

BREL - MIXED FUND

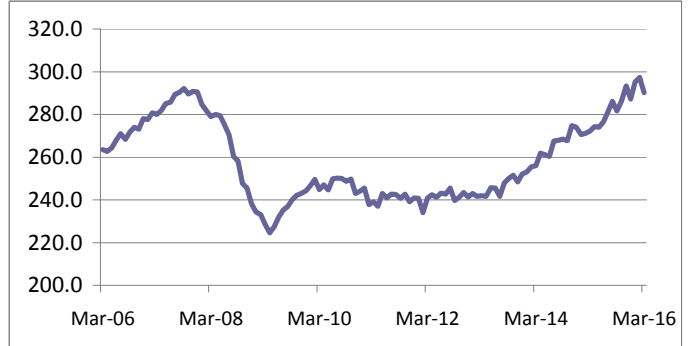


PROPERTY MARKET NEWS

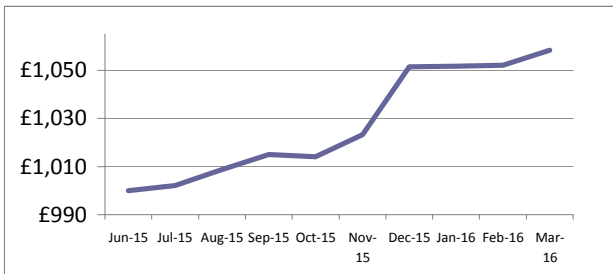
The 1st quarter of 2016 saw a continuation of the previous two years' upward trend. Prices picked up in January and February before dropping back a little in March.

Some volatility is expected as the UK adjusts to recent legislation changes although this is likely to be dampened by a slow down in the market whilst the UK decides on its future in or out of the European Union. Locally, property commentators on the Northampton market noted a continued demand for properties to both buy and let and increases are therefore expected to continue in 2016.

Northampton 10 year House Price Index



SHARE PERFORMANCE



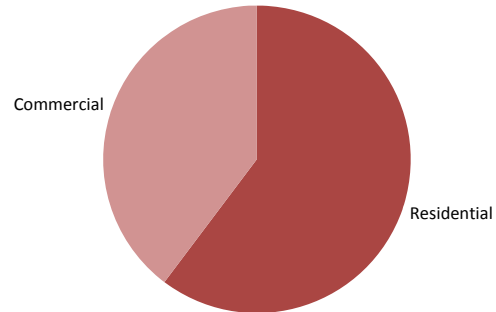
Share price rose by 0.7% during the quarter. Net income from properties was offset by refurbishment costs from the work on Apartments 1 and 5 Gold Street and the restaurant at Derngate.

There are no significant costs anticipated during the second quarter of 2016 and with expected valuation improvements from the work done to date management expect the share price to continue to rise.

PORTFOLIO POSITION

The proportion of the portfolio represented by residential property remained at 60.1% during the quarter, the average gross rental yield across the residential portfolio increased from 6.8% to 7.1% from changes at Gold Street. As in previous quarters, this is strong compared to traditional market rates, especially considering the portfolio comprises of houses as well as apartments where yield is traditionally higher.

The Commercial portfolio represents the remaining 39.9% of value and yield has maintained at 7.9%.



PROPERTY BREAKDOWN

Property	Value (£'000)	Annual rent (£)	Yield %
Semilong - completed residential development	759.8	45,000	5.9%
Derngate - restaurant and apartments	709.5	62,940	8.9%
Gold Street - restaurant and apartments	856.3	73,800	8.6%
The Old Bakehouse - restaurant	304.5	14,004	4.6%
Total	2,630.1	195,744	7.4%

During Q1 2016 two apartments at Gold Street were refurbished and each of these presented an opportunity to increase the rent on the property by over 25%, strengthening the portfolio. and further work was done on the restaurant at Derngate. The property improvements are expected to manifest in improved valuations as at 30 June 2016.

At Semilong, some refurbishment took place, improving the properties and dealing with historic issues.

During the quarter property values increased by 0.5%. The Fund has a valuation policy to increase the carrying values of each property at the rate of 2% per annum in order to calculate the Net Asset Value of the Fund's shares. This reflects the investment objectives of a combination of net rental income plus capital appreciation. At each 6 monthly interval, the Fund will arrange for an independent valuation of the properties by a qualified third party and restate the carrying values of each property accordingly.



CADMAN PROPERTY