

Nuveen Real Estate Central London Office Fund

INVESTMENT POLICY AND OBJECTIVES

The Fund has been established to provide unit holders with the opportunity to access the Central London office market

The objective of the Fund is to deliver to unit holders a Fund total return in excess of the Central London office component of the Investment Property Databank (MSCI) UK Annual Universe, comprising standing investments, transactions and developments, but excluding any impact of the performance of the Fund

INVESTOR CONSTITUENCY

The Fund is open to UK and overseas tax-exempt and tax-paying non-private investors.

Fund details	
Type of fund	Property Unit Trust
Residence	Jersey
Launch date	March 2004
Open/closed-ended	Closed-ended
Earliest date of winding up	December 2026
Year-end	31 December
NAV (GBPm)	287.9

Source: Nuveen Real Estate

Management/professional advisors	
Manager	Nuveen Property Management (Jersey) Limited
Property advisor	Nuveen Real Estate Management Limited
Portfolio manager (at Nuveen Real Estate)	Rhys Evans
Trustees	BNP Paribas Jersey Trust Corporation Ltd and Anley Trustees Ltd
Auditors	KPMG

Source: Nuveen Real Estate

Investment rates of return** %		MSCI/AREF UK Quarterly Property Fund Index*		
	Nuveen Real Estate Central London Office Fund	Other balanced open-ended funds	All balanced open-ended funds	All funds
3 months	-3.6	0.3	0.4	0.3
Year-to-date	-7.7	0.1	0.2	0.1
12 months	-12.0	-17.1	-17.4	-17.1
3 years+	-0.9	3.3	3.4	2.3
5 years+	1.5	2.3	2.2	1.1
10 years+	6.3	6.6	6.3	5.5

Source: MSCI/AREF UK Quarterly Property Fund Index

Note: * Weighted average returns + Annualised

Property investment restrictions	
Maximum development exposure	15%
Maximum speculative development exposure	*
Maximum lot-size holding as a standing investment	*
Maximum lot-size holding permitted at purchase	*
Maximum exposure to limited partnerships	*
Maximum exposure to joint ventures	*
Maximum exposure to closed and open-ended property unit trusts	15%

Note: * None specified

Source: Nuveen Real Estate

Portfolio distribution %		MSCI/AREF UK Quarterly Property Fund Index		
	Nuveen Real Estate Central London Office Fund	Other balanced open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	0.0	4.9	4.6	4.6
Standard retail – Rest of UK	0.0	1.2	1.4	2.3
Shopping centres	0.0	0.6	0.9	2.5
Retail warehouses	0.0	12.4	12.1	7.6
All UK retail	0.0	19.1	19.0	17.1
City offices	70.2	3.3	3.4	3.2
West End offices	0.0	8.1	7.5	5.1
Rest of South East offices	28.3	7.5	7.1	5.5
Rest of UK offices	0.0	5.2	4.9	5.3
All UK offices	98.5	24.2	22.9	19.1
South East industrial	0.0	24.0	24.5	20.3
Rest of UK industrial	0.0	13.6	13.7	11.8
All UK industrial	0.0	37.6	38.2	32.1
Other UK properties	0.0	12.4	12.5	25.9
Cash***	1.5	6.7	7.4	5.8
Overall	100.0	100.0	100.0	100.0

Source: Nuveen Real Estate

Property ownership structure			
	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	11	378.1	100.0
Joint and indirect holdings	0	0.0	0.0
Listed investments	0	0.0	0.0
Total	11	378.1	100.0

Source: Nuveen Real Estate

Largest direct investments by lot size & percentage of total portfolio

Property	Location	Sector	Valuation (GBPm)	% of total portfolio
REGENT QUARTER BLOCK D COMMERCIAL	LONDON	Office	75-100	23.9
SUTTON YARD, 65 Goswell Road, LONDON,	London	Office	75-100	23.4
ST JOHNS LANE	LONDON	Office	25-50	12.2
NORTHBURGH HOUSE, Northburgh Street	London	Office	25-50	10.3
50-56 Great Sutton Street & 9-11 Northburgh Street	London	Office	25-50	7.1
1-4 GILTSBUR STREET	LONDON	Office	5-25	6.1
1,CUNK STREET	LONDON	Office	5-25	4.8
BRITTON STREET	LONDON	Office	5-25	4.2
1 BERRY STREET	London	Office	5-25	3.6
55-63 & 67-71 Goswell Road	London	Office	5-25	2.6
10 largest investments as % of portfolio				98.3

Source: Nuveen Real Estate / MSCI estimates

Direct portfolio structure by lot-size bands

Value band (GBPm)	Number of assets	Valuation (GBPm)	% of total portfolio
0 -2.5	0	0.0	0.0
2.5 - 5	0	0.0	0.0
5-10	2	16.2	4.3
10-25	4	71.2	18.8
25 - 50	3	111.9	29.6
50 - 100	2	178.8	47.3
100-150	0	0.0	0.0
Over 150	0	0.0	0.0
Total	11	378.1	100.0
Average lot size		34.4	

Source: Nuveen Real Estate

Property Yield		Voids as % of ERV	
Net initial yield	4.26%	Investments	13.08%
Nominal equivalent yield	-	Developments	17.27%
True equivalent yield	6.25%	Total	30.35%
Net reversionary yield	6.02%		

Source: Nuveen Real Estate

Rental income & ERV by type of property

	Rental income %	Estimated rental value %
Standard retail	0.0	0.0
Retail warehousing	0.0	0.0
Shopping centres	0.0	0.0
Central London offices	58.2	71.8
Other offices	41.8	28.2
Industrial	0.0	0.0
Other	0.0	0.0
Overall	100.0	100.0

Source: Nuveen Real Estate

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	-	-	-	-	-	-	-	-
Retail warehousing	-	-	-	-	-	-	-	-
Shopping centres	-	-	-	-	-	-	-	-
Central London offices	8.5	1.3	82.3	30.8	-1.1	128.2	127.1	228.2
Other offices	6.1	3.2	0.0	0.0	-0.5	24.8	24.3	124.8
Industrial	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Overall	14.6	2.1	47.9	17.9	-0.8	84.9	84.1	184.9

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

Source: Nuveen Real Estate

Listed Investments

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

The unexpired term of leases

Years	% of rent passing
20 years or greater	0.1
15 years or greater, but less than 20	0.0
10 years or greater, but less than 15	0.9
5 years or greater, but less than 10	37.6
Less than 5 years	61.4

Source: Nuveen Real Estate

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

Source: Nuveen Real Estate

Debt analysis				
Fixed rate borrowings			Variable rate borrowings	
Amount drawn (GBPm)	Average rate (%)	Average unexpired term (years)	Amount drawn (GBPm)	Rate above LIBOR (incl expenses) (%)
0	0	0.00	125.15	1.85
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0

Source: Nuveen Real Estate

Development exposure*				
Capital value of developments				Cost to complete schemes in progress+
	Not yet started	In progress+	All developments	
GBPm	0	13.967	13.967	0
% of all directly held properties*	0.00%	3.69%	3.69%	0.00%

* Includes joint ventures in which the Fund has an interest of 50% or more

+ Including schemes to which the fund is contractually committed

Source: Nuveen Real Estate

Valuations/performance monitors/affiliations	
Frequency of valuation	Monthly (on the last day of the month)
Valuers	Cushman & Wakefield
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: Nuveen Real Estate

Restrictions on holdings of cash/borrowings	
Maximum total gearing permitted^	50%
Cash holdings (maximum)	*
Cash holdings (minimum)	*

Note: ^ Based on aggregate fund value

* Non-specified

Source: Nuveen Real Estate

The contribution of major tenants to rental income	
Tenant	%
SPRINGER NATURE HOLDINGS LIMITED	34.9
GO CARDLESS LTD	10.2
LANDMARK SPACE LTD	9.6
POPULUS	5.4
FUTURE GAMES OF LONDON	4.5
ALL RESPONSE MEDIA LTD	4.4
JESTICO& WHILES & ASSOCIATES LTD	3.8
HAMMER HOLDINGS	2.8
F.C BROWN (STEEL EQUIPMENT) LTD	2.4
MILUKEN INDUSTRIALS LTD	2.3
Three largest tenants' contribution to rental income	54.7
Five largest tenants' contribution to rental income	64.7
Ten largest tenants' contribution to rental income	80.3

Source: Nuveen Real Estate

Balance sheet/gearing					
	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					
Properties at valuation	378.1	0.0	0.0	0.0	378.1
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	-125.2	0.0	0.0	0.0	-125.2
Cash	5.8	0.0	0.0	0.0	5.8
Other net assets/liabilities	29.1	0.0	0.0	0.0	29.1
Total net assets	287.9	0.0	0.0	0.0	287.9
Gearing (%)					
Net debt (cash)/properties	31.6	-	-	-	31.6
Net debt (cash)/equity	41.5	-	-	-	41.5

Source: Nuveen Real Estate

Quarterly data per unit						
As at	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23
Net asset value (GBP)	26,514.04	27,232.66	27,643.45	25,694.35	24,499.47	23,534.60
Quarterly distribution (GBP)	144.35	166.16	68.91	222.33	125.38	72.96
Yield	2.1%	2.2%	2.0%	2.3%	2.3%	2.0%

Source: Nuveen Real Estate

Distributions

Distributions are declared monthly and paid on a quarterly basis. The record dates for distributions are the quarterly revaluation dates. Distributions are made within 20 business days of the record date, except for the final distribution in respect of each year, which is paid within four months of the end of the relevant period.

Minimum investment/disinvestment

The minimum holding is GBP250,000.

Creation, transfer and realisation of units

Trades can take place via matched bargains, provided they meet investor criteria and minimum holding tests. The manager will attempt, where possible, the matching of buying and selling orders.

Taxation

Capital Gains Tax

Since it is registered in Jersey, the fund 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 fund.

Income Tax

While distributions of income are made net of income tax, non-taxpayers are entitled to reclaim any tax deducted at source and receive tax vouchers for this purpose.

Stamp duty reserve tax

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

Charges

The trustees receive an annual fee, which is payable in arrears, of 0.05% on the first GBP100m of net asset value, 0.04% on the next GBP100m and 0.03% thereafter.

The manager is (in addition to reasonable out-of-pocket expenses) entitled to receive a fee of 0.5% pa of the aggregate fund value, and is responsible for the fees of the property advisor.

The manager is entitled to receive a performance fee based on 20% of the outperformance of the fund's total return relative to the central London office component of the MSCI UK Annual Index, plus 1%. (This fee is calculated on a three-year rolling basis.) The performance fee is accrued and is therefore taken into account in the monthly re-calculation of the Trust's Net Asset Value.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	2	1.9
1% or greater but less than 2%	2	2.8
2% or greater but less than 4%	10	27.3
4% or greater but less than 8%	2	8.6
Greater than 8.0%	3	59.4
Total	19	100.0
Major investors		
Largest holder	1	30.3
Three largest holders	3	59.4
Five largest holders	5	68.0
Ten largest holders	10	83.2
Internal/external investors		
Internal	-	-
External	19	100.0

Source: Nuveen Real Estate

Liquidity						
Period	Year to Dec 2018	Year to Dec 2019	Year to Dec 2020	Year to Dec 2021	Year to Dec 2022	Year to Dec 2023
Issues and redemptions						
Units in issue as at start of period	19,668	19,668	19,668	12,231	12,231	12,231
Units issued during period	-	-	0	-	-	-
Units redeemed during period	-	-	-8,066	0	0	0.0
Units in issue at end of period	19,668	19,668	12,231	12,231	12,231	12,231
Unit transfers						
Matched bargains	410	-	-	-	-	-
Matched bargains %*	0.020837375	0.000	0.000	0	0.000	0.000

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

Source: Nuveen Real Estate