

Investment Management Services



Alert

Fund Manager Manulife Real Estate

Date July 2016

Alert
Manulife Private Markets has announced that Charlie Deeks, Director and Portfolio Manager, Manulife Real Estate, will be leaving the firm on August 5, 2016.

Mr. Deeks joined Manulife in January 2015 as part of Manulife's acquisition of Standard Life PLC's Canadian business. He was named a portfolio manager for the Manulife Canadian Property Portfolio ("MCP") in December 2015.

Jennifer Schillaci, Managing Director and Senior Portfolio Manager, Manulife Real Estate Funds, continues to serve as the lead manager for MCP, with responsibility for fund strategy, acquisitions, execution and overall portfolio management.

The recruitment process for a second portfolio manager is expected to begin shortly.

Products Affected
Manulife Canadian Real Estate Investment Fund (GRS)
MAM Asset Allocation and Target Date Portfolios (GRS)

Impact
Organization & People

Manulife Real Estate is the global real estate arm of Manulife and a division of Manulife Private Markets.

Charlie Deeks' relatively recent appointment to portfolio manager followed the departure of Tim Blair in March 2015, who had previously served as a portfolio manager for the MCP.

Continuity in leadership remains intact with Jennifer Schillaci continuing to serve as the senior portfolio manager for MCP. She is supported by specialist teams in real estate acquisitions, asset management, engineering and technical services, legal and compliance, as well as the fund's senior investment committee.

Investment Process and Philosophy
Manulife Real Estate does not anticipate any changes to MCP's investment philosophy, fund strategy, execution or portfolio management as a result of Mr. Deek's departure.

Closing Remarks
Mr. Deeks' departure, considered in tandem with the prior vacancy for the same role in 2015 when Mr. Blair left the firm, represents turnover that requires close monitoring of the MCP team specifically, and the Manulife Real Estate team more broadly, as we have seen notable manager turnover among other teams within the Real Estate division, including the departure of Will Secnik earlier this year.

The continuity at the senior portfolio manager level with Jennifer Schillaci at the helm provides IMS with a fair amount of comfort, as does the depth of resources and collaborate approach within the Manulife Real Estate team.

However, given the pattern of turnover and lack of retention within the management team for the MCP and elsewhere within the Manulife Real Estate complex, IMS is placing MCREIF – which invests substantially in MCP – under Increased Scrutiny as an initial step and will be looking to reaffirm or update the rating following the opportunity to conduct a due diligence meeting with Manulife Real Estate.

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