

# KEY INFORMATION DOCUMENT

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

Fund Name	COIF Charities Property Fund
Income Units (ISIN)	GB0031962292
Name of manufacturer	CCLA Fund Managers Limited (the "Manager")
Website	<a href="http://www.ccla.co.uk">www.ccla.co.uk</a>
Client Services	0800 022 3505

The Manager is authorised and regulated by the Financial Conduct Authority (FCA).

This document is dated 4 August 2022

## What is this product?

### Type

The COIF Charities Property Fund (the "Fund") is a Common Investment Fund, governed by the Charities Act 2011 (as amended) and authorised by the Charity Commission. The Fund is managed as an Unregulated Collective Investment Scheme and as a UK Alternative Investment Fund in accordance with the Alternative Investment Fund Managers Directive (AIFMD) Legislation as defined in the Scheme Particulars.

### Objectives

- The Fund aims to provide a high level of income and long-term capital appreciation.

### Investment policy

- The Fund is an actively managed, diversified portfolio of UK commercial property. It will principally invest in UK commercial properties (both freehold and leasehold) but may invest in other assets, which may be either liquid or illiquid in nature.
- The Fund may invest a proportion of its assets in liquid instruments and cash in order to obtain appropriate levels of liquidity. Instruments used for this purpose may include cash and near cash equivalents, participation notes, UK real estate investment trusts, regulated or unregulated investment funds, and loan notes.
- The Fund is managed in accordance with the policies of the Church of England's Ethical Investment Advisory Group.
- The Fund will not invest more than 15% of its total assets at the time of investment in any single direct property.
- The Fund will not invest more than 15% of its total assets at the time of investment in financing or acquiring property redevelopments at any one time.
- The Fund will not invest more than 5% of its total assets at the time of investment in any single property collective investment scheme or any individual security of a property company or joint venture, up to a total of 15% in property collective investment schemes, property companies or joint ventures as a whole.
- The Scheme Particulars allow for the Fund to borrow up to a limit of 25% of the net asset value with the prior written consent of the Board.
- The return achieved by the Fund is dependent on the performance of the assets that the Fund invests in after deducting the costs, expenses and fees of running the Fund.

### Benchmark

The Fund's performance can be assessed by reference to the comparator benchmark, MSCI/AREF UK Other Balanced Quarterly Property Fund Index.

### Intended retail investor

The Fund is intended for eligible charity investors, with at least a basic knowledge of property related investments, which are seeking to invest in an actively managed fund that reflects the investment objective and investment policy of the Fund. Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.


### Term

The Fund has no fixed maturity date and cannot be terminated unilaterally by the Manager. The Fund may be wound up if the Trustee holds the opinion that winding up the Fund is in the interests of investors.

## What are the risks and what could I get in return?

### Risk indicator



 **The risk indicator assumes you keep the product for the recommended holding period (RHP) of five years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.**

- The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. The risk of the Fund may be significantly higher than the one represented in the summary risk indicator where the Fund is not held for the recommended holding period.
- The Fund should be considered illiquid as it is not admitted to trading on a secondary market and no alternative liquidity facility is promoted by the Manager or a third party. Property is recognised as an illiquid asset and is thus most suited to long-term investment.
- We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact the capacity of the Manager to pay you. This classification is not guaranteed and may change over time and may not be a reliable indication of the future risk profile of the Fund. The lowest category does not mean risk free.
- A more detailed description of risk factors that apply to this product is set out in the latest Scheme Particulars, which is available on the Manager's website or by request.
- This product does not include any protection from future market performance, so you could lose some or all of your investment.
- If we are not able to pay you what is owed, you could lose your entire investment.
- However, you may benefit from a consumer protection scheme (see the section 'What happens if the Manager is unable to pay out?'). The indicator

shown above does not consider this protection.

## Performance scenarios

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

Investment of £10,000		(RHP)		
Scenarios		1 year	3 years	5 years
Stress scenario	<b>What you might get back after costs</b> Average return each year	£8,953 -10.47%	£8,960 -3.59%	£8,760 -2.61%
Unfavourable scenario	<b>What you might get back after costs</b> Average return each year	£10,162 1.62%	£11,751 5.53%	£13,705 6.51%
Moderate scenario	<b>What you might get back after costs</b> Average return each year	£10,546 5.46%	£12,532 7.81%	£14,892 8.29%
Favourable scenario	<b>What you might get back after costs</b> Average return each year	£10,938 9.38%	£13,357 10.13%	£16,173 10.09%

- This table shows the money you could get back over the next 1, 3 and 5 years, under different scenarios, assuming that you invest £10,000.
- The scenarios illustrate how your investment could perform. You can compare them with the scenarios of other products.
- The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. As future returns are unlikely to mirror the last 5 years, investors should treat these illustrations with caution. What you get will vary depending on how the market performs and how long you keep the product.
- The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.
- The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

## What happens if the Manager is unable to pay out?

The assets of the Fund are held for the benefit of investors by HSBC Bank plc (the “Trustee”), and so are held separately from the assets of the Manager. In the event of insolvency of the Manager, the Fund’s assets in the safekeeping of the Trustee will not be affected. However, in the event of insolvency of the Trustee, or its delegates, the Fund could suffer a loss. With regards to deeds, leases and other physical documents relating to the properties owned by the Fund, the Trustee has appointed independent property lawyers to hold such documents in safekeeping.

If the Manager cannot meet its obligations (for example, where the Manager has stopped trading and there is insufficient assets to meet their obligations), investors in the Fund may be eligible to claim compensation up to a maximum of £85,000 from the Financial Services Compensation Scheme. For further information about the Financial Services Compensation Scheme please refer to [www.fscs.org.uk](http://www.fscs.org.uk) or phone 0800 678 1100.

## What are the costs?

### Presentation of costs

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the Fund itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

### Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment of £10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years (RHP)
Total costs	£448	£684	£920
Impact on return (RIY) per year	4.48%	2.28%	1.84%

### Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories:

This table shows the impact on return per year			
One-off costs	Entry costs	1.75%	The impact of the costs you pay when entering your investment. These are already included in the price.
	Exit costs	1.55%	The impact of the costs you pay when exiting your investment. These are already included in the price.
Ongoing costs	Portfolio management costs	0.48%*	The impact of the costs of us buying and selling underlying investments for the product.
Incidental costs	Other ongoing costs	0.70%*	The impact of the costs that we take each year for managing your investments including custody costs.
	Performance fees	N/A	The impact of performance fees on your investment.
	Carried interests	N/A	The impact of carried interests on your investment.

\*This figure is calculated from annualised historical data and therefore the actual costs paid by an investor may differ.

## How long should I hold it and can I take money out early?

Recommended holding period is at least five years.

The Fund is intended for long-term investors with an investment horizon of five years. This reflects the investment objective of the Fund, the likely strategies used by the Manager and the costs of dealing in the asset class. Whilst there is no minimum holding period requirement, requests by investors for the redemption of units are subject to a minimum notice period of 90 calendar days.

The Fund normally deals on the last Tuesday and Thursday of each month. Redemption requests received by 5.00pm on a business day will be dealt on the first dealing day following expiry of the notice period.

**Investors are reminded that commercial property can be an illiquid asset class and the Manager has the discretion to defer redemptions beyond the minimum notice period, up to six months, subject to a period of notice of not less than 30 days to investors, if it believes doing so is in the interest of investors and the good management of the Fund. Investors should also be aware that where a unitholder makes an application to sell or cancel units the Manager may, with the agreement of the Trustee, arrange to transfer scheme property out of the Fund in place of payment in cash for the units, but only if it is judged by the Manager not to disadvantage the remaining unitholders.**

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## How can I complain?

Complaints concerning the operation of the Fund should be referred to The Head of Client Services at CCLA, One Angel Lane, London EC4R 3AB, by email to [client.services@ccla.co.uk](mailto:client.services@ccla.co.uk) or The Compliance Officer, HSBC Bank plc, Trustee of the COIF Charities Funds, 8 Canada Square, London E14 5HQ.

The complaints policy is available on the Manager's website.

If you were advised on investing into the Fund, any complaints regarding that advice should be taken up with the party who provided it.

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## Other relevant information

The Fund has direct holdings in direct property, which is inherently illiquid, and investors should take particular note of the risk sections of the Scheme Particulars, and the actions the Manager may have to take in stressed market conditions, such as suspending or delaying Fund dealings. The Fund also has a minimum redemption notice period of 90 days. The Fund is therefore not suitable for investors that might have a need for immediate liquidity in their investments.

Income units only are available for investment; a scheme exists to allow income distributions to be reinvested into additional units automatically.

Income is paid for the preceding quarter at the end of February, May, August and November.

The minimum initial investment in the Fund is £10,000; there is no minimum for subsequent investments.

CCLA have not considered the suitability or appropriateness of this investment against your individual needs and risk tolerance. To ensure you understand whether our product is suitable, please read the Scheme Particulars for the Fund which is available on the Manager's website or by request.

As set out in the Scheme Particulars, investment in the Fund is only available to charities in England and Wales within the meaning of Section 1(1) of the Charities Act 2011; or an "appropriate body" within the meaning of Section 97(3) of the Charities Act 2011. If you are unsure of your eligibility, please contact Client Services on 0800 022 3505 or by email to [client.services@ccla.co.uk](mailto:client.services@ccla.co.uk).

This Key Information Document is updated at least every twelve months.