Lifting of the decision to defer the Standard Life Long Lease Property Pension Fund

Following the huge market disruption because of COVID-19, in March 2020, the Standing Independent Valuers for the Standard Life Long Lease Property Pension Fund (“Fund”) told us that it was not possible to provide accurate and reliable valuations for certain assets, including the properties held in the Fund. We were, therefore, unable to produce a price for the Fund which reflected the assets’ true market value.

As a result, the decision was made to defer the Fund with effect from 1.00pm on the 18 March 2020. The decision to defer trades was made to treat all customers fairly and to protect the interests of all investors in the Fund.

Standard Life has now been informed by the Fund’s Standing Independent Valuers that there is sufficient market based evidence to remove the material valuation uncertainty clause in respect of the majority of assets in the Fund which has enabled the deferral to be lifted effective 3 August 2020.

By lifting the deferral, Standard Life has confirmed that dealing in the Fund will return to normal on 3 August 2020, with the first valuation point being 2pm on that date.

As an income distribution was not paid during the period of deferral, we will be looking to pay out the accrued income to investors who have elected to receive income. The intention is to make this payment on 18 August 2020 with normal quarterly distributions resuming thereafter.

The Fund has successfully navigated a very difficult market environment over the last few months. We have worked hard to support our tenants at this time and are pleased that the rental receipts for Q2 2020 and Q3 2020 have been close to 90%. We remain very confident in the underlying strength of the assets in the Fund and the ability to deliver the returns that our Clients expect.

If you have any questions about the information in the update, please contact your usual Aberdeen Standard Investments representative.

Important Information
Investment involves risk. The value of investments, and the income from them, can go down as well as up and an investor may get back less than the amount invested. Past performance is not a guide to future results.