

# The Local Authorities' Property Fund

## Fund Fact Sheet – 31 March 2022

### Investment objective

The Fund aims to provide a high level of income and long-term capital appreciation.

### 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 invest a proportion of its assets in liquid instruments and cash in order to obtain appropriate levels of liquidity. Instruments used for this purpose may include cash and near cash equivalents, participation notes, UK real estate investment trusts, regulated or unregulated investment funds, and loan notes.

### Target investors

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

### Independent Governance

The trustee is the Local Authorities' Mutual Investment Trust (LAMIT) 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 England, Wales, Scotland and Northern Ireland.

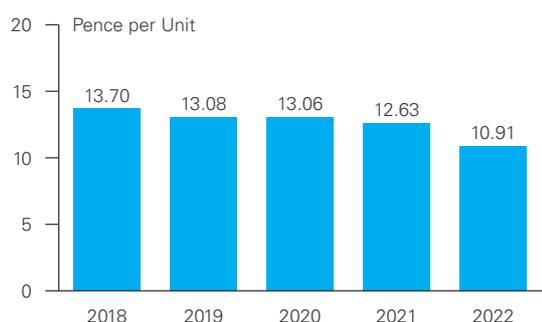
### Income

|   |         |
|---|---------|
| Gross dividend yield  | 3.16%*  |
| MSCI/AREF UK Other Balanced Quarterly Property Fund Index yield | 2.88%** |

\* Based upon the net asset value and historic gross annual dividend of 10.9089p.

\*\* As at 31 March 2022

### Rolling 12 month distributions to 31st March:



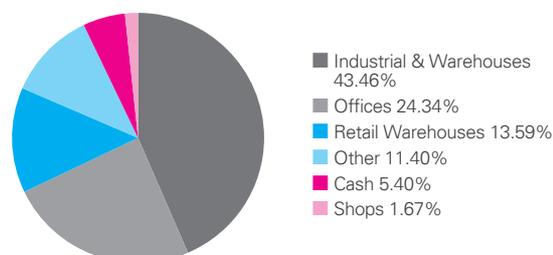
### Fund update

UK commercial property had a good start to the year, building on strong progress in 2021. In the industrials sub-sector, attractive rental growth reflected high tenant demand. Rental growth was harder to come by in office and retail, although the pressure on sector income continued to ease as tenants emerged from Covid trading restrictions and protective payment measures. Valuations moved further upwards, supported by high transaction volumes which were significantly above trend and 35% higher than for the corresponding period last year. Accordingly, yields continued to tighten and the average prime yield fell back to a level not seen since before the pandemic. Even high street retail saw some benefit from improved sentiment, though the biggest gainers were in industrial/distribution properties, and retail warehouses.

The portfolio retains its asset allocation bias towards industrials and away from retail other than the warehouse sub-sector. There were no sales or purchases during the quarter but there was a significant level of lease activity including a new office tenant at Imperial House, Covent Garden; a retail lease renewal in Chichester; and lease renewals and rent reviews delivering substantial rental growth at industrial properties in Enfield, Orpington, Coventry and Warrington, all supporting income flows.

Investor interest in property as an asset class, not least because of its potential to provide rising income at times of rising inflation, should continue to support the positive trend in valuations. Within the portfolio the asset allocation will remain broadly unchanged but one area of focus will be the office sector where we will continue to respond to changes in client demand that have become evident in the wake of the pandemic.

### Asset allocation at 31 March 22



## Discrete year total return performance

| 12 months to 31 March                | 2022    | 2021   | 2020   | 2019   | 2018    |
|--------------------------------------|---------|--------|--------|--------|---------|
| The Local Authorities' Property Fund | +21.82% | +3.75% | +0.66% | +5.99% | +9.72%  |
| Comparator Benchmark                 | +22.52% | +2.46% | +0.12% | +5.69% | +10.46% |

## Annualised total return performance

| Performance to 31 March 2022         | 1 year  | 3 years | 5 years |
|--------------------------------------|---------|---------|---------|
| The Local Authorities' Property Fund | +21.82% | +8.36%  | +8.15%  |
| Comparator Benchmark                 | +22.52% | +7.92%  | +7.97%  |

Net performance shown after management fees and other expenses. Comparator Benchmark – MSCI/AREF UK Other Balanced Quarterly Property Fund Index. Past performance is not a reliable indicator of future results. Source: CCLA

## Top 10 property holdings at 31 March 22 – Total 33.84%

|                            |                                  |
|----------------------------|----------------------------------|
| London, Becton Retail Park | Centennial Park, Elstree         |
| London, Palace House       | Leeds, 27 Industrial Estate      |
| London, Goodman's Yard     | Bristol, Gallagher Retail Park   |
| London, Kean Street        | Bracknell, Arlington Square West |
| London, Pickett's Lock     | Uxbridge, Stockley Park          |

## Key facts

|   |                                    |
|---|------------------------------------|
| Fund size   | £1,439                             |
| Number of holdings                                | 77                                 |
|   | <b>Income units</b>                |
| Offer (buying) price                              | 368.46p (xd)                       |
| Net asset value                                   | 345.17p (xd)                       |
| Bid (selling) price                               | 339.82p (xd)                       |
| Launch date                                       | 18 April 1972                      |
| Unit types  | Income                             |
| Minimum initial investment                        | £25,000                            |
| Minimum subsequent investment                     | £10,000                            |
| Dealing day                                       | Month end valuation date*          |
| Sedol & ISIN numbers                              | 0521664, GB0005216642              |
| Dividend payment dates                            | End January, April, July & October |
| Annual management charge (taken 100% from income) | 0.65%                              |
| Fund management fee (FMF)                         | 0.72% **                           |
| PRIPs other ongoing costs                         | 0.72% ***                          |

## Please Contact

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\* Dealing instructions for the purchase of units must be received by 5.00pm on the business day preceding the valuation date. If the valuation date is a bank holiday, the dealing day will be the previous business day. Whilst units are realisable on each monthly dealing date, all redemption requests are subject to a minimum notice period of 90 calendar days and will therefore be processed on the next available dealing day following expiry of the notice period.

\*\* 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.

\*\*\* The PRIPs other ongoing costs includes the FMF and where relevant, synthetic charges. Synthetic charges are the impact to the Fund of costs incurred in relevant underlying funds or similar investments. It does not include transaction costs. For more information on costs, including transaction costs, please refer to the Fund's Key Information Document.

## Risk warning and disclosures

This document is a financial promotion and is issued for information purposes only. It does not constitute the provision of financial, investment or other professional advice. To ensure you understand whether our product is suitable, please read the Key Information Document and Scheme Information and the risk factors identified therein. We strongly recommend you seek independent professional advice prior to investing. Past performance is not a reliable indicator of future results. The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money. Any forward-looking statements are based upon our current opinions, expectations and projections. We undertake no obligations to update or revise these. Actual results could differ materially from those anticipated. Investment in the Fund is for Eligible Local Authorities only. The Fund is an unauthorised UK Alternative Investment Fund and an Unregulated Collective Investment Scheme established under a Scheme approved by H M Treasury under Section 11 of the Trustee Investments Act 1961 and is subject to provisions of a Trust Deed dated 6 April 1972 and supplemental Trust Deeds dated 6 April 1972, 13 September 1978, 21 April 2016 and 23 September 2019. The Fund operates as an open-ended fund under Part IV of the schedule to the Financial Services and Markets Act 2000 (Exemption) Order 2001. CCLA Fund Managers Limited (registered in England & Wales No. 8735639 at Senator House, 85 Queen Victoria Street, London EC4V 4ET) is authorised and regulated by the Financial Conduct Authority and is the Manager of the Local Authorities' Property Fund. For information about how we obtain and use your personal data please see our Privacy Notice at <https://www.ccla.co.uk/our-policies/data-protection-privacy-notice>.