

The Local Authorities' Property Fund

Fund Profile – 31 March 2026

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

Price at 31.03.26

Income units
Gross dividend yield

Net asset value

282.33p (xd)
4.60%*

* Based upon the net asset value and historic gross annual dividend of 12.9771p.

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.

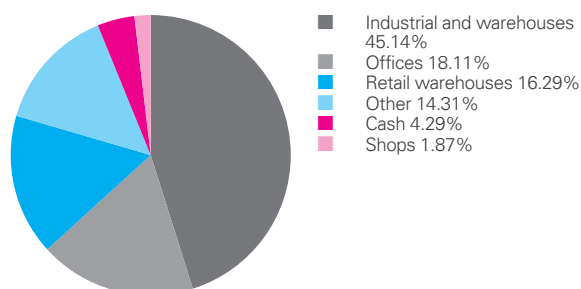
The portfolio of the Fund is actively managed with a focus on asset selection. The intention is to boost returns by lease and tenant management and property improvement.

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 31 March 2026



Fund size: £1,023 million

Property portfolio details

Top 5 properties = 22.23% of the portfolio

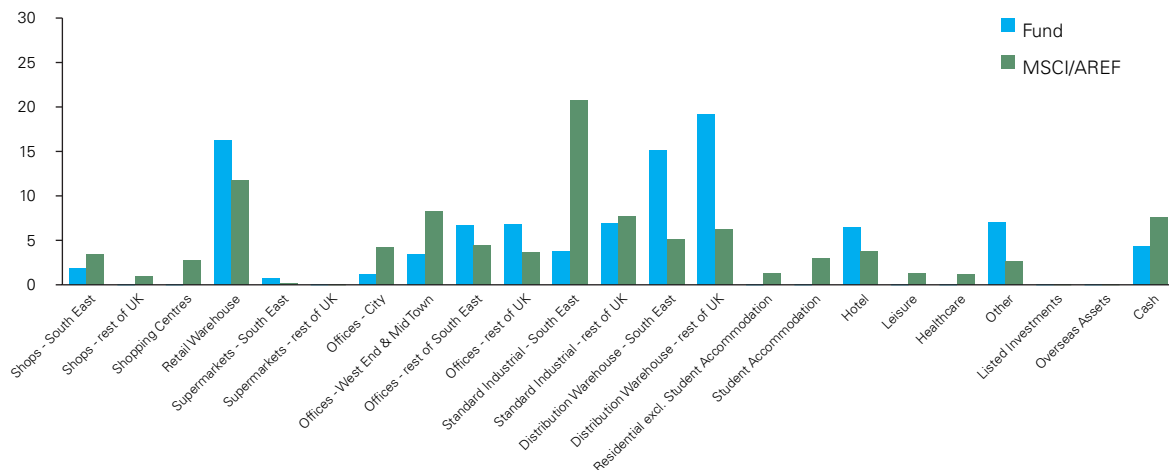
Top 5 tenants = 26.18% of rental income

Weighted unexpired lease term to first break 5.93 years

Void rate excluding developments in progress 10.3%

Void rate including developments in progress 16.5%

Asset allocation by region and category 31 March 2026



Fund data and MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index data as at 31 March 2026. Source: CCLA & MSCI/AREF

Top 10 property holdings at 31 March 2026 – Total 38.51%

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 1.08% in the first quarter, outperforming its comparator benchmark's return of 0.78%. Continued economic weakness, subdued property investment and the Middle East war left UK commercial property capital growth flat in early 2026. Rents and our strategies to grow them therefore made up most of the fund's returns, including its outperformance of the benchmark. Our activity focused on protecting and growing the fund's rental income, for which industrial warehouses provided the best opportunities (see below). In addition to higher rents themselves, above-benchmark holdings of industrial warehouses also contributed to outperformance.

Fund activity

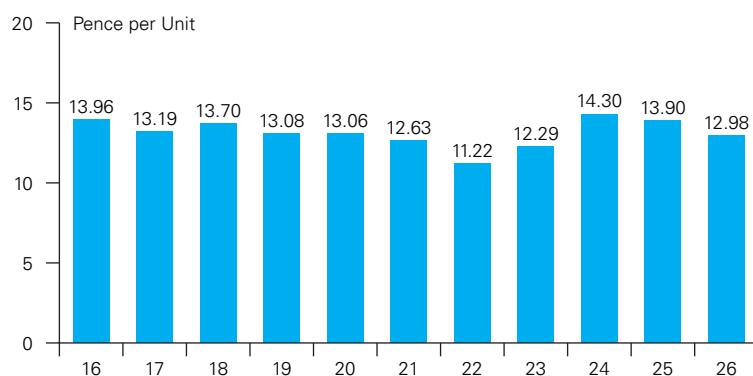
Given the fund's satisfactory liquidity, we made only one sale in the quarter, of an industrial facility in Motherwell, Scotland. This property had generated high income, but its prospects were unclear, so we were pleased to sell it just below asking price. Successful rent reviews and lease renewals made up all other activity, at Electron Trade Centre in Orpington, Brackmills Business Park, Leeds Twenty-Seven Industrial Estate, Grandstand Warrington, Orbital Park Ashford in Kent and Watermill Business Centre in Enfield. The only material new vacancy was a restaurant lease at Threadneedle Street, City of London, surrendered by a tenant that went into administration. We will refurbish this space ahead of marketing.

Outlook

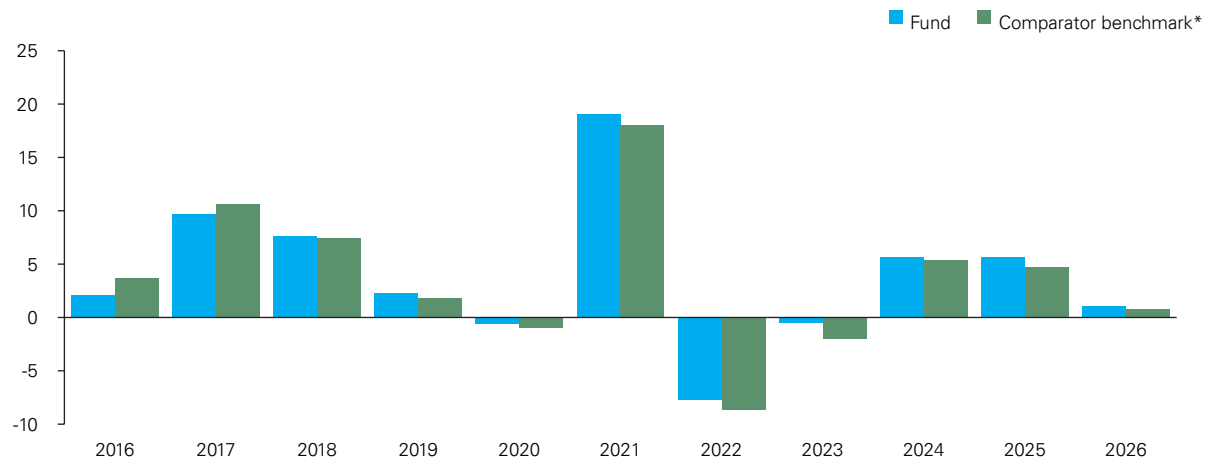
For the reasons cited above, lending against commercial property in the first quarter of 2026 has been weak. We anticipate diminished liquidity, even if short-lived. For the time being, investing for capital gains appears risky. By contrast, rental income continues to be the main feature of property investment. Active management of that rental income is what differentiates one investor from another when outperforming or underperforming the benchmark. Property-specific risks remain high, as each property or location has its own challenges. At a sector level, industrial and retail warehouses continue to be the best performers, with rents most supportive of valuations. Here, the best managers realise valuers' estimated rental values at lease events to deliver income growth. Outside of these sectors, income yields continue to be under pressure.

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 31 March

	2026	2025	2024	2023	2022
The Local Authorities' Property Fund	+4.68%	+7.15%	+1.07%	-13.27%	+21.78%
Comparator Benchmark	+4.01%	+6.35%	-1.29%	-14.11%	+22.52%

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.

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