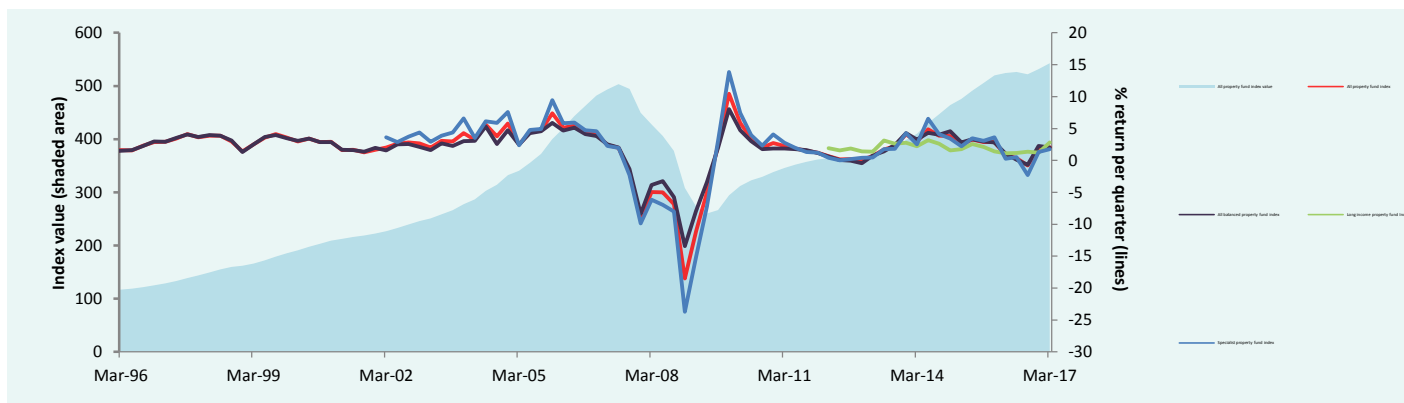


AREF/IPD UK Quarterly Property Fund Index



Results for the quarter to 31 March 2017



The AREF/IPD UK Quarterly Property Fund Index measures quarterly total returns on a Net Asset Value basis, and in Q1 2017 returned 2.1%

| Index specification | 3 month total return (%) | 12 month total return (%) | No. of funds | NAV (GBPm) | NAV in Index (GBPm) | Index leverage (% ND/NAV) | Index distribution (% D/GAV) | Index distribution yield (%) | Index weighting (%) |
|---|--------------------------|---------------------------|--------------|---------------|---------------------|---------------------------|------------------------------|------------------------------|---------------------|
| All property fund index | 2.1 | 3.5 | 43 | 44,835 | 43,506 | 2.2 | 7.3 | 2.8 | 100.0 |
| All balanced property fund index | 2.0 | 3.7 | 25 | 27,130 | 26,318 | -6.7 | 0.8 | 2.4 | 60.5 |
| Long income property fund index | 2.8 | 6.7 | 4 | 6,659 | 6,525 | -2.3 | 0.0 | 2.3 | 15.0 |
| Specialist property fund index | 1.8 | 1.2 | 14 | 11,047 | 10,663 | 26.8 | 23.1 | 4.0 | 24.5 |
| Low geared balanced property fund index | 2.0 | 3.8 | 25 | 27,130 | 26,318 | -6.7 | 0.8 | 2.4 | 60.5 |
| Managed property fund index | 1.9 | 2.2 | 5 | 9,052 | 8,240 | -11.2 | 0.8 | n/a | 18.9 |
| Other balanced property fund index | 2.1 | 4.6 | 20 | 18,078 | 18,078 | -4.6 | 0.9 | 3.5 | 41.6 |

The figures above represent the property funds that contribute to the index as at March 2017.

| Total return | 3 month return (%) | 12 month return (%) |
|-----------------------------------|--------------------|---------------------|
| IPD UK Monthly Property Index**** | 2.3 | 3.8 |
| Equities* | 3.8 | 23.6 |
| Property Equities* | 1.2 | -0.1 |
| Bonds** | 1.5 | 4.6 |
| Inflation | 0.8 | 3.1 |

* Source MSCI **Source JP Morgan 7-10yr

**** Returns to the IPD UK Monthly Property Index and to the AREF/IPD UK Quarterly Property Fund Index are not directly comparable. This is largely because the UK Monthly Index measures the performance only of direct property market investments and because it excludes the impact on returns of developments and transactions. In contrast, returns to the AREF/IPD UK Quarterly Property Fund Index include the impact of both developments and transactions as well as the returns from other assets (such as cash and indirect property investments), and the impact of leverage, fund-level management fees and other non-property outgoings.

Disclaimer

©MSCI. All rights reserved. The information contained herein may not be reproduced or redistributed without MSCI's prior approval. It may not be used as a benchmark for portfolio or manager performance. It may not be used as a basis for financial products, or in connection with investment vehicles, or to create any derivative works. None of the information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. The information is provided "as is". TO THE MAXIMUM EXTENT PERMITTED BY LAW, MSCI Inc. and its subsidiaries make no express or implied warranties or representations and shall have no liability whatsoever with respect to the Information. No part of the AREF/IPD UK Quarterly Property Fund Index may be reproduced or transmitted, in any form or by any means, without the prior written consent of MSCI.

MSCI gives no warranty or representation that the use of this information will achieve any particular result for you. MSCI has no liability for any losses, damages, costs or expenses suffered by any person as a result of any reliance on this information.

Sponsors

PropertyMatch

Contents

| | | |
|----------------------------|-----------|--|
| Fund returns | 3 | |
| Fund allocations | 6 | Results for the quarter to 31 March 2017 |
| Index analysis | 9 | |
| Index specification | 10 | |

Contacts

MSCI Inc

Ninth Floor
Ten Bishops Square
London E1 6EG
O: +44 20 7336 4783
E: realestate@msci.com
msci.com

The Association of Real Estate Funds (AREF)

John Cartwright
M: +44 07541 090 064
jcartwright@aref.org.uk

Property Match

Paul Robinson
paul.robinson@cbre.com

Constituents changes:

- AEW UK Real Return Fund is included for reporting from Q1 2017
- BlackRock UK Long Lease Property Fund is included for reporting from Q1 2017

Note:

- As of 3 April 2017, those funds managed by TH Real Estate have changed their names. As agreed with Henderson Global Investors following TIAA's purchase of Henderson Global Investors' remaining 40% shareholding in the TH Real Estate business in June 2015, the Henderson name has been removed.
- Aviva Investors Pensions Property Fund is now Aviva Investors Pensions Limited
- The numbers disclosed for Kames Active Value Property Fund are provisional only

Use of the AREF/IPD UK Quarterly Property Fund Index

The AREF/IPD UK Quarterly Property Fund Index is made available to you on the MSCI website www.msci.com. By accessing this site and the information contained within it you have agreed to MSCI's terms and conditions of website use which can be found on the home page and which apply to the AREF/IPD UK Quarterly Property Fund Index. You may access and view the content but you may not otherwise, without limitation, copy, distribute, sell, publish, or commercially exploit any of the content including but not limited to the AREF/IPD UK Quarterly Property Fund Index without AREF/IPD's prior written permission. Should you wish to use the AREF/IPD UK Quarterly Property Fund Index for example as a benchmark and within any reporting, you will need to enter into a separate written licence agreement with AREF/IPD and this may incur a fee. For further information you should contact realestate@msci.com

Fund returns

| March 2017 | Fund type | Accounting standard | 3 months | 6 months | 9 months | 1 year | 3 years * | 5 years * | 10 years * | NAV | Leverage | Distribution yield | Weighting** | |
|--|-----------|---------------------|----------|----------|----------|--------|-----------|-----------|------------|--------|------------|--------------------|-------------|-------|
| | | | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (GBPm) | (% ND/NAV) | (% D/GAV) | (%) | |
| All balanced funds | | | | | | | | | | | | | | |
| AEW UK - Core Property Fund | PAIF | UK GAAP | 3.1 | 6.0 | 4.8 | 6.4 | 13.7 | 13.9 | - | 248.4 | -4.8 | - | 5.5 | 100.0 |
| AEW UK Real Return Fund ⁶ | PAIF | UK GAAP | 2.2 | 4.8 | 5.8 | 8.0 | - | - | - | 53.6 | -2.8 | - | 5.1 | - |
| Aviva Investors Pensions Limited | MPF | IFRS | 1.4 | 3.8 | -1.6 | -0.3 | 7.9 | 6.5 | 1.8 | 976.5 | -7.3 | - | n/a | 100.0 |
| BlackRock UK Property Fund ² | PUT | FRS102 | 2.1 | 4.0 | 1.8 | 3.5 | 9.2 | 8.1 | 2.1 | 3204.8 | -4.3 | 2.2 | 3.4 | 100.0 |
| CBRE UK Property PAIF | PAIF | IFRS | 2.6 | 2.5 | 1.5 | 2.8 | 10.6 | 9.3 | 1.3 | 1497.4 | -4.9 | - | - | 100.0 |
| COIF Charities Property Fund | CIF | FRS102 | 2.0 | 4.4 | 5.6 | 2.9 | 11.5 | 9.1 | 3.8 | 531.5 | 0.0 | 0.2 | 5.7 | 100.0 |
| Fidelity UK Real Estate Fund ³ | PAIF | IFRS | 1.7 | 3.5 | 0.9 | 2.6 | 12.0 | 9.1 | - | 442.7 | -10.1 | - | 4.8 | 100.0 |
| UK Property Fund | PUT | FRS102 | 2.9 | 4.5 | 3.8 | 6.6 | 11.1 | 10.0 | 3.4 | 174.2 | -1.6 | 0.9 | 3.2 | 100.0 |
| Hermes Property Unit Trust | EPUT | UK GAAP | 1.8 | 4.9 | 5.1 | 6.5 | 12.8 | 11.1 | 4.5 | 1397.7 | -4.4 | - | 3.9 | 100.0 |
| Kames Active Value Property Fund | MPF | IFRS | 2.5 | 3.6 | 6.7 | 3.6 | 10.0 | 9.1 | - | 205.4 | -9.7 | - | n/a | 100.0 |
| Kames Capital UK Active Value Property Unit Trust | PUT | IFRS | 2.9 | 5.0 | 4.6 | 5.4 | 8.5 | - | - | 280.7 | -13.5 | - | 6.0 | 100.0 |
| Keills Property Trust | EPUT | FRS102 | 1.3 | 2.4 | 4.6 | 5.3 | 7.1 | 7.2 | - | 35.0 | -4.3 | - | 3.7 | - |
| Legal & General Assurance (Pensions Management) Ltd | MPF | IFRS | 1.8 | 4.2 | 7.4 | 3.2 | 9.5 | 8.4 | 3.1 | 3069.2 | -12.2 | 2.2 | n/a | 100.0 |
| Lothbury Property Trust | PUT | IFRS | 2.1 | 4.8 | 1.8 | 4.8 | 10.4 | 9.4 | 3.8 | 1565.9 | -4.4 | - | 3.3 | 100.0 |
| Mayfair Capital Property Income Trust for Charities | EPUT | FRS102 | 2.5 | 4.9 | 5.1 | 6.9 | 12.2 | 10.1 | 2.6 | 412.9 | 12.2 | 15.4 | 6.1 | 100.0 |
| Mayfair Capital Property Unit Trust | PUT | FRS102 | 2.5 | 4.7 | 4.2 | 5.6 | 11.0 | 10.0 | - | 293.9 | -2.0 | - | 5.2 | 100.0 |
| Rockspring Hanover Property Unit Trust | PUT | FRS102 | 2.6 | 4.6 | 3.1 | 5.0 | 10.6 | 8.6 | 1.1 | 503.0 | -0.6 | 0.5 | 5.2 | 100.0 |
| Royal London Property Fund | PAIF | UK GAAP | 1.2 | 4.1 | 1.9 | 3.7 | 8.7 | 7.6 | 3.9 | 387.3 | -6.0 | - | 2.8 | 100.0 |
| Savills IM UK Income & Growth | PUT | IFRS | 2.4 | 3.0 | 3.9 | 5.4 | 8.1 | 8.1 | - | 118.4 | -3.5 | - | 4.2 | 100.0 |
| Schroder UK Real Estate Fund | PAIF | FRS102 | 2.4 | 5.1 | 4.8 | 6.3 | 11.8 | 10.0 | 2.1 | 2320.4 | -8.1 | 0.4 | 3.2 | 100.0 |
| Standard Life Investments Pooled Pension Property Fund | MPF | IFRS | 2.1 | 4.5 | 6.0 | 1.6 | 9.0 | 7.8 | 2.1 | 3072.4 | -8.9 | - | n/a | 100.0 |
| The Charities Property Fund | CIF | UK GAAP | 1.2 | 3.3 | 4.2 | 5.5 | 11.3 | 9.9 | 4.0 | 1103.5 | -4.4 | - | 4.8 | 100.0 |
| The Local Authorities Property Fund | EPUT | UK GAAP | 2.0 | 4.5 | 5.2 | 3.1 | 10.5 | 9.9 | 3.0 | 707.8 | -7.7 | - | 4.6 | 100.0 |
| The M&G UK Property Fund ⁴ | FCP | IFRS | 1.8 | 4.4 | 1.2 | 3.1 | 9.5 | 8.0 | 2.5 | 741.1 | -8.0 | - | 3.6 | 100.0 |
| Threadneedle Pensions Limited | MPF | UK GAAP | 2.0 | 4.9 | 2.1 | 3.6 | 10.9 | 9.0 | 3.5 | 1728.4 | -10.8 | - | n/a | 100.0 |
| Threadneedle Property Unit Trust | PUT | FRS102 | 2.0 | 4.1 | 2.1 | 3.8 | 10.8 | 9.2 | 3.5 | 1332.1 | -3.9 | - | 4.7 | 100.0 |
| UBS Triton Property Fund ⁵ | PNP | IFRS | 1.6 | 4.0 | 2.5 | 3.3 | 11.2 | 6.4 | 0.0 | 814.2 | -0.2 | - | 3.8 | 100.0 |

* Annualised.

**Percentage of NAV used in the calculation of the Index (to exclude cross-holdings).

- = Data unavailable

n/a = Not applicable. The income of Managed Funds is reinvested in the Funds.

² Blackrock UK Property Fund: NAV provided and used for performance reporting purposes within the UK PFI is provided prior to the addition of new units.

³ Fidelity has both income and accumulation shares in issue. The distribution yield of the income distribution shareclass was 4.8 per cent.

⁴ Prior to 31 May 2013 The M & G UK Property Fund was The M&G Pooled Pensions UK Property Fund. The distribution yield only relates to the period post restructure

⁵ UBS Triton's performance and distribution yield include the effect of a management fee rebate paid to continuing investors from 1 July 2013 to 31 December 2014.

⁶ The AEW Real Return Fund has a real total return target rather than one which is relative to other balanced funds in this Index group.

| March 2017 | Fund type | Accounting | 3 months (%) | 6 months (%) | 9 months (%) | 1 year (%) | 3 years * (%) | 5 years * (%) | 10 years * (%) | NAV (GBPm) | Leverage (% ND/NAV) | (% D/GAV) | Distribution (%) | Weighting** (%) |
|--|-----------------|------------|--------------|--------------|--------------|------------|---------------|---------------|----------------|------------|---------------------|-----------|------------------|-----------------|
| Long income property funds | | | | | | | | | | | | | | |
| BlackRock UK Long Lease Property Fund | PUT | UK GAAP | 1.7 | 3.5 | 4.4 | 6.0 | 7.7 | - | - | 570.0 | -0.1 | - | 4.9 | - |
| LPI (Limited Price Inflation) Income Property Fund | MPF | IFRS | 2.0 | 4.1 | 5.4 | 6.4 | 7.2 | 7.7 | - | 951.3 | -0.9 | - | n/a | 100.0 |
| PGIM Real Estate UK Ground Lease Fund | PUT | UK GAAP | 7.3 | 8.0 | 14.4 | 15.4 | 13.3 | 10.3 | 8.0 | 483.4 | -1.0 | - | 2.4 | 100.0 |
| Standard Life Investments Long Lease Property Fund | MPF | IFRS | 2.8 | 4.7 | 6.0 | 7.2 | 7.4 | 8.1 | 4.6 | 1784.4 | -6.5 | - | n/a | 100.0 |
| The M&G Secured Property Income Fund | PUT | IFRS | 2.5 | 3.3 | 4.2 | 5.5 | 7.6 | 8.2 | - | 3439.5 | -0.6 | 0.0 | 4.1 | 100.0 |
| Specialist funds | | | | | | | | | | | | | | |
| Airport Industrial Property Unit Trust | PUT | FRS102 | 2.4 | 6.7 | 7.3 | 8.6 | 12.8 | 12.2 | 0.5 | 447.2 | 27.7 | 22.6 | 4.2 | 100.0 |
| Grosvenor Liverpool Fund | LP ¹ | IFRS | 3.5 | 4.1 | 2.7 | 1.8 | 20.8 | 16.5 | - | 567.3 | 70.9 | 41.5 | 3.0 | 100.0 |
| Grosvenor London Office Fund | LP ¹ | UK GAAP | 2.8 | 3.7 | -1.7 | -2.2 | 11.0 | 12.8 | 6.1 | 297.8 | -3.6 | 14.7 | 2.9 | 100.0 |
| Central London Office Fund | PUT | FRS102 | 2.5 | 4.4 | -2.8 | -2.3 | 10.7 | 10.4 | 5.6 | 433.5 | 4.2 | 10.9 | 1.2 | 88.4 |
| UK Retail Warehouse Fund | PUT | FRS102 | 2.0 | 2.2 | -5.2 | -4.2 | 5.3 | 5.3 | -1.5 | 677.4 | 58.4 | 37.1 | 5.7 | 97.1 |
| UK Shopping Centre Fund | PUT | FRS102 | 0.8 | 0.0 | -1.5 | -9.9 | 0.5 | 2.8 | -1.0 | 566.7 | 17.5 | 19.3 | 3.5 | 100.0 |
| Hercules Unit Trust | PUT | FRS102 | 2.9 | 5.7 | 0.3 | 0.6 | 7.1 | 4.4 | -4.8 | 930.8 | 49.3 | 33.9 | 5.6 | 100.0 |
| Industrial Property Investment Fund | LP ¹ | FRS102 | 4.9 | 7.5 | 8.3 | 11.2 | 18.5 | 15.4 | 6.1 | 1324.7 | 31.2 | 24.5 | 3.9 | 89.4 |
| Kames Target Healthcare Property Limited Partnership | LP ¹ | IFRS | 1.9 | 6.9 | 9.7 | 13.0 | 13.2 | 11.4 | - | 81.5 | 43.1 | 32.7 | 6.0 | - |
| Standard Life UK Retail Park Trust | PUT | IFRS | 0.2 | -1.8 | -7.1 | -7.3 | -1.1 | 0.6 | -0.8 | 531.6 | -2.7 | - | 4.6 | 95.0 |
| Standard Life UK Shopping Centre Trust | PUT | IFRS | 0.3 | 3.5 | 0.1 | 1.2 | 8.0 | 7.5 | 2.7 | 1574.1 | -6.5 | - | 3.7 | 94.7 |
| The Leisure Fund LP | LP ¹ | FRS102 | 1.5 | 5.7 | 7.1 | 8.7 | 12.8 | 11.9 | 4.7 | 360.4 | 41.6 | 29.5 | 4.5 | 90.7 |
| The Lend Lease Retail Partnership | LP | UK GAAP | 0.1 | 1.1 | -0.6 | 0.5 | 7.8 | 7.3 | 3.8 | 822.8 | 0.8 | 2.3 | 3.5 | 99.2 |
| UNITE UK Student Accommodation Fund | PUT | FRS102 | 1.9 | 3.2 | 5.4 | 8.2 | 15.4 | 15.1 | 8.7 | 1511.4 | 47.7 | 33.6 | 5.4 | 98.5 |
| Vista UK Residential Real Estate Fund | PUT | UK GAAP | 0.0 | 1.3 | 0.6 | -1.7 | - | - | - | 30.5 | -33.8 | - | 0.0 | - |
| West End of London Property Unit Trust | PUT | FRS102 | -0.2 | -2.0 | -6.1 | -4.7 | 11.1 | 15.2 | 6.1 | 1000.9 | 26.8 | 21.6 | 1.9 | 100.0 |

* Annualised.

n/a = Not applicable. The income of Managed Funds is reinvested in the Funds.

**Percentage of NAV used in the calculation of the Index (to exclude cross-holdings).

¹Funds are limited partnerships with an unauthorised unit trust feeder fund.

d/s = Funds have halted Distributions for the foreseeable future: IPD has therefore not published the Distribution Yield.

- = Data unavailable

| March 2017 | Fund type | Accounting standard | 3 months (%) | 6 months (%) | 9 months (%) | 1 year (%) | 3 years * (%) | 5 years * (%) | 10 years * (%) | NAV (GBPm) | Leverage (% ND/NAV) | (% D/GAV) | Distribution yield (%) | Weighting** (%) |
|--|-----------------|---------------------|--------------|--------------|--------------|------------|---------------|---------------|----------------|------------|---------------------|-----------|------------------------|-----------------|
| Shopping centre funds | | | | | | | | | | | | | | |
| Grosvenor Liverpool Fund | LP ¹ | IFRS | 3.5 | 4.1 | 2.7 | 1.8 | 20.8 | 16.5 | - | 567.3 | 70.9 | 41.5 | 3.0 | 100.0 |
| UK Shopping Centre Fund | PUT | FRS102 | 0.8 | 0.0 | -1.5 | -9.9 | 0.5 | 2.8 | -1.0 | 566.7 | 17.5 | 19.3 | 3.5 | 100.0 |
| Standard Life UK Shopping Centre Trust | PUT | IFRS | 0.3 | 3.5 | 0.1 | 1.2 | 8.0 | 7.5 | 2.7 | 1574.1 | -6.5 | - | 3.7 | 94.7 |
| The Lend Lease Retail Partnership | LP | UK GAAP | 0.1 | 1.1 | -0.6 | 0.5 | 7.8 | 7.3 | 3.8 | 822.8 | 0.8 | 2.3 | 3.5 | 99.2 |
| Retail warehouse funds | | | | | | | | | | | | | | |
| UK Retail Warehouse Fund | PUT | FRS102 | 2.0 | 2.2 | -5.2 | -4.2 | 5.3 | 5.3 | -1.5 | 677.4 | 58.4 | 37.1 | 5.7 | 97.1 |
| Hercules Unit Trust | PUT | FRS102 | 2.9 | 5.7 | 0.3 | 0.6 | 7.1 | 4.4 | -4.8 | 930.8 | 49.3 | 33.9 | 5.6 | 100.0 |
| Standard Life UK Retail Park Trust | PUT | IFRS | 0.2 | -1.8 | -7.1 | -7.3 | -1.1 | 0.6 | -0.8 | 531.6 | -2.7 | - | 4.6 | 95.0 |
| Office funds | | | | | | | | | | | | | | |
| Grosvenor London Office Fund | LP ¹ | UK GAAP | 2.8 | 3.7 | -1.7 | -2.2 | 11.0 | 12.8 | 6.1 | 297.8 | -3.6 | 14.7 | 2.9 | 100.0 |
| Central London Office Fund | PUT | FRS102 | 2.5 | 4.4 | -2.8 | -2.3 | 10.7 | 10.4 | 5.6 | 433.5 | 4.2 | 10.9 | 1.2 | 88.4 |
| West End of London Property Unit Trust | PUT | FRS102 | -0.2 | -2.0 | -6.1 | -4.7 | 11.1 | 15.2 | 6.1 | 1000.9 | 26.8 | 21.6 | 1.9 | 100.0 |
| Industrial funds | | | | | | | | | | | | | | |
| Airport Industrial Property Unit Trust | PUT | FRS102 | 2.4 | 6.7 | 7.3 | 8.6 | 12.8 | 12.2 | 0.5 | 447.2 | 27.7 | 22.6 | 4.2 | 100.0 |
| Industrial Property Investment Fund | LP ¹ | FRS102 | 4.9 | 7.5 | 8.3 | 11.2 | 18.5 | 15.4 | 6.1 | 1324.7 | 31.2 | 24.5 | 3.9 | 89.4 |
| Residential funds | | | | | | | | | | | | | | |
| UNITE UK Student Accommodation Fund | PUT | FRS102 | 1.9 | 3.2 | 5.4 | 8.2 | 15.4 | 15.1 | 8.7 | 1511.4 | 47.7 | 33.6 | 5.4 | 98.5 |
| Vista UK Residential Real Estate Fund | PUT | UK GAAP | 0.0 | 1.3 | 0.6 | -1.7 | - | - | - | 30.5 | -33.8 | - | 0.0 | - |
| Leisure funds | | | | | | | | | | | | | | |
| The Leisure Fund LP | LP ¹ | FRS102 | 1.5 | 5.7 | 7.1 | 8.7 | 12.8 | 11.9 | 4.7 | 360.4 | 41.6 | 29.5 | 4.5 | 90.7 |
| Healthcare funds | | | | | | | | | | | | | | |
| Kames Target Healthcare Property Limited Partnership | LP ¹ | IFRS | 1.9 | 6.9 | 9.7 | 13.0 | 13.2 | 11.4 | - | 81.5 | 43.1 | 32.7 | 6.0 | - |

* Annualised.

**Percentage of NAV used in the calculation of the Index (to exclude cross-holdings).

¹Funds are limited partnerships with an unauthorised unit trust feeder fund.

d/s = Funds have halted Distributions for the foreseeable future: IPD has therefore not published the Distribution Yield.

- = Data unavailable

Fund allocations

| March 2017 | Standard retail | | Shopping centres | Retail ware-houses | Offices | | | | Industrials | | Other property | Cash | Bid-Offer spread (%) |
|--|-----------------|------------|------------------|--------------------|---------|---------|-----------------------|------------|---------------|------------|----------------|------|----------------------|
| | South Eastern | Rest of UK | | | City | WE & MT | Rest of South Eastern | Rest of UK | South Eastern | Rest of UK | | | |
| All Balanced Funds | | | | | | | | | | | | | |
| AEW UK - Core Property Fund | 3.7 | 15.4 | 2.3 | 12.0 | - | - | 18.1 | 10.5 | - | 23.5 | 9.6 | 4.8 | - |
| AEW UK Real Return Fund | 21.6 | 16.2 | - | - | - | - | - | 4.9 | - | - | 54.5 | 2.8 | 7.8 |
| Aviva Investors Pensions Limited | 2.6 | 9.7 | - | 17.6 | - | 9.1 | 27.0 | 2.7 | 13.5 | 1.8 | 8.8 | 7.3 | 7.0 |
| BlackRock UK Property Fund | 0.6 | 2.9 | 5.4 | 19.1 | 3.8 | 8.3 | 7.9 | 5.7 | 13.7 | 9.5 | 16.9 | 6.4 | 7.0 |
| CBRE UK Property PAIF | 9.1 | 6.9 | 0.4 | 19.5 | 2.4 | 6.2 | 8.7 | 6.2 | 21.0 | 5.4 | 9.3 | 4.9 | 6.5 |
| COIF Charities Property Fund | 4.5 | 2.7 | - | 15.9 | 12.0 | 3.4 | 19.9 | 9.0 | 11.1 | 19.7 | 1.6 | 0.1 | 3.2 |
| Fidelity UK Real Estate Fund | - | 8.5 | - | 7.8 | - | - | 19.9 | 19.3 | 12.4 | 22.1 | - | 9.9 | 7.1 |
| UK Property Fund | 14.5 | 5.8 | - | 12.0 | 4.6 | 7.8 | 18.4 | - | 23.5 | 8.4 | 2.6 | 2.4 | 7.1 |
| Hermes Property Unit Trust | 6.9 | 1.5 | 2.7 | 11.2 | 7.0 | 12.3 | 13.4 | 5.4 | 19.5 | 3.2 | 12.5 | 4.4 | 6.7 |
| Kames Active Value Property Fund | 5.6 | 17.2 | - | 22.3 | - | - | 13.7 | 11.8 | 8.4 | 7.1 | 4.2 | 9.7 | 7.6 |
| Kames Capital UK Active Value Property Unit Trust | 3.3 | 8.9 | 0.3 | 21.9 | 2.8 | - | 23.8 | 9.7 | 1.4 | 12.1 | 2.8 | 13.1 | - |
| Keills Property Trust | - | 16.9 | - | - | - | - | 24.7 | - | - | 11.4 | 42.8 | 4.3 | 7.2 |
| Legal and General Assurance (Pensions Management) Ltd | 2.6 | 2.4 | 3.8 | 14.0 | 9.0 | 8.4 | 4.5 | 12.4 | 5.1 | 11.0 | 12.7 | 14.1 | 5.5 |
| Lothbury Property Trust | 20.4 | 6.1 | 8.0 | 12.9 | - | 19.2 | 3.2 | 3.4 | 12.0 | 3.3 | 7.1 | 4.4 | 7.2 |
| Mayfair Capital Property Income Trust for Charities | 1.8 | 4.9 | - | 15.7 | - | - | 14.0 | 14.8 | 14.5 | 18.2 | 11.1 | 5.0 | 3.0 |
| Mayfair Capital Property Unit Trust | 1.1 | 9.9 | - | 15.6 | 5.0 | - | 28.0 | 9.3 | 16.3 | 11.4 | 1.5 | 2.0 | 7.3 |
| Rockspring Hanover Property Unit Trust | 1.8 | 6.3 | 14.6 | 4.1 | - | - | 9.6 | 17.2 | 31.2 | 14.0 | - | 1.1 | 6.7 |
| Royal London Property Fund | 9.2 | 9.1 | - | 14.9 | 5.2 | 13.2 | 9.3 | 1.7 | 11.2 | 9.2 | 11.0 | 6.0 | 7.0 |
| Savills IM UK Income & Growth | 8.3 | 28.6 | - | - | - | - | 6.0 | - | 31.2 | 9.1 | 13.4 | 3.4 | 6.2 |
| Schroder UK Real Estate Fund | 6.7 | 4.9 | 4.6 | 8.3 | 4.5 | 7.0 | 21.5 | 5.0 | 14.5 | 4.6 | 10.0 | 8.4 | 5.8 |
| Standard Life Investments Pooled Pension Property Fund | 5.7 | 3.4 | 11.9 | 18.1 | 6.6 | 15.2 | 2.8 | 7.0 | 17.9 | 2.2 | 0.2 | 8.9 | 6.7 |
| The Charities Property Fund | 4.5 | 6.5 | - | 17.8 | - | 14.4 | 3.9 | 2.5 | 4.8 | 17.9 | 23.3 | 4.5 | 2.6 |
| The Local Authorities Property Fund | 5.1 | 1.2 | - | 20.0 | 2.6 | 5.3 | 20.0 | 12.0 | 6.4 | 18.7 | 1.0 | 7.7 | 7.8 |
| The M&G UK Property Fund | 3.4 | 8.1 | 2.2 | 22.0 | 2.0 | - | 16.4 | 4.7 | 13.2 | 9.5 | 10.8 | 7.9 | 6.6 |
| Threadneedle Pensions Ltd | 14.1 | 5.5 | 3.8 | 14.6 | 4.6 | 5.3 | 10.4 | 5.5 | 6.1 | 13.2 | 6.2 | 10.6 | - |
| Threadneedle Property Unit Trust | 5.6 | 7.2 | 0.5 | 19.5 | 4.5 | 4.6 | 18.9 | 5.3 | 13.3 | 11.5 | 5.1 | 3.9 | 6.7 |
| UBS Triton Property Fund | 3.3 | 2.7 | 4.4 | 24.1 | 7.4 | 6.1 | 6.5 | - | 26.3 | 6.4 | 12.6 | 0.2 | 6.8 |

| March 2017 | Standard retail | | Shopping centres | Retail ware-houses | Offices | | | Industrials | | Other | Cash | Bid-Offer (%) | |
|--|-----------------|------------|------------------|--------------------|---------|---------|-----------------------|-------------|---------------|-------|------|---------------|------------|
| | South Eastern | Rest of UK | | | City | WE & MT | Rest of South Eastern | Rest of UK | South Eastern | | | | Rest of UK |
| Long income property funds | | | | | | | | | | | | | |
| BlackRock UK Long Lease Property Fund* | - | 9.0 | - | - | - | - | - | 8.2 | - | 10.9 | 64.4 | 0.1 | 7.9 |
| LPI (Limited Price Inflation) Income Property Fund | 4.6 | 9.2 | - | 7.5 | - | - | 1.7 | 22.8 | - | 7.1 | 46.3 | 0.9 | 7.1 |
| PGIM Real Estate UK Ground Lease Fund | - | 4.6 | 13.2 | - | 5.5 | - | 2.8 | - | - | 0.7 | 72.3 | 1.0 | - |
| Standard Life Investments Long Lease Property Fund | 12.4 | 16.2 | - | 2.4 | 6.8 | - | 8.6 | 5.1 | 5.1 | 8.7 | 28.3 | 6.5 | 7.1 |
| The M&G Secured Property Income Fund | 16.7 | 15.8 | - | - | 7.5 | - | 2.3 | 3.9 | 1.9 | 2.8 | 48.4 | 0.6 | - |
| Specialist funds | | | | | | | | | | | | | |
| Airport Industrial Property Unit Trust | - | - | - | - | - | - | 2.0 | - | 94.7 | 1.1 | 1.0 | 1.2 | - |
| Grosvenor Liverpool Fund | - | 3.2 | 96.8 | - | - | - | - | - | - | - | - | - | - |
| Grosvenor London Office Fund | - | - | - | - | - | 82.0 | - | - | - | - | - | 18.0 | - |
| Central London Office Fund | - | - | - | - | 59.2 | 16.3 | 17.3 | - | - | - | - | 7.2 | - |
| UK Retail Warehouse Fund | - | - | - | 99.6 | - | - | - | - | - | - | - | 0.4 | - |
| UK Shopping Centre Fund | - | - | 94.8 | - | - | - | - | - | - | - | - | 5.2 | - |
| Hercules Unit Trust | - | - | - | 98.7 | - | - | - | - | - | - | - | 1.3 | - |
| Industrial Property Investment Fund | - | - | - | - | - | - | - | - | 63.4 | 35.7 | - | 1.0 | - |
| Kames Target Healthcare Property Limited Partnership | - | - | - | - | - | - | - | - | - | - | 96.5 | 3.5 | - |
| Standard Life UK Retail Park Trust | - | - | - | 97.4 | - | - | - | - | - | - | - | 2.6 | - |
| Standard Life UK Shopping Centre Trust | - | - | 93.5 | - | - | - | - | - | - | - | - | 6.5 | - |
| The Leisure Fund LP | - | - | - | - | - | - | - | - | - | - | 99.8 | 0.2 | - |
| The Lend Lease Retail Partnership | - | - | 98.5 | - | - | - | - | - | - | - | - | 1.5 | - |
| UNITE UK Student Accommodation Fund | - | - | - | - | - | - | - | - | - | - | 97.9 | 2.1 | - |
| Vista UK Residential Real Estate Fund | - | - | - | - | - | - | - | - | - | - | 66.2 | 33.8 | 3.8 |
| West End of London Property Unit Trust | - | - | - | - | 6.4 | 88.7 | 4.3 | - | - | - | - | 0.6 | - |

Note : * BlackRock has requested MSCI not to make this estimate

| March 2017 | Standard retail | | Shopping centres | Retail ware-houses | Offices | | | | Industrials | | Other property | Cash | Bid-Offer spread (%) |
|--|-----------------|------------|------------------|--------------------|---------|---------|-----------------------|------------|---------------|------------|----------------|------|----------------------|
| | South Eastern | Rest of UK | | | City | WE & MT | Rest of South Eastern | Rest of UK | South Eastern | Rest of UK | | | |
| Shopping centre funds | | | | | | | | | | | | | |
| Grosvenor Liverpool Fund | - | 3.2 | 96.8 | - | - | - | - | - | - | - | - | - | - |
| UK Shopping Centre Fund | - | - | 94.8 | - | - | - | - | - | - | - | - | 5.2 | - |
| Standard Life UK Shopping Centre Trust | - | - | 93.5 | - | - | - | - | - | - | - | - | 6.5 | - |
| The Lend Lease Retail Partnership | - | - | 98.5 | - | - | - | - | - | - | - | - | 1.5 | - |
| Retail warehouse funds | | | | | | | | | | | | | |
| UK Retail Warehouse Fund | - | - | - | 99.6 | - | - | - | - | - | - | - | 0.4 | - |
| Hercules Unit Trust | - | - | - | 98.7 | - | - | - | - | - | - | - | 1.3 | - |
| Standard Life UK Retail Park Trust | - | - | - | 97.4 | - | - | - | - | - | - | - | 2.6 | - |
| Office funds | | | | | | | | | | | | | |
| Grosvenor London Office Fund | - | - | - | - | - | 82.0 | - | - | - | - | - | 18.0 | - |
| Central London Office Fund | - | - | - | - | 59.2 | 16.3 | 17.3 | - | - | - | - | 7.2 | - |
| West End of London Property Unit Trust | - | - | - | - | 6.4 | 88.7 | 4.3 | - | - | - | - | 0.6 | - |
| Industrial funds | | | | | | | | | | | | | |
| Airport Industrial Property Unit Trust | - | - | - | - | - | - | 2.0 | - | 94.7 | 1.1 | 1.0 | 1.2 | - |
| Industrial Property Investment Fund | - | - | - | - | - | - | - | - | 63.4 | 35.7 | - | 1.0 | - |
| Residential funds | | | | | | | | | | | | | |
| UNITE UK Student Accommodation Fund | - | - | - | - | - | - | - | - | - | - | 97.9 | 2.1 | - |
| Vista UK Residential Real Estate Fund | - | - | - | - | - | - | - | - | - | - | 66.2 | 33.8 | 3.8 |
| Leisure funds | | | | | | | | | | | | | |
| The Leisure Fund LP | - | - | - | - | - | - | - | - | - | - | 99.8 | 0.2 | - |
| Healthcare funds | | | | | | | | | | | | | |
| Kames Target Healthcare Property Limited Partnership | - | - | - | - | - | - | - | - | - | - | 96.5 | 3.5 | - |

| March 2017 | Standard retail | | Shopping centres | Retail ware-houses | City | Offices | | | Industrials | | Other | Cash |
|---|-----------------|------------|------------------|--------------------|------|---------|-----------------------|------------|---------------|------------|-------|------|
| | South Eastern | Rest of UK | | | | WE & MT | Rest of South Eastern | Rest of UK | South Eastern | Rest of UK | | |
| Weighted aggregations | | | | | | | | | | | | |
| All property fund index | 5.1 | 4.8 | 10.7 | 15.5 | 4.1 | 7.9 | 7.1 | 4.8 | 11.3 | 7.0 | 16.6 | 5.2 |
| All balanced property fund index | 5.9 | 5.0 | 4.2 | 15.8 | 4.4 | 8.4 | 11.0 | 6.8 | 13.3 | 8.9 | 9.1 | 7.2 |
| Long income property fund index | 12.5 | 14.1 | 1.0 | 1.7 | 6.1 | - | 3.9 | 6.7 | 2.3 | 4.9 | 44.4 | 2.3 |
| Specialist property fund index | - | 0.2 | 27.6 | 21.3 | 2.6 | 10.4 | 1.1 | - | 11.8 | 4.5 | 18.1 | 2.5 |
| Low geared balanced property fund index | 5.9 | 5.0 | 4.2 | 15.8 | 4.4 | 8.4 | 11.0 | 6.8 | 13.3 | 8.9 | 9.1 | 7.2 |
| Managed property fund index | 5.9 | 4.5 | 6.0 | 16.1 | 6.2 | 10.0 | 7.7 | 8.2 | 10.6 | 7.4 | 6.6 | 10.8 |
| Other balanced property fund index | 5.9 | 5.3 | 3.3 | 15.6 | 3.5 | 7.6 | 12.6 | 6.2 | 14.6 | 9.6 | 10.3 | 5.4 |

Index specification

Index constituents as at end-March 2017

Other Balanced Property Fund Index

AEW UK Core Property Fund
 BlackRock UK Property Fund
 CBRE UK Property PAIF
 COIF Charities Property Fund
 Fidelity UK Real Estate Fund
 Henderson UK Property Fund
 Hermes Property Unit Trust
 Kames Capital UK Active Value Property Unit Trust
 Lothbury Property Trust
 Mayfair Capital Property Income Trust for Charities
 Mayfair Capital Property Unit Trust
 Rockspring Hanover Property Unit Trust
 Royal London Property Fund
 Savills IM UK Income & Growth
 Schroder UK Real Estate Fund
 The Charities Property Fund
 The Local Authorities Property Fund
 The M&G UK Property Fund
 Threadneedle Property Unit Trust
 UBS Triton Property Fund

Managed Property Fund Index

Aviva Investors Pensions Property Fund
 Kames Active Value Property Fund
 Legal and General Assurance (Pensions Management) Ltd
 Standard Life Investments Pooled Pension Property Fund
 Threadneedle Pensions Ltd

All Balanced Property Fund Index

AEW UK Core Property Fund
 Aviva Investors Pensions Property Fund
 BlackRock UK Property Fund
 CBRE UK Property PAIF
 COIF Property Fund
 Fidelity UK Real Estate Fund
 Henderson UK Property Fund
 Hermes Property Unit Trust
 Kames Active Value Property Fund
 Kames Capital UK Active Value Property Unit Trust
 Legal and General Assurance (Pensions Management) Ltd
 Lothbury Property Trust
 Mayfair Capital Property Income Trust for Charities
 Mayfair Capital Property Unit Trust
 Rockspring Hanover Property Unit Trust
 Royal London Property Fund
 Savills IM UK Income & Growth
 Schroder UK Real Estate Fund
 Standard Life Investments Pooled Pension Property Fund
 The Charities Property Fund
 The Local Authorities' Property Fund
 The M&G UK Property Fund
 Threadneedle Pensions Ltd
 Threadneedle Property Unit Trust
 UBS Triton Property Fund

Long Income Property Fund Index

LPI (Limited Price Inflation) Income Property Fund
 PGIM Real Estate UK Ground Lease Fund
 Standard Life Investments Long Lease Property Fund
 The M&G Secured Property Income Fund

Results for the quarter to 31 March 2017

All balanced fund index and long income property fund index constituents plus the following specialist funds.

Airport Industrial Property Unit Trust
 Grosvenor Liverpool Fund
 Grosvenor London Office Fund
 Henderson Central London Office Fund
 Henderson UK Retail Warehouse Fund
 Henderson UK Shopping Centre Fund
 Hercules Unit Trust
 Industrial Property Investment Fund
 Standard Life UK Retail Park Trust
 Standard Life UK Shopping Centre Trust
 The Leisure Fund LP
 The Lend Lease Retail Partnership
 UNITE UK Student Accommodation Fund
 West End of London Property Unit Trust

*Funds are excluded from the Low Geared Balanced Property Fund Index when their average leverage is greater than 25% ND/NAV for this and the previous three quarters.

Weightings of funds contributing to the All Property Funds Index are shown on pages 4 and 5.

Index specification

March 2017

Index participants

All of the funds included in the Index are collective investment schemes offering indirect exposure to the UK property market. The performance of their directly held portfolios is independently measured by IPD.

Property Unit Trusts ('PUTs') may be either authorised (i.e. regulated by the FSA and designed for investment primarily by private investors) or unauthorised. Many of the latter are off-shore funds: because of their tax status, some of those domiciled in the UK are open to investment only by UK pension funds and charities.

Unauthorised PUTs may also be either open-ended (issuing or redeeming units to meet changes in supply and demand) or closed-ended. Depending on market conditions, units in both open and closed-ended funds may be traded on the secondary market. A balanced PUT generally holds a wide mix of property assets by type and location. A specialist PUT focuses on particular types of property or on properties in particular geographic regions. A long income PUT focuses on properties with a long lease profile.

Exempt Property Unit Trusts ('EPUTs') are not subject to Capital Gains Tax and, as a result of this tax status, are available for investment only by other CGT exempt funds (principally UK pension funds and charities).

Managed Pension Funds ('MPFs') are tax-exempt, unitised and open-ended funds. However, unlike PUTs, they do not distribute their income and are managed mainly by insurance companies as vehicles for investment by their occupational pension fund clients. Some managed funds specialise in properties let subject to long leases and are classified in UK PFI as long income property funds.

Limited Partnerships ('LPs') are tax transparent funds incorporated under the 1907 Limited Partnership Act, and while they vary in structure, must have at least one general partner who has unlimited liability in respect of the partnership.

Common Investment Funds ('CIFs') are similar to EPUTs but are designed specifically for charities. They are established under Section 24 of the Charities Act 1993, and are themselves charities and subject to approval by the Charity Commission. They do not incur stamp duty, capital gains tax or income tax.

An Investment Company with Variable Capital ('ICVC') is an open-ended collective investment scheme structured as a corporation. ICVCs are also known as Open Ended Investment Companies or "OEICs".

Property Authorised Investment Fund (PAIF) is an authorised open ended investment company investing mainly in property or property related interests. Provided certain conditions are met a PAIF is exempt from tax on the income arising from its property related assets.

Fund type abbreviations

PUT - Property Unit Trust
EPUT - Exempt Property Unit Trust
MPF - Managed Pension Fund
PNP - Balanced Property Partnership
LP - Limited Partnership
CIF - Common Investment Fund
ICVC - Investment Company with Variable Capital
APUT - Authorised Property Unit Trust
PAIF - Property Authorised Investment Fund
SCA - Société en commandite par actions (Luxembourg)

Accounting standard abbreviations

IFRS - International Financial Reporting Standards
UK GAAP - UK Generally Accepted Accounting Principles
(A fund's investment performance is dependent, in part, on which of the above accounting conventions it has adopted. See 'Net Asset Value').

Index construction

With respect to a single month, composite total return is defined as:

$$TR_t = \left(\frac{NAV_t - NAV_{(t-1)} - NCI_t + D_t}{NAV_{(t-1)}} \right) \times 100$$

Where:

NAV_t is the Net Asset Value at the end of month t;

NCI_t is the Net Capital invested in month t;

D_t is the distribution (gross of tax and net of expenses) in month t.

Quarterly and longer time period returns are calculated by compounding monthly returns together. Fund returns are calculated using the same principles, but on a per unit basis.

Index composition

The AREF/IPD UK quarterly property fund index measures NAV/unit returns compiled from NAV and distribution records supplied to MSCI by individual fund managers. All performance and allocation data included in the Index are subject to stringent auditing processes, both within MSCI and through a verification process with the index participants. However, MSCI is dependent on information provided by index constituents.

Comparator indexes

IPD UK Monthly Property Index is an index of the performance of monthly-valued professionally managed property portfolios. As at March 2017 the index comprised 47 portfolios. The index is value weighted with each property contributing in proportion to its capital employed.

MSCI Equities is an all equities index.

MSCI Property Equities is a property equities index.

JP Morgan Bonds 7-10 year bonds as supplied by JP Morgan.

Inflation is the retail price index inflationary rate as supplied by the Office of National Statistics

Notes

Net Asset Value (NAV) is the sum of the market value of all of a fund's assets (including cash and indirect property investments) less all of its liabilities. Each fund's NAV is required to be calculated on a basis which is consistent over time. The basis of the calculation is either that specified in the AREF Code of Practice or that detailed in the fund's own constitutional documentation: this means that, while the basis of calculating a particular fund's NAV does not vary from quarter to quarter, there are, inevitably, differences in the basis of calculation from fund to fund. The NAVs used in performance calculations are all net of fund management fees.

The most significant of these differences arises from the accounting convention adopted by each fund. Those funds whose accounts are drawn up under International Financial Reporting Standards (IFRS) mark their financial liabilities (including, most notably, interest rate swaps) to market value: funds whose accounts are drawn up under UK Generally Accepted Accounting Principles (UK GAAP) are not required to mark their financial liabilities to market and these are therefore reflected in NAVs at historical cost.

Net Asset Value in Index is the NAV of the index after the elimination of cross-holdings and deduction of management fees.

Weighting (%) is the percentage of NAV used in the calculation of the Index. Funds with a dashed weighting are not yet eligible to contribute to the index, but are expected to in the future.

Leverage (% ND/NAV) defined as the level of each fund's Net Debt as a percentage of its Net Asset Value (% ND/NAV) where Net Debt equals borrowings less any cash balances held.

Leverage (% D/GAV) defined as the level of each fund's Debt as a percentage of its Gross Asset Value (GAV). IPD define Gross Asset Value as Net Asset Value (NAV) plus debt. Definitions of gearing and this basis of calculation may not be the same as that used, for example, in the setting and monitoring of the bank covenants of individual funds.

Bid-Offer Spread (%) is calculated as the difference between the latest bid and offer price expressed as a percentage of the latest offer price.

Gross Yield (%) is the Historic Distribution Yield, and is normally calculated as the gross distribution per month earned for the past 12 months as a percentage of the latest NAV. Where a fund has indicated a likely change to its distribution levels during the next 12 months, and where this differs markedly from those paid previously, the forecast level of distributions may be taken into account when calculating its Distribution Yield.

Asset allocations (%) are based on direct holdings, joint and other indirect investments, listed investments and cash. Indirect investments include property derivatives/synthetics. Direct, joint and unlisted indirect investments are included in the asset allocation table at gross asset value (GAV). Unlisted indirect investment GAV is based on the fund's proportionate share of the fund. Listed investments are included separately at market value. Figures are verified by individual fund managers.

Index Rules and Extended Data

Rules governing inclusion and computation of the indexes can be found at www.msci.com/real-estate