

Aim of the UK Property Fund

- The fund gives investors access to the long-term growth potential of UK Commercial Property. The fund does not invest in residential property.
- We actively manage the directly owned part of the fund to achieve a blend of strong rental income and capital growth.
- It is suited to investors who want a higher growth potential over the long-term than deposit accounts can offer but with a lower risk profile than equities.

How it works

- About 75% of the fund is directly invested in a mix of office, retail and industrial property. The remaining 25% is invested in indirect property structures.
- Investment in the fund will be in Euro and the properties will be valued in Sterling. Investors are fully protected against falls in the value of Sterling. The cost of this protection is charged to the fund.

UK



Chalfont Square, Reading.
A prime retail park with tenants including Marks & Spencer and McDonalds.



1 Golden Square, West End, London.
Let to Virgin Radio.



117 Piccadilly, London.
Let to St. James Wealth Management Group plc.



Warehouse in Nimbus Park
let to MFI and DHL.

In Market News

Although September was a slow month for property transactions in the UK market, most commentators believe that what is happening in the market is a short term phenomenon. All agents, fund managers and private/overseas investors have expressed a willingness to invest in the UK market reporting significant sums of money available to spend.

The 5 year swap rate continues its downward trend and currently is 5.66% down from 5.96% in August and 6.18% in July. Although this reduction in rates is welcomed across the board, Banks are currently only backing the best investment deals that are being carried out by well established investors.

Economic indicators remain positive and supportive of occupier demand and rental growth prospects. The UK economy continues to perform strongly with anticipated growth of 2.8% this year with business investment continuing to be the main driver of growth.

Office sentiment remains relatively strong; however, yields have seen a downturn over the month of September.

Although consumer spending is still predicted to grow at an average rate of 2.7%pa over the next five years retailers have reported difficult trading conditions over the summer. Despite this, a number of commentators have reported retailers are still competing aggressively for good units in key locations and shopping centres, anticipating the re-emergence of consumer confidence.

UK Property Fund

UK Property Fund Top five holdings

Rank	Property	Tenants
1	117 Piccadilly, London	St James Place Wealth Management Group
2	1 Golden Square, London	Virgin Radio
3	Nicholson shopping centre Maidenhead.	Tesco, Next, Argos
4	Wells Court, Albert Drive, Woking, Surrey	Intec Telecom
5	42/46 Market Street, Manchester	Various

Fund Performance

Fund	1 Year Growth	3 Year Growth	5 Year Growth	Since launch
Property Fund Series 8	5.26%	28.71%	N/A	42.24% (01/2004)
UK Property Fund	4.53%	25.58%	45.90%	65.43% (09/1999)

(These figures are before tax and net of management charges)

The views expressed in this document in relation to the market outlook for property are not forecasts, projections or guarantees of likely future returns from the UK Property Fund. The returns on these funds will depend on the actual fund growth achieved in the future from the underlying assets after deduction of buying, selling, and other fund costs. The market news and outlook information is provided by Irish Life Investment Managers. Information correct as of 1 October 2007. Irish Life Assurance plc is regulated by the Financial Regulator.

Warning: The value of your investments may go down as well as up. Past performance is not a reliable guide to future performance.



Irish Life

more options for your future