

Legal & General UK Property Fund

PAIF (NURS non-complex) I-Class GBP



FUND AIM

The objective of the fund is to provide a combination of income and growth through investing generally in commercial property. The fund will typically invest at least 80% in a range of UK property assets, but may hold as little as 60% in commercial property at the manager's discretion. The fund will be a Property Authorised Investment Fund for tax purposes at all times.

FUND SNAPSHOT

- A bricks and mortar fund from one of the leading commercial property managers in the UK
- Focuses on high-quality properties, which aims to enhance value by engaging with tenants and building managers
- Structured as a Property Authorised Investment Fund which benefits tax-exempt investors including charities, pension funds and those investing through an ISA

WHO IS THIS FUND FOR?

- This fund is designed for investors looking for growth and income from an investment in balanced portfolio of predominantly UK Commercial Property.
- Although investors can take their money out at any time, this fund may not be appropriate for those who plan to withdraw their money within five years.
- This fund is not designed for investors who cannot afford more than a minimal loss of their investment.
- If you do not understand this document we recommend you seek additional information to help you decide if this fund is right for you.



FUND FACTS

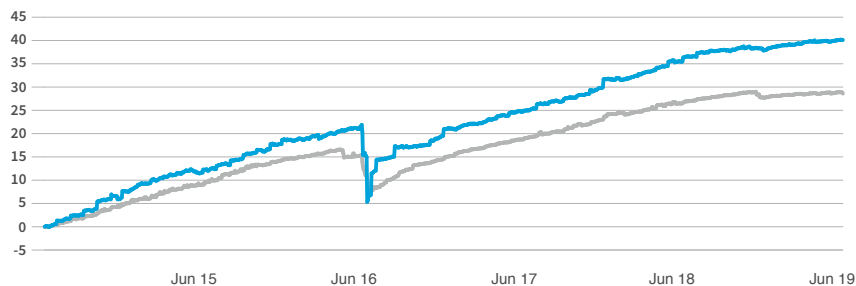
| | | |
|-----------------------------------|-----------------------------|---|
| Fund size £3,202.2m | Base currency GBP | IA Sector IA UK Direct Property |
| Launch date 23 May 2014 | Domicile UK | Historical yield 3.2% |

COSTS

| | |
|--------------------------------|------------------------------------|
| Initial charge 0.00% | Ongoing charge 0.75% |
| Price basis Dual | Bid / Offer spread 5.66% |

For detail on price basis methodologies please refer to the 'Guide to Investing With Us' found on our website. [↗](#)

PERFORMANCE (%)



| | 1 month | 3 months | 1 year | 3 years | 5 years |
|-------------|---------|----------|--------|---------|---------|
| ■ Fund | 0.25 | 0.41 | 2.90 | 21.11 | 40.32 |
| ■ IA Sector | -0.01 | 0.15 | 1.35 | 15.20 | 28.50 |

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

| 12 months to 30 June | 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------------|------|------|------|------|-------|
| Fund | 2.90 | 9.17 | 7.81 | 3.25 | 12.22 |
| IA Sector | 1.35 | 6.52 | 6.72 | 1.85 | 9.52 |

Performance for the I Inc unit class in GBP, launched on 23 May 2014. Source: Lipper. Performance assumes all fund charges have been taken and that all income generated by the investments, after deduction of tax, remains in the fund. The IA Sector averages are inclusive of both PAIFs and Feeders in its calculation.

Past performance is not a guide to the future.

PERFORMANCE INFORMATION

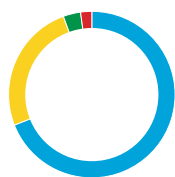
This fund was launched on 24 May 2014 following a restructure of the previous property unit trust. The performance shown combines the past performance of this fund with the performance of the equivalent class in the previous property unit trust.

During the period following the EU referendum (June to September 2016) the manager applied fair value adjustments to the property values in the fund. The fair value adjustments marked down the value of the properties to reflect what the manager believed to be fair value of the properties until the valuation agent regained confidence in the property valuations.



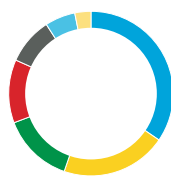
PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding.



ASSET ALLOCATION (%)

| | |
|-------------------------------|------|
| Direct Property Asset Value | 69.0 |
| Cash | 25.4 |
| Real Estate Investment Trusts | 3.4 |
| Reserved Cash (Developments) | 2.2 |



SECTOR (%)

| | |
|--------------------|------|
| Industrial | 34.5 |
| Office - Regional | 20.8 |
| Out of Town Retail | 14.0 |
| Other | 12.4 |
| Office - London | 9.2 |
| Retail High Street | 6.0 |
| Leisure | 3.2 |



REGION (%)

| | |
|--------------------------|------|
| South East | 21.3 |
| West Midlands | 18.9 |
| Sub London | 10.5 |
| Central London | 10.3 |
| South West | 8.2 |
| Yorkshire and Humberside | 6.1 |
| Scotland | 5.9 |
| North East | 5.7 |
| North West | 5.1 |
| Other | 8.1 |

TOP 10 HOLDINGS (£M)

| | |
|--|---------|
| Lichfield- Fradley Park | 150-160 |
| London- 15 Bonhill Street & 18, 20 & 22 Epworth Street | 110-120 |
| Dunstable-Woodside Industrial Estate | 100-110 |
| Gateshead- Follingsby Park | 90-100 |
| Birmingham- One Colmore Square | 90-100 |
| Leeds- Birstall Shopping Park, Birstall | 80-90 |
| London- Priestley Way, Staples Corner | 70-80 |
| Exeter- Into Exeter | 70-80 |
| Hammersmith- The Aircraft Factory | 60-70 |
| Cambridge- 214, 216, 240, 220 And 230 Cambridge Science Park | 50-60 |

PROPERTY CHARACTERISTICS

| | |
|----------------------------|-----------|
| No. of assets | 95 |
| No. of physical properties | 94 |
| Void rate ex. development | 2.5% |
| Average lease length | 7.5 years |
| Average lot size | £23.9m |
| Net initial yield | 4.8% |
| Property expense ratio | 0.41% |

We embed ESG in all that we do and achieve excellent GRESB ratings.



Michael Barrie

Matt Jarvis



FUND MANAGERS

Michael Barrie is co-fund manager for the UK Property Fund and is also a Director of Legal & General Property Division. He joined Legal & General Property in 2005 from F&C Property Asset Management. Michael has a postgraduate diploma in property investment from Reading University. Matt Jarvis joined Legal & General Property as an Asset Manager in November 2004 and is Co-Fund Manager of the UK Property Fund, having previously been a Commercial Valuer with Jones Lang LaSalle. Matt holds a degree in Land Management from Reading University. They are both members of the Royal Institution of Chartered Surveyors (MRICS).

KEY RISKS

- The value of an investment and any income taken from it is not guaranteed and can go down as well as up. You may not get back the amount you originally invested.
- The fund manager runs a fund to meet its objective and you should expect a fund’s investments to change over time. The fund’s level of risk may also change in the future. At times it may be difficult for the fund to make investments or sell assets to meet investors’ requests to buy/sell shares. Where this occurs the fund may experience reduced investment performance for a period or have difficulty paying proceeds to investors who wish to sell shares. Property can be difficult to buy or sell. This could mean: cash builds up waiting to be invested, so the fund will underperform when property returns are greater than the interest earned; and/or property may have to be sold for less than expected. If an exceptional amount of withdrawals are requested, the fund manager may be forced to sell properties quickly. This could mean that properties are sold for less than expected which would reduce the value of your investment. In times of market uncertainty or if an exceptional amount of withdrawals are requested it may become less easy for your fund to sell properties and the Manager may defer withdrawals, or suspend dealing. The Manager can only delay paying out if it is in the interests of all investors and with the permission of the fund trustee or depositary. Rental growth is not guaranteed and unpaid rent could affect the performance of your investment. The value of property is generally a matter of valuer’s opinion rather than fact and the true value of a property may not be recognised until the property is sold. In certain circumstances we may not be able to obtain a valuer’s opinion and will apply our own valuation. The fund will undertake development of properties where the full benefits of any increases in the value of the property or the income earned from it are not received until completion. While any development is taking place, the fund is at risk from delays, increased costs or not achieving the predicted improvement in increasing the value of the property or rent received.
- The fund could lose money if any institution providing services such as acting as counterparty to derivatives or other instruments, becomes unwilling or unable to meet its obligations to the fund.
- Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains.

For more information, please refer to the key investor information document on our website [↗](#)



SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT

We are one of Europe’s largest asset managers and a major global investor, with assets under management of £1,015.50 billion (as at 31 December 2018). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong. The AUM includes the value of securities and derivatives positions.

DEALING INFORMATION

| | |
|---------------------|-----------------------|
| Valuation frequency | Daily, 12pm (UK time) |
| Dealing frequency | Daily |
| Settlement period | T+4 |

CODES

| | | |
|------------------|-------|--------------|
| ISIN | I Acc | GB00BK35DV33 |
| | I Inc | GB00BK35DT11 |
| SEDOL | I Acc | BK35DV3 |
| | I Inc | BK35DT1 |
| Bloomberg | I Acc | LGPTFIA LN |
| | I Inc | LGPTFII LN |

TO FIND OUT MORE

 Visit www.legalandgeneral.com

 Call **0370 050 0955**

 Email investments@landg.com

Lines are open Monday to Friday 8.30am to 6.00pm. We may record and monitor calls. Call charges will vary.

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