

Alpha UK Real Estate Fund

Data as at 30 September 2014. Published February 2015

Important notice: For professional advisers only

Investment objective

The Fund aims to deliver a high and stable income yield, together with the potential for capital appreciation, by investing in a diversified portfolio of UK commercial property.

Fund benchmark

To outperform the IPD Universe benchmark.

Quarterly highlights

- **Valuation uplift** - As a result of various value-add initiatives and leasing activity, the portfolio valuation has increased from £43.7m as at 30 June 2014 to £45.2m as at 30 September 2014.
- **Sales** - A sale of a vacant industrial unit at 15% above its pro rata valuation was completed during the period. The sale of this vacant unit has helped reduce the overall void level and irrecoverable costs within the portfolio.
- **Benchmark Ranking** - Successful delivery of the Asset Managers business plan is reflected in the Fund now being ranked as the 11th best performing Fund over the year to date in the IPD benchmark of 229 Funds, providing a total return of 18.9% year to date.

Fund performance

Total return - cumulative performance (%)

	1 month	3 months	1 year	Year to date
Fund	2.1	4.7	24.1	18.9
IPD Quarterly Benchmark	1.6	4.4	18.3	13.3

Capital return - cumulative performance (%)

	1 month	3 months	1 year	Year to date
Fund	1.6	3.7	18.9	15.8
IPD Quarterly Benchmark	1.1	3.1	12.3	9.0

Income return - cumulative performance (%)

	1 month	3 months	1 year	Year to date
Fund	0.5	1.0	4.4	2.7
IPD Quarterly Benchmark	0.5	1.3	5.4	4.0

Pricing as at 30.09.2014

NAV per share	£0.26983
Offer NAV per share	£0.28615
Bid NAV per share	£0.26756

Fund codes

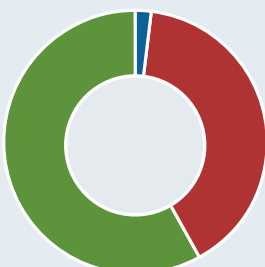
ISIN	IE0032883427
SEDOL	3288342

Top 5 portfolio holdings by value as at 30.09.2014

Property	Sector	% of Fund value
Wolverhampton	Industrial	13.3%
Redditch	Industrial	12.9%
Mitcham	Industrial	9.2%
Warrington	Industrial	8.7%
Dunstable	Offices	8.4%
Total		52.4%

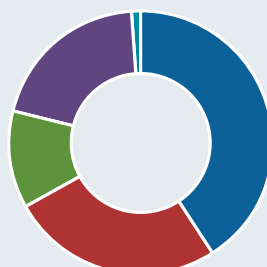
Portfolio sector split by value as at 30.09.2014

Retail	2%
Offices	40%
Industrial	58%



Portfolio geographic split by value as at 30.09.2014

London & South	41%
Midlands	26%
North West	12%
North and N.East	20%
Other	1%



Fund information

Property portfolio value
£45.2 million

Number of properties
16

Fund structure
Irish ICVC

Custodian
Northern Trust Fiduciary Services (Ireland) Limited

Administrator
Northern Trust International Fund Services (Ireland) Limited

Investment Manager and Promoter
Alpha Real Capital LLP

Asset Manager
Alpha Real Capital LLP

Launch date
28 February 2005

Borrowings
Bank Loan Facility Covenant:
No more than 65% Loan to Value of Properties
(as at 30 September 2014 39.8%)

Prospectus Limits:
No more than 100% of Net Asset Value (currently 198.3%)*
No more than 50% of Gross Asset Value (currently 61.7%)*

Annual management charge
1.25% of Gross Asset Value

Important Notice: For Professional Advisers and Existing Holders only.
General Fund Information: Issued in the UK by Alpha Real Capital LLP which is authorised and regulated by the Financial Conduct Authority. Please note that there is no guarantee that the Fund's investment objective will be achieved. The value of investments and the income from them may fall as well as rise and investors may not get back the original amount invested. Any past performance data cited is not a reliable indicator of future results. Alpha may source data from third party data providers but accepts no responsibility or liability for the accuracy of the data. Investors should carefully read all the risk warnings contained in the Prospectus. All documentation is available on request. This document does not constitute investment advice and potential investors are recommended to seek professional advice before investing. Calls to our offices may be recorded for monitoring purposes.
Specific Fund Information: The underlying investments by the Fund consist wholly or substantially of real property and the value of the real property concerned will generally be a matter of the Valuer's opinion rather than fact and may fluctuate up or down. Investment in the Fund carries substantial risk. The nature of the underlying investments means that under certain market conditions, investors seeking to redeem their holdings may experience significant delays. In certain circumstances certain restrictions on the ability of investors to deal may be imposed. The Fund is considered suitable only for informed and experienced investors.
Fund Status: The Alpha UK Real Estate Fund is structured as an open-ended investment company with variable capital (ICVC), and is authorised by the Central Bank of Ireland. The Fund is listed on the Irish Stock Exchange and prices can be found on www.ise.ie. In the UK, the Fund is classified as an unregulated collective investment scheme within the meaning of the Financial Services and Markets Act 2000 ("FSMA"). As an unregulated collective investment scheme, the distribution and promotion of units are restricted by law, to persons who are themselves authorised under the FSMA or who otherwise fall within the categories or exceptions made under FSMA. Most or all of the protections provided by the UK regulatory system do not apply to investment in the Fund and compensation under the Financial Services Compensation Scheme will not be available, as such the Fund is considered suitable only for informed and experienced investors.
Liquidity: The Fund has monthly dealing and a secondary market facility. Redemptions are currently suspended. **Prospectus Borrowing Limit:** While the Fund borrowing is within the bank loan facility LTV covenants it remains in breach of the Prospectus borrowing limit.

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