

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	Property Authorised Investment Fund (PAIF)
Residence	United Kingdom
Launch date	June 2010*
Open/closed-ended	Open-ended
Earliest date of winding up	n/a
Year-end	28 February
NAV (GBPm)	147.3

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

Fund level total return, %		MSCI/AREF UK Quarterly Property Fund Index		
CT UK Commercial Property Fund		Other balanced open-ended funds	All balanced open-ended funds	All funds
3 months	2.0	1.2	1.1	1.4
Year-to-date	3.2	1.7	1.7	1.7
12 months	2.6	-0.4	0.1	0.0
3 years+	2.6	0.4	0.6	0.0
5 years+	1.0	1.4	1.5	0.6
10 years+	2.7	5.1	4.8	4.0

Note: * Weighted average returns + Annualised

*These are the returns for share class 2 Inc

Source: Columbia Threadneedle Investments

Fund Restraints	
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
Restrictions on holdings of cash/borrowings	
Maximum total gearing permitted	10%

Source: Columbia Threadneedle Investments

Portfolio distribution %		MSCI/AREF UK Quarterly Property Fund Index		
	CT UK Commercial Property Fund	Other balanced open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	4.2	4.2	3.7	3.4
Standard retail – Rest of UK	1.4	1.1	1.1	1.2
Supermarkets	0.0	0.7	1.1	1.7
Shopping centres	0.0	0.6	0.9	0.6
Retail warehouses	15.0	12.3	12.0	7.4
All UK retail	20.6	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	3.8	6.3	6.3	5.2

Rest of UK offices	0.0	4.6	4.0	4.4
All UK offices	3.8	21.4	20.0	17.0
South East industrial	3.8	19.2	20.1	18.0
Rest of UK industrial	9.6	7.7	7.2	6.5
South East Distribution Warehouse	19.1	5.1	5.4	4.1
Rest of UK Distribution Warehouse	20.4	6.4	6.3	5.3
All UK industrial	52.9	38.3	39.1	33.8
Residential excl Student Accomodation	0.0	0.5	1.3	2.4
Student Accomodation	0.0	2.8	3.3	10.7
Hotel	5.8	3.7	3.2	6.1
Leisure	0.0	1.8	2.2	4.1
Healthcare	0.0	1.8	1.3	1.4
Other UK properties	0.0	3.8	3.2	4.1
Cash***	17.0	6.8	7.7	6.0
Overall	100.0	100.0	100.0	100.0

Source: Columbia Threadneedle Investments

Property ownership structure

	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	18	122.3	100.0
Joint and indirect holdings	0	0	0
Listed investments	0	0	0
Total	18	122.3	100.0

Source: Columbia Threadneedle Investments

Largest direct investments by lot size & percentage of total portfolio

Property	Location	Sector	Valuation (GBPm)	% of total portfolio
BIRMINGHAM, APOLLO,ADVANCED MANUFACTURING HUB	BIRMINGHAM	Industrial Other	14.2	11.6
BOURNEMOUTH, RINGWOOD ROAD RETAIL PARK	BOURNEMOUTH	Retail Park	13.3	10.9
DARTFORD, 32-33 CLIPPER BOULEVARD EAST	DARTFORD	Industrial	11.8	9.6
GREENFORD, 74 LONG DRIVE	GREENFORD	Industrial	11.6	9.4
NEWCASTLE UNDER LYME, LYMEDALE BUSINESS PARK	NEWCASTLE	Industrial	8.8	7.2
ROMFORD, MATALAN RETAIL UNIT, NORTH STREET	ROMFORD	Retail Park	8.8	7.2
BURY ST EDMUNDS, HOTEL AND DRIVE-THRU	BURY ST. EDMUNDS	Hotel	8.5	7.0
MANCHESTER, EMPIRE CT, 5TH AVE, TRAFFORD PK	MANCHESTER	Industrial	7.3	5.9
AVONMOUTH, UNIT D, POPLAR PARK, CABOT PARK	BRISTOL	Industrial	6.1	5.0
EASTLEIGH, UNIT 1-4 WOODSIDE ROAD	EASTLEIGH	Industrial	5.6	4.6

10 largest investments as % of portfolio **78.3**

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	6.1	5.0
2.5 - 5	4	15.1	12.3
5-10	7	50.3	41.1
10-25	4	50.8	41.5
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
Total	18	122.3	100.0
Average lot size		6.8	

Property Yield

Net initial yield	5.18%
Nominal equivalent yield	6.38%
True equivalent yield	6.64%
Net reversionary yield	6.77%

Source: Columbia Threadneedle Investments

Voids as % of ERV

Investments	8.96%
Developments	0.00%
Total	8.96%

Rental income & ERV by type of property

	Rental income %	Estimated rental value %
Standard retail	5.1	5.6
Retail warehousing	22.7	17.9
Shopping centres	0.0	0.0
Central London offices	0.0	0.0
Other offices	0.1	9.1
Industrial	65.5	62.2
Other	6.7	5.2
Overall	100.0	100.0

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	0.4	-	-	-	-5.7	37.8	32.0	137.8
Retail warehousing	1.6	-	-	-	-3.9	-2.4	-6.3	97.6
Shopping centres	-	-	-	-	-	-	-	-
Central London offices	-	-	-	-	-	-	-	-
Other offices	0.0	-	-	7635.3	-1.0	7634.3	7633.3	7734.3
Industrial	4.7	-	-	-	0.0	17.7	17.7	117.7
Other	0.5	-	-	-	-2.3	-2.3	-4.6	97.7
Overall	7.1	-	-	11.1	-1.3	23.9	22.6	123.9

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

Source: Columbia Threadneedle Investments

The unexpired term of leases % of rent passing

Years	Including breaks	Excluding breaks
20 years or greater	10.9	10.9
15 years or greater, but less than 20	0.0	7.3
10 years or greater, but less than 15	7.2	21.5
5 years or greater, but less than 10	43.4	42.0
Less than 5 years	38.6	18.4

Source: Columbia Threadneedle Investments

Debt analysis

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

The contribution of major tenants to rental income

Tenant	%
Salts Healthcare Limited.	12.2
Matalan Retail Ltd.	8.9
Robust UK Limited.	8.4
The Fresh Olive Company Ltd.	8.1
Pentagon Freight Services plc.	7.3
Ferraris Piston Service Limited.	5.9
Premier Inn Hotels Limited.	5.6
Elemis Limited.	5.1
Formaplex Technologies Limited (in Admin).	5.1
Bings What Limited.	5.0
Three largest tenants' contribution to rental income	29.5
Five largest tenants' contribution to rental income	44.8
Ten largest tenants' contribution to rental income	71.5

Source: Columbia Threadneedle Investments

Balance sheet/gearing

	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
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Balance sheet (GBPm)						
Properties at valuation	122.3	0.0	0.0	0.0		122.3
Listed investments	0.0	0.0	0.0	0.0		0.0
Debt	0.0	0.0	0.0	0.0		0.0
Cash	25.0	0.0	0.0	0.0		25.0
Other net assets/liabilities	0.0	0.0	0.0	0.0		0.0
Total net assets	147.3	0.0	0.0	0.0		147.3
Gearing (%)						
Net debt (cash)/properties	-20.5	-	-	-		-20.5
Net debt (cash)/equity	-17.0	-	-	-		-17.0

Source: Columbia Threadneedle Investments

Quarterly data per unit						
As at	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24	30-Jun-24
Net asset value (GBP)	100.1	102.8	101.6	100.6	99.8	101.8
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	559	28.5
1% or greater but less than 2%	9	14.2
2% or greater but less than 4%	8	20.7
4% or greater but less than 8%	3	13.0
Greater than 8.0%	2	23.6
Total	581	100.0
Major investors		
Largest holder	1	-
Three largest holders	3	-
Five largest holders	5	-
Ten largest holders	10	-
Internal/external investors		
Internal	-	-
External	581	100.0

Source: Columbia Threadneedle Investments

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	896,912,563	821,031,367	624,058,429	407,055,020	387,264,908	284,785,404
Units issued during period	132,525,768	14,510,432	33,816,555	87,150,916	13,507,273	11,331,633
Units redeemed during period	-208,406,965	-211,483,369	-250,819,964	-106,941,028	-115,986,778	-90,323,209
Units in issue at end of period	821,031,367	624,058,429	407,055,020	387,264,908	284,785,404	205,793,827
Unit transfers						
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