

The Local Authorities' Property Fund

Fund fact sheet – 30 June 2024

Investment objective

The fund aims to provide a high level of income and capital growth over the long term (defined as 5 years).

Investment policy

The fund is an actively managed, diversified portfolio of UK commercial property. It will principally invest in UK commercial properties, but may invest in other assets, which may be either liquid or illiquid in nature.

The fund may also invest some of its assets in instruments that are easier to buy and sell to maintain appropriate levels of liquidity. Instruments used for this purpose may include cash and near-cash, participation notes, UK real estate investment trusts, regulated or unregulated investment funds, and loan notes.

The fund is managed in line with CCLA's responsible property investment policy, which you can read in the policies and reports section on our website.

Target investors

The fund is designed for local authorities looking for exposure to UK commercial property for their long-term investments.

Independent governance

The trustee is the Local Authorities' Mutual Investment Trust, a body controlled by members and officers appointed by the Local Government Association, the Convention of Scottish Local Authorities, the Northern Ireland Local Government Officers' Superannuation Committee, the Welsh Local Government Association and investors in the fund.

Who can invest?

Any local authority in the United Kingdom.

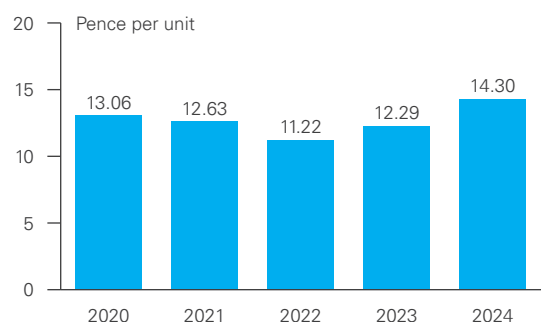
Income

Gross dividend yield (see note 1) 3.97%

MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index yield 4.21%

Note 1: Based on the fund's net asset value and historic annual dividend of 10.95 pence per unit.

12 month distributions to 31st March:



Fund update

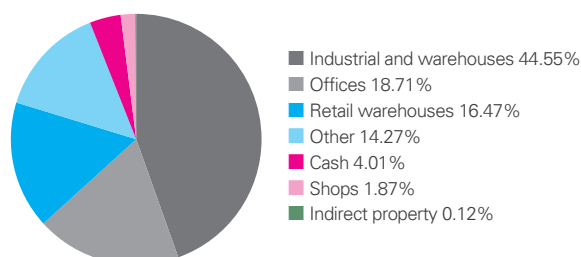
Occupier and rental markets in most sectors have remained competitive, supporting the income flows which make up a sizeable part of long term total returns to property investors. Capital markets are still subdued, however. Transaction volumes, despite rising slightly in the latest quarter, remain well below the long-term average and both prospective buyers and sellers have been in a cautious mood. Offices are still the most troubled sector in a challenging market, due to a combination of changing working practices and more stringent environmental standards adding to landlords' costs.

Over the quarter the Fund's total return was +0.9% compared with a return on the comparator benchmark of +1.2%. Over the past 12 months the Fund returned +0.9% compared to the comparator benchmark return of -0.4%.

The portfolio is managed actively with the aim of providing a high income and long term capital appreciation. There were no sales or purchases during the quarter but it was a busy period for leasing and development activity. Income ceasing as a result of lease expiries was replaced by two new lettings, a lease renewal, and five rent reviews, including three which are linked to retail price inflation (RPI). Refurbishment is underway at two industrial warehouse for which there is letting interest in the premises prior to completion.

Buyer interest, notably from overseas investors, is finally beginning to recover. Nevertheless valuations are likely to remain under pressure until bond yields fall significantly – this will restore some of the yield premium necessary to attract larger volumes of investors back to the market. In the meantime, income will be the key driver of property returns. Investors in office space face particular challenges and active, selective management will be especially important in this sector.

Asset allocation at 30 June 24



Total return performance by year

12 months to 30 June	2020	2021	2022	2023	2024
The Local Authorities' Property Fund	-3.47%	+11.73%	+23.70%	-17.39%	+0.90%
Comparator benchmark	-2.48%	+8.49%	+22.72%	-17.14%	-0.42%

Annualised total return performance

Performance to 30 June 2024	1 year	3 years	5 years
The Local Authorities' Property Fund	+0.90%	+1.03%	+2.15%
Comparator benchmark	-0.42%	+0.42%	+1.39%

Performance shown after management fees and other expenses. The comparator benchmark is MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index. **Past performance is not a reliable indicator of future results.** Source: CCLA

Top 10 holdings at 30 June 24 – Total 35.72%

London, Beckton Retail Park	London, Pickett's Lock
London, Goodman's Yard	Coventry, Torrington Avenue
Leeds, 27 Industrial Estate	London, Imperial House
London, Cathedral Street	Bolton, Great Bank Road
Bristol, Gallagher Retail Park	Huntingdon, DHL Cardinal

Key facts

Manager	CCLA Fund Managers Limited
Investment Manager	CCLA Investment Management Limited
Fund size	£1,031m
Number of holdings	67

Income units	
Offer (buying) price	294.25 pence
Net asset value	275.65 pence
Bid (selling) price	271.38 pence
Launch date	18 April 1972
Unit type	Income
Minimum initial investment	£25,000
Minimum subsequent investment	£10,000
Dealing day	Month-end valuation date (see note 2)
SEDOL	0521664
ISIN	GB0005216642
Dividend payment dates	Last business day of January, April, July, and October
Annual management charge (taken from income)	0.65%
Fund management fee (FMF)	0.73% (see note 3)
PRIPs other ongoing costs	0.73% (see note 4)

Note 2: Dealing instructions for the purchase of units must be received by 5pm on the business day before the valuation date. Whilst units can be sold on each monthly dealing date, all redemption requests are currently subject to a minimum notice period of 6 months (this may be reduced to 90 days at the manager's discretion) and will therefore be processed on the next available dealing day following expiry of the notice period.

Note 3: The FMF includes the annual management charge and other costs and expenses of operating and administering the fund, such as depositary, custody, audit, and regulatory fees.

Note 4: The packaged retail and insurance-based investment products (PRIIPs) other ongoing costs include the FMF and, where relevant, synthetic charges. Synthetic charges are the effect that costs incurred as a result of investment in relevant underlying funds or similar investments have on the fund. The PRIIPs other ongoing costs do not include transaction costs. For more information on costs, including transaction costs, please see the fund's key information document.

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