

Tritax Property Income Fund

INVESTMENT POLICY AND OBJECTIVES

Tritax Property Income Fund (the “Fund”) is an open-ended UK regional commercial property fund. It invests in a diversified portfolio of high quality commercial property, primarily located in major regional locations outside Central London. The Fund provides stable and growing income streams together with the potential for capital appreciation over the medium term.

INVESTOR CONSTITUENCY

The Fund is open to investment by pension funds, charities, insurance companies and other corporate and institutional investors. The minimum investment is £1,000,000.

Fund details	
Type of fund	Unauthorised open-ended Property Unit Trust
Residence	Jersey
Launch date	29/01/2016
Open/closed-ended	Open-ended
Earliest date of winding up	-
Year-end	31-Mar
NAV (GBPm)	190.24

Source : Tritax Property Income Fund

Management/professional advisors	
Investment Manager	Tritax Management LLP
Trust Manager	Tritax Management LLP
Trustee	Fairway Fund Trustee Services Limited
Auditors	Pricewaterhouse Coopers CI LLP

Source : Tritax Property Income Fund

Investment rates of return, %		MSCI/AREF UK Quarterly Property Fund Index		
	Tritax Property Income Fund	Other Balanced Funds	All balanced funds	All funds
3 months	3.3	2.2	2.2	1.8
Year-to-date	3.3	2.2	2.2	1.8
12 months	4.5	2.5	2.5	0.7
3 years+	3.7	2.7	2.4	1.1
5 years+	4.9	4.6	4.1	3.2
10 years+	-	6.8	6.4	5.9

Source: MSCI/AREF UK Quarterly Property Fund Index

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

Source : Tritax Property Income Fund

* None specified

Portfolio distribution %		MSCI/AREF UK Quarterly Property Fund Index		
	Tritax Property Income Fund	Other Balanced Funds	All balanced funds	All funds
Standard retail – South East	0.0	6.0	5.2	4.9
Standard retail – Rest of UK	0.0	2.1	2.4	3.3
Shopping centres	0.0	0.7	1.2	3.5

Retail warehouses	11.0	10.9	10.5	9.0
All UK retail	11.0	19.7	19.3	20.6
City offices	0.0	3.9	3.6	3.4
West End offices	0.0	7.6	8.5	7.6
Rest of South East offices	20.9	10.8	10.2	7.4
Rest of UK offices	5.1	6.0	5.6	5.1
All UK offices	26.0	28.3	27.9	23.5
South East industrial	18.4	21.7	22.7	18.5
Rest of UK industrial	32.5	12.0	11.8	9.5
All UK industrial	50.9	33.7	34.5	28.0
Other UK properties	8.2	11.3	10.7	21.9
Cash***	3.9	7.0	7.7	5.9
Overall	100.0	100.0	100.0	100.0

Source : Tritax Property Income Fund

Property ownership structure			
	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	20	243.8	99.9
Joint and indirect holdings	1	0.297	0.1
Listed investments	0	0	0.0
Total	21	244.1	100.0

Source : Tritax Property Income Fund

Largest direct investments by lot size & percentage of total portfolio				
Property	Location	Sector	Valuation (GBPm)	% of total portfolio
STOCKLEY PARK	UXBRIDGE	Office	27.9	11.4
WATERFORD BUSINESS PARK	BURY	Industrial	27.6	11.3
DC1 DIDCOT	DIDCOT	Industrial	23.5	9.6
FRADLEY DISTRIBUTION PARK	LICHFIELD	Industrial	18.2	7.4
UNITS 1-5 NEW MALDEN	NEW MALDEN	Industrial	18.2	7.4
PIERPOINT RETAIL PARK KINGS LYNN	KING'S LYNN	Retail Park	17.3	7.1
UNIT 12	WIMBORNE	Industrial	14.8	6.1
CAPABILITY GREEN, 800 THE BOULEVARD	LUTON	Office	14.6	6.0
TRAVELODGE AND GROSVENOR CASINO	LEICESTER	Hotel – Not categorised	10.9	4.5
ALBAN RETAIL PARK BEDFORD	BEDFORD	Retail Park	10.6	4.3
10 largest investments as % of portfolio			183.4	75.1

Source : Tritax Property Income Fund

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	2	7.8	3.2
5-10	6	42.0	17.2
10-25	9	138.5	56.7
25 - 50	2	55.5	22.7
50 - 100	0	0.0	0.0
100-150	0	0.0	0.0
Over 150	0	0.0	0.0
Total	20	243.8	99.9
Average lot size		12.2	

Source : Tritax Property Income Fund

Property Yield		Voids as % of ERV	
Net initial yield	5.84%	Investments	0.26%
Nominal equivalent yield	-	Developments	-
True equivalent yield	5.90%	Total	-
Net reversionary yield	5.71%		

Source : Tritax Property Income Fund

Rental income & ERV by type of property

	Rental income %	Estimated rental value %
Standard retail	0.0	0.0
Retail warehousing	19.1	13.0
Shopping centres	0.0	0.0
Central London offices	0.0	0.0
Other offices	23.3	37.0
Industrial	47.7	41.6
Other	9.9	8.4
Overall	100.0	100.0

Source : Tritax Property Income Fund

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	-	-	-	-	-	-	-	-
Retail warehousing	2.5	0.0	0.0	0.0	-20.0	-20.0	-40.0	80.0
Shopping centres	-	-	-	-	-	-	-	-
Central London offices	-	-	-	-	-	-	-	-
Other offices	3.0	0.0	83.3	1.1	-1.6	86.0	84.4	186.0
Industrial	6.1	0.0	0.0	0.0	-12.4	2.4	-10.0	102.4
Other	1.3	0.0	0.0	0.0	-10.3	-0.7	-11.0	99.3
Overall	12.8	0.0	19.4	0.3	-11.2	17.3	6.2	117.3

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

Source : Tritax Property Income Fund

Listed Investments

	% of Issue held	Valuation (GBPm)	Est. % of total portfolio
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
	0.0	0.0	0.0

The unexpired term of leases

Years	% of rent passing
20 years or greater	6.5
15 years or greater, but less than 20	11.9
10 years or greater, but less than 15	21.3
5 years or greater, but less than 10	34.5
Less than 5 years	25.7

Source : Tritax Property Income Fund

Joint and Indirect property holdings

Holdings	Sector	Joint/Indirect	Vehicle Type	Ownership %	Valuation	Est. % of total portfolio
DERIVATIVE	Other	DERIVATIVES - REAL ESTATE	-	100.0	0.3	0.1
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Source : Tritax Property Income Fund

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	

Source : Tritax Property Income Fund

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 : Tritax Property Income Fund

Valuations/performance monitors/affiliations

Frequency of valuation	Monthly
Valuers	Knight Frank LLP
Portfolio performance monitored by MSCI	Yes
Constituent of MSCI/AREF UK Quarterly Property Fund Index	Yes
Member of the Association of Real Estate Funds	Yes

Source : Tritax Property Income Fund

Restrictions on holdings of cash/borrowings

Maximum total gearing permitted	25% of GAV
For investment purpose	No restriction
For liquidity purpose	No restriction
Cash holdings (maximum)	No restriction
Cash holdings (minimum)	No restriction

Source : Tritax Property Income Fund

The contribution of major tenants to rental income

Tenant	%
DSG RETAIL LIMITED	13.4
IMPELLAM HOLDINGS LIMITED	7.6
DPD GROUP UK LIMITED	7.1
EDDIE STOBART LIMITED	6.4
XPO SUPPLY CHAIN UK LIMITED	5.5
NUFFIELD HEALTH	5.2
B&M RETAIL LIMITED	4.9
OKA DIRECT LTD	4.9
NEXT HOLDINGS LIMITED	3.8
I D MEDICAL GROUP LIMITED	3.6
Three largest tenants' contribution to rental income	28.1
Five largest tenants' contribution to rental income	39.9
Ten largest tenants' contribution to rental income	62.3

Source : Tritax Property Income Fund

Balance sheet/gearing

	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					
Properties at valuation	243.8	0.0	0.3	0.0	244.1

Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	-60.0	0.0	0.0	0.0	-60.0
Cash	9.9	0.0	0.0	0.0	9.9
Other net assets/liabilities	-3.7	0.0	0.0	0.0	-3.7
Total net assets	189.9	0.0	0.3	0.0	190.2
Gearing (%)					
Net debt (cash)/properties	20.6	-	0.0	-	20.5
Net debt (cash)/equity	26.4	-	0.0	-	26.4

Source : Tritax Property Income Fund

Quarterly data per unit						
As at	31-Dec-19	31-Mar-20	30-Jun-20	30-Sep-20	31-Dec-20	31-Mar-21
Bid (GBP)	0.9868	0.9700	0.9409	0.9446	0.9512	0.9713
Offer (GBP)	1.0814	1.0700	1.0325	1.0385	1.0441	1.0663
Mid (GBP)	1.0341	1.0200	0.9867	0.9916	0.9977	1.0188
Bid/offer spread	8.75%	9.3%	8.9%	9.0%	8.9%	8.9%
Net asset value (GBP)	1.0038	0.9903	0.9579	0.9615	0.9683	0.9889
Quarterly distribution (GBP)	0.0117	0.0110	0.0107	0.0095	0.0157	0.0108
Yield	4.8%	4.5%	4.7%	4.5%	4.6%	4.5%

Source : Tritax Property Income Fund

Unit pricing

The NAV per unit is calculated monthly, on the Dealing Date (the last Business Day of each month).

Distributions

Quarterly

Minimum investment/disinvestment

Minimum investment of £1 million.

Creation, transfer and realisation of units

Subscription Agreements can be completed monthly, which confirms a Commitment to the Fund. Commitments are drawn down pro rata on a monthly basis.

Taxation

Charges

The annual management fee is equivalent to 0.625% of the net asset value of the portfolio. This excludes fees payable to the Trustee, Administrator, Custodian, Depository, Auditors and Valuers. The TER is c.0.85%.

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%	1	1.3
2% or greater but less than 4%	0	0.0
4% or greater but less than 8%	1	7.7
Greater than 8.0%	4	91.0
Total	6	100.0
Major investors		
Largest holder	1	61.4
Three largest holders	3	82.9
Five largest holders	5	98.8
Ten largest holders	10	100.0
Internal/external investors		

Internal	6	100.0
External	0	0.0

Source : Tritax Property Income Fund

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		182,799,599	185,162,677	191,366,376	192,455,817	196,795,245
Units issued during period		2,363,078	6,203,699	1,089,441	4,339,428	0
Units redeemed during period		-	0	0	0	-4,414,560
Units in issue at end of period		185,162,677	191,366,376	192,455,817	196,795,245	192,380,685
Unit transfers						
Matched bargains		3158974	0	77,382	0	0
Matched bargains %*		0.017060533	0	0.04%	0.0%	0%

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

Source : Tritax Property Income Fund