



COIF Charities Property Fund

Fund Profile – 31 December 2011

An ideal choice for charity trustees with long-term funds seeking a combination of capital and income growth

Prices at 31.12.11

Income units	101.96p (xd)
Accumulation units	176.63p
Gross dividend yield	7.42%*

* Based upon the net asset value and historic annual dividend of 757p

Net asset value

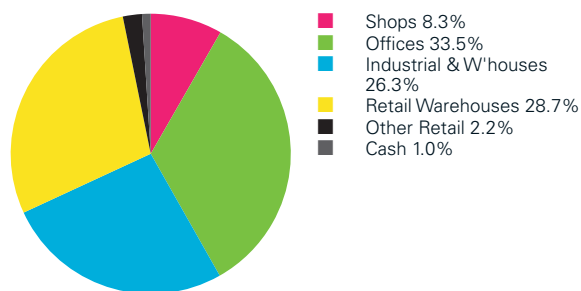
The Property Fund is designed to achieve long term capital growth and a rising income from investments in the commercial property sector.

The portfolio is actively managed and seeks to boost returns by lease and tenant management and property improvement.

The Fund has a broad sector spread to maximise the range of opportunities, diversification to keep risks under control.

Joint Winner AREF 5 Year Risk Adjusted Performance Award

Asset allocation by investment category 31 December 2011



Fund size £138 million

Property portfolio details

Top 5 properties = 29.0% of the portfolio

Top 5 tenants = 29.7% of rental income

Weighted unexpired lease term 6.8 years

Vacancy rate 5.0%

Asset allocation by region and category 31 December 2011



Fund Data as at 31 December 2011 and IPD Quarterly Universe data as at 30 September 2011

Market update

Whilst good quality, income secure properties continued to be in demand, the market for secondary assets remained weak. The slight overall improvement in capital values recorded for the sector therefore reflected divergent trends in different parts of the market. The best performing sector was offices in central London, indeed by the end of the period this was the only sector still displaying upward price momentum. Transaction volumes remained very low, limiting the information on which valuers depend to determine valuations. This has resulted in an increased level of subjectivity in valuations and as a result a level of caution has crept into expectations, in particular for shorter lease assets.

Occupier markets remain fragile and void levels uncomfortably high at over 10% overall.

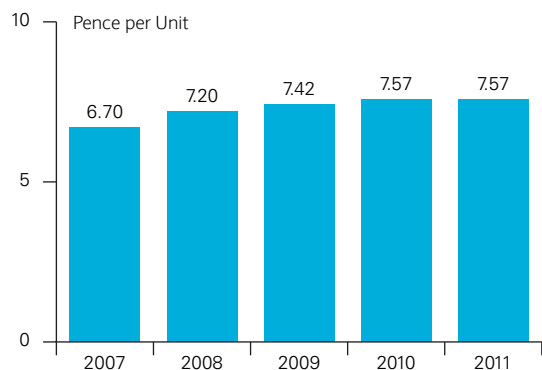
Fund activity

- There were no transactions in the final quarter although a prime shop in Cardiff was identified with the deal completing in the New Year.
- Two void units have been let, with the result that, at the end of the period, the void rate was down to about 5%. This will decline again shortly as two further lettings are due to complete.
- There was one rent review, on an office in Glasgow, which resulted in an increase in the income received.

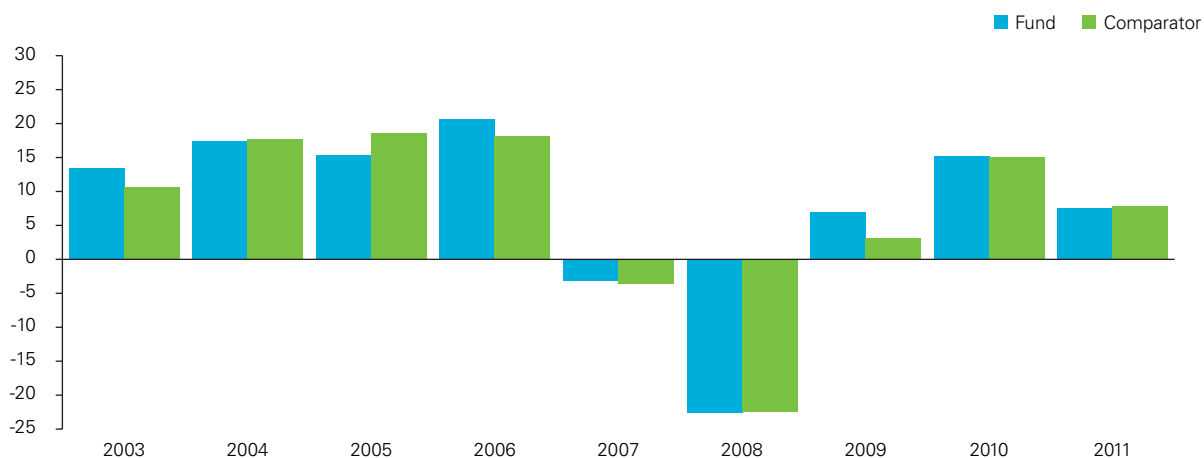
Outlook

We expect the current two tier market to continue, however we do not expect any overall capital growth from the sector in the near term, leaving returns dependent on income receipts. Occupier markets will remain difficult but, despite recent weakness in the retail sector, are not expected to deteriorate. Capital growth prospects look better for 2013.

The importance of income Dividend history of the COIF Charities Property Fund



Calendar performance versus the comparator



* The comparator is the IPD Quarterly Universe.

Source CCLA - Gross performance shown before management fees and expenses with gross income reinvested: net returns will differ after the deduction of fees and charges. Past performance is no guarantee of future returns. Investments in long term funds can go down as well as up and you may not get back the original amount invested.

Long term performance

Total return performance (gross) 12 months to end of December

	2011	2010	2009	2008	2007
COIF Charities Property Fund	+7.5%	+15.2%	+6.9%	-22.6%	-3.1%
Comparator*	+7.9%	+15.1%	+3.1%	-22.4%	-3.6%

* The comparator is the IPD Quarterly Universe.

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Costs and charges

Our policy is always to keep costs and charges low - we believe that high costs and charges have a very damaging cumulative effect on investor returns. We negotiate low commission rates and monitor dealing costs closely. We limit the use of expensive external third party funds where there can be hidden costs and charges. We have no entry or exit fees, the only income taken by the investment manager is the annual charge of 0.45%. As the Fund is designed solely for charity investors, the Fund does not pay tax, and there is no stamp duty on UK share and property investments. Dividends are paid to investors without any additional tax deductions.

Key facts

Bid/offer spread	3.3%
Dealing day	Last Thursday of the month*
Minimum initial investment	£10,000
Dividend payment dates	End February, May, August & November
Annual management charge	0.65% (deducted from capital)**
Unit types available	Income and Accumulation units
Sedol numbers	3196229 (Income units) 3196177 (Accumulation units)
ISIN numbers	GB0031962292 (Income units) GB0031961773 (Accumulation units)

* Dealing instructions must be received by 5pm on the business day preceding the dealing day. If Thursday is a Bank holiday, the dealing day will be the previous working day. Units are only realisable on each monthly dealing date and redemptions may not be readily realisable; a period of notice not exceeding six months may be imposed for the redemption of units.

** The annual management charge is deducted from capital which may restrict capital growth.

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The Fund is a common investment fund established by the Charity Commission under the Charities Act 1993 section 24 and investment in the Fund is only available to charities within the meaning of section 96 of the Charities Act.

CCLA Investment Management Limited (registered in England No. 2183088 at the office below) is authorised and regulated by the Financial Services Authority and is the manager of the COIF Charity Funds (registered charity Nos. 218873, 803610, 1046249, 1093084, 1121433 and 1132054).

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