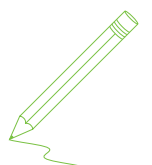


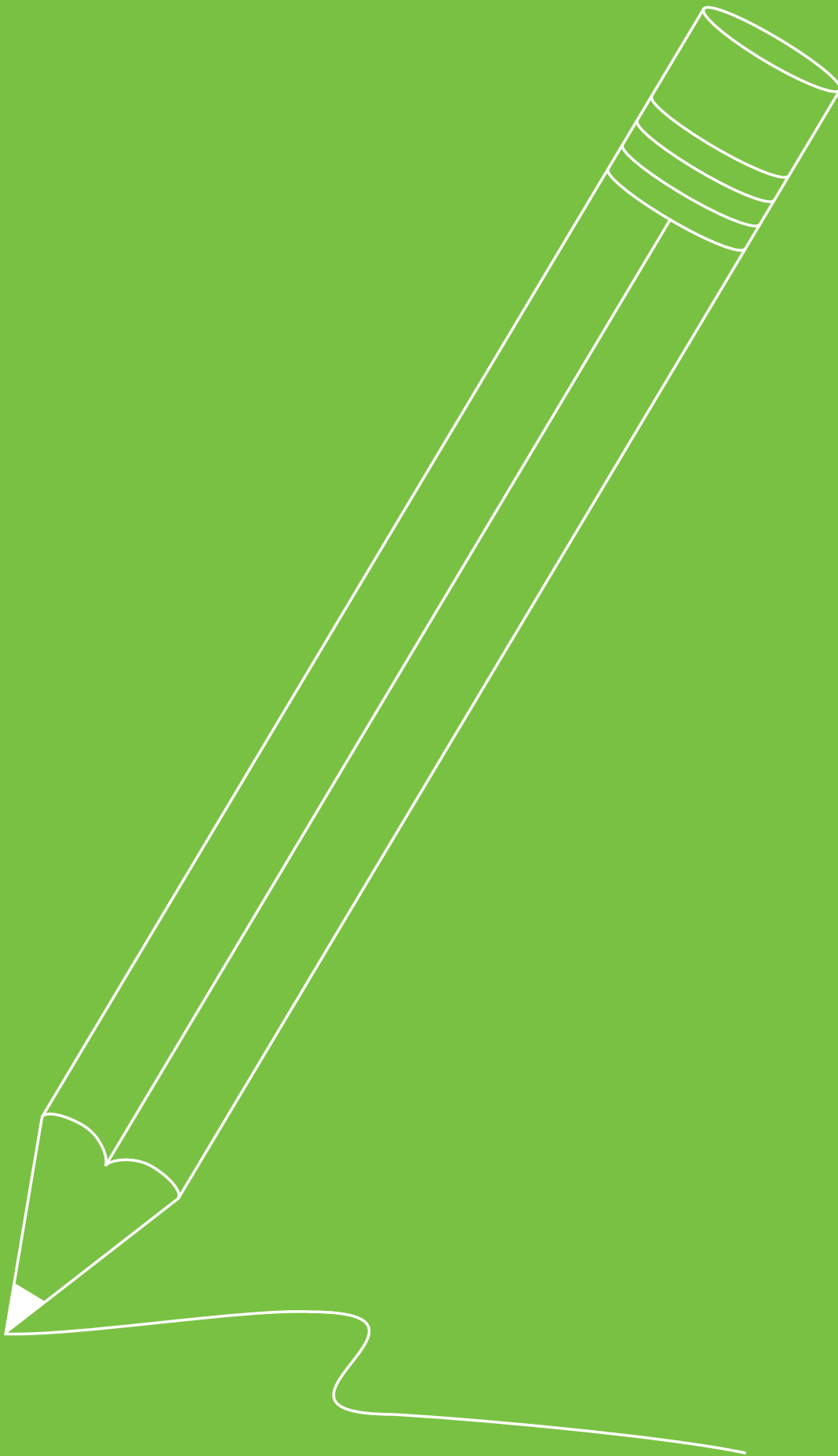
CCLA Property Fund for Local Authorities

High quality, well-diversified
commercial and industrial
property portfolio

Actively managed to add value

Freephone: 0800 022 3505





CCLA Property Fund for Local Authorities

The Local Authorities' Property Fund aims to provide attractive growth in your capital and income over the long-term from investing in commercial and industrial property.

The Fund offers all the advantages of a professionally and actively managed property portfolio, with a broadly diversified and dynamic exposure to high quality properties in the main sectors of the UK market. By investing in the Fund, you avoid the potential problems, costs and administrative difficulties of investing in properties directly yourself. CCLA is well established in this market with over 30 years' of property investment and management experience.

Income is distributed quarterly

Income is paid directly into your or a nominee's bank account each quarter.

Who can invest?

Local Authorities in England, Wales, Scotland and Northern Ireland can invest in the Fund. The minimum initial investment in the Fund is £250,000 after which you can invest sums of £10,000 or more.

Why property?

Property investment can be attractive to Local Authorities for a number of reasons.

Diversification

Diversification, the principle of holding a wide range of investments of different types in a portfolio to reduce risk, is one of the keys to successful long-term investment. In a portfolio containing different types of assets, property can play a valuable role in helping to smooth out overall investment performance. This is because it can potentially deliver good returns at times when other asset classes such as equities and bonds are not doing so well.

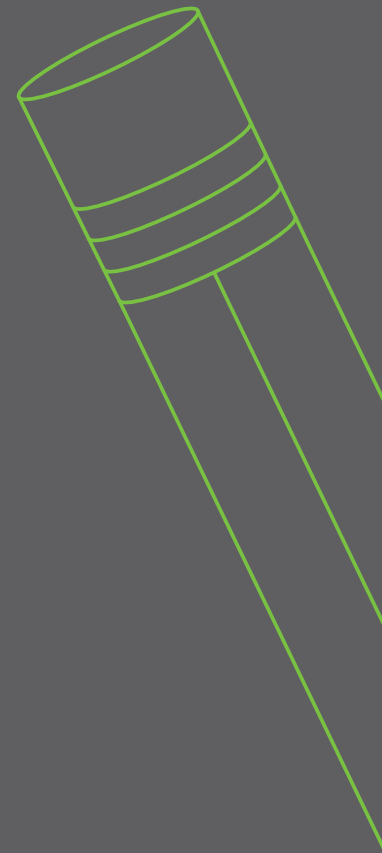


Long-term capital growth potential

A broadly spread portfolio of carefully selected and well managed property offers the potential of solid long-term capital growth, generated from rising values.

Stable and growing income

Rental income provides relatively stable returns, as rents on commercial and industrial property are generally set for many years. Careful selection and active management of property provides the potential for solid growth in income as well. Over time, higher rents can be achieved by buying properties in areas where demand is growing and by improving the quality of properties through refurbishment and other means.



How does the Fund work?

Our highly experienced team of property professionals carries out extensive ongoing research into the property market, backed up by input from expert external sources. We seek to identify and hold properties which offer strong potential for growth in income and capital over the long-term. We ensure that the properties held in the Fund are broadly spread by type, location and size to reduce the problems which can come from having too much exposure to any single property or part of the market. Once we have purchased a property, we continue to actively manage it to ensure that the Fund derives the greatest benefit from its potential. Before purchasing any property we carry out an environmental impact risk assessment.

Who is the Fund suitable for?

The Fund can be suitable for any Local Authority seeking the benefits of exposure to property and is generally held along with other assets as part of a broader investment strategy, based on specific investment objectives.



Period of Notice

Units in the Fund can be bought or sold on any monthly valuation date, on the last day of each month.

A property purchase or sale can take some time to prepare and conclude to ensure that the best price is achieved. This means that in some circumstances we may have to impose a period of notice or delay before carrying out a purchase or sale instruction if we believe this is necessary to protect the interests of Unitholders in the Fund or to allow us time to sell properties if required.

How to Invest

Please note that before investing you should read the Scheme Information of the Fund carefully. This gives more detailed information about how the Fund operates.

Please also note that the value of the Fund's units and their income can fall as well as rise and an investor may not get back the full amount originally invested. The Fund's unit value will reflect fluctuations in property values. The units in the Fund are intended only for long-term investment and are not suitable for money liable to be needed in the near future. They are realisable only 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 tax position of the Fund may change in the future. Investors should obtain their own tax advice in respect of their own position. The annual management fee is charged to income. The properties within the Fund are valued by an external property valuer; any such valuations are a matter of opinion rather than fact.

To invest, simply complete the application form and return this to us along with any additional documents requested and a cheque made payable to the name of the Fund.

CCLA INVESTMENT MANAGEMENT LTD

80 Cheapside

London EC2V 6DZ

Client Service:

Freephone: 0800 022 3505

Fax: 0844 561 5126

CCLA Investment Management Limited (registered in England No. 2183088 at the above office) is authorised and regulated by the Financial Services Authority.

www.ccla.co.uk

CCLA is committed to making a positive contribution to environmental protection. We ensure all our suppliers are using environmentally friendly production processes and our paper and board contain 50% recovered waste and 50% virgin fibre, and is certified as a Forest Stewardship Council (FSC) mixed source product.