

# Key Information Document

## COIF Charities Property Fund

### 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

Name of product	<b>COIF Charities Property Fund</b>
Income units (ISIN)	GB0031962292
Name of manufacturer	CCLA Fund Managers Limited (the manager)
Website	<b>www.ccla.co.uk</b>
Client services	<b>0800 022 3505</b>

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

This document is dated 20 November 2023.

### 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 line with the Alternative Investment Fund Managers Directive (AIFMD), as defined in the scheme particulars.

#### Objectives

- The fund aims to provide a high level of income and capital growth over the long-term (defined as 5 years).

#### 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 also invest some of its assets in instruments that are easier to buy and sell to maintain appropriate levels of liquidity. Instruments used for this purpose may include cash and near-cash, participation notes, UK real estate investment trusts, regulated or unregulated investment funds, and loan notes.
- The fund is managed in line with CCLA's responsible property investment policy, which you can read in the policies and reports section on our website.
- 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 value of the fund with the prior written consent of the fund's board.
- The return achieved by the fund depends on the performance of the assets that the fund invests in after deducting the costs, expenses and fees of running the fund.

#### Benchmark

For comparative purposes, the fund's performance can be assessed by referring to the comparator benchmark, MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index. As the fund is a diversified portfolio of UK commercial property, we consider the MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index as an appropriate representation of the returns from UK commercial property.

#### Intended retail investor

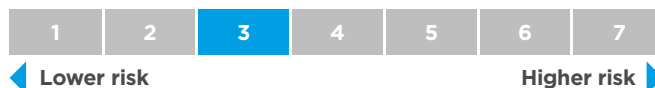
The fund is intended for eligible charity investors, with at least a basic knowledge of property related investments, and who are looking to invest in an actively managed fund that reflects the fund's investment objective and investment policy. Investors should be looking to invest for at least five years, understand that their money may be at risk, be able to bear losses, and accept that the value of their investment and any income may fall as well as rise.

#### Term

The fund has no fixed maturity date and cannot be ended by the manager alone. The fund may be wound up if the trustee believes that this 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 shown in the summary risk indicator if the fund is not held for the recommended holding period.

- We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact the capacity of the manager to pay you. This classification is not guaranteed. It may change over time and may not be a reliable indication of the future risk profile of the fund. It's important to remember that even the lowest risk category does not mean risk free.
- The fund currently has a minimum redemption notice period of 6 months. The manager may also defer redemptions on a dealing day if it considers there is insufficient liquidity in the fund to meet redemptions and, in agreement with the trustee, may suspend the buying and selling of units in the fund due to stressed market conditions. The fund is therefore not suitable for investors that might need to access their investment at short notice. 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 you can ask for a copy from client services.
- 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.

### Investment performance information

- The fund mainly invests directly in commercial real estate assets in the UK. The value of individual properties rise and fall over time and may be influenced on various levels as follows:
- By macroeconomic factors, such as changes in economic growth rates, currency exchange rates, interest rates and inflation expectations. Other factors that may affect property funds include changes in taxation, employment rates, commodity prices (particularly oil and gas), and non-financial events such as wars and epidemics that are expected to affect the economy.
- By specific property level and local factors affecting the valuation and performance of individual properties which include supply and demand, location, ground and environmental conditions, construction standards, energy efficiency/sustainability credentials, financial strength of the tenants, income profile and the occupational lease terms.
- Political risk such as changes in government policy including regulatory and tax requirements.
- Flows of international capital play a significant role in the UK property market and can impact pricing, performance and liquidity.
- Portfolio composition has an impact on the fund's performance. The balance between property sectors and levels of diversification, including sub-sector, income and geographic risk will impact the risk profile of the fund.
- The income received by the fund depends to a large extent upon the occupancy levels of any property owned by the fund and the rents paid by tenants. Rental revenues and property values are affected by changes in the general economic climate and local conditions.
- The fund uses the MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index as a comparator benchmark as this provides an appropriate representation of the return from UK commercial property. As it is actively managed, the fund's performance and volatility (the amount by which the fund's value goes up and down) will be different to the comparator benchmark.

### What could affect my return positively?

- A favourable commercial property market, underpinned by strong economic growth, high business and consumer confidence and reliable, credit worthy tenants.
- Growing rental income and higher levels of occupancy will boost the fund's income.
- Low or reducing interest rates are likely to cause growth in commercial property values.

### What could affect my return negatively?

- A downturn in the commercial property market and wider economy, leading to weakened business and consumer confidence resulting in less business investment, consumer spending and higher risk of tenant default.
- Falling rental income and increased vacancy rates of the properties that the fund holds.
- High or increasing interest rates could cause commercial property values to fall.
- If you cash in your investment in severely unfavourable market conditions, the value of your investment is likely to have reduced significantly and you may lose some or all of your investment.

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

The fund's assets are held for the benefit of investors by HSBC Bank plc (the trustee). They are held separately from the manager's assets. If the manager becomes insolvent (cannot afford to pay amounts it owes when they are due), the fund's assets will not be affected. However, the fund could suffer a loss if the Trustee, or its delegates, become insolvent. 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, because it has stopped trading), investors in the fund may be eligible to claim up to £85,000 in compensation from the Financial Services Compensation Scheme (FSCS). For more information about the Financial Services Compensation Scheme please go 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	£462	£726	£990
Impact on return (RIY) per year	4.62%	2.42%	1.98%

## 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 transaction costs	0.57% (see note below)	The impact of the costs of us buying and selling underlying investments for the product.
Other ongoing costs	0.75% (see note below)	The impact of the costs that we take each year for managing your investments including custody costs.
Incidental costs		
Performance fees	Does not apply	The impact of performance fees on your investment.
Carried interests	Does not apply	The impact of carried interests on your investment.

Note: This figure is calculated from annualised past data. The actual costs may be different.

## 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 who intend to leave their money invested for five years or longer. This reflects the investment objective of the fund, the strategies the manager is likely to use and the costs of dealing in the asset class. Whilst there is no minimum holding period requirement, requests by investors to cash in their units are subject to a minimum notice period of 6 months.

The fund deals on the last business day of each month. If you want to cash in your units, the transfer agent, FNZ TA Services Limited, will accept orders on any business day between 9am and 5pm which will be dealt on the first dealing day following expiry of the notice period.

Investors are reminded that property can be an illiquid asset class. All redemptions are currently subject to a minimum notice period of 6 months (this may be reduced to a minimum notice period of 90 days at the manager's discretion). The manager may also defer redemptions on a dealing day if it considers there is insufficient liquidity in the fund to meet redemptions and, in agreement with the trustee, may suspend the buying and selling of units in the fund due to stressed market conditions. 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. The fund is therefore not suitable for investors that might have a need for immediate liquidity in their investments.

## How can I complain?

If you have a complaint about how the fund is managed, please write to The Head of client services, CCLA, One Angel Lane, London EC4R 3AB, or email [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk). Or you can write to 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 have a complaint about advice you received on investing in the fund, you should contact the person who gave you the advice.

## Other relevant information

Please refer to the [glossary](#) on our website for explanations of terms used in this communication. If you would like the information in an alternative format or have any queries, please call us on 0800 022 3505 or email us at [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk).

Income units only are available for investment. Income units pay any income every three months.

An optional facility is available to re-invest income payments in exchange for additional units in the fund at the relevant purchase price.

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

The minimum initial investment in the fund is £10,000. There is no minimum amount for further investments.

We have not considered whether this investment product is suitable or appropriate for you and your attitude to risk. To make sure you understand whether our product is suitable, please read the scheme particulars for the fund, which is available on the manager's website or you can ask for a copy from client services.

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 'appropriate bodies' within the meaning of Section 97(3) of the Charities Act 2011. To find out if you are eligible, please contact client services by calling 0800 022 3505 or emailing [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk).

This Key Information Document is updated at least every 12 months.