

TR PROPERTY INVESTMENT Trust

Ordinary Shares

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

LONG ONLY PAN EUROPEAN EQUITY AND UK DIRECT PROPERTY

Manager Commentary – by Chris Turner

The share prices of the larger European property stocks mostly paused for breath in September. Attention shifted to smaller high risk shares and there were some spectacular gains in Germany and Norway. Actively talked down by officialdom, Sterling declined by 3.7% against the Euro over the month, turning the benchmark price only return of +1.10% in Euros into a +4.94% return in Sterling. The Ordinary share NAV rose 5.08% but the share price fell 0.48% as the discount to the capital only NAV rose from 6% to 11.0%. Premiums to broker's current estimated NAV are now commonplace for the larger UK companies. Such ratings are spurred by industry gossip that the direct market is seeing a deluge of buying interest and a serious paucity of stock. Values for well let buildings are definitely moving rapidly upwards again and this pattern looks set to continue for the rest of the year. As a result we expect to see brokers upgrading 2010 NAV forecasts en masse. Such bullish sentiment is welcome but we have to take care because much of the fuel for this mini-boom comes from the present extraordinary interest rate policy and from a dearth of loan distressed stock which the banks are not releasing onto the market. Both of these are expected to be temporary phenomena. The Ordinary Share class's direct property portfolio was revalued at £47.1m as at the 30 September, a like for like decline of only 0.475% over the March 2009 valuation figure. We spent a net £13m on investments to leave the fund with net debt of £8m. The unaudited results for the half year to the end of September are due to be announced on Wednesday 25 November.

Fund Performance to 30 Sep 2009

	1 Month	YTD	1 Year	3 Year	5 Year	10 Year	NAV per share	Ordinary Share Price
Ord. Price (total return)	-0.44%	+39.21%	+14.98%	-17.89%	+67.56%	+356.66%	176.34p	157.00p
Ord. Price (capital only)	-0.48%	+35.34%	+9.41%	-25.94%	+42.40%	+242.20		
NAV (price only)	+5.08%	+19.08%	+1.94%	-25.74%	+40.91%	+208.66%		
EPRA European Property Index (price only)	+4.94%	+17.84%	-5.78%	-36.22%	+9.49%	+58.96%	Yield 3.57%	Discount 10.97%

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

Geographic Allocation % (Look-Through)

Austria	1.4
Belgium	3.0
Central Europe	2.6
Denmark	0.1
Finland	2.1
France	25.8
Germany	3.0
Greece	0.9
Italy	4.2
Netherlands	4.2
Portugal	0.1
Russia	0.8
Spain	2.6
Sweden	7.5
Switzerland	1.1
UK	39.5
USA	0.5
Other	0.4
Total	100.0

Asset Allocation %

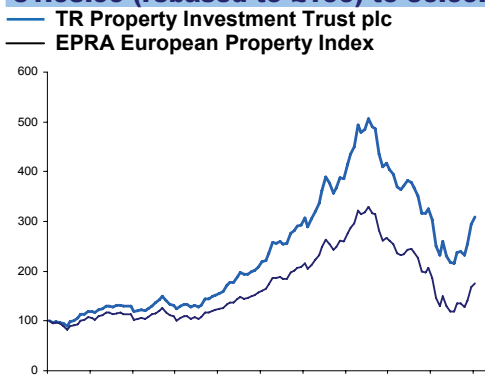
Continental Shares	54.6
UK Shares	35.2
UK Direct Property	10.2
Total	100.0

Sector Allocation %

Offices	34.4
Retail	41.6
Industrial	12.0
Residential	7.8
Other	4.2
Total	100.0

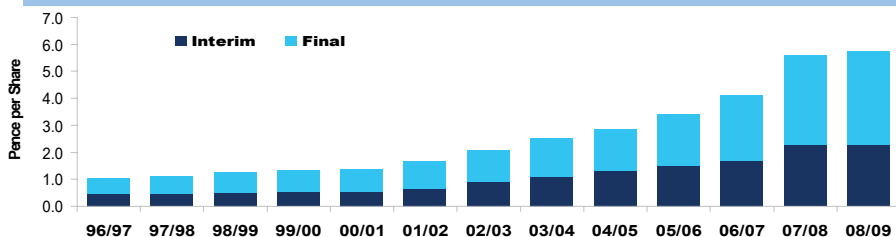
Note: figures above shown on a look-through basis.

NAV per share Price Performance 31.08.99 (rebased to £100) to 30.09.09



Note: Prior to 01.09.01 the benchmark was FTSE Real Estate Index and prior to 01.04.07 it was the S&P Citigroup European Property Index Source: BNP Paribas, 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	16.6
Land Securities	6.8
British Land	4.9
Corio	4.5
Segro	4.3
Klepierre	3.1
Fonciere Des Regions	3.1
lcade	2.7
Hammerson	2.5
Derwent	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)

£462.0

Net Gearing

+2.6%

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

£2.65m p.a plus 0.20%

Performance Fee

net of assets p. a.

15% of outperformance of benchmark plus 2% hurdle

Investment Manager

Thames River Capital LLP

Stockbroker

Centos Securities plc

Administrator

BNP Paribas

c/o Angelique Ello, TRC

Tel: +44 (0)20 7360 1335

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Potential investors should follow the links below for information on any current side letters relating to the schemes.
<http://www.thamesriver.co.uk/downloads/disclosures.htm> <http://www.nevskycapital.com/downloads/disclosures.htm>

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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

http://www.nevskycapital.com/pdf/paying_agents.pdf

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