



TR PROPERTY INVESTMENT Trust

(TR Property Investment Trust plc) *Closed-ended investment trust*

LONG ONLY PAN EUROPEAN EQUITY AND UK DIRECT PROPERTY

Manager Commentary – by Chris Turner

A month like October will stick in the memory for a long time. For the Ordinary Share class the absolute monthly decline was the worst in ten years and the relative outperformance was also the best in ten years. It was panic down - with two very sharp recoveries in mid month and month end. State aid was doled out to most of Europe's biggest commercial property lenders implying that they will be forced to cut their real estate lending books in 2009/10. The market thinks this will lead to a flood of forced selling, while, at the same time, the plunge in economic activity will bludgeon both rental values and rental cash flows. Stock performance in the month reflected these fears. Many leveraged shares collapsed while the crowded trade in the few ultimately safe stocks left some of them well overvalued. For the record the NAV fell 17.1%, the Benchmark dropped 22.1% and the share price fell 19.9%. The relative outperformance was caused mainly by our cash holdings, but our investment policy of avoiding the heavily indebted companies shares also assisted. We spent a net £3.5m on stocks over the month during which we received the £7.5m cash proceeds from the sale of our Woking office building, so gross cash rose by £4m to £82m. With heightened concern about the safety of UK clearers, we moved £20m into a Treasury Bill which now appears as our fourth largest asset. This cash will be used to redeem the 8.125% Debenture at the end of November. We have renewed a borrowing facility for £50m against the possibility that stocks may look cheap enough to be bought with borrowed money sometime in the next twelve months. Early November has brought a short relief rally into which we have sold some more stock. Gross cash is currently around £86m of which £50m is in Euros. Cash, net of all debt, is £54m. The Trust's interim results are scheduled to be announced on 26 November and will be posted on the website that day.

Fund Performance to 31 Oct 2008

	1 Month	YTD	1 Year	3 Year	5 Year	10 Year	NAV per share	Ordinary Share Price
Ord. Price (total return)	-11.01%	-24.49%	-31.79%	-9.89%	+85.68%	+340.52%	143.33p	115.00p
Ord. Price (capital only)	-19.86%	-33.53%	-40.72%	-24.59%	+48.14%	+201.60%		
NAV (price only)	-17.14%	-30.96%	-36.53%	-13.01%	+57.64%	+211.65%		
EPRA European Property Index (price only)	-22.14%	-37.04%	-42.68%	-28.55%	+15.74%	+62.85%	Yield 4.87%	Discount 22.38%

Note: Price is month-end mid-price. Source: Datastream, Bloomberg. Refer to the monthly newsletter – Page 33 for monthly / annual return history vs benchmark.

Geographic Allocation % (Look-Through)

Austria	0.6
Belgium	1.7
Central Europe	2.4
Denmark	0.3
Finland	1.0
France	22.7
Germany	1.9
Greece	0.6
Italy	3.8
Netherlands	2.9
Portugal	0.1
Russia	0.3
Spain	1.9
Sweden	6.1
Switzerland	0.7
UK	52.6
USA	0.2
Other	0.2
Total	100.0

Asset Allocation %

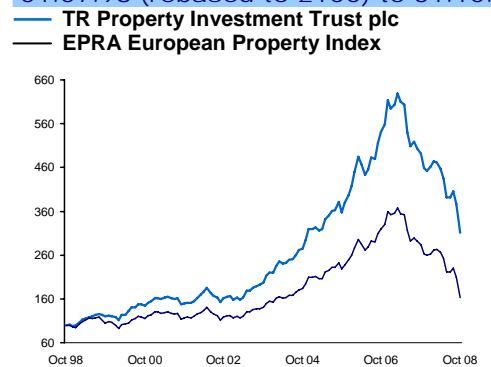
UK Shares	38.4
UK Direct Property	14.8
Continental Shares	34.6
Cash Including UK T-Bills	12.2
Total	100.0

Sector Allocation %

Offices	38.0
Retail	41.8
Industrial	13.3
Residential	4.1
Other	2.8
Total	100.0

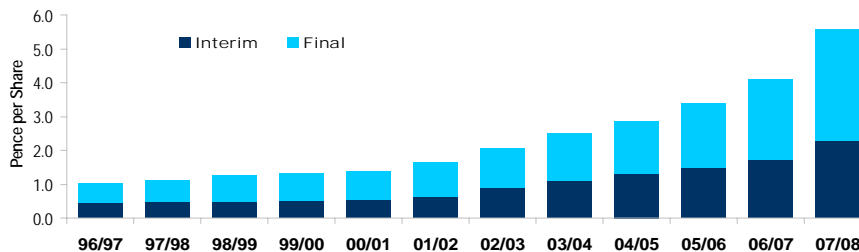
Note: figures above shown on a look-through basis.

NAV per share Price Performance 01.07.98 (rebased to £100) to 31.10.08



Note: Prior to September 2001 the benchmark index was FTSE Real Estate Index. Prior to 01/04/07: S&P Citigroup European Property Index Source: Northern Trust IFAS (Ireland) Ltd, Bloomberg, S&P, EPRA.

Dividend History*



*Dividends paid for March/Sep month ends are announced, November/May, paid January/July. Source = BNP Paribas.

Top 10 Holdings % of net assets

Unibail	15.2
Land Securities	14.6
British Land	6.4
UK Treasury Bill	6.1
Big Yellow	3.4
Hammerson	3.4
Segro	3.2
Castellum	2.5
Corio	2.5
Fonciere de Region	2.3

Fund Objective

The investment objective of the trust is to maximise total returns by investing in Pan European equities and UK direct property, focusing on long term capital and income growth.

Net Assets (Mn)

£380.5
Net Gearing -12.2%
Established 1905
Managed at TRC Since 1 October 2004
Dealing Daily (Stockmarket)
NAV Frequency Daily
Legal Status UK Investment Trust
Listing London Stock Exchange
 FTSE 250 Index
 January, July

Dividends

Charges
Initial Charge Nil
Management Fee 0.70% of net assets p.a. - up to £450m and 0.4% thereafter
Performance Fee 15% of outperformance of benchmark plus 2% hurdle

Investment Manager

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Registrar

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For a full list of Paying Agents' details, please follow the following links: http://www.thamesriver.co.uk/pdf/paying_agents.pdf

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