

# Nuveen Real Estate Central London Office Fund

## INVESTMENT POLICY AND OBJECTIVES

The Fund has been established to provide unit holders with the opportunity to access the Central London office market

The objective of the Fund is to deliver to unit holders a Fund total return in excess of the Central London office component of the Investment Property Databank (MSCI) UK Annual Universe, comprising standing investments, transactions and developments, but excluding any impact of the performance of the Fund

## INVESTOR CONSTITUENCY

The Fund is open to UK and overseas tax-exempt and tax-paying non-private investors.

Fund details	
Type of fund	Property Unit Trust
Residence	Jersey
Launch date	March 2004
Open/closed-ended	Closed-ended
Earliest date of winding up	December 2026
Year-end	31 December
NAV (GBPm)	338.1

Source: Nuveen Real Estate

Management/professional advisors	
Manager	Nuveen Property Management (Jersey) Limited
Property advisor	Nuveen Real Estate Management Limited
Portfolio manager (at Nuveen Real Estate)	Rhys Evans
Trustees	BNP Paribas Jersey Trust Corporation Ltd and Anley Trustees Ltd
Auditors	KPMG

Source: Nuveen Real Estate

	Nuveen Real Estate Central London Office Fund	MSCI/AREF UK Quarterly Property Fund Index*		
		Other balanced open-ended funds	All balanced open-ended funds	All funds
3 months	1.8	-3.7	-4.0	-4.3
Year-to-date	6.5	6.2	5.4	3.9
12 months	9.9	13.3	13.3	10.9
3 years+	5.0	7.6	7.6	5.8
5 years+	5.5	7.0	6.7	5.3
10 years+	8.5	8.4	8.1	7.2

Source: MSCI/AREF UK Quarterly Property Fund Index

Note: \* Weighted average returns + Annualised

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

Note: \*None specified

Source: Nuveen Real Estate

Portfolio distribution %	MSCI/AREF UK Quarterly Property Fund Index
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	Nuveen Real Estate Central London Office Fund	Other balanced open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	0.0	4.9	4.5	4.5
Standard retail – Rest of UK	0.0	1.3	1.7	2.7
Shopping centres	0.0	0.5	0.7	2.3
Retail warehouses	0.0	11.9	11.1	7.4
<b>All UK retail</b>	<b>0.0</b>	<b>18.5</b>	<b>18.0</b>	<b>16.8</b>
City offices	66.6	3.6	3.6	3.2
West End offices	0.0	7.6	7.2	5.2
Rest of South East offices	30.3	9.3	8.9	6.7
Rest of UK offices	0.0	5.2	5.0	5.6
<b>All UK offices</b>	<b>96.9</b>	<b>25.7</b>	<b>24.7</b>	<b>20.8</b>
South East industrial	0.0	26.1	27.3	22.6
Rest of UK industrial	0.0	14.1	14.1	12.0
<b>All UK industrial</b>	<b>0.0</b>	<b>40.2</b>	<b>41.4</b>	<b>34.7</b>
Other UK properties	0.0	10.8	10.7	23.4
Cash***	3.1	4.8	5.2	4.3
<b>Overall</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Nuveen Real Estate

### Property ownership structure

	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	11	420.4	100.0
Joint and indirect holdings	0	0.0	0.0
Listed investments	0	0.0	0.0
<b>Total</b>	<b>11</b>	<b>420.4</b>	<b>100.0</b>

Source: Nuveen Real Estate

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

Property	Location	Sector	Valuation (GBPm)	% of total portfolio
REGENT QUARTER BLOCK D COMMERCIAL	LONDON	Office	100+	26.7
SUTTON YARD, 65 Goswell Road, LONDON,	London	Office	75-100	22.2
NORTHBURGH HOUSE, Northburgh Street	London	Office	25-50	10.1
ST JOHNS LANE	LONDON	Office	25-50	9.9
50-56 Great Sutton Street & 9-11 Northburgh Street	London	Office	25-50	7.9
1-4 GILTSPUR STREET	LONDON	Office	25-50	6.1
1,CLINK STREET	LONDON	Office	5-25	4.6
BRITTON STREET	LONDON	Office	5-25	4.4
1 BERRY STREET	London	Office	5-25	3.6
55-63 & 67-71 Goswell Road	London	Office	5-25	2.6
<b>10 largest investments as % of portfolio</b>				<b>98.1</b>

Source: Nuveen Real Estate / MSCI estimates

### Direct portfolio structure by lot-size bands

Value band (GBPm)	Number of assets	Valuation (GBPm)	% of total portfolio
0 -2.5	0	0.0	0.0
2.5 - 5	0	0.0	0.0
5-10	1	8.0	1.9
10-25	4	63.6	15.1
25 - 50	4	143.0	34.0
50 - 100	1	93.5	22.2
100-150	1	112.3	26.7
Over 150	0	0.0	0.0
<b>Total</b>	<b>11</b>	<b>420.4</b>	<b>100.0</b>
Average lot size		38.2	

Source: Nuveen Real Estate

### Property Yield

Net initial yield 3.92%

### Voids as % of ERV

Investments 10.82%



Source: Nuveen Real Estate

Fixed rate borrowings			Variable rate borrowings	
Amount drawn (GBPm)	Average rate (%)	Average unexpired term (years)	Amount drawn (GBPm)	Rate above LIBOR (incl expenses) (%)
0	0	0.00	125.15	1.85
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0

Source: Nuveen Real Estate

Development exposure*				
Capital value of developments				Cost to complete schemes in progress+
	Not yet started	In progress+	All developments	
GBPm	0	13.967	13.967	2.26
% of all directly held properties*	0.00%	3.32%	3.32%	0.54%

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

+ Including schemes to which the fund is contractually committed

Source: Nuveen Real Estate

Valuations/performance monitors/affiliations	
Frequency of valuation	Monthly (on 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: Nuveen Real Estate

Restrictions on holdings of cash/borrowings	
Maximum total gearing permitted^	50%
Cash holdings (maximum)	*
Cash holdings (minimum)	*

Note: ^ Based on aggregate fund value

\* Non-specified

Source: Nuveen Real Estate

The contribution of major tenants to rental income	
Tenant	%
SPRINGER NATURE HOLDINGS LIMITED	34.5
GO CARDLESS LTD	10.3
LANDMARK SPACE LTD	9.6
NETCOMPANY	5.7
POPULUS	5.4
FUTURE GAMES OF LONDON	4.5
JESTICO& WHILES & ASSCOIATES LTD	3.8
ORDNANCE SURVEY	3.4
HAMMER HOLDINGS	2.8
F.C BROWN (STEEL EQUIPMENT) LTD	2.4
Three largest tenants' contribution to rental income	54.4
Five largest tenants' contribution to rental income	65.5
Ten largest tenants' contribution to rental income	82.4

Source: Nuveen Real Estate

Balance sheet/gearing					
	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					

Properties at valuation	420.4	0.0	0.0	0.0	420.4
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	-125.2	0.0	0.0	0.0	-125.2
Cash	13.4	0.0	0.0	0.0	13.4
Other net assets/liabilities	29.4	0.0	0.0	0.0	29.4
<b>Total net assets</b>	<b>338.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>338.1</b>
Gearing (%)					
Net debt (cash)/properties	26.6	-	-	-	26.6
Net debt (cash)/equity	33.0	-	-	-	33.0

Source: Nuveen Real Estate

Quarterly data per unit						
As at	30-Jun-21	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22
Net asset value (GBP)	25,681.77	25,660.81	26,315.29	26,514.04	27,232.66	27,643.45
Quarterly distribution (GBP)	131.23	121.41	161.60	144.35	166.16	68.91
Yield	1.8%	1.9%	2.2%	2.1%	2.2%	2.0%

Source: Nuveen Real Estate

## Distributions

Distributions are declared monthly and paid on a quarterly basis. The record dates for distributions are the quarterly revaluation dates. Distributions are made within 20 business days of the record date, except for the final distribution in respect of each year, which is paid within four months of the end of the relevant period.

## Minimum investment/disinvestment

The minimum holding is GBP250,000.

## Creation, transfer and realisation of units

Trades can take place via matched bargains, provided they meet investor criteria and minimum holding tests. The manager will attempt, where possible, the matching of buying and selling orders.

## Taxation

### Capital Gains Tax

Since it is registered in Jersey, the fund is not subject to UK capital gains tax. Those investors who are subject to tax may be liable to capital gains tax on the redemption or sale of their units in the fund.

### Income Tax

While distributions of income are made net of income tax, non-taxpayers are entitled to reclaim any tax deducted at source and receive tax vouchers for this purpose.

### Stamp duty reserve tax

The fund's registration in Jersey means that the surrender and issue of units does not attract SDRT.

### Charges

The trustees receive an annual fee, which is payable in arrears, of 0.05% on the first GBP100m of net asset value, 0.04% on the next GBP100m and 0.03% thereafter.

The manager is (in addition to reasonable out-of-pocket expenses) entitled to receive a fee of 0.5% pa of the aggregate fund value, and is responsible for the fees of the property advisor.

The manager is entitled to receive a performance fee based on 20% of the outperformance of the fund's total return relative to the central London office component of the MSCI UK Annual Index, plus 1%. (This fee is calculated on a three-year rolling basis.) The performance fee is accrued and is therefore taken into account in the monthly re-calculation of the Trust's Net Asset Value.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	2	1.9
1% or greater but less than 2%	2	2.8
2% or greater but less than 4%	10	27.3

4% or greater but less than 8%	2	8.6
Greater than 8.0%	3	59.4
<b>Total</b>	<b>19</b>	<b>100.0</b>
<b>Major investors</b>		
Largest holder	1	30.3
Three largest holders	3	59.4
Five largest holders	5	68.0
Ten largest holders	10	83.2
<b>Internal/external investors</b>		
Internal	0	0.0
External	19	100.0

Source: Nuveen Real Estate

<b>Liquidity</b>						
<b>Period</b>	<b>Year to Dec 2017</b>	<b>Year to Dec 2018</b>	<b>Year to Dec 2019</b>	<b>Year to Dec 2020</b>	<b>Year to Dec 2021</b>	<b>Year to Dec 2022</b>
<b>Issues and redemptions</b>						
Units in issue as at start of period	19,668	19,668	19,668	19,668	12,231	12,231
Units issued during period	-	-	-	0	-	-
Units redeemed during period	-	-	-	-8,066	0	0.0
Units in issue at end of period	19,668	19,668	19,668	12,231	12,231	12,231
<b>Unit transfers</b>						
Matched bargains	254	410	-	-	-	-
Matched bargains %*	0.012914379	0.021	0.000	0	0.000	0.000

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

Source: Nuveen Real Estate