

The Local Authorities' Property Fund

Fund Fact Sheet – 31 March 2011

Overview

- High quality, well-diversified commercial and industrial property portfolio
- Focus on delivering attractive income
- Actively managed to add value

Fund objective

The objective for this Fund is to generate long term growth in capital and a high and rising income over time.

Suitable for

The Fund is suitable for any Local Authority seeking the benefits of exposure to property.

Who can invest?

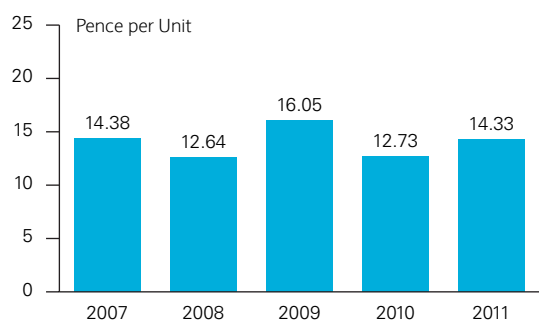
Any local authority in England, Wales, Scotland and Northern Ireland.

Income

Gross dividend yield	6.20% *
FTSE All-Share gross dividend yield	2.96%
FTSE UK Govt. All Stocks yield	3.90%
Base Rate	0.50%

* Based upon the net asset value and historic annual dividend of 14.3309p, the gross income less management expenses.

Past distributions

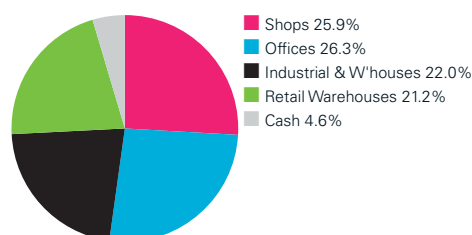


Fund update

Market indicators suggest little change in valuations overall over the quarter but this masks divergent performance trends between good quality, income secure properties, which remain in demand and more secondary assets where value and rental weakness continue. Over the first three months of 2011 the IPD Balanced PUT Index produced a return of +2.0%, the bulk of this being sourced from income. The best sector performances have come from London offices and shopping centres which began to recover after a weak 2009. Transaction volumes have remained low despite steady demand for secure income producing assets. Occupier markets have been broadly stable although tenant demand remains fragile. Disappointingly, void levels have picked up again from levels which are high by historical standards. Central London offices are the only sector of the market achieving consistent income growth.

There have been no purchases or sales in the quarter. The lease on a unit in Norwich has expired and we are seeking a new occupier at this location. We have retained the short term tenant on the shop in Leicester but at a lower rent, a review on the property at Junction Six in Birmingham has resulted in a maintained income flow.

Asset allocation





Discrete year total return performance (gross)

12 months to 31 March	2011	2010	2009	2008	2007
The Local Authorities' Property Fund	+13.7%	+21.2%	-33.8%	-8.3%	+18.0%

Annualised total return performance (gross)

Performance to 31 March 2011	1 year	3 years	5 years
The Local Authorities' Property Fund	+13.7%	-3.0%	-0.3%

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. The properties within the Fund are valued by an external property valuer; any such valuations are a matter of opinion rather than fact. The performance of the Fund may be adversely affected by a downturn in the property market which could impact on the capital and or income value of the Fund.

Top ten property holdings – total 76.2%

Ashford, Retail Park	Glasgow, Blythswood Square
London, Fenchurch Street	Bishops Stortford, Stansted Road
Reading, Broad Street	London, Threadneedle Street
Chichester, East Street	Bardon, Interlink Park
Birmingham, Junction Six	Glasgow, Bell Street

Key facts

Fund size	£76m
Number of holdings	17

Income units

Offer (buying) price	238.96p (xd)
Net asset value	231.21p (xd)
Bid (selling) price	227.63p (xd)
Bid/offer spread	4.9%

Launch date	18 April 1972
Unit types	Income
Minimum initial investment	£250,000
Minimum subsequent investment	£10,000
Dealing day	Month end valuation day*
Sedol number	0521664
ISIN number	GB0005216642
Dividend payment dates	End January, April, July & October
Annual management charge (taken 100% from income)	0.65%

* Instructions for the issue or redemption of units must be received by CCLA no later than 5pm on the business day prior to the Valuation Date. If the valuation day 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.

CCLA INVESTMENT MANAGEMENT LTD

80 Cheapside, London EC2V 6DZ
Client Service Freephone: 0800 022 3505
Fax: 0844 561 5126
clientservices@ccla.co.uk

www.ccla.co.uk

The Fund is 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 a supplemental Trust Deed dated 13 September 1978. 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 Investment Management Limited (registered in England no. 2183088 at the office above) is authorised and regulated by the Financial Services Authority and is the manager of the Local Authorities' Property Fund.

D5/MAY11