

Aviva Investors UK Property Fund

INVESTMENT POLICY AND OBJECTIVES

The Trust's investment objective is to obtain optimum returns compatible with security through income and capital appreciation from investment in real property assets, property-related assets, government/public securities and property collective investment schemes.

The performance benchmark of the Trust's direct property portfolio is the Balanced Funds component of the MSCI UK Monthly Index (adjusted to reflect management costs equivalent to those payable within the Trust).

INVESTOR CONSTITUENCY

The Trust is open to investment by insurance companies, other corporate and institutional investors, and private individuals.

Fund details	
Type of fund	Authorised property unit trust
Residence	United Kingdom
Launch date	September 1991
Open/closed-ended	Open-ended
Earliest date of winding up	Not applicable
Year-end	31 Mar
NAV (GBPm)	369.3

Source: Aviva Investors

Management/professional advisors	
Manager	*
Investment Advisor	*
Fund Manager	*
Co-Fund Manager	15%
Fund manager – REITs/property shares	Nil
Trustee	*
Auditors	20%

Source: Aviva Investors

Investment rates of return * %		MSCI/AREF UK Quarterly Property Fund Index		
	Aviva Investors UK Property Fund	Other balanced funds	All balanced funds	All funds
3 months	-	3.80	3.78	3.74
Year-to-date	-	6.06	6.05	5.60
12 months	-	8.49	8.47	6.90
3 years+	-	3.25	2.99	1.81
5 years+	-	5.10	4.89	3.87
10 years+	-	6.97	6.66	6.09

Note: ^ Calculated on a bid price to bid price basis, income taxed at the standard rate (MSCI/AREF UK Quarterly Property Fund Index is calculated on a NAV to NAV basis, gross of tax) + Annualised The fund is currently on an "offer" price basis. Sources: * MSCI/AREF UK Quarterly Property Fund Index ** Aviva Investors

Property investment restrictions	
Maximum development exposure	*
Maximum speculative development exposure	*
Maximum lot-size holding as a standing investment	*
Maximum lot-size holding permitted at purchase	15%
Maximum exposure to limited partnerships	Nil
Maximum exposure to joint ventures	*
Maximum exposure to closed and open-ended property unit trusts	20%

Source: Aviva Investors

Portfolio distribution %	
MSCI/AREF UK Quarterly Property Fund Index	

	Aviva Investors UK Property Fund	Other balanced funds	All balanced funds	All funds
Standard retail – South East	0.0	5.70	4.96	4.63
Standard retail – Rest of UK	4.0	2.02	2.32	3.24
Shopping centres	9.7	0.64	1.10	3.40
Retail warehouses	11.1	10.83	10.38	8.75
All UK retail	24.9	19.19	18.76	20.01
City offices	0.0	3.91	3.60	3.20
West End offices	0.0	7.66	8.47	7.51
Rest of South East offices	0.0	10.36	9.74	7.00
Rest of UK offices	13.2	5.75	5.45	5.04
All UK offices	13.2	27.68	27.25	22.74
South East industrial	0.0	22.82	23.84	19.55
Rest of UK industrial	5.3	12.53	12.55	10.32
All UK industrial	5.3	35.35	36.39	29.86
Other UK properties	15.5	11.01	10.61	21.91
Cash***	41.1	6.77	6.99	5.47
Overall	100.0	100.0	100.0	100.0

Sources: * Aviva Investors ** MSCI/AREF UK Quarterly Property Fund Index

Property ownership structure

	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	11	217.5	100.0
Joint and indirect holdings	0	0	0.0
Listed investments	1	0.001	0.0
Total	12	217.5	100.0

Source: Aviva Investors

Largest direct investments by lot size & percentage of total portfolio

Property	Location	Sector	Valuation (GBPm)	% of total portfolio
LOMBARDY SHOPPING PARK	HAYES	Retail Park	25-50	*
THE CORN EXCHANGE	SALFORD	Hotel	25-50	*
THE GUILDHALL SHOPPING CENTRE	EXETER	Retail Shopping Centre	25-50	*
COLMORE GATE	BIRMINGHAM	Office	25-50	*
CASTLE BROMWICH BUSINESS PARK	BIRMINGHAM	Industrial Other	25-50	*
CENTRAL STUDIOS	READING	Apartments- Applicable Not Categorised	10-25	*
UNTS 1-5 SPURRIERGATE AND UNTS 1-3 HIGH OUSEGATE	YORK	Retail Other	10-25	*
ST JAMES GATE, OFFICE BLOCK 1	NEWCASTLE UPON TYNE	Office	10-25	*
LONGUS HOUSE	CHESTER	Retail Other	5-10	*
PHASE 1 ABERDEEN BUSINESS PARK	ABERDEEN	Office	0-5	*
10 largest investments as % of portfolio				*

Source: Aviva Investors

Direct portfolio structure by lot-size bands

Value band (GBPm)	Number of assets	Valuation (GBPm)	% of total portfolio
0-2.5	1	0.1	0.0
2.5 - 5	2	9.2	4.2
5-10	1	9.6	4.4
10-25	3	47.9	22.0
25 - 50	4	150.9	69.4
50 - 100	0	0.0	0.0
100-150	0	0.0	0.0
Over 150	0	0.0	0.0
Total	11	217.5	100.0
Average lot size		19.8	

Source: Aviva Investors

Property Yield*

Voids as % of ERV

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

Note: * Off balance sheet debt may be at fixed or variable rates

Source: Aviva Investors

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: Aviva Investors

Valuations/performance monitors/affiliations

Frequency of valuation	*Monthly, as at the last day of the month
Valuers	Knight Frank
Portfolio performance monitored by MSCI	Yes
Constituent of MSCI/AREF UK Quarterly Property Fund Index	No
Member of the Association of Real Estate Funds	Full member

Note: *Currently valued fortnightly, Fund valued daily

Source: Aviva Investors

Restrictions on holdings of cash/borrowings

Maximum total gearing permitted	
for investment purposes	Nil
for liquidity purposes	10%
Cash holdings (maximum)	*
Cash holdings (minimum)	*

Source: Aviva Investors

The contribution of major tenants to rental income

Tenant	%
CRM Students Ltd	7.5
Next Holdings Ltd	6.3
Roomzzz (Corn Exchange) Limited	5.9
DHR Business Solutions Ltd	5.1
GPA Property Partner Accounts	4.6
Aon Benfield Ltd	4.5
SportsDirect.com Retail Ltd	3.5
J Sainsbury plc	3.3
Dura Automotive Body & Glass Systems UK Ltd	2.9
Zara UK Limited	2.9
Three largest tenants' contribution to rental income	19.7
Five largest tenants' contribution to rental income	29.4
Ten largest tenants' contribution to rental income	46.6

Source: Aviva Investors

Balance sheet/gearing

	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
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Balance sheet (GBPm)						
Properties at valuation	217.5	0.000	0.000	0.000		217.5
Listed investments	0.0	0.000	0.000	0.001		0.0
Debt	0.0	0.000	0.000	0.000		0.0
Cash	151.8	0.000	0.000	0.000		151.8
Other net assets/liabilities	0.0	0.000	0.000	0.000		0.0
Total net assets	369.3	0.000	0.000	0.001		369.3
Gearing (%)						
Net debt (cash)/properties	-69.8	-	-	-		-69.8
Net debt (cash)/equity	-41.1	-	-	-		-41.1

Source: Aviva Investors

Quarterly data per unit						
As at	31-Mar-20	30-Jun-20	30-Sep-20	31-Dec-20	31-Mar-21	30-Jun-21
Bid (GBP)	0.00	0.00	0.00	0.00	0.00	0.00
Offer (GBP)	0.00	0.00	0.00	0.00	0.00	0.00
Mid (GBP)	0.00	0.00	0.00	0.00	0.00	0.00
Bid/offer spread	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net asset value (GBP)	*	*	*	*	*	*
Quarterly distribution (GBP)						
Yield						

Source: Aviva Investors

Unit pricing

The property shares and other listed securities held by the fund are re-valued daily at noon and the revised price of the units becomes available each day at around 2pm.

Distributions

Distributions are paid twice yearly, on 31 July (in respect of the half-year to 31 May) and on 31 January (in respect of the half-year to 30 November).

Creation, transfer and realisation of units

Orders to the manager to buy or sell units are carried out at the next valuation following receipt of instructions.

When units are sold, a cheque for the proceeds will be posted not less than four business days after the receipt of the properly completed renunciation form.

The manager reserves the right to defer redemptions for up to 28 days.

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 trust.

Income Tax

while distributions of income are made net of UK Income Tax, non-taxpayers are entitled to reclaim any tax deducted at source.

Stamp duty reserve tax

no stamp duty is payable on the transfer of existing units.

Charges

The offer price of the units includes an initial charge of 5.00%, in addition to which there is an annual management charge equivalent to 1.25% (unit 1) of the net asset value of the fund.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	0	0.0
1% or greater but less than 2%	0	0.0
2% or greater but less than 4%	0	0.0
4% or greater but less than 8%	0	0.0
Greater than 8.0%	0	0.0
Total	0	0.0
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	0	0.0
External	0	0.0

Source: Aviva Investors

Liquidity*						
Period	Year to Dec 2016	Year to Dec 2017	Year to Dec 2018	Year to Dec 2019	Year to Dec 2020	Year to Dec 2021
Issues and redemptions						
Units in issue as at start of period	-	-	-	-	-	-
Units issued during period	-	-	-	-	-	-
Units redeemed during period	-	-	-	-	-	-
Units in issue at end of period	-	-	-	-	-	-
Unit transfers						
Matched bargains	-	-	-	-	-	-
Matched bargains %*	-	-	-	-	-	-

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

Source: Aviva Investors

Note:* Fund cannot disclose this information due to commercial sensitivity

Notes

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