

Real estate index announcement

March 2023

MSCI UK RESIDENTIAL ANNUAL PROPERTY INDEX

CHANGE IN INDEX COMPOSITION

London, March 2023: MSCI announces changes in the composition of the MSCI UK Residential Annual Property Index for December 2022. The December 2022 results exclude information on five funds, which have not provided data. As per the index methodology, the historical data for these funds will remain in the index history up to December 2021. The index now includes eight new contributing funds.

Overall, the above change combined with exclusion(s), if any, as part of MSCI's data validation and verification process result in an increase of 8.3% in the Capital Value of the index. In addition to the composition changes, MSCI also introduces new sub-sector classification for residential properties in MSCI UK Annual Residential Property Index. The combined impact on the index can be seen in the table below, which shows the sub-sector weight variations for December 2021. 'Unclassified' and 'Multi Family' are the most impacted sectors with a weight decrease of 1,320 basis points and an increase of 1,090 basis points, respectively.

IMPACT ANALYSIS OF INDEX SUB-SECTOR WEIGHTS

Sub-sector	Index Sub-sector Weight (%) by Capital Value – December 2021 (BEFORE CHANGE*)	Index Sub-sector Weight (%) by Capital Value – December 2021 (AFTER CHANGE**)	Difference in Sub-sector weight (%)
Multi Family	16.4	27.3	10.9
Single Family	1.8	1.7	-0.1
Student Housing	58.5	58.6	0.1
UK Affordable Housing	1.6	3.7	2.1
Other Specialist Types	2.4	1.7	-0.7
Ground Rent	4.0	5.0	1.0
Unclassified	15.3	2.1	-13.2

Note: Numbers at sub-sector index level may be impacted due to rounding or suppression of data due to confidentiality and dominance rules and/or non-availability of data.

*Based on the sub-sector classification data provided as of 2021 results.

**Based on the sub-sector classification data provided as of 2022 results.

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