

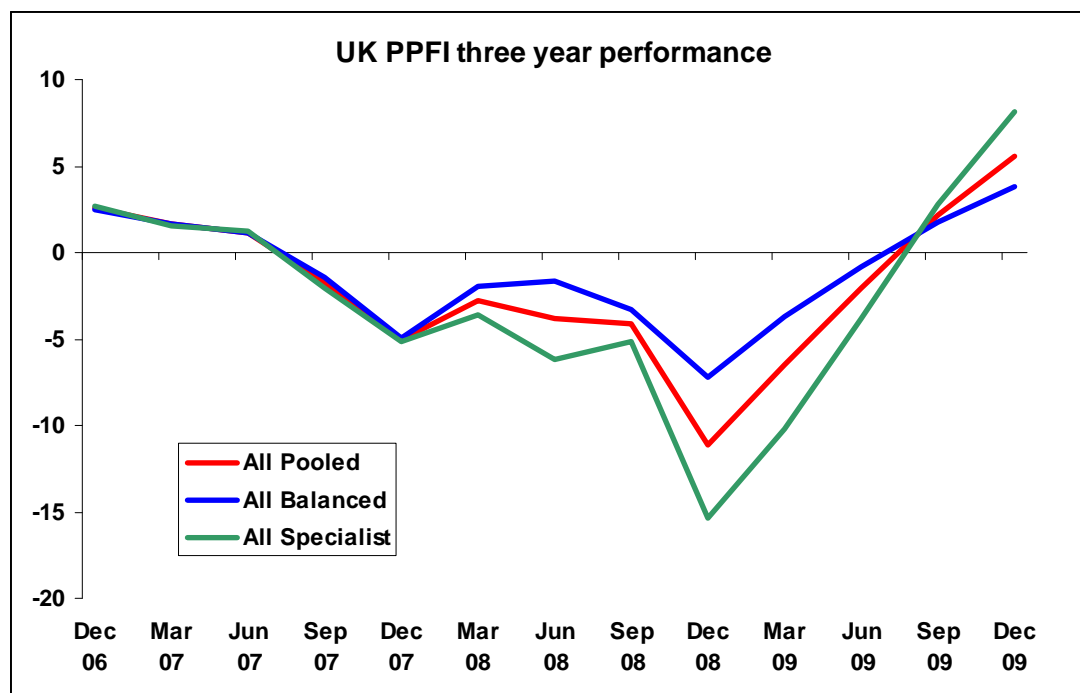


[Record quarterly UK pooled fund double-digit returns, says IPD](#)

London, 22nd January 2010: British pooled property funds have delivered the first ever double-digit quarterly returns, at 10.4% in the [IPD UK Pooled Property Fund Indices](#) 20-year history.

The performance lifts the annual total returns for UK unlisted funds to -5.4% up from -32.0% in 2008. Although last year's annual returns are still negative, the performance is the best for the fund sector in three years.

The IPD UK PFFI – sponsored by The Association of Real Estate Funds (AREF) and Linklaters – is comprised of 25 balanced and 35 specialist quarterly-valued funds, worth a combined net asset value of £22.5bn at the end of 2009. Balanced and specialist funds delivered 7.9% and 13.9% over the quarter and -1.8% and -9.8% over the year, respectively. Across the 60-strong fund constituents, every single fund delivered positive total return over the fourth quarter, while the returns spread over the year was 91.6 percentage points; from -58.4% to +33.2%.



Source: IPD UK PFFI

“The pooled fund total returns for 2009 reflect the dramatic reversal of fortunes in the underlying UK property market over the fourth quarter and, among other factors, the positive influence of leverage in rising markets. This is despite a reduction in the average debt used by PPFIs constituents,” explains **Cameron McVean, Head of Fund Services at IPD.**

Over the final quarter of last year the three-month capital growth was 7.4%, according to the IPD UK Monthly Index, while the average gross loan-to-value ratios has fallen by almost five percentage points – from 29.8% at December 2008 to 24.1% at the end of last year.

Over the full calendar year, by comparison the direct property market recovered sufficient ground in the second half of the year to deliver annual total returns of 2.2%, as measured by the **IPD UK Monthly Property Index**. The wider equity market, as measured by the FTSE All-Share Index, staged a dramatic recovery to end the year at 30.1%, while property equities and bonds delivered 10.2% and -0.3%, respectively.

Pooled funds returned -15.6% over three years, -2.7% over five years and 4.7% over the last decade.

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A detailed sector and segment analysis of the UK direct commercial property market will be delivered at the [IPD UK 2009 Results Launch](#), follow the link to the online booking form.

Notes to editors:

IPD is a global information business, dedicated to the objective measurement of commercial real estate performance. As the world’s number one provider of real estate performance analysis for funds, investors, managers and occupiers, IPD offers a full range of services including research, reporting, benchmarking, conferences and indices. IPD operates in more than 20 countries including most of Europe, the US, Canada, South Africa, Australia, New Zealand and Japan. IPD’s

indices are the basis for the developing commercial property derivatives market, and the most authoritative measures of real estate returns worldwide. For further information visit www.ipd.com and for IPD's News Centre visit www.ipd.com/news

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