

The Property Income Trust for Charities

INVESTMENT POLICY AND OBJECTIVES

The Trust's investment objective is to deliver a relatively high and sustainable income yield whilst at least maintaining capital value in real terms over the economic cycle.

INVESTOR CONSTITUENCY

Any exempt charity in the UK or a unit trust whose members are all exempt charities may invest in the Trust. It is also possible for charities from the EU to apply for exemption from HMRC.

Fund details	
Type of fund	Exempt Unauthorised Unit Trust (EUUT)
Residence	United Kingdom
Launch date	September 2004
Open/closed-ended	Open-ended
Earliest date of winding up	n/a
Year-end	31 March
NAV (GBPm)	480.2

Source: Swiss Life Asset Managers UK Ltd

Management/professional advisors	
Trust manager	Swiss Life Asset Managers UK Ltd
Trust Administrator	Sanne Group
Property investment manager	Swiss Life Asset Managers UK Ltd
Property advisor	Jones Lang LaSalle
Fund Director	Simon Martindale
Trustees	Vistra Trust Corporation (UK) Limited

Source: Swiss Life Asset Managers UK Ltd

	The Property Income Trust for Charities	MSCI /AREF UK Quarterly Property Fund Index		
		Other balanced open-ended funds	All balanced open-ended funds	All funds
3 months	1.2	1.2	1.1	1.4
Year-to-date	1.3	1.7	1.7	1.7
12 months	-0.7	-0.4	0.1	0.0
3 years+	-0.1	0.4	0.6	0.0
5 years+	1.5	1.4	1.5	0.6
10 years+	5.7	5.1	4.8	4.0

Source: Swiss Life Asset Managers UK Ltd

Fund Restraints	
Property investment restrictions	
Maximum development exposure	Nil
Maximum speculative development exposure	Nil
Maximum lot-size holding as a standing investment	Nil
Maximum lot-size holding permitted at purchase	10% of the value of the Fund
Maximum exposure to limited partnerships	n/a
Maximum exposure to joint ventures	n/a
Maximum exposure to closed and open-ended property unit trusts	10% of the value of the Fund
Restrictions on holdings of cash/borrowings	
Maximum total gearing permitted for investment purposes	50% (loan to value at purchase)
for liquidity purposes	n/a
Cash holdings (maximum)	n/a
Cash holdings (minimum)	n/a

Source: Swiss Life Asset Managers UK Ltd

	The Property Income Trust for Charities	MSCI/AREF UK Quarterly Property Fund Index		
		Other balanced open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	1.4	4.2	3.7	3.4
Standard retail – Rest of UK	0.0	1.1	1.1	1.2
Supermarkets	2.1	0.7	1.1	1.7
Shopping centres	0.0	0.6	0.9	0.6
Retail warehouses	12.2	12.3	12.0	7.4

All UK retail	15.7	19.0	18.8	14.4
City offices	0.0	3.0	3.1	2.6
West End offices	0.0	7.5	6.6	4.8
Rest of South East offices	6.2	6.3	6.3	5.2
Rest of UK offices	17.4	4.6	4.0	4.4
All UK offices	23.7	21.4	20.0	17.0
South East industrial	3.9	19.2	20.1	18.0
Rest of UK industrial	0.0	7.7	7.2	6.5
South East Distribution Warehouse	10.5	5.1	5.4	4.1
Rest of UK Distribution Warehouse	27.5	6.4	6.3	5.3
All UK industrial	42.0	38.3	39.1	33.8
Residential excl Student Accomodation	3.7	0.5	1.3	2.4
Student Accomodation	0.0	2.8	3.3	10.7
Hotel	7.3	3.7	3.2	6.1
Leisure	0.0	1.8	2.2	4.1
Healthcare	1.5	1.8	1.3	1.4
Other UK properties	0.0	3.8	3.2	4.1
Cash***	6.2	6.8	7.7	6.0
Overall	100.0	100.0	100.0	100.0

Source: Swiss Life Asset Managers UK Ltd

Property ownership structure

	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	44	514.3	100.0
Joint and indirect holdings	0	0.0	0.0
Listed investments	0	0.0	0.0
Total	44	514.3	100.0

Source: Swiss Life Asset Managers UK Ltd

Largest direct investments by lot size & percentage of total portfolio

Property	Location	Sector	Valuation (GBPm)	% of total portfolio
Paragon - Bristol	BRISTOL	Office	25-30	5.3
UNIT A, 9-11 NEWMARKET BUSINESS PARK	NEWMARKET	Industrial	25-30	5.2
PHASES I & II TRAX PARK	DONCASTER	Industrial	25-30	5.0
WEST MOOR PARK	DONCASTER	Industrial	20-25	4.4
BARTLEY POINT, HOOK	HOOK	Industrial	20-25	4.2
The Place Retail Park	MILTON KEYNES	Retail Park	15-20	3.6
UNITS A-D ORION BUSINESS PARK, STOCKPORT	STOCKPORT	Industrial	15-20	3.6
PREMIER INN	CROYDON	Hotel	15-20	3.5
3 CAPITAL QUARTER, CARDIFF	CARDIFF	Office	15-20	3.4
REHAU, MANOR PARK, RUNCORN	RUNCORN	Industrial	15-20	3.2
10 largest investments as % of portfolio				41.2

Source: Swiss Life Asset Managers UK Ltd

Direct portfolio structure by lot-size bands

Value band (GBPm)	Number of assets	Valuation (GBPm)	% of total portfolio
0-2.5	1	2.1	0.4
2.5 - 5	5	16.7	3.3
5-10	14	104.4	20.3
10-25	21	311.7	60.6
25 - 50	3	79.5	15.5
50 - 100	0	0.0	0.0
100-150	0	0.0	0.0
Over 150	0	0.0	0.0
Total	44	514.3	100.0
Average lot size		11.7	

Source: Swiss Life Asset Managers UK Ltd

Property Yield

Net initial yield	5.69%
Nominal equivalent yield	0.00%
True equivalent yield	7.17%
Net reversionary yield	7.37%

Source: Swiss Life Asset Managers UK Ltd

Voids as % of ERV

Investments	7.15%
Developments	0.00%
Total	7.15%

Rental income & ERV by type of property

	Rental income %	Estimated rental value %
Standard retail	2.7	2.7
Retail warehousing	11.5	11.7
Shopping centres	0.0	0.0
Central London offices	0.0	0.0

Other offices	32.5	35.0
Industrial	39.8	40.3
Other	13.5	10.3
Overall	100.0	100.0

Source: Swiss Life Asset Managers UK Ltd

Over Renting and Reversionary Potential, % Rent Passing									
Sector	Rent Passing, GBP Millions	Rent Free, % Rent Passing	Development vacancy, % Rent Passing	Investment vacancy, % Rent Passing	Over rented, % Rent Passing	Reversionary potential, % Rent Passing	Reversionary potential Net of Over renting, % Rent Passing	Market Value, % Rent Passing	
Standard retail	0.8	19.2	-	-	-	23.0	-	123.0	
Retail warehousing	3.5	9.4	-	-	-0.5	28.0	27.5	128.0	
Shopping centres	-	-	-	-	-	-	-	-	
Central London offices	-	-	-	-	-	-	-	-	
Other offices	10.0	-	-	26.1	-0.3	34.5	34.1	134.5	
Industrial	12.2	-	-	1.1	-5.9	26.7	20.7	126.7	
Other	4.2	-	-	-	-5.6	-4.6	-10.2	95.4	
Overall	-	1.6	-	8.9	-3.3	25.0	21.7	-	

*Comprising the ERV of developments in progress or contracted which have not been pre-let

Source: Swiss Life Asset Managers UK Ltd

Listed Investments			
	% of Issue held	Valuation (GBPm)	Est. % of total portfolio
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

The unexpired term of leases % of rent passing		
Years	Including breaks	Excluding breaks
20 years or greater	1.7	3.0
15 years or greater, but less than 20	2.1	3.1
10 years or greater, but less than 15	10.9	9.9
5 years or greater, but less than 10	17.7	42.8
Less than 5 years	67.6	41.2

Source: Swiss Life Asset Managers UK Ltd

Joint and Indirect property holdings							
Holdings	Sector	Joint/Indirect	Vehicle Type	Ownership %	Valuation	Est. % of total portfolio	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	

Source: Swiss Life Asset Managers UK Ltd

Debt analysis						
Fixed rate borrowings			Variable rate borrowings			
Amount drawn (GBPm)	Average rate (%)	Average unexpired term (years)	Amount drawn (GBPm)	Rate above Risk Free Rates (incl expenses) (%)	Off balance sheet debt (GBPm)+	
24.8	3.10%	1.24	0	0%	0	
42.08	2.59%	4.29	0	0%	0	
0	0.00%	-	0	0%	0	
0	0.00%	-	0	0%	0	
0	0.00%	-	0	0%	0	

Source: Swiss Life Asset Managers UK Ltd

Development exposure*				
	Capital value of developments			Cost to complete schemes in progress+
	Not yet started	In progress+	All developments	
GBPm	0	0	0	0
% of all directly held properties*	0.00%	0.00%	0.00%	0.00%

* Includes joint ventures in which the Fund has an interest of 50% or more

Source: Swiss Life Asset Managers UK Ltd

Valuations/performance monitors/affiliations	
Frequency of valuation	Monthly, as at the last day of the month
Valuers	Cushman & Wakefield

Portfolio performance monitored by MSCI	Yes
Constituent of MSCI/AREF UK Quarterly Property Fund Index	Yes
Member of the Association of Real Estate Funds	Full member
Source: Swiss Life Asset Managers UK Ltd	

The contribution of major tenants to rental income	
Tenant	%
BT	6.6
PREMIER INN HOTELS LTD	6.2
WINCANTON HOLDINGS LTD (SUBLET)	5.1
ASOS	4.2
SKY CP LIMITED	3.6
REHAU LIMITED	2.9
SALMON LTD	2.8
ERNEST & YOUNG LLP (H/O)	2.7
MITIE LIMITED	2.6
WOODLAND GROUP LIMITED	2.4
Three largest tenants' contribution to rental income	17.8
Five largest tenants' contribution to rental income	25.6
Ten largest tenants' contribution to rental income	39.2

Source: Swiss Life Asset Managers UK Ltd

Balance sheet/gearing					
	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					
Properties at valuation	514.3	0.0	0.0	0.0	514.3
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	-66.9	0.0	0.0	0.0	-66.9
Cash	33.8	0.0	0.0	0.0	33.8
Other net assets/liabilities	-1.0	0.0	0.0	0.0	-1.0
Total net assets	480.2	0.0	0.0	0.0	480.2
Gearing (%)					
Net debt (cash)/properties	6.4	-	-	-	6.4
Net debt (cash)/equity	6.9	-	-	-	6.9

Source: Swiss Life Asset Managers UK Ltd

Quarterly data per unit						
As at	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24	30-Jun-24
Bid (GBP)	0.7816	0.7800	0.7671	0.7414	0.7313	0.7295
Offer (GBP)	0.8064	0.8038	0.7904	0.7644	0.7528	0.7515
Mid (GBP)	0.7940	0.7919	0.7788	0.7529	0.7421	0.7405
Bid/offer spread	3.1%	3.0%	2.9%	3.0%	2.9%	2.9%
Net asset value (GBP)	0.7930	0.7908	0.7777	0.7519	0.7411	0.7395
Quarterly distribution (GBP)	0.0109	0.0128	0.0121	0.0112	0.0113	0.0106
Yield	4.0%	5.6%	5.9%	5.9%	6.2%	6.4%

Source: Swiss Life Asset Managers UK Ltd

Unit pricing

The Trust's NAV and the bid and offer price of its units are re-calculated as at the date of the monthly revaluation of the portfolio. Income is not included in this re-calculation. The Trust's fixed rate debt is not marked to market: any difference between the market value and the nominal value of its debt is thus not reflected in the monthly re-calculation of its net asset value and the pricing of the units.

Distributions

Distributions of income are made monthly, within one month of the month end in which the income is earned.

Minimum investment/disinvestment

Minimum initial	GBP 50,000
Minimum additional investment:	No minimum
Minimum redemption:	No minimum

Creation, transfer and realisation of units

Subscriptions may be made on a monthly basis, on the last business day of the month. Application forms must be sent to the Trust Administrator together with the application monies (to be cleared by that date).

Redemptions may be made on a quarterly basis on 31 December, 31 March, 30 June or 30 September. Formal notification must be sent to the Administrator 15 days prior to a (calendar) quarter day. In normal market conditions the redeeming investor will receive the sales proceeds within 15 working days of the end of the quarter following the quarter in which the redemption notice was served. The Manager may defer redemption notices under the following circumstances: a) redemptions exceed 10% of Units; b) there is insufficient cash; c) the property valuer expresses material uncertainty about the value of 20% or more of the property investments or d) it determines there is a significant risk of Units being materially mispriced due to a severe lack of liquidity or a significant fall in property values.

Taxation

The following is a summary of current law and practice and is subject to change. The information should not be regarded as legal or tax advice.

Capital Gains Tax and Income Tax

Trust is not subject to capital gains tax. The Trust is an approved exempt unauthorised unit trust and as such pays distributions gross.

Stamp duty land tax

All property purchases by the Trust are exempt from SDLT

Stamp duty reserve tax

Transfers of units in the Trust are exempt from SDRT.

Charges

Annual charge

The Manager is entitled to a fee of 0.65% pa of the first GBP40m of the Gross Asset Value of the Trust and of 0.50% pa of the Gross Asset Value of the Trust above that amount.

Initial charges / Performance fees

None

Redemption notices outstanding				
Unit Type	Number of units	NAV per unit (£)	Value at NAV (£m)	% of total NAV of Fund
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	1,001	51.6
1% or greater but less than 2%	10	15.4
2% or greater but less than 4%	4	11.6
4% or greater but less than 8%	1	7.6
Greater than 8.0%	1	13.9
Total	1,017	100.0
Major investors		
Largest holder	1	13.9
Three largest holders	3	24.8
Five largest holders	5	30.5
Ten largest holders	10	40.4
Internal/external investors		
Internal	0	0.0
External	1,017	100.0

Source: Swiss Life Asset Managers UK Ltd

Liquidity						
Period	Year to Dec 2019	Year to Dec 2020	Year to Dec 2021	Year to Dec 2022	Year to Dec 2023	Year to Dec 2024
Issues and redemptions						
Units in issue as at start of period	614,131,315	669,408,636	691,202,860	694,740,183	720,061,283	692,737,162
Units issued during period	71,220,336	45,613,723	48,587,104	66,627,689	30,381,736	3,463,106
Units redeemed during period	-15,943,015	-23,819,500	-45,049,781	-41,306,589	-57,705,856	-46,780,704
Units in issue at end of period	669,408,636	691,202,860	694,740,183	720,061,283	692,737,162	649,419,564
Unit transfers						
Matched bargains	0	0	0	0	0	0
Matched bargains %*	0.00%	0.00%	0	0.00%	0.00%	0.00%

* as % of units in issue at the end of the period

Source: Swiss Life Asset Managers UK Ltd