

# Property Fund (unit trust) (sub-advised by ING Real Estate)

## fund objective

The Fund aims to provide capital growth and income from investment in a diversified property portfolio, primarily in direct property, but it may include property-related securities and collective investment schemes, property derivatives, cash or near cash and Government and other public securities.

## performance

While Financial Express and Skandia Investment Group have used all reasonable endeavours to ensure the accuracy of the information contained in this factsheet, neither accept any liability in respect of the investment decisions of investors nor any loss arising from such decisions.

### percentage growth year by year to month end shown in table

1 year to 31/12/2009	1 year to 31/12/2008	1 year to 31/12/2007	1 year to 31/12/2006	1 year to 31/12/2005
2.30%	-16.53%	-19.33%	18.26%	N/A

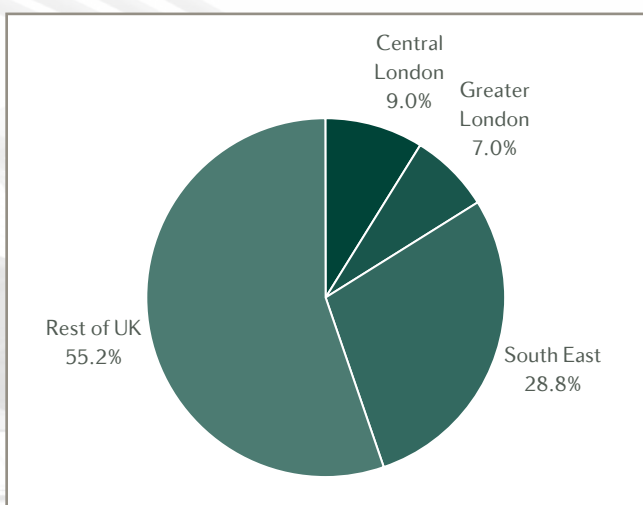
### percentage growth since launch

	3 months	6 months	1 year	3 years	5 years	Since launch
Property Fund	7.00%	11.55%	2.30%	-31.11%	N/A	-16.88%

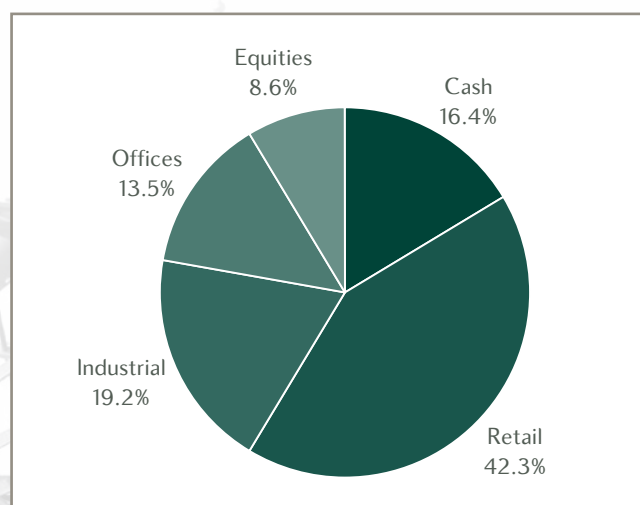
Source: Financial Express. The performance shown is of net asset value of the fund. Figures are on a bid to bid price basis with net income reinvested in Sterling terms as at 31 December 2009. The value of units and the income from them may fall as well as rise. An investor may not get back the amount invested. Past performance does not indicate future performance.

The IMA Property sector contains funds investing directly in UK commercial property and funds investing in global property related equities. This makes comparisons between funds inappropriate due to the diverse nature of the objectives of the funds populating this sector, including differing benchmarks and risk characteristics. Accordingly, it would be inappropriate to provide sector average statistics and quartile rankings as to measure the performance of if the fund in this manner would be misleading.

## regional breakdown as at 31 December 2009



## sector breakdown as at 31 December 2009



## top ten holdings

as at 31 December 2009

Address	Percentage
Princess Parkway, Manchester	10.3%
Maidenhead Retail Park, Maidenhead	7.1%
Mucklow Hill, West Midlands	6.4%
Currys, Croydon	5.3%
Forbury Park, Reading	4.9%
Centennial Park, Elstree	4.5%
Ardagh Glass Units, Doncaster	4.2%
Cornhill, London	4.1%
Tavern Street & Buttermarket, Ipswich	3.8%
Hanover Buildings, Edinburgh	3.4%

## fund facts

These details are specific to the unit trust, which is operated and managed by Skandia Investment Group. Some or all of the fund information below will differ for investments made via other Skandia products.

Launch date	2 December 2005
Sub-advisor	ING Real Estate
IMA sector	Property
Initial charge	5.0%
Annual Management Charge	1.35%
Total Expense Ratio	1.77%
Minimum investment	Lump sum £1,000, regular savings £50 per month
ISA eligibility	Yes
Type of unit	Income
Income frequency	Half-yearly
XD dates	31 March and 30 September
Payment dates	31 May and 30 November
Historic yield as at 31 December 2009	4.5%
Valuation point	Daily 12 noon GMT
SEDOL	B0NK8K2
ISIN	GB00B0NK8K20
MEXID	SNPRP
Fund size as at 31 December 2009	£354.9m
Number of properties	22
Average lease length as at 31 December 2009	10.8 years
Average vacancy rate as at 31 December 2009	6.9%

Skandia has offered a Property Fund in its onshore Life and Pension Fund ranges for several years. The unit trust is available direct from Skandia Investment Management Limited, through Skandia Investment Solutions and as an offshore investment via Royal Skandia. The Skandia Property Life and Pension Funds invest predominantly into the unit trust, but also hold some other assets so have a slightly different asset allocation.

## important information

The past performance of an investment is not a guide to future investment performance.

What you get back will depend on investment performance and is therefore not guaranteed.

You should appreciate that there are inherent risks in all types of investment. There can be no guarantee that the objective of the Fund will be achieved.

The annual management charge (AMC) is taken out of the Fund's capital rather than income. This may restrict or reduce the capital value of your investment.

Funds that invest in a particular region or market sector may be more risky than funds that invest in a number of regions or sectors. For this reason you should consider your degree of exposure to this Fund in the context of all your investments.

You should be aware that the use by the Fund of derivatives for the purpose of efficient portfolio management exposes the Fund to the risk that the provider of the derivative becomes insolvent while it owes money to the Fund.

The Fund invests primarily in UK commercial property, in other words land and buildings. It will tend to be less volatile than the Skandia Global Property Securities Fund but invests predominantly in the UK and therefore does not benefit from international diversification.

The value of investments and any income from them can fall as well as rise due to changes in the value of commercial property.

Property valuations are determined by independent property valuers and are based on opinion rather than fact.

There is no certainty that the actual price realised on a sale of an investment in land or a building will reflect the most recent valuation and it could be substantially lower.

Investments in land and buildings may take longer to sell than investments in shares and fixed interest securities. This may affect the ability of investors to realise their investment when they choose and, under certain circumstances, the Manager has the ability to defer redemptions. In exceptional circumstances dealing in the Fund may be suspended.

The Fund operates two prices, a higher price at which you buy units in the Fund (otherwise known as the buying, or offer price) and a lower price at which you sell them back to us (otherwise known as the selling, or bid price). The prevailing bid and offer prices may vary depending on the flow of investors into and out of the Fund in order to reflect the costs of buying and selling property. The costs of buying property include stamp duty at 4% and legal and valuation fees. The costs of selling property include legal and marketing costs.

The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distribution.

Skandia Investment Group is a trading name of Skandia Investment Management Limited. Skandia Investment Management Limited is authorised and regulated by the Financial Services Authority. FSA Registered Number 208543 Registered Number: 4227837 England Registered office: Skandia House, Portland Terrace, Southampton, SO14 7EJ, United Kingdom.

The Manager for the Skandia Property Fund is Skandia Investment Management Limited.

[www.skandiainvestmentmanagement.com](http://www.skandiainvestmentmanagement.com)