

The Local Authorities' Property Fund

Fund fact sheet – 30 September 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) 5.21%

MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index yield 4.16%

Note 1: Based on the fund's net asset value and historic annual dividend of 14.39 pence per unit.

Fund update

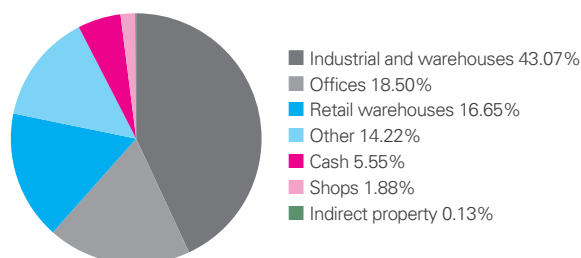
Over the quarter the Fund's total return was +1.4% compared with a return on the comparator benchmark of +1.1%. Over the past 12 months the Fund returned +2.2% compared to the comparator benchmark return of +1.4%.

Commercial property prices returned to growth in the third quarter, alongside the income that had made up most of this year's returns. This turnaround benefited the majority of sectors (industrial, retail warehouse, etc.) but performance differed between sectors. Rental growth continued, including in the office sector, where the supply of grade A offices refurbished to a high specification dwindled. Buyers and sellers across the country remained in cautious mood, however, so transaction volumes remained below their five-year and 10-year averages.

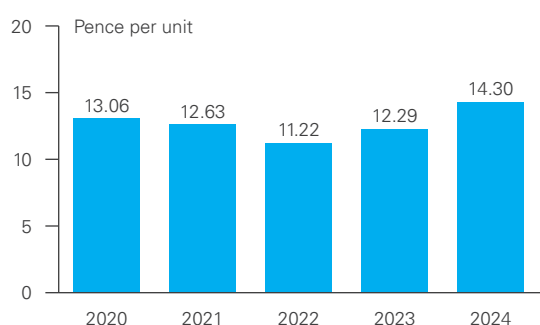
We manage the fund actively, with the aim of providing income and long term capital growth. During the quarter, the fund concluded new leases on three office buildings, in London and Edinburgh. Two leases expired, in Solihull and Leeds and the fund sold one warehouse unit, in Ellesmere Port at a premium to valuation.

In August, the Bank of England cut its Official Bank Rate for the first time in four years, from 5.25% to 5.00%. More recently, the Bank's governor stated that it could be "a bit more aggressive" in its two remaining meetings this year, depending on inflation. If bond yields fall as well, property prices may continue to recover for the remainder of 2024. We expect any such recovery to be uneven, however, with good performance in the industrial and retail sectors.

Asset allocation at 30 September 24



12 month distributions to 31st March:



Total return performance by year

12 months to 30 September	2020	2021	2022	2023	2024
The Local Authorities' Property Fund	-2.70%	+15.52%	+14.59%	-14.41%	+2.18%
Comparator benchmark	-2.75%	+12.94%	+13.30%	-14.52%	+1.36%

Annualised total return performance

Performance to 30 September 2024	1 year	3 years	5 years
The Local Authorities' Property Fund	+2.18%	+0.07%	+2.41%
Comparator benchmark	+1.36%	-0.61%	+1.52%

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 September 24 – Total 36.65%

London, Beckton Retail Park	London, Kean Street
London, Goodman's Yard	London, Pickett's Lock
London, Palace House	Coventry, Torrington Avenue
Leeds, 27 Industrial Estate	Bolton, Wingates
Bristol, Gallagher Retail Park	Huntingdon, DHL Cardinal

Key facts

Manager	CCLA Fund Managers Limited
Investment Manager	CCLA Investment Management Limited
Fund size	£1,032m
Number of holdings	66

Offer (buying) price	294.67 pence
Net asset value	276.04 pence
Bid (selling) price	271.76 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 (PRIPs) 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 PRIPs other ongoing costs do not include transaction costs. For more information on costs, including transaction costs, please see the fund's key information document.

Please refer to <https://www.ccla.co.uk/glossary> for explanations of terms used in this communication. If you would like the information in an alternative format or have any queries, please call us on 0800 022 3505 or email us at clientservices@ccla.co.uk.

Risk warning and disclosures

This document is a financial promotion and is for information only. It does not provide financial, investment or other professional advice. To make sure you understand whether our product is suitable for you, please read the key information document and scheme information and consider the risk factors identified in those documents. CCLA strongly recommend you get independent professional advice before investing. Past performance is not a reliable indicator of future results. The value of investments and the income from them may fall as well as rise. You may not get back the amount you originally invested and may lose money. The properties held by the fund are valued by an external property valuer and any valuations are a matter of opinion rather than fact. The performance of the fund may be negatively affected by a downturn in the property market which could impact on the value of the fund. Any forward-looking statements are based on our current opinions, expectations and projections. We may not update or amend these. Actual results could be significantly different than expected. Investment in the fund is only available to eligible local authorities. The fund is an unauthorised UK alternative investment fund and an unregulated collective investment scheme established under a scheme approved by HM Treasury under Section 11 of the Trustee Investments Act 1961, together with the trust deed dated 6 April 1972 as amended by supplemental trust deeds dated 6 April 1972, 13 September 1978, 21 April 2016 and 23 September 2019. Issued by CCLA Investment Management Limited (registered in England and Wales, number 02183088, at One Angel Lane, London EC4R 3AB) who is authorised and regulated by the Financial Conduct Authority. CCLA Fund Managers Limited (registered in England and Wales, number 8735639, at One Angel Lane, London EC4R 3AB) is authorised and regulated by the Financial Conduct Authority. For information about how we collect and use your personal information please see our privacy notice, which is available at <https://www.ccla.co.uk/our-policies/data-protection-privacy-notice>.

Please Contact

Kelly Watson

Market Development
T: +44 (0)207 489 6105
M: +44 (0)7879 553 807
E: kelly.watson@ccla.co.uk

Jamie Charters

Market Development
T: +44 (0)207 489 6147
M: +44 (0)7468 560 680
E: jamie.charters@ccla.co.uk

Lee Jagger

Market Development
T: +44 (0)207 489 6077
E: lee.jagger@ccla.co.uk