

CT Property Growth & Income Fund

Property with liquid benefits

Rethinking property: why a hybrid
approach makes sense

Our hybrid CT Property Growth & Income Fund is designed to give **investors the best attributes of property investment whilst avoiding some of the negative aspects.**



Rethinking property: why a hybrid approach makes sense

For those seeking enhanced liquidity, we believe a hybrid approach can offer property's best attributes, gaining exposure to a broad range of property sub-sectors through real estate equities whilst avoiding the liquidity issues around bricks and mortar portfolios.



Avoid the liquidity trap

Physical property's illiquidity means there are question marks over some fund structures. By complementing physical property with readily traded real estate securities, the CT Property Growth & Income Fund offers investors the liquidity they seek.



Reduce cash drag

High costs and practical realities lead to higher cash balances in many physical funds. Investing in listed real estate means the portfolio can remain more fully invested, countering cash drag and helping investors maintain broader portfolio asset allocations.



(More) active management

The hybrid structure brings more active tools into play. For physical assets that means purchases/sales, redevelopment and lease management. Within the equity component, stock selection and both sub-sector and geographic allocations are actively managed.



Location, location, location

Adding real estate securities dramatically increases the fund's reach and diversification via quality businesses across many sub-sectors and geographies. We're hands on building owners – our properties need to be located where there are strong supply/demand characteristics.

5 days

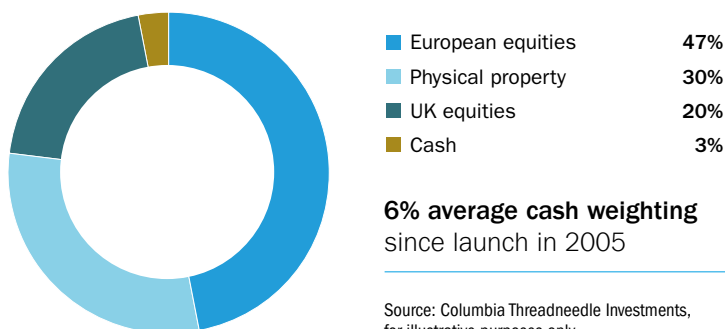
to sell **71%** of the equity portfolio*

*positions based on trading 30% of the 20-day average volume.

An innovative hybrid portfolio

The CT Property Growth & Income Fund comprises physical property assets and real estate securities. We believe that our approach gives investors the best attributes of property investment whilst avoiding some of the negative aspects associated with investing purely in physical or listed property assets.

Typical asset allocation



Our hybrid structure allows us to tap into the yield advantages of physical UK commercial property whilst simultaneously targeting selected European property sub-markets through our focused equity portfolio.

Marcus Phayre-Mudge, Fund Manager

Key facts

Invests in:

UK commercial property and Pan European property related equities

Launch:

30 January 2005

Structure:

OEIC (non-UCITS)

Benchmark:

(50%) IPD Monthly Balanced and (50%) FTSE EPRA/NAREIT European ex-UK Net Index (Total Return, Sterling hedged)

Sector:

IA Property

Dividends:

Quarterly

Sedol and ISIN (1 Inc shares):

BQWJ879
GB00BQWJ8794

Availability:

Most platforms – contact us for details

Property investment requires in-depth local understanding. We only invest in areas we know well and are 'hands-on' to ensure that we get the very best returns from our buildings.

George Gay, Fund Manager

UK direct property – our approach and buildings

We target UK commercial properties typically in the £2-10m price range – a market segment offering broad choice and clear differentiation from the bigger assets favoured by larger funds.

We focus on higher-yielding assets with average lease length of five years. We are hands-on owners with an active approach to property and tenant management.



Colchester



Hatfield



Exeter

Average lot price

£5.7m

As at 4 October 2022



Barking



Reading



Plymouth

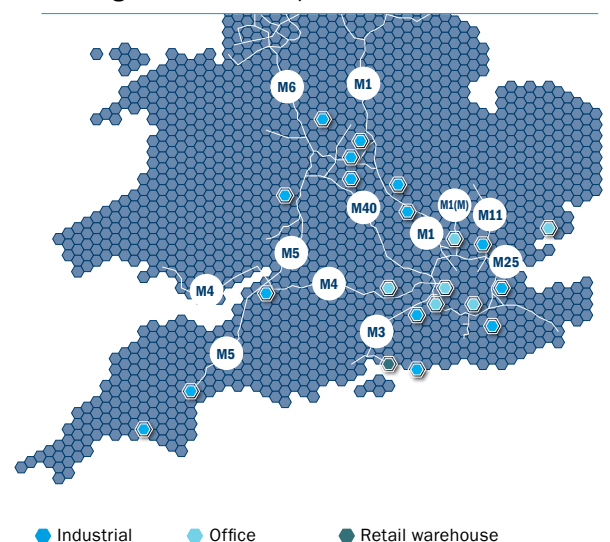
Barking industrial estate (above)
Bought in 2015 for £3.5m and sold in 2020 for

£7.26m

Our properties

Targeting areas with strong economic characteristics and an emphasis on office and industrial properties.

Zero high street retail exposure



Pan European real estate securities – a diverse and liquid opportunity set



A liquid and diverse opportunity set

We target well managed and financially robust property companies operating in locations characterised by strong demand and restricted supply, thereby providing scope for rental growth. In keeping with our ambition of delivering income and growth we emphasise companies capable of paying attractive (and growing) dividends to shareholders.

When appropriate the team are able to invest in corporate bonds issued by real estate companies.

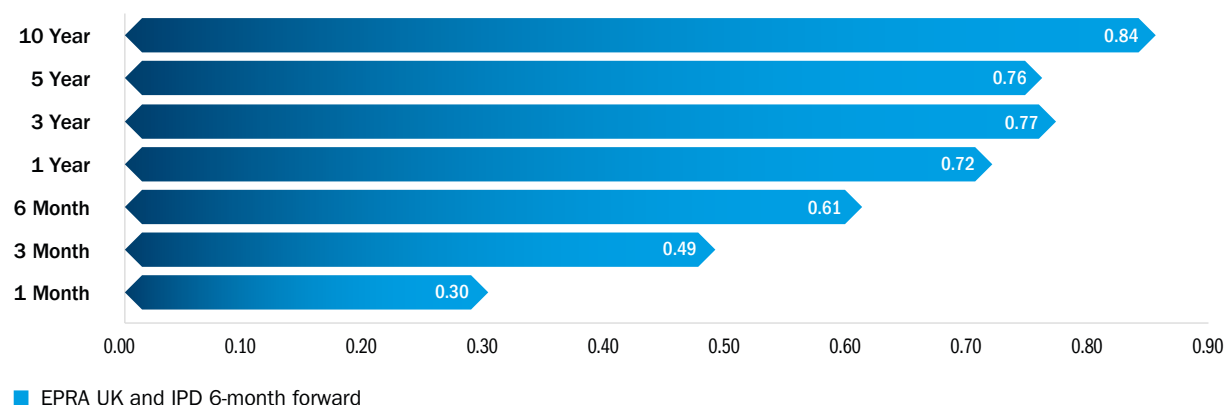
Example holdings

		VONOVIA	PHP Primary Health Properties
EUROCOMMERCIAL SHOPPING CENTRES	WDP	gecina	SUPR SUPERMARKET INCOME REIT
PICTON	TRITAX BIG BOX REIT PLC	Cibus Converting food into yield	CASTELLUM

Real estate securities = real property

'Indirect' real estate investment through the shares of property-related companies affords the portfolio a number of liquidity, diversification and active investment related benefits. In the short term, listed real estate can be more volatile than physical property assets but over time there is an increasing correlation between the two.

Increasing correlation of FTSE EPRA Nareit UK (property shares) vs. MSCI UK Property Index over longer holding periods



Past correlations are not indicative of future correlations.

Source: Columbia Threadneedle Investments. Data as at 5 October 2022

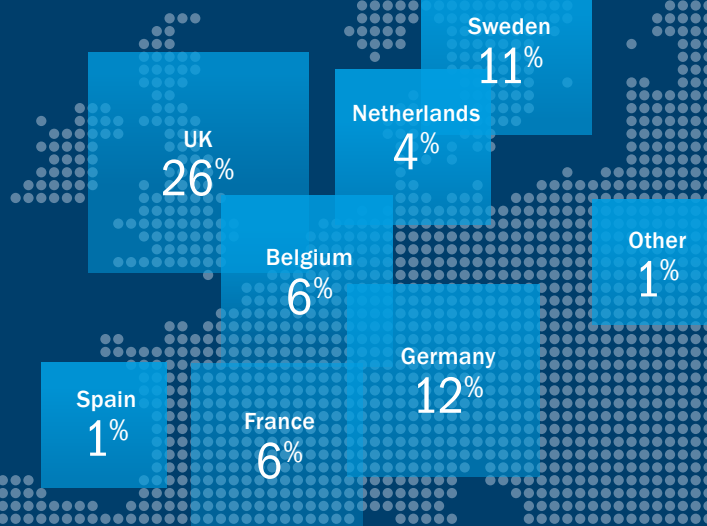
Our hybrid approach means greater flexibility. When we sell a property, there's no requirement for us to immediately buy a building if one with the characteristics we look for isn't available. Reinvesting the proceeds into real estate securities allows us to keep capital working until the right opportunity comes along.

George Gay, Fund Manager

£297bn

universe comprised of
108 companies across **25**
sectors and **13** countries*

*28 June 2021 FTSE EPRA Nareit
Developed Europe Index.



The property specialists

Our property team is one of the most experienced in the industry with expertise in both real estate securities and physical property investment.

Award winning

The team have amassed a range of independent accolades including Winner (Specialist Equities) at the Citywire Investment Trust Awards 2020 for the TR Property Investment Trust.

Resource

Nine strong team boasts extensive experience of managing property assets, both physical and equity based. They currently manage around £2.5bn*.

Performance delivered

Impressive track record across strategies ranging from closed ended traditionally managed long only to absolute return orientated long/short offerings.

Past performance should not be seen as an indication of future performance. The value of investments and income derived from them can go down as well as up as a result of market or currency movements and investors may not get back the original amount invested.

The managers



Marcus Phayre-Mudge (Equities)

A qualified chartered surveyor and property investor with over 25 years' investment experience. Marcus specialises in Pan European real estate securities. He also runs the award winning TR Property Investment Trust.



Alban Lhonneur (Equities)

Joined the team in 2008 from Citigroup Global Markets. Holds a BSc in Business and Management as well as a post-graduate Specialised Masters in Finance from ESCP-EAP. Alban specialises in Pan European real estate securities.



George Gay (Buildings)

Joined the team in 2005 and holds an MA in Property Valuation and Law from City University. George, a qualified chartered surveyor, is primarily responsible for the management of the physical property assets held in the portfolio.

Also available

CT Global Real Estate Securities

Fund – investing globally in real estate related equities via region appropriate approaches employed within a framework of strict geographic neutrality.

CT European Real Estate Securities

Fund – actively investing in Pan European real estate securities. Flexible investment approach with a clear emphasis on high conviction holdings and selective use of short positions.

CT Real Estate Equity Market Neutral

Fund – market neutral strategy targeting positive returns in all market conditions.

TR Property Investment Trust – a listed vehicle investing primarily in Pan European real estate securities but with a smaller allocation to UK physical commercial property.

We target exposure towards attractive sub-markets like logistics and light industrial where rents across all of Europe are rising as more online shopping, shortened supply chains and less reliance on 'just in time' delivery has driven demand for storage space.




Alban Lhonneur, Fund Manager

*Source: Columbia Threadneedle Investments as at 30 June 2021



Source: Columbia Threadneedle, 31 December 2020

Want to know more?

Advisers, contact us here:

-  0800 085 0383
-  sales.support@columbiathreadneedle.com
-  columbiathreadneedle.com

Telephone calls may be recorded

-  Follow us on LinkedIn
-  Subscribe to our BrightTALK channel

Telephone calls may be recorded.

Views and opinions expressed by individual authors do not necessarily represent those of Columbia Threadneedle Investments.

The value of investments and any income derived from them can go down as well as up as a result of market or currency movements and investors may not get back the original amount invested.

The value of directly-held property reflects the opinion of valuers and is reviewed periodically. These assets can also be illiquid and significant or persistent redemptions may require the manager to sell properties at a lower market value adversely affecting the value of your investment.

To find out more visit columbiathreadneedle.com



© 2022 Columbia Threadneedle Investments. Columbia Threadneedle Investments is the global brand name of the Columbia and Threadneedle group of companies.

For professional investors only

This financial promotion is issued for marketing and information purposes only by Columbia Threadneedle Investments in the UK.

CT Property Growth & Income Fund is an open ended investment company (OEIC) registered in the UK and authorised by the Financial Conduct Authority (FCA).

English language copies of the Fund's Prospectus, summarised investor rights, English language copies of the key investor information document (KIID) can be obtained from Columbia Threadneedle Investments, Exchange House, Primrose Street, London EC2A 2NY, telephone: Client Services on 0044 (0)20 7011 4444, email: sales.support@columbiathreadneedle.com or electronically at www.columbiathreadneedle.com. Please read the Prospectus before taking any investment decision.

The information provided in the marketing material does not constitute, and should not be construed as, investment advice or a recommendation to buy, sell or otherwise transact in the Funds. The manager has the right to terminate the arrangements made for marketing.

Financial promotions are issued for marketing and information purposes; in the United Kingdom by Columbia Threadneedle Management Limited, which is authorised and regulated by the Financial Conduct Authority; in the EEA by Columbia Threadneedle Netherlands B.V., which is regulated by the Dutch Authority for the Financial Markets (AFM); and in Switzerland by Columbia Threadneedle Management (Swiss) GmbH, acting as representative office of Columbia Threadneedle Management Limited. In the Middle East: This document is distributed by Columbia Threadneedle Investments (ME) Limited, which is regulated by the Dubai Financial Services Authority (DFSA). For Distributors: This document is intended to provide distributors with information about Group products and services and is not for further distribution. For Institutional Clients: The information in this document is not intended as financial advice and is only intended for persons with appropriate investment knowledge and who meet the regulatory criteria to be classified as a Professional Client or Market Counterparties and no other Person should act upon it. 257250 (10/22). UK.