



Tritax Property Income Fund Unit Trust (the “Feeder Fund”)

The Feeder Fund invests in Tritax Property Income Fund (the “Master Fund”) an open-ended UK regional commercial property fund. The Master Fund invests in a diversified portfolio of high quality commercial property, primarily located in major regional locations outside Central London. It provides stable and growing income streams together with the potential for capital appreciation over the medium term.

Investment objectives

The Feeder Fund’s objectives, through its active long income approach, are to seek:

- A target income return, on a fully invested and geared basis, in excess of 4% pa (or greater)
- A target portfolio IRR of 6% pa (or greater)

Executive summary

Fund With the background of a strong transactional market during Q4, the Fund saw a positive end to the year in valuation terms. The December month end valuation reflected 0.43% capital value increase from £110.07 million to £110.55 million.

The Fund acquisitions continued, with the team placing an asset in the Alternatives sector under offer during the month, with completion anticipated for February.

The discussions regarding the first lending facility are being progressed and are due to conclude in Q1.

Market The Q4 investment market continued to show strength through to the end of the year. The theme of prime and long income assets being sought after by investors continued. Bidding saw strong competition on these types of asset, illustrating the strong weight of money seeking exposure to the UK commercial property sector.

Knight Frank’s monthly yield monitor reflected market sentiment as stable or positive in these prime and longer income sectors. Notwithstanding that, it also reflected caution in the secondary sectors.

We anticipate Q1 2017 will show continued market strength and the Tritax team will endeavour to secure additional attractive investments for the portfolio.

Outlook 2017 has started with generally positive news for the UK Economy. The FTSE 100 index sustained a record high for some 13 consecutive days. Manufacturing output figures have improved. In the retail sector, whilst some fashion retailers have suffered,

Feeder Fund performance

Following the Dealing Date on the 31 December 2016 the unit prices are as follows:

	NAV/Unit	% +/-
GBP £ – Income Units	£0.9704	+0.02%
GBP £ – Accumulation Units	£0.9704	+0.01%
Euro € – Income Units	€0.9609	-0.16%
US Dollar \$ – Income Units	\$0.9705	+0.01%
US Dollar \$ – Accumulation Units	\$0.9704	+0.01%

Master Fund key data

	NOVEMBER	DECEMBER	VARIANCE
Portfolio Property Value	£110,070,000	£110,545,000	+\$475,000
Net Initial Yield	6.53%	6.50%	-0.03%
Gross Asset Value (GAV)	£111,441,195	£112,435,814	+\$994,619
Net Asset Value (NAV)	£111,441,195	£112,435,814	+\$994,619
Loan as a % Gross Asset Value	00.00%	00.00%	00.00%
Number of assets	10	10	0
WAULT (to lease break options)	11.7 years	11.6 years	-0.1 years

the big four supermarkets have been buoyed by improved trading.

Initial positivity is good news for the commercial property sector, however there remains uncertainty ahead particularly with progress of Brexit. The market will be characterised by caution with secure, long income opportunities remaining favoured in the medium term.

TOP TEN ASSETS	STRATEGY	VALUATION BAND
1. Pierpoint Retail Park, King’s Lynn	Foundation	£20-30 million
2. Waterfold Park, Bury	Foundation	£20-30 million
3. 800 Capability Green, Luton	Foundation	£15-20 million
4. Cobham Gate, Ferndown, Bournemouth	Foundation	£10-15 million
5. Mill House/Mill Court, Milton Keynes	Value	£10-15 million
6. Leigh Close Industrial Est, New Malden	Growth	£10-15 million
7. Regent Park Estate, Princes Risborough	Value	£5-10 million
8. Norfolk House, Nottingham	Value	£0-5 million
9. St Hilary Trade Park, King’s Lynn	Growth	£0-5 million
10. Buckshaw Office Park, Chorley	Value	£0-5 million
		£110.55 million

Top three assets by value



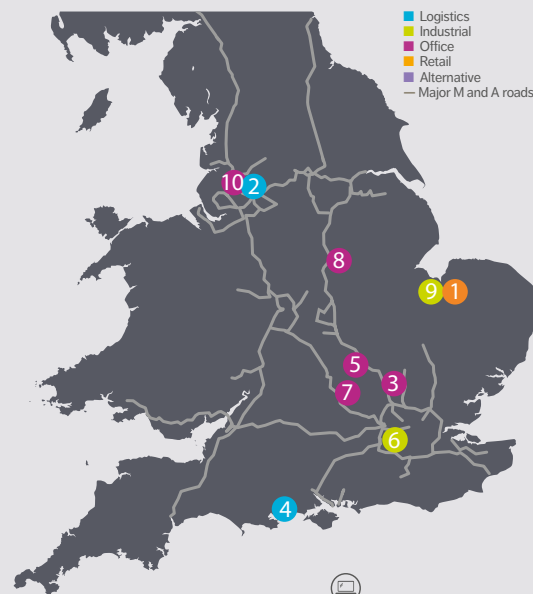
1. Pierpoint Retail Park, King’s Lynn



2. Waterfold Park, Bury



3. 800 Capability Green, Luton



Feeder Fund Unit Holder Information

Full information is provided in the Offering Memorandum and Fund Documentation.

Target Return

Income of 4% pa (or greater), IRR of 6% (or greater)[†]

Structure

Jersey Property Unit Trust, regulated by the Jersey Financial Services Commission

Liquidity Strategy

Liquidity pool that invests up to 25% of the NAV in daily traded, liquid investments related to the real estate sector (REITs), cash and near cash alternatives

Base Currency

Pound Sterling (GBP, £)

Available Currencies

US Dollar (USD, \$) and Euro (EUR, €)

Unit Class

Income (paid quarterly) and accumulation (income reinvested in new units)

Offer Price

Net asset value of the Feeder unit class divided by the number of existing Feeder units on the relevant Dealing Day (subject to adjustments)

Allocation

100% allocation

Minimum Subscription

£10,000 (or US Dollar and Euro equivalent)

Minimum Top-Up

£5,000 (or US Dollar and Euro equivalent)

Dealing and Valuation Frequency

Monthly

Dealing Date

The last Business Day* of each calendar month

Subscription Notice Period

Three Business Days prior to that Dealing Date

Redemption Notice Period

One month's notice (the last Business Day* of the preceding month – subject to limits and liquidity)

Payment of Redemption Proceeds

Typically paid no later than 15 Business Days* after the relevant Redemption Dealing Date

Distributions

Income distributions as soon as practicable and, in general, expected to be on a quarterly basis. Capital receipts generally expected to be reinvested at Master Partnership level.

Charges

Annual Management Charge – 2% NAV of the Feeder Trust pa

Performance Fee – 10% of excess over 6% IRR plus 20% of excess over 10% of IRR

Data

All fund data as at 31 December 2016, unless stated otherwise.

Units	ISIN Code	Ticker	Bloomberg ID
GBP £ – Income Units	JE00BD3C8C10	TRPIFII JY	BBG00CX8GTT7
GBP £ – Income Units, Initial Charge	JE00BD6P6672	TRPNDMG JY	BBG00DK7WS33
GBP £ – Accumulation Units	JE00BD3C8B03	TRPIFIA JY	BBG00CX8GTS8
Euro € – Income Units	JE00BD3C8F41	TRPIIIE JY	BBG00CX8GV21
Euro € – Income Units, Initial Charge	JE00BD6P6896	TRPNDME JY	BBG00DK82MP3
Euro € – Accumulation Units	JE00BD3C8D27	TRPIIAE JY	BBG00CX8GTZ0
US Dollar \$ – Income Units	JE00BD3C8H64	TRPIIUU JY	BBG00CX8GVF7
US Dollar \$ – Income Units, Initial Charge	JE00BD6P6789	TRPNDMU JY	BBG00DK814M7
US Dollar \$ – Accumulation Units	JE00BD3C8G57	TRPIIAU JY	BBG00CX8GV94

[†] On a fully invested and geared basis with the initial portfolio complete

* "Business Day" – a day (other than a Saturday and Sunday) when banks are open in London and Jersey

This guide relates to Tritax Property Income Feeder Fund (the "Feeder Fund") which will invest in TPIF as well as potentially make its own investments in line with the TPIF strategy.

Partnership Manager, AIFM of the Master Partnership, Master Trust Adviser and Feeder Trust Adviser

(Authorised and regulated by the UK Financial Conduct Authority)

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Available on the following platforms:



Legal

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The Update comprises Confidential Information and Investors' attention is drawn to their confidentiality obligations under clause 36 of the trust instrument governing TPIF.

Nothing in this Update should be construed as an invitation or solicitation to make a further investment in TPIF or to engage in any other transactions. This Update is not intended to provide recommendations, and should not be relied upon, for accounting, legal, tax advice or investment purposes. You should consult your tax, legal, accounting or other advisers separately. If an Investor does wish to make a further investment, it should obtain a copy of the latest offering memorandum for TPIF and read the warnings below.

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- this Update is not intended to enable prospective investors to evaluate a potential investment in TPIF. A prospective investor should request a copy of the latest offering memorandum for TPIF in order to assess a potential investment in TPIF;
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- nothing in this Update should be construed as an offer, invitation or general solicitation to invest in TPIF or to engage in any other transactions;
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