Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

AEW UK LONG LEASE REIT PLC. Name of PRIIP Manufacturer: AEW UK Investment Management LLP.

ISIN: GB00BDVK7088

LEI: 213800MPBIJS12Q88F71

Website: http://www.aewukllreit.com/.

Call Link Company Matters Limited (Company Secretary) on 01392 477 509 for more information.

The Financial Conduct Authority is responsible for the supervision of AEW UK Investment Management LLP in relation to this document.

Date of production of this document: 19 December 2018.

What is this product?

Type: Closed-ended investment company incorporated in England and Wales as a public limited company and whose shares are admitted to trading on the main market for listed securities of the London Stock Exchange.

Objectives: AEW UK LONG LEASE REIT plc (the **Company**) aims to generate a secure and sustainable income return in real terms, whilst at least maintaining capital values in real terms through investment in a diversified portfolio of UK properties, predominantly in alternative and specialist sectors. The Company invests in freehold and long leasehold properties across the whole spectrum of the UK property sectors but with a focus on alternative and specialist real estate sectors: leisure, hotels, healthcare, education, logistics, automotive, supported living and student accommodation. The Company focuses on properties with a value (at the time of investment) between £2 million and £30 million that can generate predictable income streams through long leases with rent reviews linked to inflation in the UK. The Company supplements its investment strategy with asset management initiatives.

Borrowing: The Company has borrowed to purchase properties. This will magnify any gains or losses made by the Company. The level of total borrowings will not exceed 40% of gross asset value (measured at drawdown).

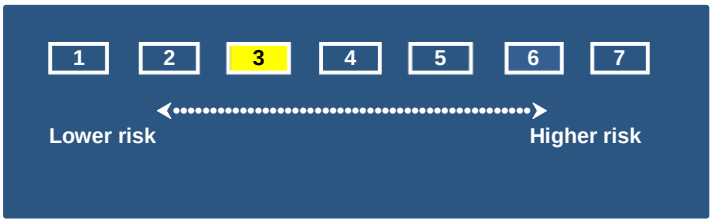
Dividends: The Company will target an annual dividend of 5.5 pence per share for the year ended 30 June 2019, with an ambition to grow this in future years by the rate of UK inflation. It is the intention of the directors of the Company to pay dividends to shareholders on a quarterly basis.

Intended retail investor: Individuals who are professionally advised or highly knowledgeable, financially sophisticated and who understand (and are capable of evaluating) the risks of an investment in the Company and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from an investment in the Company.

Term: The Company has an indefinite life.

What are the risks and what could I get in return?

Risk Indicator





This risk indicator assumes you keep the product five years. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Company is not able to pay out.

We have classified this product as 3 out of 7, which is a medium-low risk class.

This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact the capacity to pay you.

Further details of the risks relevant to the Company are set out in its prospectus which is available at www.aewukllreit.com.

This product does not include any protection from future market performance so you could lose some or all of your investment.

Performance Scenarios

Investment £10,000 Scenarios		1 year	3 years	5 years (Recommended minimum holding period)
Stress scenario	**What you might get back after costs**	£6,095	£6,839	£6,186
	Average return each year	-39.05%	-11.89%	-9.16%
Unfavourable scenario	**What you might get back after costs**	£9,904	£11,103	£12,754
	Average return each year	-0.96%	3.55%	4.99%
Moderate scenario	**What you might get back after costs**	£11,005	£13,340	£16,170
	Average return each year	10.05%	10.08%	10.09%
Favourable scenario	**What you might get back after costs**	£12,246	£16,051	£20,532
	Average return each year	22.46%	17.09%	15.47%

This table shows the money you could get back over the recommended 5 year holding period under different scenarios assuming that you invest £10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/ product.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where the Company is not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

The figures shown above have been calculated in accordance with prescriptive methods set out in EU Regulation based on past performance and using proxy data. The figures are not forecasts or projections and are not guaranteed. Past performance is not an indicator of future performance.

What happens if AEW UK Long Lease REIT plc is unable to pay out?

As a shareholder of the Company, you would not be able to make a claim to the Financial Services Compensation Scheme about the Company in the event that the Company is unable to pay out.

What are the costs?

Costs over time

The Reduction in Yield (**RIY**) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment £10,000 Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years (the recommended minimum holding period)
Total costs	£646	£2,349	£4,746
Impact on return (RIY) per year	5.59%	5.59%	5.59%

Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

This table shows the impact on return per year

One-off costs	**Entry costs**	None	No entry costs apply to the product.
	Exit costs	None	No exit costs apply to the product.
On-going costs	**Portfolio transaction costs**	2.97%	The impact of the costs of us buying and selling underlying property investments for the product, including stamp duty
	Other on-going costs	2.62%	The impact of the management fees and administration and finance costs incurred each year in managing the investments.
Incidental costs	**Performance fees**	None	No performance fees apply to the product.
	Carried interests	None	No carried interests apply to the product.

How long should I hold it and can I take money out early?

There are no restrictions on the transferability of the shares. The shares of the Company trade continuously on the London Stock Exchange and are not bound by any prescribed redemption or sale restrictions. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it. Shareholders wishing to realise their investment may do so by selling their shares in the market.

Recommended and/or required minimum holding period

There is no required minimum holding period and this product has no maturity. The recommended holding period is expected to be at least five years for shares in the Company. This is on the basis that the underlying property assets are typically relatively illiquid and the Company's investment objective aims to provide shareholders with capital appreciation over the medium to long term.

Prospective investors should not treat the contents of this Key Information Document as advice relation to legal, taxation, investment or any other matters. Prospective investors must rely upon their own legal advisers, accountants and other financial advisers as to legal, tax, investment or any other related matters concerning the Company and an investment in the shares.

How can I complain?

As a shareholder of the Company, you do not have the right to complain to the Financial Ombudsman Service about the management of the Company.

Complaints about the Company or the key information document should be sent to the Company Secretary at Link Company Matters Limited (email: aewl.cosec@linkgroup.co.uk and address: 6th Floor, 65 Gresham Street, London EC2V).

Other relevant information

The cost, performance and risk calculations included in this Key Information Document follow methodology prescribed by EU Regulations. For the purposes of the performance scenarios, this includes the use of proxy data due to the relatively short trading history of the Company.

The prospectus and additional documents on the Company are available on the following website:

http://www.aewukllreit.com