

Press Release

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inProp Capital

inProp Capital Launches the inProp UK Commercial Property Fund – an innovative synthetic approach to property investment

LONDON (4th October 2010) - inProp Capital LLP has launched the inProp UK Commercial Property Fund employing an actively-managed synthetic strategy to offer monthly liquidity and market-wide diversification to UK commercial property investors.

The inProp UK Commercial Property Fund's key features include:

- Market tracking
- Tradable monthly at NAV
- Open-ended
- Synthetic
- Un-gearred
- Low T.E.R.
- No Subscription Fees
- No Redemption Fees (if held for more than one year)

The Fund has been developed in response to institutional investor demand for a more efficient and liquid UK commercial property investment vehicle. Its innovative strategy makes use of UK commercial property derivatives to offer investors an opportunity to access the market's returns without the liquidity constraints that accompany unlisted property funds and the equity market volatility displayed by REITs.

"The fund's initial investments have been made by Scottish Widows Investment Partnership on behalf of the SWIP Property Trust, real estate fund manager PRUPIM and the Skandia Property Fund advised by ING Real Estate Investment Management" said Paul Ogden, partner at inProp Capital LLP. "We see a number of applications within existing property portfolios for a product such as this which offers easy and efficient access to broad property market returns, an obvious one being as an alternative to holding excessive amounts of cash for liquidity purposes."

Mr. Ogden added: "Amongst the major asset-classes commercial property may well stand to benefit the most from the use of a synthetic approach to investment. The transparent structure which we have adopted will appeal to multi-asset investors who have previously found property investment unattractive owing to the complexity of the underlying assets."

inProp UK Commercial Property Fund is the first sub-fund of an Irish regulated investment company with variable capital (ICVC). It is a qualifying investor fund (QIF) and has a technical listing on the Irish Stock Exchange.

The Fund has appointed inProp Capital LLP as the investment manager with responsibility for the management of the portfolio. inProp Capital LLP is a UK domiciled investment manager authorised and regulated by the Financial Services Authority. It was formed in 2008 by the core of Bank of America's property derivatives team. The partners have a long track record of developing successful ventures and market changing innovations, such as creating the \$400 billion CMBS index swap market and making major contributions to the development of the property derivatives market.