

MC PUT

INVESTMENT POLICY AND OBJECTIVES

The Trust's investment objective is to provide total returns from investment in a diversified portfolio of UK commercial property. The Fund targets outperformance of the Benchmark: MSCI AREF UK Quarterly Property Fund Indices: UK All Balanced Property Fund Index (Weighted Average).

INVESTOR CONSTITUENCY

The Trust is open for investment by eligible investors as defined in the Collective Investment Funds (Unregulated Funds) (Jersey) Order 2008.

Fund details	
Type of fund	Property Unit Trust
Residence	Jersey
Launch date	June 2010
Open/closed-ended	Open-ended
Earliest date of winding up	n/a
Year-end	30 September
NAV (GBPm)	250.5

Source: Swiss Life Asset Managers UK Ltd

Management/professional advisors	
Manager	Schroder Real Estate Managers (Jersey) Limited
Property advisor	Swiss Life Asset Managers UK Ltd
Portfolio manager	n/a
Trustee	BNP Paribas Depository Services Limited and BNP Paribas Depository Services (Jersey) Limited
Auditors	PricewaterhouseCoopers LLP

Source: Swiss Life Asset Managers UK Ltd

	MC PUT	MSCI/AREF UK Quarterly Property Fund Index		
		Other balanced open-ended funds	All balanced open-ended funds	All funds
3 months	1.4	1.2	1.1	1.4
Year-to-date	2.3	1.7	1.7	1.7
12 months	0.2	-0.4	0.1	0.0
3 years+	1.6	0.4	0.6	0.0
5 years+	2.5	1.4	1.5	0.6
10 years+	5.8	5.1	4.8	4.0

Source: Swiss Life Asset Managers UK Ltd

Fund Restraints	
Property investment restrictions	
Maximum development exposure	15.0%
Maximum speculative development exposure	15.0%
Maximum lot-size holding as a standing investment	15.0%
Maximum lot-size holding permitted at purchase	15.0%
Maximum exposure to limited partnerships	25.0%
Maximum exposure to joint ventures	25.0%
Maximum exposure to closed and open-ended property unit trusts	25.0%
Restrictions on holdings of cash/borrowings	
Maximum total gearing permitted	10%
for investment purposes	n/a
for liquidity purposes	n/a
Cash holdings (maximum)	10%
Cash holdings (minimum)	n/a

Source: Swiss Life Asset Managers UK Ltd

	MC PUT	MSCI/AREF UK Quarterly Property Fund Index		
		Other balanced open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	0.0	4.2	3.7	3.4
Standard retail – Rest of UK	10.0	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	13.4	12.3	12.0	7.4
All UK retail	23.4	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	6.1	6.3	6.3	5.2
Rest of UK offices	11.2	4.6	4.0	4.4
All UK offices	17.4	21.4	20.0	17.0
South East industrial	7.8	19.2	20.1	18.0
Rest of UK industrial	0.0	7.7	7.2	6.5
South East Distribution Warehouse	28.7	5.1	5.4	4.1
Rest of UK Distribution Warehouse	12.7	6.4	6.3	5.3
All UK industrial	49.1	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	0.0	3.7	3.2	6.1
Leisure	2.0	1.8	2.2	4.1
Healthcare	0.0	1.8	1.3	1.4
Other UK properties	0.6	3.8	3.2	4.1
Cash***	7.5	6.8	7.7	6.0
Overall	100.0	100.0	100.0	100.0

Source: Swiss Life Asset Managers UK Ltd

Property ownership structure			
	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	35	234.8	100.0
Joint and indirect holdings	0	0	0.0
Listed investments	0	0	0.0
Total	35	234.8	100.0

Source: Swiss Life Asset Managers UK Ltd

Largest direct investments by lot size & percentage of total portfolio				
Property	Location	Sector	Valuation (GBPm)	% of total portfolio
EDMONTON TRADE PARK	LONDON	Industrial	19.5	8.3
PLINSTON RETAIL PARK	LETCHWORTH GARDEN CITY	Retail Park	14.3	6.1
HARLOW MILL BUSINESS CENTRE	HARLOW	Industrial	14.2	6.0
CROYDON	CROYDON	Office	13.8	5.9
T3,TRINITY PARK,SOLIHULL	BIRMINGHAM	Office	13.0	5.5
FOSTER ROAD	ASHFORD	Industrial	10.7	4.6
ONE PORTBURY	BRISTOL	Industrial	10.3	4.4
UNITS 4-18	MILTON KEYNES	Industrial	10.2	4.3
55 FULLARTON DRIVE	GLASGOW	Industrial	9.9	4.2
UNITS 1 & 2 THE MIDAS CENTRE	PETERBOROUGH	Industrial	9.7	4.1
10 largest investments as % of portfolio				53.5

Source: Swiss Life Asset Managers UK Ltd

Direct portfolio structure by lot-size bands			
Value band (GBPm)	Number of assets	Valuation (GBPm)	% of total portfolio
0-2.5	6	9.0	3.8
2.5 - 5	11	43.7	18.6
5-10	10	76.1	32.4
10-25	8	106.0	45.1
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	35	234.8	100.0
Average lot size		6.7	

Source: Swiss Life Asset Managers UK Ltd

Property Yield		Voids as % of ERV	
Net initial yield	4.50%	Investments	18.83%
Nominal equivalent yield	6.50%	Developments	0.00%
True equivalent yield	6.80%	Total	18.83%
Net reversionary yield	7.40%		

Source: Swiss Life Asset Managers UK Ltd

Rental income & ERV by type of property		
	Rental income %	Estimated rental value %
Standard retail	12.9	9.2
Retail warehousing	19.4	12.3
Shopping centres	0.0	0.0
Central London offices	0.0	0.0
Other offices	17.2	26.7
Industrial	47.7	44.0
Other	2.8	7.9
Overall	100.0	100.0

Source: Swiss Life Asset Managers UK Ltd

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	1.5	3.9	-	-	-5.9	11.9	6.1	111.9	
Retail warehousing	2.3	-	-	-	-5.2	-0.8	-6.1	99.2	
Shopping centres	-	-	-	-	-	-	-	-	
Central London offices	-	-	-	-	-	-	-	-	
Other offices	2.1	22.6	-	112.0	0.0	142.1	142.1	242.1	
Industrial	5.7	6.3	-	17.5	-1.0	44.2	43.2	144.2	
Other	0.3	-	-	347.3	-6.5	340.8	334.3	440.8	
Overall	12.0	7.4	-	37.3	-2.4	56.5	54.0	156.5	

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

Source: Swiss Life Asset Managers UK Ltd

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

The unexpired term of leases % of rent passing		
Years	Including breaks	Excluding breaks
20 years or greater	3.0	3.0
15 years or greater, but less than 20	3.2	3.2
10 years or greater, but less than 15	11.7	18.4
5 years or greater, but less than 10	32.0	44.8
Less than 5 years	50.2	30.7

Source: Swiss Life Asset Managers UK Ltd

Joint and Indirect property holdings						
Holdings	Sector	Joint/Indirect	Vehicle Type	Ownership %	Valuation	Est. % of total portfolio
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Source: Swiss Life Asset Managers UK Ltd

Debt analysis					
Fixed rate borrowings			Variable rate borrowings		
Amount drawn (GBPm)	Average rate (%)	Average unexpired term (years)	Amount drawn (GBPm)	Rate above Risk Free Rates (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	0

Source: Swiss Life Asset Managers UK Ltd

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: Swiss Life Asset Managers UK Ltd

Valuations/performance monitors/affiliations	
Frequency of valuation	Quarterly on the last day of the quarter
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: Swiss Life Asset Managers UK Ltd

The contribution of major tenants to rental income	
Tenant	%
WICKES BUILDING SUPPLIES LTD	8.7
ARTHUR FOODSTORES LIMITED	7.4
STAPLETON (TYRE SERVICES) LTD	4.6
SP DISTRIBUTION PLC	4.5
E (GAS AND ELECTRICITY) LTD	3.5
PENTALVER CANNOCK LIMITED	3.4
PETS AT HOME LTD	3.4
THE ORIGINAL BOWLING COMPANY LTD	2.8
CLOKKEN LTD	2.6
ADVANCED HANDLING UNIT	2.5
Three largest tenants' contribution to rental income	20.7
Five largest tenants' contribution to rental income	28.8
Ten largest tenants' contribution to rental income	43.4

Source: Swiss Life Asset Managers UK Ltd

Balance sheet/gearing					
	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					
Properties at valuation	234.8	0.0	0.0	0.0	234.8
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	0.0	0.0	0.0	0.0	0.0
Cash	19.1	0.0	0.0	0.0	19.1
Other net assets/liabilities	-3.4	0.0	0.0	0.0	-3.4
Total net assets	250.5	0.0	0.0	0.0	250.5
Gearing (%)					
Net debt (cash)/properties	-8.1	-	-	-	-8.1
Net debt (cash)/equity	-7.6	-	-	-	-7.6

Source: Swiss Life Asset Managers UK Ltd

Quarterly data per unit						
As at	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24	30-Jun-24
Bid (GBP)	1,234.0	1,241.0	1,222.0	1,189.0	1,186.0	1,191.1
Offer (GBP)	1,319.0	1,327.0	1,306.0	1,276.0	1,274.0	1,278.6
Mid (GBP)	1,276.5	1,284.0	1,264.0	1,232.5	1,230.0	1,234.9
Bid/offer spread	6.4%	6.5%	6.4%	6.8%	6.9%	6.8%
Net asset value (GBP)	1,248.8	1,256.0	1,236.6	1,203.3	1,200.5	1,205.3
Quarterly distribution (GBP)	13.1	13.3	14.7	13.7	12.9	12.3
Yield	4.3%	4.4%	4.5%	4.6%	4.6%	4.5%

Source: Swiss Life Asset Managers UK Ltd

Unit pricing

The Trust's NAV and the bid and offer price of its units are re-calculated as at the date of the quarterly revaluation of the portfolio. Income is not included in this re-calculation.

Distributions

Distributions of income are made quarterly and paid at the end of the month following the end of each calendar quarter.

Minimum investment/disinvestment

A minimum initial investment of £100,000, although the Manager may approve smaller holdings.

Creation, transfer and realisation of units

Units may be issued on the direction of the Manager usually at the end of each quarter but no more frequently than monthly. Income accrues to units from the date of issue. Units may be redeemed on written notice to be received by the Manager at least six months before the last day of a calendar quarter. Proceeds are then paid on the subsequent quarter end day at the then prevailing bid price and income accrues to the date of payment. In certain circumstances, the Manager may postpone redemptions. Once a redemption notice is served it may not be withdrawn without the Managers approval. The Manager may also require redeeming unitholders to transfer their units at the then prevailing bid price. Units can be transferred at any time to an eligible investor.

Taxation

The following is a summary of current law and practice and is subject to change. The information should not be regarded as legal or tax advice.

Capital Gains Tax

Since it is registered in Jersey, the trust 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 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 property 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 unit holders, regardless of where they are resident.

Stamp duty reserve tax

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

Charges

Annual fee

The Investment Advisor is entitled to an annual fee (payable quarterly) on a tiered basis between 0.4% and 0.2% pa of the Net Asset Value of the Trust.

Initial charge

No initial charge is levied by the Manager on investors acquiring units in the Trust.

Performance fee

The Investment Advisor may earn a performance fee if the Trust's annualised three year total return, as published in the MSCI/AREF UK Quarterly Property Fund Index, exceeds the weighted average of the All Balanced Property Funds Index and if the annualised three year direct real estate return for the portfolio exceeds 5%. Performance is measured each quarter and the fee equates to one quarter of the annual rate for each qualifying quarter. If the Trust is ranked above the weighted average, the rate of performance fee is 0.0375% (0.15% per annum) of the NAV. Alternatively, if the performance is equal or above the upper quartile of the All Balanced Property Funds Index, the performance fee is 0.0625% (0.25% per annum) of the NAV. The performance fee is payable in addition to the standard management fee.

Transaction Fee

The Investment Advisor is not entitled to earn transaction fees.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	2	0.1
1% or greater but less than 2%	3	4.1
2% or greater but less than 4%	4	12.0
4% or greater but less than 8%	5	32.9
Greater than 8.0%	4	50.9
Total	18	100.0
Major investors		
Largest holder	1	17.1
Three largest holders	3	40.4
Five largest holders	5	58.6
Ten largest holders	10	87.4
Internal/external investors		
Internal	0	0.0
External	18	100.0

Source: Swiss Life Asset Managers UK Ltd

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	289,858.18	289,858.18	289,858.18	269,162.89	265,215.52	238,335.86
Units issued during period	0.00	0.00	0.00	0.00	0.00	0.00
Units redeemed during period	0.00	0.00	-20,695.30	-3,947.37	-26,879.66	-30,468.85
Units in issue at end of period	289,858	289,858	269,163	265,216	238,336	207,867
Unit transfers						
Matched bargains	49	-	-	3,944	-	-
Matched bargains %*	0.02%	0.00%	0.00%	1.49%	0.00%	0.00%

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

Source: Swiss Life Asset Managers UK Ltd