

## CT UK Commercial Property Fund

### INVESTMENT POLICY AND OBJECTIVES

The Fund aims to maximise total return through investment mainly in a diversified portfolio of UK commercial property, seeking to add value through strategic asset allocation, stock selection and asset management.

### INVESTOR CONSTITUENCY

The Fund is open to investment by institutional investors (including pension funds, SIPPs, charities, etc) wealth managers, retail and individual investors.

#### Fund details

Type of fund	UK NURS Immovables
Residence	United Kingdom
Launch date	June 2010*
Open/closed-ended	Open-ended
Earliest date of winding up	Not applicable
Year-end	28 February
NAV (GBPm)	243.1

Note: \* CT UK Commercial Property Fund was launched on 28 June 2010  
Source: Columbia Threadneedle Investments

#### Management/professional advisors

Manager	Columbia Threadneedle Real Estate Partners
Investment Advisor	Columbia Threadneedle Real Estate Partners
Property Fund Manager	Guy Glover
Depository	State Street Trustees Ltd
Auditors	PricewaterhouseCoopers

Source: Columbia Threadneedle Investments

#### Investment rates of return, %

CT UK Commercial Property Fund	MSCI/AREF UK Quarterly Property Fund Index		
	Other balanced open-ended funds	All balanced open-ended funds	All funds
3 months	3.6	-0.2	-0.2
Year-to-date	3.6	-0.2	-0.2
12 months	-17.6	-14.1	-14.4
3 years+	-0.6	2.5	1.4
5 years+	-2.3	2.7	1.4
10 years+	1.0	6.7	5.6

Note: \* Weighted average returns + Annualised  
\*These are the returns for share class 2 Inc  
Source: Columbia Threadneedle Investments

#### Property investment restrictions

Maximum development exposure	n/a
Maximum speculative development exposure	n/a
Maximum lot-size holding as a standing investment	n/a
Maximum lot-size holding permitted at purchase	15%
Maximum exposure to limited partnerships	n/a
Maximum exposure to joint ventures	n/a
Maximum exposure to closed and open-ended property unit trusts	n/a

Source: Columbia Threadneedle Investments

#### Portfolio distribution %

	CT UK Commercial Property Fund	MSCI/AREF UK Quarterly Property Fund Index		
		Other balanced open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	2.6	5.0	4.7	4.6
Standard retail – Rest of UK	0.8	1.1	1.4	2.3
Shopping centres	0.0	0.6	0.9	2.5
Retail warehouses	12.6	12.1	11.8	7.6
<b>All UK retail</b>	<b>16.0</b>	<b>18.8</b>	<b>18.8</b>	<b>17.0</b>

City offices	0.0	3.5	3.6	3.3
West End offices	0.0	8.7	8.0	5.3
Rest of South East offices	5.7	7.9	7.4	5.9
Rest of UK offices	5.6	5.2	5.0	5.3
<b>All UK offices</b>	<b>11.3</b>	<b>25.3</b>	<b>24.0</b>	<b>19.8</b>
South East industrial	33.8	23.8	24.3	20.1
Rest of UK industrial	19.5	13.6	13.5	11.7
<b>All UK industrial</b>	<b>53.4</b>	<b>37.3</b>	<b>37.9</b>	<b>31.8</b>
Other UK properties	3.8	12.0	12.1	25.4
Cash***	15.5	6.5	7.2	5.9
<b>Overall</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Columbia Threadneedle Investments

#### Property ownership structure

	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	26	205.4	100.0
Joint and indirect holdings	0	0	0
Listed investments	0	0	0
<b>Total</b>	<b>26</b>	<b>205.4</b>	<b>100.0</b>

Source: Columbia Threadneedle Investments

#### Largest direct investments by lot size & percentage of total portfolio

Property	Location	Sector	Valuation (GBPm)	% of total portfolio
HATFIELD, ROYAL MAIL, HATFIELD BUSINESS PARK	HATFIELD	Industrial	20.2	9.8
MILTON KEYNES, DELTIC AVENUE, BRADWELL COMMON	MILTON KEYNES	Industrial	15.1	7.4
BATH, CAMBRIDGE HOUSE, HENRY STREET	BATH	Office	13.5	6.6
BIRMINGHAM, APOLLO, ADVANCED MANUFACTURING HUB	BIRMINGHAM	Industrial Other	13.1	6.4
BOURNEMOUTH, RINGWOOD ROAD RETAIL PARK	BOURNEMOUTH	Retail Park	13.0	6.3
GREENFORD, 74 LONG DRIVE	GREENFORD	Industrial	11.7	5.7
STAINES-UPON-THAMES, APEX 30, LONDON ROAD	STAINES-UPON-THAMES	Industrial	11.7	5.7
DARTFORD, 32-33 CLIPPER BOULEVARD EAST	DARTFORD	Industrial	11.7	5.7
ROMFORD, MATALAN RETAIL UNIT, NORTH STREET	ROMFORD	Retail Park	11.0	5.4
BURY ST EDMUNDS, HOTEL AND DRIVE-THRU	BURY ST. EDMUNDS	Hotel	9.2	4.5
<b>10 largest investments as % of portfolio</b>				<b>63.4</b>

Source: Columbia Threadneedle Investments

#### Direct portfolio structure by lot-size bands

Value band (GBPm)	Number of assets	Valuation (GBPm)	% of total portfolio
0 -2.5	3	6.3	3.1
2.5 - 5	5	17.6	8.6
5-10	9	60.5	29.5
10-25	9	121.0	58.9
25 - 50	0	0.0	0.0
50 - 100	0	0.0	0.0
100-150	0	0.0	0.0
Over 150	0	0.0	0.0
<b>Total</b>	<b>26</b>	<b>205.4</b>	<b>100.0</b>
Average lot size		7.9	

#### Property Yield

Net initial yield	4.87%
Nominal equivalent yield	6.02%
True equivalent yield	6.25%
Net reversionary yield	6.15%

Source: Columbia Threadneedle Investments

#### Voids as % of ERV

Investments	8.36%
Developments	-
<b>Total</b>	<b>-</b>

#### Rental income & ERV by type of property

	Rental income %	Estimated rental value %
Standard retail	2.9	3.4
Retail warehousing	17.0	15.2
Shopping centres	0.0	0.0
Central London offices	0.0	0.0
Other offices	16.4	18.9
Industrial	59.6	59.1
Other	4.1	3.4
<b>Overall</b>	<b>100.0</b>	<b>100.0</b>

Source: Columbia Threadneedle Investments

#### 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	0.3	44.6	0.0	0.0	-12.3	32.3	20.0	138.5
Retail warehousing	1.9	0.0	0.0	15.5	-7.1	8.4	1.3	108.4
Shopping centres	-	-	-	-	-	-	-	-
Central London offices	-	-	-	-	-	-	-	-
Other offices	1.9	0.0	0.0	45.5	-6.2	39.4	33.2	139.4
Industrial	6.8	6.2	0.0	0.0	0.0	20.0	20.0	120.0
Other	0.5	0.0	0.0	0.0	0.0	0.0	0.0	100.0
<b>Overall</b>	<b>11.4</b>	<b>5.0</b>	<b>0.0</b>	<b>10.1</b>	<b>-2.6</b>	<b>20.8</b>	<b>18.2</b>	<b>121.0</b>

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

Source: Columbia Threadneedle Investments

#### The unexpired term of leases

Years	% of rent passing
20 years or greater	6.5
15 years or greater, but less than 20	0.0
10 years or greater, but less than 15	6.8
5 years or greater, but less than 10	24.2
Less than 5 years	62.6

Source: Columbia Threadneedle Investments

#### Debt analysis

Fixed rate borrowings			Variable rate borrowings		
Amount drawn (GBPm)	Average rate (%)	Average unexpired term (years)	Amount drawn (GBPm)	Rate above LIBOR (incl expenses) (%)	Off balance sheet debt (GBPm)+
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0

Source: Columbia Threadneedle Investments

#### 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: Columbia Threadneedle Investments

#### Valuations/performance monitors/affiliations

Frequency of valuation	Monthly, on the last working day of the month
Valuers	Knight Frank
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: BMO Global Asset Management

#### Restrictions on holdings of cash/borrowings

Maximum total gearing permitted	10%
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Source: Columbia Threadneedle Investments

#### The contribution of major tenants to rental income

Tenant	%
Royal Mail Group Limited.	9.9
Salts Healthcare Limited.	6.6
Ingram Content Group UK Ltd.	6.5
PerkinElmer AES (UK) Limited.	5.8
Matalan Retail Ltd.	5.5
The Fresh Olive Company Ltd.	5.0
Pentagon Freight Services plc.	4.5
Tree of Life UK Limited (Administration).	3.8
Novia Financial plc.	3.6
Symington's Limited.	3.5
Three largest tenants' contribution to rental income	23.0
Five largest tenants' contribution to rental income	34.4
Ten largest tenants' contribution to rental income	54.9

Source: Columbia Threadneedle Investments

Balance sheet/gearing					
	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					
Properties at valuation	205.4	0.0	0.0	0.0	205.4
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	0.0	0.0	0.0	0.0	0.0
Cash	37.7	0.0	0.0	0.0	37.7
Other net assets/liabilities	0.0	0.0	0.0	0.0	0.0
Total net assets	243.1	0.0	0.0	0.0	243.1
Gearing (%)					
Net debt (cash)/properties	-18.4	-	-	-	-18.4
Net debt (cash)/equity	-15.5	-	-	-	-15.5

Source: Columbia Threadneedle Investments

Quarterly data per unit						
As at	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23
Net asset value (GBP)	114.2	116.2	118.3	111.5	100.0	100.1
Offer (GBP)	-	-	-	-	-	-

Source: Columbia Threadneedle Investments

### Unit pricing

The share price is calculated on daily basis.

### Distributions

Distributions of income are made bi-annually, on 30th Apr & 31 Oct.

### Minimum investment/disinvestment

Minimum initial investment:	GBP 1,000
Minimum additional investment:	GBP 1,000
Minimum redemption:	GBP100
Minimum holding:	GBP100

### Creation, transfer and realisation of units

Investment into the Fund is normally possible on any working day in the UK. All purchase or repurchase instructions received before 12 noon on a working day will be transacted at the price determined at the 12 noon Valuation Point. Settlement of purchases is four days after the instructions are received, the settlement of repurchases will normally be four days after receipt of the relevant documentation by the fund administrator. Purchase or repurchase instructions received after 12 Noon will be carried forward to the next working day.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	583	26.5
1% or greater but less than 2%	8	10.4
2% or greater but less than 4%	10	26.8
4% or greater but less than 8%	1	7.7
Greater than 8.0%	2	28.5
<b>Total</b>	<b>604</b>	<b>100.0</b>
Major investors		
Largest holder	1	18.1
Three largest holders	3	36.2
Five largest holders	5	43.3
Ten largest holders	10	56.7
Internal/external investors		
Internal	0	0.0
External	604	100.0

Source: Columbia Threadneedle Investments

Liquidity						
Period	Year to Dec 2018	Year to Dec 2019	Year to Dec 2020	Year to Dec 2021	Year to Dec 2022	Year to Dec 2023
<b>Issues and redemptions</b>						
Units in issue as at start of period	753,875,261	896,912,563	821,031,367	624,058,429	407,055,020	387,264,908
Units issued during period	209,504,906	132,525,768	14,510,432	33,816,555	87,150,916	3,240,940
Units redeemed during period	-66,467,604	-208,406,965	-211,483,369	-250,819,964	-106,941,028	-28,758,392
Units in issue at end of period	896,912,563	821,031,367	624,058,429	407,055,020	387,264,908	361,747,457
<b>Unit transfers</b>						
Matched bargains	0	0	0	0	0	0
Matched bargains %*	0.00%	0.00%	0.00%	0	0	0

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

Source: Columbia Threadneedle Investments