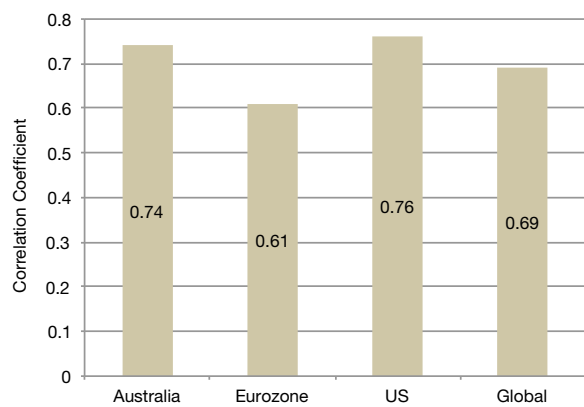


Global Real Estate Securities



The Case for Global Real Estate Securities

Annual Correlation of Listed and Direct Real Estate Returns 1993-2011



Note: Allowing for direct returns lagged by 4 quarters

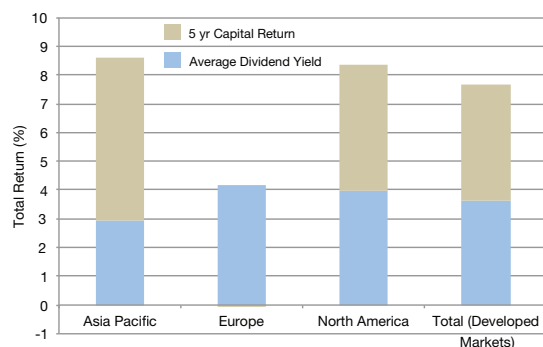
Source: IPD, NCREIF, S&P, CBRE Clarion

- Global Real Estate Securities ("GRES") are a proxy for Real Estate

Research has consistently shown that GRES are a good proxy for direct real estate in a mixed asset portfolio. Recent research shows that GRES returns and direct real estate returns are closely linked over a 3 year time horizon - much more closely linked than REITs and the wider equity market.

This means REITs bring the same attractive diversification properties to a mixed asset portfolio as other real estate investments. The chart shows a high correlation of returns once the liquidity of the listed market is accounted for (over 0.6 is seen as 'strong').

GRES Dividend Yields vs Total Return



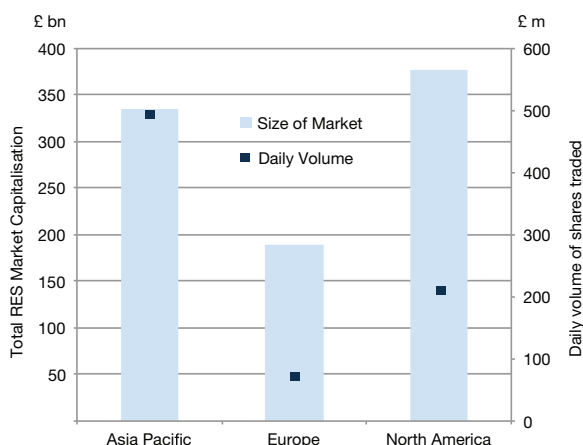
Source: EPRA Q3, 2013

- High and Stable Income Yield

An attractive aspect of the various REIT regimes around the world is their requirement that all or most of the trust's taxable income is distributed to shareholders. This means that a high dividend yield is maintained regardless of management's approach to their balance sheet.

Dividends typically yield around 4% pa across the global market.

The Global RES market is deep and liquid



Source: EPRA, SNL

- Liquidity, Diversification and Transparency

An obvious advantage of listed real estate investment is its liquidity. Diversification is achieved through owning a small stake in each company's underlying portfolio of assets. On any given day up to £1.1 trillion of underlying real estate can be accessed.

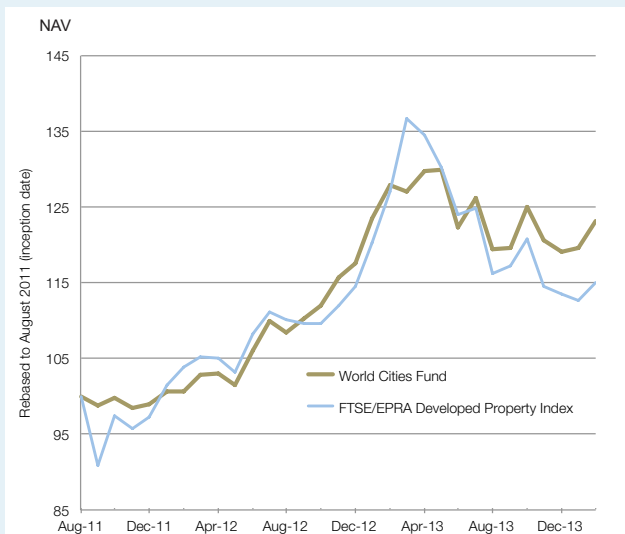
The liquidity, apart from aiding portfolio management, also makes it possible to invest in hard-to-access international real estate markets where volume is thin or transaction size is very large.

As listed vehicles, GRES are subject to strict transparency and accounting rules dictated by the various stock exchanges.

St Bride's World Cities Portfolio

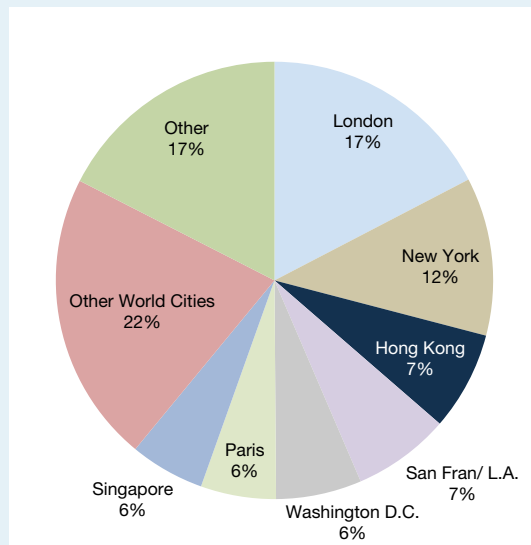
St Bride's manage an 'in-house' portfolio of GRES which offers exposure to the 20 urban markets identified in our World Cities research. The portfolio has out-performed the global index since inception (+19% vs +12%), with lower volatility on a monthly basis. The portfolio's blended dividend yield is consistently between 3% and 4% pa.

Total Return Performance Since Inception



Source: Bloomberg, St Bride's Managers

Geographic Allocation



Source: St Bride's Managers

Investors in Global Real Estate

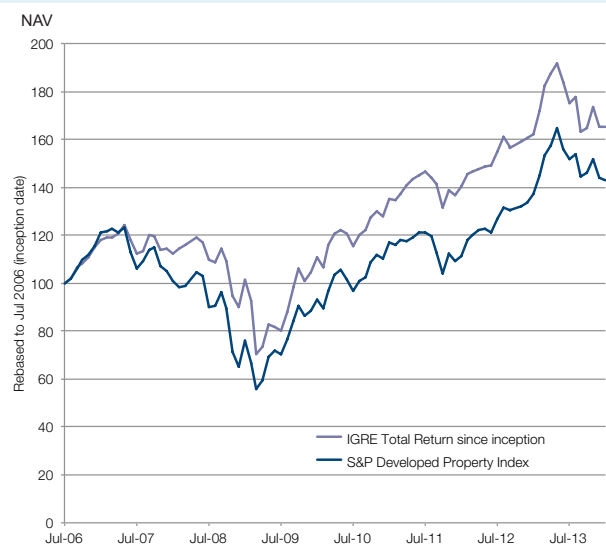
In late 2013, St Bride's were appointed as consultants to Investors in Global Real Estate, a fund of GRES. The fund has a market capitalisation of approximately £60 million and invests across the major global markets, with a bias toward income yielding stocks. The fund is listed on the London Stock Exchange and administered by an independent board of directors.

IGRE TOP TEN HOLDINGS

British Land	5.34%	UK	Diversified
Liberty Properties	5.23%	US	Offices
Highwoods Properties	5.20%	US	Offices
Eurocommercial	4.94%	Europe	Retail
Land Securities	4.91%	UK	Diversified
UDR	4.08%	US	Residential
Brandywine	3.97%	US	Offices
Link	3.92%	Hong Kong	Retail
Crombie	3.69%	Canada	Retail
Host Hotels	3.52%	US	Hotels

Source: CBRE Clarion

Total Return Performance since Inception



Source: FTSE, EPRA, Bloomberg

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