

# UBS Triton Property Unit Trust

## INVESTMENT POLICY AND OBJECTIVES

The UBS Triton Property Unit Trust ('UBS Triton Trust', 'the Trust') is invested in the Triton Property Fund LP ('Triton', 'the Fund') (q.v.) as a limited partner. The Fund's performance benchmark is the weighted average return to the All Balanced Property Fund component of the MSCI/AREF UK All Balanced Quarterly Property Fund Index (Net Total Return - unitised adjusted for crossholdings; GBP)

## INVESTOR CONSTITUENCY

The unit trust is open to investment by approved UK pension funds, and UK charities wholly exempt from capital gains tax or corporation tax (other than by reason of residence).

Fund details	
Type of fund	Unauthorised Property Unit Trust
Residence	United Kingdom
Launch date	April 1994
Open/closed-ended	Open-ended*
Earliest date of winding up	2070
Year-end	31 December
*NAV (GBPm)	875.9

Note: \*includes capital cash and income cash

Source: UBS Asset Management

Management/professional advisors	
Manager and AIFM (Triton & UBS Triton Trust)	UBS Asset Management Funds Ltd
Fund Manager	Jonathan Hollick
Trustee & Depository	State Street Trustees Limited
Auditors (Triton)	Ernst & Young LLP

Source: UBS Asset Management

Investment rates of return, %		MSCI/AREF UK Quarterly Property Fund Index		
	UBS Triton Property Unit Trust	Other balanced funds	All balanced funds	All funds
3 months	3.2	2.2	2.2	1.8
Year-to-date	3.2	2.2	2.2	1.8
12 months	3.4	2.5	2.5	0.7
3 years+	3.6	2.7	2.4	1.1
5 years+	4.9	4.6	4.1	3.2
10 years+	5.8	6.8	6.4	5.9

Note: \*\* Weighted average returns + Annualised

Source: MSCI/AREF UK Quarterly Property Fund Index

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)	1,667.233	1,640.825	1,594.934	1,594.214	1,604.698	1,641.529
Offer (GBP)	1,787.780	1,772.226	1,723.360	1,722.757	1,729.541	1,763.404
Mid (GBP)	1,727.507	1,706.526	1,659.147	1,658.486	1,667.119	1,702.466
Bid/offer spread	6.7%	7.4%	7.5%	7.5%	7.2%	6.9%
Net asset value (GBP)	1,683.436	1,658.443	1,612.167	1,611.452	1,621.452	1,657.87
Quarterly distribution (GBP)	11.277	12.464	14.105	12.145	13.390	14.772
Yield	3.2%	3.1%	3.2%	3.1%	3.2%	3.3%

Source: UBS Asset Management

## Unit pricing

The unit price is calculated once a month, on the 1st business day of the month. As from 30 June 2005, it has been calculated on an XD

basis on the last working day of the quarter (previously the first working day of the new quarter).

### **Distributions**

Net income of the Trust is distributed to its unitholders. Distributions are calculated on the last day of March, June, September and December. Payment is made to unitholders on the last working day of the second month following the calculations dates, i.e. 31 May, 31 August, 30 November and 28 February

### **Minimum investment/disinvestment**

Minimum initial	GBP 50,000
Minimum additional investment:	GBP 50,000
Minimum redemption:	Not applicable

### **Creation, transfer and realisation of units**

Subscriptions for units may be made on the 11th business day of each month (or on such other day as the Manager deems appropriate). Applications must be received not later than 14 days prior to a subscription day.

Redemptions of units in UBS Triton Trust normally take place on a quarterly basis on a Selling Day (subject to sufficient cash being available). Where sufficient cash is not available to pay a quarter's redemption in full, the Manager will meet redemption requests within that quarter on a pro-rata basis.

The redemption provisions set out in "Creation, transfer and realisation" section of the Triton Property Fund LP pages (within this document) apply to the redemption of UBS Triton Trust units.

Redemption notices served during a quarter are treated as having been served on the final business day of the quarter. The first possible date on which units subject to a redemption notice may be redeemed is the first Selling Day that occurs at least one whole quarter after the quarter in which the relevant redemption notice was served. Once a redemption notice has been served, it may only be withdrawn with the consent of the Supervisory Board.

In the usual course of business, the Manager expects to meet redemption requests within six months from the first possible date the redemption request can be paid (being the Selling Day falling one whole quarter after the quarter end in which a redemption request is deemed to be received). UBS Triton Trust's Manager may defer redemption requests for up to 24 months from the first possible date the redemption request may be redeemed.

### **Taxation**

#### **Capital Gains Tax**

Provided that in any accounting period UBS Triton Trust only comprises Exempt Investors/Eligible Funds (and, in accordance with the applicable terms of the 2013 Regulations; UBS Triton Trust is approved by HMRC as an exempt unauthorised unit trust and satisfies the continuing requirements for such approval), any chargeable gain accruing to UBS Triton Trust should not be chargeable to capital gains tax. The Trust Manager intends to manage the investors in UBS Triton Trust so that no taxable capital gain will arise.

#### **Income Tax**

The Trust has been designated as an Exempt Unauthorised Unit Trust ("EUUT") from 1 January 2015 and is therefore exempt from capital gains tax. The trust is subject to income tax at 20% on its taxable income and is entitled to deduct deemed distributions from this amount.

#### **Stamp duty reserve tax**

The issue of Units in UBS Triton Trust in return for cash subscriptions will not attract stamp duty or SDRT. No stamp duty or SDRT is payable on the redemption of Units or, in line with published HMRC guidance, on a transfer of Units between Participants where the Trust Manager is required or authorised to update the register of Unitholders. Transfers of Units between Participants where the Trust Manager is not required or authorised to update the register of Unitholders will be subject to SDRT at 0.5% of the value of the consideration given in money or money's worth.

## Charges

### Annual charge

The Manager of Triton is entitled to a fund management fee (plus VAT) and property management fee (plus VAT) on a tiered basis as a percentage of the Net Asset Value of Triton together with undistributed income less expenses, as at the end of each month. 0.75% p.a. is charged on the period-end Triton-level NAV of up to GBP 1 billion, decreasing to 0.65% p.a. for any tranche of NAV between GBP 1-1.25 billion, and 0.55% p.a. for any part of NAV above GBP 1.25 billion. The fee is split to reflect the fund management and property management services provided by the Manager.

### Performance fee

The Manager is entitled to a performance fee of 0.0625% per quarter of the net asset value of Triton (including net undistributed income) if, for the previous three years, it has outperformed its benchmark, the All Balanced Property Fund Index Weighted Average of the MSCI/AREF UK All Balanced Quarterly Property Fund Index (Net Total Return - unitised adjusted for crossholdings; GBP). A minimum of 0.5% p.a. outperformance is required before the performance fee is triggered.

The annual charge and performance fee are the same as those in respect of the Triton Property Fund LP, and no additional charges are incurred by investors investing in the Fund via the UBS Triton Property Unit Trust.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	17	9.1
1% or greater but less than 2%	13	18.1
2% or greater but less than 4%	5	14.9
4% or greater but less than 8%	5	23.8
Greater than 8.0%	2	34.1
<b>Total</b>	<b>42</b>	<b>100.0</b>
Major investors		
Largest holder	1	25.5
Three largest holders	3	39.6
Five largest holders	5	49.6
Ten largest holders	10	67.3
Internal/external investors		
Internal	10	23.8
External	32	76.2

Source: UBS Asset Management

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
<b>Issues and redemptions</b>						
Units in issue as at start of period	392,587	423,860	443,216	493,878	489,372	490,623
Units issued during period	31,273	34,220	50,661	3,624	14,471	29,149
Units redeemed during period	-	-14,864	-	-8129.019	-13221	-2,493
Units in issue at end of period	423,860	443,216	493,878	489,372	490,623	517,279
<b>Unit transfers</b>						
Matched bargains	4,322	4,654	-	559	2,700	0
Matched bargains %*	1.0%	1.1%	0.0%	0.1%	0.6%	0.0%

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

Source: UBS Asset Management