

The Local Authorities' Property Fund

Fund Profile – 30 September 2025

A unique, specialist property fund available only to local authority investors.

Price at 30.09.25

Income units
Gross dividend yield

Net asset value

282.99p (xd)
4.61% *

* Based upon the net asset value and historic gross annual dividend of 13.0427p.

Strong governance

The trustee is the Local Authorities' Mutual Investment Trust (LAMIT). LAMIT is 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 to represent unitholders. As fully independent trustee, LAMIT approves the investment strategy and the risk profile of the portfolio and reviews performance.

Meeting your needs

Suitable for local authorities, the Fund aims to provide a high level of income and long-term capital appreciation.

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

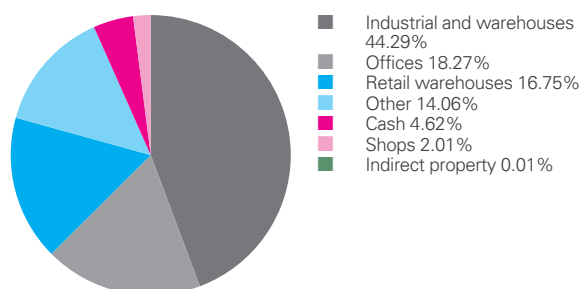
The portfolio of the Fund is actively managed with a focus on asset selection. The intention is to boost returns by lease and tenant management and property improvement.

The Fund has a broad sector spread, with prudent diversification to keep risks under control.

Sector strategy

Holdings in the Fund are categorised as Treasury investments and so are not deemed capital expenditure.

Asset allocation at 30 September 2025



Fund size: £1,045 million

Property portfolio details

Top 5 properties = 21.81 % of the portfolio

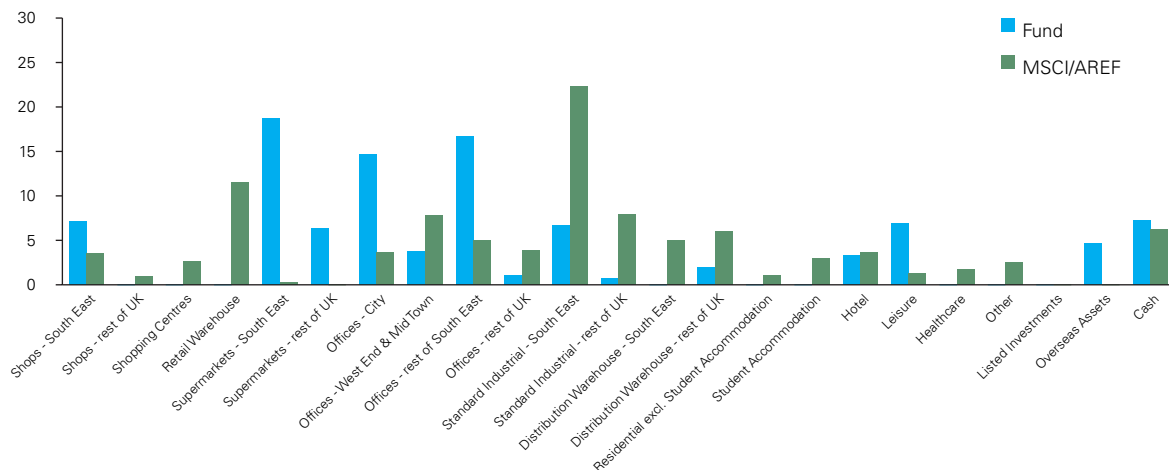
Top 5 tenants = 26.13% of rental income

Weighted unexpired lease term to first break 6.32 years

Void rate excluding developments in progress 11.7%

Void rate including developments in progress 17.8%

Asset allocation by region and category 30 September 2025



Fund data and MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index data as at 30 September 2025. Source: CCLA & MSCI/AREF

Top 10 property holdings at 30 September 2025 – Total 37.80%

London, Beckton Retail Park
 London, Goodman's Yard
 Leeds, 27 Industrial Estate
 London, Kean Street
 London, Palace House

Maidenhead Retail Park
 Coventry, Torrington Avenue
 Bristol, Gallagher Retail Park
 London, Pickett's Lock
 Bolton, Wingates

Market background

The fund returned 1.19% in the third quarter, versus its comparator benchmark's return of 1.15%. In the 12 months to 30 September, the fund returned 7.38% and its benchmark return 6.79%. Income remained the major component of returns, albeit with headwinds from office vacancies and, in retail, the risk of tenant failure. The economic backdrop continued to hold back capital growth. What modest growth there was, mostly came from rental value growth and property management (e.g. lease renewals). Market activity remained limited, not helped by the later-than-usual upcoming Autumn Budget. The spread in returns between sectors (offices, retail etc.) narrowed. Active management remained vital to control risks tied to individual properties, obsolescence risk and the divergence between prime and lower-quality assets.

Fund activity

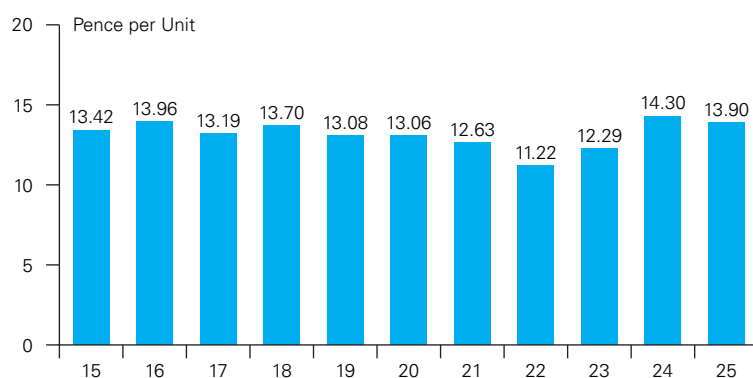
The focus of our activity has been to protect income. We completed a new lease at Alpha Park, Cambs, with a 41% rent increase. We renewed a lease at Picketts Lock, Enfield. We sacrificed some rent to grow longer-term income, with a break clause that allows us to gain possession to redevelop. We secured new leases on an office at Threadneedle Street and industrial park in Enfield. There were vacancies at Kingsway, London and on an industrial estate in Leeds. The fund increased rents on other retail and office sites to boost income.

Outlook

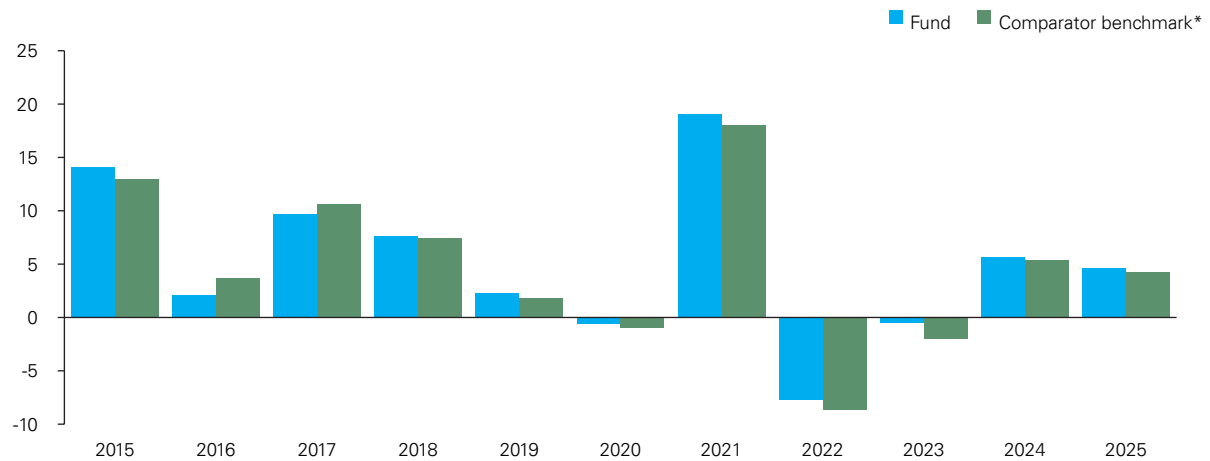
Income continues to be the main driver of our forecasts. Capital growth has tailed off and isn't expected to strengthen soon. However, the stability in property prices, against a volatile backdrop, has been positive. Lower interest rates and easier lending conditions should help transaction volumes. By sector, industrial holdings continue to be the main driver of performance. Central London offices and retail offer growth potential and higher yields. Other offices remain a drag on performance.

Dividend history of the Local Authorities' Property Fund

Years to 31 March



Calendar performance versus the comparator benchmark (net)



* The comparator benchmark is the MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index.

Net performance shown after management fees and other expenses. Past performance is not a reliable indicator of future results and future returns are not guaranteed.

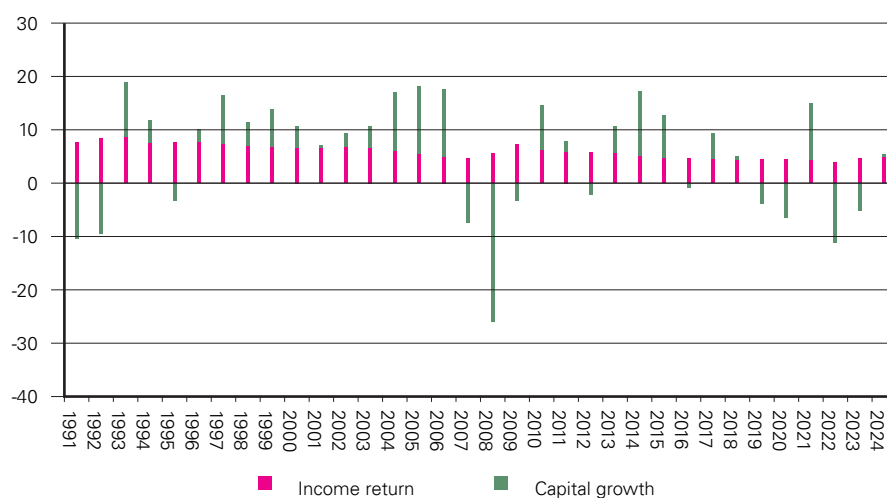
Source: CCLA & MSCI/AREF

Note: Fund calendar performance refers to total return whereas investment returns (shown below) splits the total return between income and capital. A small difference arises as a result of the compounding on the income and capital components.

The Local Authorities' Property Fund investment returns (after expenses)



MSCI/AREF UK Annual Property Digest returns (before expenses)



Source: CCLA & MSCI/AREF

Income from Property and the Fund has been consistent even in downturns, a reflection of its contractual basis.

Long-term performance

Total return performance (net) 12 months to 30 September

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|--------------------------------------|--------|--------|---------|---------|---------|
| The Local Authorities' Property Fund | +7.38% | +2.18% | -14.41% | +14.59% | +15.52% |
| Comparator Benchmark | +6.79% | +1.36% | -14.52% | +13.30% | +12.94% |

The comparator benchmark is the MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index.

Net performance shown after management fees and other expenses. Past performance is not a reliable indicator of future results and future returns are not guaranteed.

Source: CCLA & MSCI/AREF

Costs and charges

Our policy is always to keep costs and charges as low as possible. We believe that high costs and charges have a very damaging cumulative effect on investor returns. We negotiate to keep expenses low and monitor dealing costs closely. The Fund has no entry or exit fees and the only income taken by the manager is the annual management charge of 0.65%

Key facts

| | |
|-------------------------------|---|
| Dealing day | Month end valuation date* |
| Minimum initial investment | £25,000 |
| Minimum subsequent investment | £10,000 |
| Dividend payment dates | Last business day of January, April, July & October |
| Annual management charge | 0.65% (deducted from income) |
| Unit types available | Income |
| Sedol number | 0521664 |
| ISIN number | GB0005216642 |

* Dealing instructions for the purchase of units must be received by 5.00pm on the business day preceding the valuation date. Whilst units are realisable 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.

Please Contact

Kelly Watson

Market Development
T: +44(0)20 7489 6105
M: + 44 (0) 7879 553 807
E: kelly.watson@ccla.co.uk

Please Contact

Jamie Charters

Market Development
T: +44 (0)20 7489 6147
M: + 44 (0) 7468 560680
E: jamie.charters@ccla.co.uk

Please Contact

Lee Jagger

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

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