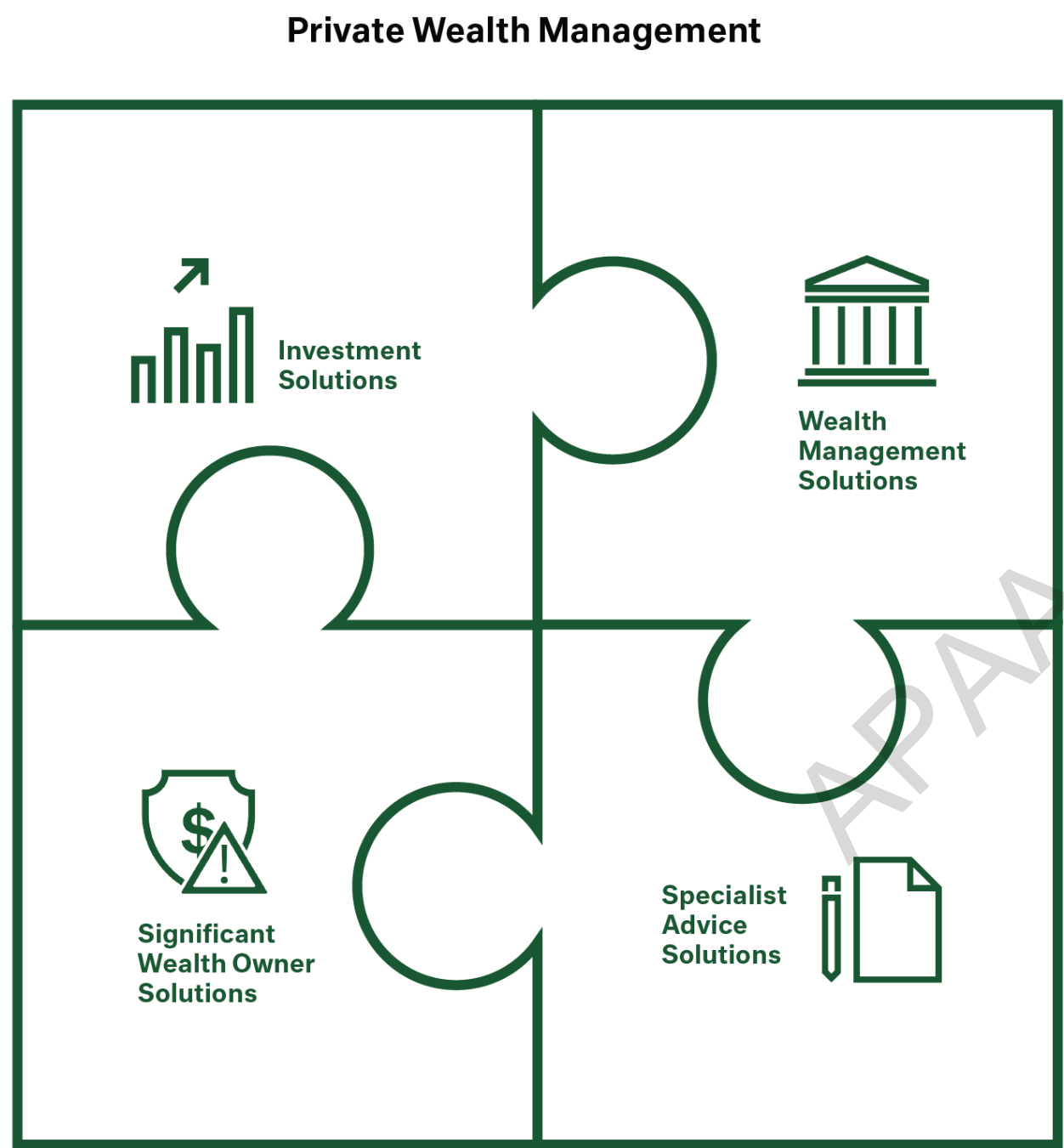
It is something our partners have focused on for 40 years for business owners and families.

This unique combination of skills typically sees us assisting those families or business owners who have some complexity in their affairs and are seeking clarity in their strategy and real discipline and diligence in the management of their wealth.

APAA GUEST ONLY

1 The Wealth Journey

Private Wealth Management



Cameron Harrison’s wealth management is designed for investors who wish to maintain independent control of their wealth yet want a professionally managed strategy formulated to address their individual needs and circumstances.

- Our wealth management framework offers clients four progressive service levels:
- **Investment Solutions:** our investment managers are specialists in single asset class and multi-asset allocation strategies, portfolio design and construction, investment selection and risk management.
 - **Wealth Management Solutions:** integrated strategic and technical wealth advice across investment and tax management, asset protection, business planning, estate planning, philanthropy and multigenerational wealth transmission.
 - **Specialist Advice Solutions:** tailored solutions for specific or complex circumstances, such as strategic planning, business succession, project planning, risk management, estate administration, philanthropic endeavours, and business and family governance.
 - **Significant Wealth Owner Solutions:** our team of experts can work with you and your advisers to assist with the complex issues faced by owners of significant wealth.

The Complete Picture

Our whole of wealth management framework intertwines business owner advisory with passive investor wealth management to provide responsible capital management and wealth accumulation.



Active Assets
Business
Projects



Passive Assets
Investments
Lifestyle
Property

**Journey Mapping
integrated wealth**

Tax Effectiveness

- Business owners
- Individuals
- Intergenerational wealth transfer
- Superannuation
- Foundations and charitable funds

Asset Protection

- Business and commercial risk
- Intergenerational and family risk
- Governance and conduct
- Philanthropic objectives

Economic Management

- Wealth accumulation
- Strategic asset allocation
- Portfolio construction
- Asset class strategies
- Investment risk management

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2 Intergenerational Wealth – Making it Last

Multi-Generational Investment Strategy

Determining Multiple Investment Objectives

Investment objectives are likely to change throughout the course of a wealth journey and across generations. Our role is to provide the tools to help adapt to these changing objectives.

Asset allocation is critical to achieving investment goals and objectives. It is also the primary determinant of an investor’s risk and return profile over time.

Often overlooked in favour of individual investment selection, asset allocation has been shown to make the most significant impact on a client’s long-term wealth creation.

We have created a strategic asset allocation process that simplifies the complexities of asset allocation, is easy to understand and implement.

The ‘Pools’ Approach

An overarching goal is to simplify the complexities of wealth management; our approach is to divide objectives into different investment ‘pools’. Segmenting investments into two or more ‘pools’ can help guide the distribution of funds between asset classes and distinguish between generational objectives



Cash ‘Pool’
Cash investments to fund your short-term lifestyle needs (replenished as required).

Stable ‘Pool’
Other income generating investments (e.g. fixed income) to help account for an additional income required over the next several years.

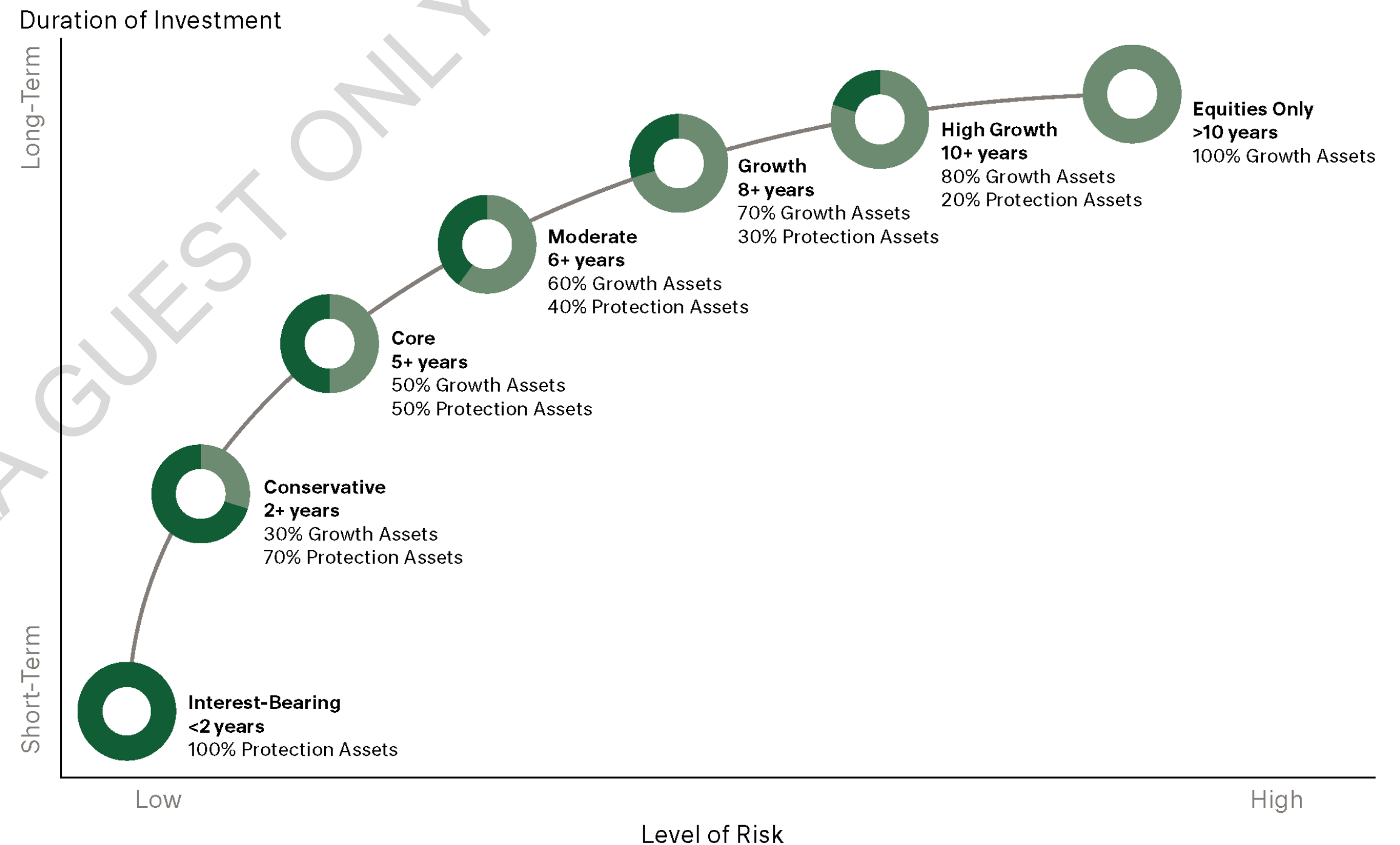
Growth ‘Pool’
If applicable, the remaining balance held with more risk-associated investments (e.g. equities and property).

Asset Allocation – Risk v. Duration

Our suite of asset allocation strategies (illustrated right) offers different risk-adjusted options for you to consider against your investment objectives and risk profile.

Depending on your risk view, investment horizon and specific factors such as volatility, currency, inflation and specific funding requirements, we can provide any one or combination of these asset allocations, or our investment specialists can create a bespoke asset allocation just for you.

The dynamic core spectrum of asset allocations allows tactical flexibility.



Example – ‘Pools’ Approach

Strategy	Short-Term Funding		Lifestyle Funding		Legacy		Total	
Asset Allocation	Conservative		Core		High Growth			
Capital Sum	\$5,000,000		\$15,000,000		\$12,000,000		\$32,000,000	
Purpose	Immediate Capital Requirements		Long-term lifestyle funding		Ultimately for the benefit of next generation(s)		Blended	
Investment Horizon	2-3 years		5+ years		8+ years		Blended	
Asset Class	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)
Equities	20%	1,000,000	35%	5,250,000	45%	5,400,000	36%	11,650,000
Property	10%	500,000	15%	2,250,000	35%	4,200,000	22%	6,950,000
Fixed Income	65%	3,250,000	48%	7,200,000	18%	2,160,000	39%	12,610,000
Foreign Currency/Cash	5%	250,000	2%	300,000	2%	240,000	2%	790,000
Total	100%	5,000,000	100%	15,000,000	100%	12,000,000	100%	7,450,000
Risk Allocation								
Market Risk	30%		50%		80%		55%	
Low Market Risk	70%		50%		20%		45%	
	100%		100%		100%		100%	

Notes

- Short-term funding pool provides for immediate and expected capital requirements over a 2-3 year period.
 - E.g. house renovations, lifestyle property purchase.
- Lifestyle funding pool provides income into perpetuity to provide for ongoing living expenses.
 - In practice, this pool should be able to sustainably fund drawings with little or no stress on the portfolio.
 - Ultimately, the capital should then pass to the next generation.
- Legacy pool is assets that are surplus to needs and can therefore be invested in higher risk assets to match the investment horizon of that next generation (and subsequent generations).

Considerations



Asset Protection

- The right people in the right roles.
 - Trustees
 - Directors
 - Appointors
- Separation of business (active) assets and passive investment assets.
- Minimisation of personal risk exposures (commercial risk, marital risk).



Structure

- Efficiency of capital and management of tax outcomes.
- Integration of structure.
- Appropriate use of superannuation, company and trust structures to achieve balance between competing objectives.

Considerations



Estate Planning

- Devolvement of assets in a tax effective and asset protected manner.
- Appropriate use of testamentary trusts.
- Control provisions – balance between protecting a legacy and ruling from the grave.
- Legacy: ongoing management of assets to a defined purpose and strategy.



Philanthropy

- Efficiency of capital and management of tax outcomes.
- Integration of structure.
- Appropriate use of superannuation, company and trust structures to achieve balance between competing objectives.

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3 Watch Points

Family Office

Family Office FOMO

- FOMO or ‘fear of missing out’ risk which family office boards and management can be tempted or mistakenly step into. Appears in two ways:
 1. Family Office Board deviate from the agreed Investment Return Target to follow trends
 2. Accommodating Risk Investments or ‘tilts’ at the behest of a dominant board member or founder

Lack of Governance

- Without professional assistance, governance can be inadequate to match the risks, particularly with family office clients that have a number of staff employed.
- Risk management, separation of duties, business continuity.

Defined Strategy + Policy

- The need for a defined strategy for both investment and business is paramount. Without it, activities can become wayward and directionless.
- Likewise, policy needs to provide limits on investment management and guide business hygiene.

High Net Worth

Complex Families

- Divergence between family members of the second or third generation.

Communication (or lack thereof)

- The next generation having no understanding of how to manage capital or group structures.

Poorly Devised Estate Plans

- Inappropriate persons in trustee/appointor roles exposing capital to attack from commercial lawsuits or marital breakdowns.
- Don't forget about superannuation nominations.

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About Cameron Harrison

Your Wealth Journey

As mountain guides, we provide the ropes and routes. It's your summit we protect.

The road to wealth is a journey. As your trusted partners, we provide personal guidance to achieve your goals.

We are Melbourne based specialists in investment management, wealth advice and specialist advice and consulting. It's been 50 years of navigating journeys with business owners, individuals and families. We believe this tenure is a quiet reflection of our client's achievements. Together, we are in this journey to protect and grow wealth.



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Thank you

Strategic Property Investments

Creating Intergenerational Wealth Through Property

Presenter
Ingrid Filmer

October 2023



 Burgess
Rawson

Who we are

A leading and largest privately owned commercial real estate agency



Offices in Sydney, Melbourne
Brisbane, Western Australia ACT,
Mildura & Townsville



Long Established
for 48 years



Specialising in commercial
investment & asset management in
metropolitan
and regional areas

Asset Classes



Fast Food



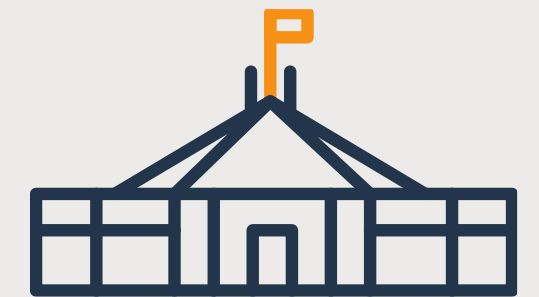
Early Education



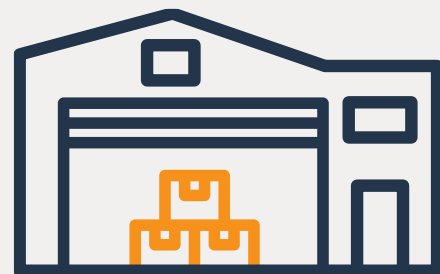
Convenience
Retail



Healthcare



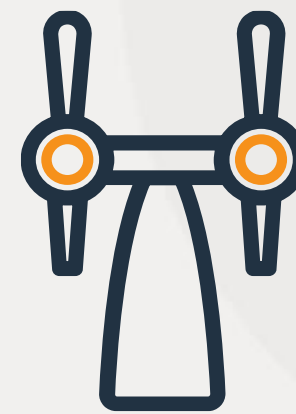
Government



Industrial



Liquor



Pubs
& Hotels



Supermarkets



Large Format
Retail

Burgess Rawson: Full Service Agency



Sales



Leasing



Asset Management

Intergenerational Wealth Transfer

\$1.5
Trillion

\$3.5
Trillion

2003

2023

2043

Last 20 years

Next 20 years

Intergenerational Wealth Transfer

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\$250
Trillion
Million
Per Hour

Burgess Rawson



Bendigo VIC

Purchased: **April 2009**
Price: **\$8,680,000**

Sold: **April 2017**
Price: **\$14,460,000**

Annual Return*: **16.3%**

* Estimated

Burgess Rawson



Wangaratta VIC

Purchased: August 2012

Price: \$910,000

Sold: June 2020

Price: \$2,005,000

Annual Return*: 20.9%

* Estimated

Burgess Rawson



Commercial Portfolio

Purchased: August 2012
Price: \$910,000

Sold: June 2020
Price: \$2,005,000

Annual Return*: 20.9%

* Estimated



Fast Food



Early
Education



Convenience
Retail



Medical



Government



Industrial



Pubs & Hotels



Liquor



Supermarkets



Large Format Retail

Ingrid Filmer

CEO | Partner



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AGENDA

- 1. Who are the Yulgilbar Group?**
- 2. What is a Family Office?**
- 3. What form should a Family Office take?**
- 4. Capital Allocators vs Fund Managers**
- 5. Governance**

YULGILBAR GROUP

The Yulgilbar Group is a grouping of investment and operating assets that are owned by the Sidney Baillieu Myer Family.

The Yulgilbar Group activities are essentially spread over three areas:

- agricultural operating interests in NSW and Victoria, Australia.
- investment activities.
- philanthropic activities.

The Mission of the Yulgilbar Group:

“...to hold and grow the jointly owned and operated assets of the SBM Family to provide secure capital growth and income for the present and future generations of the family.”

WHAT IS A FAMILY OFFICE?

A Family Office is the functional infrastructure made up of the people, processes and technologies that support successful families in planning, managing, transferring and perpetuating their wealth in an integrated way across generations.

Choosing the right Family Office model?

Every family is different and as wealth and complexity increases, considerations like time commitment, costs, required expertise and the needs of business enterprises will all impact the decision.

FAMILY OFFICE MODELS

There are four primary Family Office models which Australian families adopt to deliver on their Family Strategies:

- Single Family Office (“SFO”) with a dedicated full-time team looking after one family;
- Business Family Office (“BFO”) which uses professionals from the family business to also look after the family’s personal affairs;
- Virtual Family Office (“VFO”) where the family co-ordinates professionals from different service providers to meet their needs; and
- Multi-Family Office (“MFO”) a third-party company with in-house multi-disciplinary professionals who look after multiple families using dedicated teams.



INVESTMENT MANAGEMENT

- Capital Allocators vs Fund Managers
- Outsource vs In-house
- Approach to different asset classes / risk return objectives

GOVERNANCE

WHICH ROOM ARE YOU IN!!!!

1. Owner Room (goals and guardrails, board selection, owner decisions)
2. Board Room (senior leadership, strategy, monitoring)
3. Management Room (operations, strategy design)
4. Family Room (family unity, family activities, family assets)

Structure: What forums do you need to do the work in each room?

Process: how are decisions made within and across rooms?

Talent: who is needed to play key roles in each room (family and non-family)



Q&A Time



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AUSTRALASIA
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Appreciations



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