

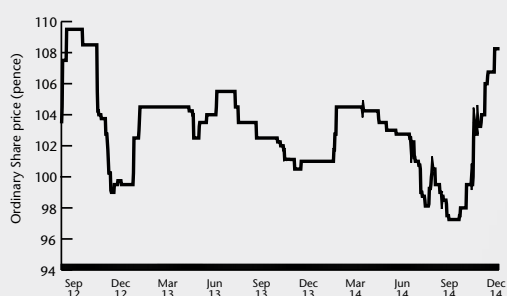
# Ground Rents Income Fund plc

31 December 2014

One Park West, Liverpool

## Fund Facts

|                       |            |
|-----------------------|------------|
| Launch date:          | 13/08/2012 |
| Ordinary Share price: | 108.25p    |
| Market capitalisation | £91.5m     |



|                 |              |
|-----------------|--------------|
| Ordinary Share: |              |
| ISIN:           | GB00B715WG26 |
| SEDOL (CISEA):  | B715WG2      |
| SEDOL (SETSqx): | B8K0LM4      |
| Ticker:         | GRI0         |

|                 |              |
|-----------------|--------------|
| Warrant:        |              |
| ISIN:           | GB00B8N43P05 |
| SEDOL (CISEA):  | B8N43P0      |
| SEDOL (SETSqx): | B8K0RP9      |
| Ticker:         | GRIW         |

Gearing: 0%

Annual management fee: 0.55% of market capitalisation

Performance fee: Nil

Dividend: Quarterly

Quarterly Ex-Dividend date: 12 February 2015

Data as at 31 December 2014

## Investment Objective

Ground Rents Income Fund plc (GRIF) is a Real Estate Investment Trust (REIT), listed on the Channel Islands Securities Exchange Authority Limited (CISEA) and traded on the SETSqx platform of the London Stock Exchange.

GRIF's investment strategy is focused on achieving stable, long-term performance by investing in long-dated UK ground rents, which have historically not suffered the same peaks and troughs as the economy and the property market.

GRIF's income derives from ground rents and associated income. The company seeks to generate consistent income returns for shareholders by investing in a diversified portfolio of ground rents, including freeholds and head leases of residential, retail and commercial properties located in the UK. The company joined the REIT regime in August 2012.

## Market Commentary and Investment Update

In the last quarter of 2014 GRIF entered into transactions that led to it being fully invested. The current pipeline of purchases, which includes two significant portfolio acquisitions that have been recently announced, will increase the proportion of the portfolio's index-linked income to above the 70% target set at the time of the preference share issue in May 2013.

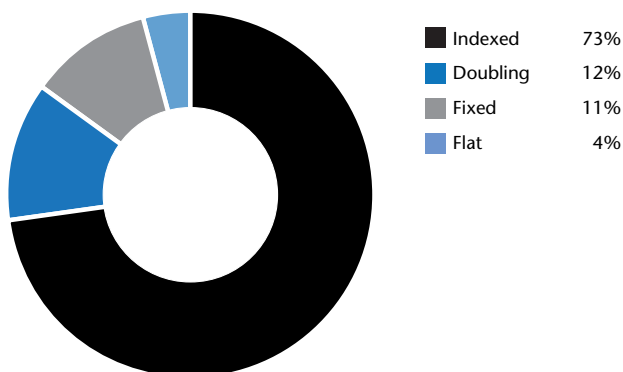
In the last 12 months the fund has acquired a number of options to acquire assets, which are under construction. These option agreements provide a visible pipeline of investments as we grow the asset base and the market capital of the company. Since 31 December, GRIF has announced it has secured a small short-term debt facility and raised £9 million (before costs) through a placing of new ordinary shares to facilitate the acquisition of the properties subject to these option agreements, which will deliver further high-quality, indexed-linked, income-producing assets to shareholders.

This year, in addition to the uncertainty caused by a general election in the UK, there is increasing expectation of very low growth and, even, deflation in the Eurozone and the continuing volatility in the wider financial markets leading to large-scale quantitative easing by the European Central Bank. These factors underpin the rationale for GRIF's low-risk income strategy.

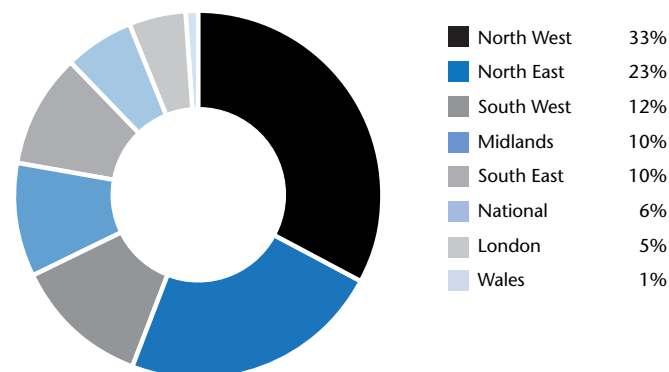
# Ground Rents Income Fund plc (GRIF)

## Portfolio

### Review type



### Geography



Data relates to when GRIF will be fully invested and therefore includes assets that have exchanged but not completed.

## Top 5 Assets (based on asset valuation)



| Asset Name                                      | Cost       | Value      | Income   | Yield  | Review                      |
|---|------------|------------|----------|--------|-----------------------------|
| <b>Ladywell Point Manchester</b>                | £2,575,652 | £3,228,800 | £131,000 | 4.06%  | Doubles every 10 years      |
| <b>One Park West Liverpool</b>                  | £2,700,000 | £3,061,000 | £147,181 | 4.81%  | Index linked every 25 years |
| <b>The Gateway Leeds</b>                        | £2,360,000 | £2,900,000 | £138,000 | 4.76%  | Doubles every 25 years      |
| <b>Vita Student at First Street, Manchester</b> | £2,343,600 | £2,343,600 | £97,650  | 4.17%* | Index linked every 10 years |
| <b>The Hive Masshouse Block M</b>               | £1,065,000 | £1,802,000 | £72,086  | 4.00%  | Index linked every 10 years |

\*Yield based on net asset cost

For more information about these assets please visit [www.groundrentsincomefund.com](http://www.groundrentsincomefund.com)

Data as at 30 Sept 2014

## Contact Details

### Ground Rents Income Fund plc

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## Management Team

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## Risk Warning

Investors should be aware that the price of shares in this company, and the income generated, can go down as well as up and that neither is guaranteed. Past performance is not a guide to the future. Investors may not get back the amount invested. Changes in asset value may have an adverse affect on the price or income of an investment. Investors should be aware of the additional risks associated with investment in the UK ground rents market.

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GRIF is incorporated in England and Wales Company No. 8041022. Registered Office: 111 Park Street, London W1K 7JL.