

## West End Of London Property Unit Trust

### INVESTMENT POLICY AND OBJECTIVES

WELPUT ('the Trust') is an open-ended Jersey property unit trust, specialising in office property in Central London, and focusing on large, multi-let buildings. It invests strategically within the West End and wider central London sub-markets, pursuing a policy of active management, including refurbishment and development, and uses gearing to enhance unitholder returns and diversify portfolio exposure. WELPUT's objective is to outperform the Central and Inner London office segments of the MSCI Quarterly universe at the property level and to enhance returns through the use of gearing.

### INVESTOR CONSTITUENCY

Pension funds, charities, insurance companies, other corporate and institutional investors are eligible to invest.

Fund details	
Type of fund	Unauthorised property unit trust
Residence	Jersey
Launch date	12 July 2001
Open/closed-ended	Open-ended
Earliest date of winding up	Unlimited
Year-end	30 September
NAV (GBPm)	738.6

Source: GreenOak Real Estate Advisors (Jersey) Limited

Management/professional advisors	
Manager	GreenOak Real Estate Advisors (Jersey) Limited
Property advisor	Grafton Advisors (2006) LLP
Portfolio manager	Ker Gilchrist
Trustees	BNP Paribas Securities Services Trust Company (Jersey) Limited BNP Paribas Securities Services Trust Company Limited
Auditors	PricewaterhouseCoopers LLP

Source: GreenOak Real Estate Advisors (Jersey) Limited

	West End Of London Property Unit Trust	MSCI/AREF UK Quarterly Property Fund Index		
		Other Balanced Funds	All balanced funds	All funds
3 months	0.7	0.3	0.3	0.0
Year-to-date	1.6	1.8	1.6	0.7
12 months	1.6	1.8	1.6	0.7
3 years+	1.7	6.5	6.0	5.3
5 years+	4.4	7.2	6.6	6.0
10 years+	12.6	8.1	7.7	7.7

Source: MSCI/AREF UK Quarterly Property Fund Index (Sponsored by PropertyMatch)

Property investment restrictions	
Maximum development exposure	-
Maximum speculative development exposure	15% of ATV1

Maximum lot-size holding as a standing investment	-
Maximum lot-size holding permitted at purchase	15% of ATV2
Maximum exposure to limited partnerships	-
Maximum exposure to joint ventures	-
Maximum exposure to closed and open-ended property unit trusts	-

Source: GreenOak Real Estate Advisors (Jersey) Limited

### Portfolio distribution %

	West End Of London Property Unit Trust	MSCI/AREF UK Quarterly Property Fund Index		
		Other balanced funds	All balanced funds	All funds
Standard retail – South East	0.0	7.4	6.8	5.6
Standard retail – Rest of UK	0.0	3.0	3.2	3.6
Shopping centres	0.0	1.3	2.0	6.6
Retail warehouses	0.0	12.3	12.0	10.8
<b>All UK retail</b>	<b>0.0</b>	<b>24.0</b>	<b>23.9</b>	<b>26.5</b>
City offices	7.6	3.6	3.3	2.9
West End offices	85.9	7.6	8.0	6.7
Rest of South East offices	5.5	11.6	10.8	7.6
Rest of UK offices	0.0	6.3	5.9	5.0
<b>All UK offices</b>	<b>99.0</b>	<b>29.1</b>	<b>28.0</b>	<b>22.2</b>
South East industrial	0.0	19.6	19.9	15.9
Rest of UK industrial	0.0	10.5	10.2	8.3
<b>All UK industrial</b>	<b>0.0</b>	<b>30.1</b>	<b>30.1</b>	<b>24.2</b>
Other UK properties	0.0	11.7	10.7	21.4
Cash***	1.0	5.1	7.3	5.7
<b>Overall</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: GreenOak Real Estate Advisors (Jersey) Limited

### Property ownership structure

	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	9	993.8	100.0
Joint and indirect holdings	0	0.0	0.0
Listed investments	0	0.0	0.0
<b>Total</b>	<b>9</b>	<b>993.8</b>	<b>100.0</b>

Source: GreenOak Real Estate Advisors (Jersey) Limited

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

Property	Location	Sector	Valuation (GBPm)	% of total portfolio
SOUTHSIDE,105,VICTORIA STREET,LONDON,SW1	LONDON	Office	200-250m	0.0
STIRLING SQUARE,5-7 CARLTON GARDENS,LONDON,W1	LONDON	Office	150-200m	0.0
WARNER HOUSE, 98 THEOBALD'S ROAD	LONDON	Office	150-200m	0.0
NEW CAVENDISH PROPERTY UNIT TRUST	LONDON	Office	100-150m	0.0
20 ST JAMES'S STREET	LONDON	Office	50-100m	0.0
143-157 FARRINGDON ROAD, LONDON, EC1	LONDON	Office	50-100m	0.0
REGENT'S WHARF PROPERTY UNIT TRUST	LONDON	Office	50-100m	0.0
BISHOPSGATE UNIT TRUST	LONDON	Office	50-100m	0.0
BURY HOUSE	LONDON	Office	25-50m	0.0
0	0	0	0.0	0.0
<b>10 largest investments as % of portfolio</b>			<b>0.0</b>	<b>0.0</b>

Source: GreenOak Real Estate Advisors (Jersey) Limited

### 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	0	0.0	0.0
10-25	0	0.0	0.0
25 - 50	2	76.6	7.7
50 - 100	3	218.8	22.0
100-150	1	118.6	11.9
Over 150	3	579.9	58.4
<b>Total</b>	<b>9</b>	<b>993.8</b>	<b>100.0</b>
Average lot size		110.4	

Source: GreenOak Real Estate Advisors (Jersey) Limited

Property Yield		Voids as % of ERV	
Net initial yield	1.87%	Investments	7.37%
Nominal equivalent yield	0.00%	Developments	-7.37%
True equivalent yield	4.63%	Total	0.00%
Net reversionary yield	4.93%		

Source: GreenOak Real Estate Advisors (Jersey) Limited

Rental income & ERV by type of property		
	Rental income %	Estimated rental value %
Central London offices	91.0	92.9
Other offices	9.0	7.1
<b>Overall</b>	<b>100.0</b>	<b>100.0</b>

Source: GreenOak Real Estate Advisors (Jersey) Limited

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	
Central London offices	23.6	0.7	0.0	18.0	-0.6	129.5	129.0	226.4	
Other offices	2.3	0.0	0.0	0.0	0.0	74.9	74.9	174.9	
<b>Overall</b>	<b>26.0</b>	<b>0.6</b>	<b>0.0</b>	<b>16.3</b>	<b>-0.5</b>	<b>124.6</b>	<b>124.1</b>	<b>221.8</b>	

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

Source: GreenOak Real Estate Advisors (Jersey) Limited

The unexpired term of leases	
Years	% of rent passing
20 years or greater	0.0
15 years or greater, but less than 20	0.0
10 years or greater, but less than 15	0.0
5 years or greater, but less than 10	33.7
Less than 5 years	66.3

Source: GreenOak Real Estate Advisors (Jersey) Limited

Source: GreenOak Real Estate Advisors (Jersey) Limited

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)+
100	2.5%	2.3	100	1.1%	0
50	2.7%	4.4	35	0.014	
0	0	0	0	0	

Source: GreenOak Real Estate Advisors (Jersey) Limited

#### 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: GreenOak Real Estate Advisors (Jersey) Limited

#### Valuations/performance monitors/affiliations

Frequency of valuation	Monthly, on the second last business day of each month
Valuers	CBRE Limited
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: GreenOak Real Estate Advisors (Jersey) Limited

#### Restrictions on holdings of cash/borrowings

Maximum total gearing permitted	35% of Aggregate Trust Value+
Cash holdings (maximum)	10% of Aggregate Trust value
Cash holdings (minimum)	*

Source: GreenOak Real Estate Advisors (Jersey) Limited

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

Tenant	%
DANIEL J EDELMAN LTD	14.5
UNIVERSITY OF WESTMINSTER	10.6
KOHLBERG KRAVIS ROBERTS & CO	9.4
CIB PROPERTIES LTD	7.7
LANDMARK SPACE	5.8
WOLFF OLINS LTD	4.8
G4S REGIONAL MANAGEMENT (UK&I) LIMITED	4.5
LABOUR PARTY	3.6
THE ASSOCIATION OF THE BRITISH PHARMACEUTICAL INDUSTRY	3.1
CAMELOT GLOBAL LOTTERY SOLUTIONS LIMITED	3.0
Three largest tenants' contribution to rental income	34.5
Five largest tenants' contribution to rental income	47.9
Ten largest tenants' contribution to rental income	66.9

Source: GreenOak Real Estate Advisors (Jersey) Limited

#### Balance sheet/gearing

	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					
Properties at valuation	993.8	0.0	0.0	0.0	993.8
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	-270.7	0.0	0.0	0.0	-270.7

Cash	10.0	0.0	0.0	0.0	10.0
Other net assets/liabilities	5.4	0.0	0.0	0.0	5.4
<b>Total net assets</b>	<b>738.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>738.6</b>
<b>Gearing (%)</b>					
Net debt (cash)/properties	26.2	-	-	-	26.2
Net debt (cash)/equity	35.3	-	-	-	35.3

Source: GreenOak Real Estate Advisors (Jersey) Limited

Quarterly data per unit						
As at	30-Sep-18	31-Dec-18	31-Mar-19	30-Jun-19	30-Sep-19	31-Dec-19
Net asset value (GBP)	838.6	831.6	839.9	835.4	827.8	828.5
Quarterly distribution (GBP)	4.77	4.80	2.72	3.49	5.70	4.68
Yield	2.3%	2.3%	2.1%	1.9%	2.0%	2.0%

Source: GreenOak Real Estate Advisors (Jersey) Limited

### NAV calculation

NAV per unit is recalculated monthly, on the second to last business day of the month. The manager calculates the difference between the nominal value and the market value of the Trust's debt: this is not reflected in the monthly recalculation of the Trust's Net Asset Value and is not disclosed in the Trust's Pooled Property Questionnaire.

### Distributions

Distributions of income are made monthly, on the last business day of each month.

Minimum investment/disinvestment: GBP 100,000

Creation, transfer and realisation of units

Please refer to Unit Transaction and Income Distribution Procedure section below for details on the creation and the realisation of units.

Units are transferable on the secondary market.

### Taxation

#### Capital Gains Tax

The trust is not subject to capital gains tax. Those investors who are subject to tax may be liable to capital gains tax on the redemption or disposal of their units in the trust. (WELPUT is expected to maintain its status as a tax transparent non-reporting fund.)

#### Income Tax

Distributions of income are made gross on a quarterly basis to all holders who are UK residents or those who hold non-resident Landlord clearance. 20% Jersey tax is withheld from distributions payable to Jersey residents. Income (less expenses properly incurred) arising directly from the properties whether it is distributed or not, will be liable under Schedule A to UK income or corporation tax in the hands of unitholders, regardless of where they are resident.

#### Stamp duty reserve tax

Transfers of units are not subject to SDRT.

### Charges

#### Annual charge

The Manager and Property Adviser receive an Annual Management Charge equivalent to 0.70% of the Net Asset Value. Please refer to the WELPUT Prospectus for details.

#### Performance fee

The Manager and the Property Adviser are also entitled to share equally in a performance-related fee. (Refer to the prospectus for details.)

The performance fee is accrued and is therefore taken into account in the monthly re-calculation of the Trust's Net Asset Value.

Performance fee is capped at 1% NAV in any one performance period.

#### Initial charge

The manager has discretion to make an initial charge on the issue of units, other than initial units.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	38	10.4
1% or greater but less than 2%	5	6.7

2% or greater but less than 4%	1	2.6
4% or greater but less than 8%	0	0.0
Greater than 8.0%	3	80.2
<b>Total</b>	<b>47</b>	<b>100.0</b>
Major investors		
Largest holder	1	0.0
Three largest holders	3	0.0
Five largest holders	5	0.0
Ten largest holders	10	0.0
Internal/external investors		
Internal	1	0.5
External	46	99.5

Source: GreenOak Real Estate Advisors (Jersey) Limited

<b>Liquidity</b>						
<b>Period</b>	<b>Year to Dec 2014</b>	<b>Year to Dec 2015</b>	<b>Year to Dec 2016</b>	<b>Year to Dec 2017</b>	<b>Year to Dec 2018</b>	<b>Year to Dec 2019</b>
<b>Issues and redemptions</b>						
Units in issue as at start of period	1,307,535	1,307,535	1,307,535	1,199,632	1,098,033	988,307
Units issued during period	-	-	-	-	-	-
Units redeemed during period	-	-	107,903	101,599	109,726	96,901
Units in issue at end of period	1,307,535	1,307,535	1,199,632	1,098,033	988,307	891,406
<b>Unit transfers</b>						
Matched bargains	112,723	319,710	210,962	112,994	4,561	-
Matched bargains %*	8.6%	24.5%	17.6%	10.3%	0.5%	0.0%

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

Source: GreenOak Real Estate Advisors (Jersey) Limited

**Note:**

1) In addition to the properties held directly by WELPUT and WEL PLP, WELPUT owns 100% of the units in the Southside Unit Trust and Stirling Square Unit Trust.