

**SHINING A LIGHT ON THE.....  
TR Property Trust**

**AT A GLANCE**

<b>Investment Objective</b>
The Company seeks to achieve its objective by investing in shares and securities of property companies and property related businesses on an international basis, although, with a Pan-European benchmark, the majority of the investments will be located in that geographical area. The Company also invests in investment property located in the UK only.

<b>Inception Date</b>	5 <sup>th</sup> May 1905
<b>Fund Factsheet Link</b>	<a href="http://tools.morningstar.co.uk/uk/cefreport/default.aspx?SecurityToken=EOGBR00QXG12101FCGBR\$\$ALL">http://tools.morningstar.co.uk/uk/cefreport/default.aspx?SecurityToken=EOGBR00QXG12101FCGBR\$\$ALL</a>

<b>Management</b>	
<b>Manager Name</b>	<b>Start Date</b>
Alban Lhonneur	1 <sup>st</sup> August 2008
George Gay	1 <sup>st</sup> August 2008
Marcus Phayre-Mudge	31 <sup>st</sup> March 2011
Jo Elliott	31 <sup>st</sup> March 2018

**FUND PERFORMANCE**

Performance from 1<sup>st</sup> January 2016 to 30<sup>th</sup> April 2020:

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>TR Property IT</b>	0.82%	37.25%	-7.81%	41.42%	-11.97%	3.15%
<b>IA UK Direct Property</b>	-2.00%	7.60%	2.86%	-0.78%	-3.77%	0.28%

Performance over 12 months, 3 years, 5 years and 10 years:

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
<b>TR Property IT</b>	32.00%	17.08%	66.18%	211.71%
<b>IA UK Direct Property</b>	-1.16%	-3.22%	2.84%	39.96%

*You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.*

<b>Tracking Error</b>	<b>Active Share</b>	<b>Upside Capture Ratio</b>	<b>Downside Capture Ratio</b>	<b>Batting Average</b>	<b>Beta</b>	<b>Alpha</b>	<b>Equity Style</b>
3.12	-	111.77	98.48	63.89	1.05	2.83	Mid/Blend

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Volatility Measurements	
3-Yr Std Dev (volatility)	23.06%
3-Yr Mean Return (average)	5.40%

Investment Style Details	
Giant	0.00%
Large	19.20%
Medium	48.78%
Small	29.12%
Micro	2.90%

Top 5 Holdings – 63 Equity Holdings		
Vonovia SE	-	11.03%
Direct Property	-	6.33%
Segro PLC	-	5.12%
LEG Immobilien AG	-	4.83%
Deutsche Wohnen	-	4.12%

Top 5 Countries	
Germany	31.1%
United Kingdom	30.7%
France	16.4%
Sweden	11.8%
Belgium	5.9%

## UPDATE....

The team behind this strategy have been together for many years and have a good reputation. We have compared performance against the IA UK Direct Property which compares direct property fund performance. There are differences: the TR Property is easily tradeable whereas we have seen that Direct Property Funds these have had periods of closure and therefore are not as easy to hold and trade. However, the TR Property Fund is more volatile and was down nearly 50% at one point in 2020, whereas Direct Property Funds tend to be less volatile.

The strategy is a mix of UK and European holdings. It holds around 6% in real assets and has borrowing of around 16%. Although 2020 was a difficult year for the strategy the team believe that real estate offers an alternative to delivering income. They also believe there are strong rental growth opportunities, with tenant demand and lack of supply in the right areas driving this. The strategy holds investments in areas like London retail, best in class regional industrials and German residential.

Although the allocation to the UK seems high the reality is that companies like Phoenix Spree, Stenprop Ltd, CLS Holdings and Sirius Real Estate have assets in Europe. Areas where they see opportunities are in logistics, residential and healthcare. They see student accommodation and hotels as challenged.

In terms of physical properties, they sold their logistics unit near Bristol at a premium and have agreed a 20-year lease on one of the units at Bayswater. They have had a change of use approved for Wandsworth. In terms of rent, 94% has been collected and the balanced is mixed between rent free and deferred.

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In summary, this fund has had a difficult period but is in a recovery phase. They argue that for those looking to hold property this offers something different, with both liquidity and diversification. They are also able to find the best assets and management. On the flip side this is volatile. Over 3 years this 23% compared to 1.57% on direct property. Long term investors have tended to be rewarded for this higher level of volatility, but they need to be aware as there may be other less volatile options to consider.

*The source of information in this note has been provided by TR and is correct as at May 2021. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.*