

The CBF Church of England Property Fund

Fund Fact Sheet – 31 December 2018

Investment objective

The Fund aims to provide investors with 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, but may invest in other assets. It will gain this exposure by investing in the COIF Charities Property Fund.

The Fund is managed in accordance with the policies of the Church of England’s Ethical Investment Advisory Group.

Suitability

The Fund is suitable for the long-term funds of any Church of England charity seeking exposure to UK commercial property.

Who can invest?

Any charitable organisation with objects closely connected to the work of the Church of England.

Ethical & responsible investment policy

CCLA supports the Church of England’s Ethical Investment Advisory Group (EIAG). EIAG policies are available at www.churchofengland.org/about/leadership-and-governance/ethical-investment-advisory-group/policies-and-reviews.

Income

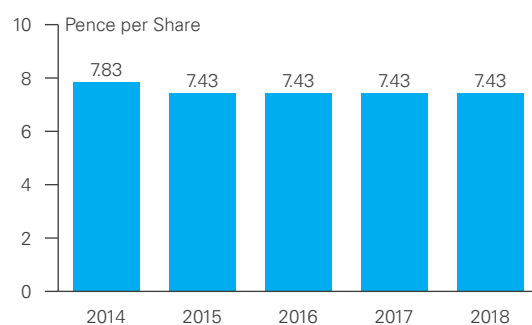
Gross dividend yield	5.31%*
MSCI/AREF UK Other Balanced Quarterly Property Fund Index yield	3.52%

* Based upon the net asset value and an estimated annual dividend of 7.43p

Fund update

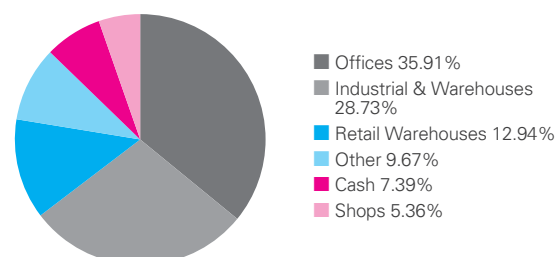
The main focus of the investment approach is on asset selection and management. The objective is to acquire high-quality assets which, through active management of structure, lease or tenant can make a significant positive contribution to returns. The strategy is supported by active management of the sub-sector exposures. Recent activity has included the purchase of a hotel in Bath and car showrooms in Cheltenham and Dartford. Sales comprise of an office asset in Glasgow, a large retail outlet in Clapham and a retail warehouse at Hanger Lane, the latter at a significant premium to asset value. There have been a number of lease events which support income. At the quarter end, the void rate was around 7%, in line with the position at the end of September.

Past distributions



Income payments have stabilised at the lower rate.

Underlying gross asset allocation at 31 December 18



Discrete year total return performance (net)

12 months to 31 December	2018	2017	2016	2015	2014
The CBF Church of England Property Fund	+8.49%	+9.69%	+2.55%	+14.66%	+20.02%
Benchmark	+7.43%	+10.58%	+3.66%	+12.97%	+17.34%

Annualised total return performance (net)

Performance to 31 December 2018	1 year	3 years	5 years
The CBF Church of England Property Fund	+8.49%	+6.86%	+10.93%
Benchmark	+7.43%	+7.18%	+10.30%

Benchmark – MSCI/AREF UK Other Balanced Quarterly Property Fund Index. Property performance is shown after management fees and other expenses (net). Past performance is no guarantee of future returns. Source: CCLA

Top ten underlying property holdings at 31 December 18– total 39.15%

London, Cannon Street	London, College Hill
Mendlesham, Ind. Est.	Crawley, Manor Royal
Bracknell, Arlington Sq.	Chertsey, Syward Place
London, Fetter Lane	Bristol, Aztec West
Bath, Westside Hotel	Northampton, B'Mills

Key facts

Fund size	£192m
Underlying funds' current borrowing	£0m
Number of underlying holdings	65

Income shares

Offer (buying) price	142.30p (xd)
Net asset value	139.85p (xd)
Bid (selling) price	137.68p (xd)

Launch date	March 1999
Share type	Income
Minimum initial investment	£10,000
Minimum subsequent investment	Nil
Dealing day	Last Tuesday of the month*
Sedol number	0539054
ISIN number	GB0005390546
Dividend payment dates	End February, May, August & November
Annual management charge (taken 100% from capital)	0.65% on 1st £100m then 0.5% thereafter**

* Dealing instructions must be received by 5pm on the business day preceding the dealing day. If Tuesday is a bank holiday, the dealing day will be the previous working day. Shares are only realisable 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 shares.

** The annual management charge is deducted from capital which may restrict capital growth.

Risk Warning

This document is a financial promotion and is issued for information purposes only. It does not constitute the provision of financial, investment or other professional advice. CCLA have not considered the suitability of this investment against your individual needs and risk tolerance. To ensure you understand whether our product is suitable, please read the Fund Factsheet document and the Scheme Particulars. We strongly recommend you seek independent professional advice prior to investing. Investors should consider the following risk factors identified as specific to the Fund before investing: Market Risk (investment value affected by market conditions), Issuer/Credit Risk (issuer/financial institution may not pay), Liquidity Risk (investment in non-readily realisable assets), Interest Rate risk (changes to interest rate affecting income), Concentration Risk (need for diversification and suitability of investment), Operational Risk (general operational risks) and Business Risk (possibility of lower than anticipated profits). Please see the Fund Scheme Particulars for further details.

Disclosure

Investment in the Fund is only available to charitable trusts with objects closely connected with the work of the Church of England. Past performance is not an indicator of future performance. The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money. Any forward-looking statements are based upon our current opinions, expectations and projections. We undertake no obligations to update or revise these. Actual results could differ materially from those anticipated. Investments in the Fund and the Fund itself are not covered by the Financial Services Compensation Scheme (FSCS). However, the Manager may pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund. The Fund is a Common Fund established under The Church Funds Investment Measure 1958 (as amended or replaced from time to time). The Fund is not a regulated Fund and is not recognised as an Alternative Investment Fund. CCLA Investment Management Limited (registered in England No. 2183088 at the office below) is authorised and regulated by the Financial Conduct Authority and is the manager of The CBF Church of England Funds. The CBF Funds Trustee Limited, is a Registered Charity No. 1116932 and is registered in England as a company limited by guarantee (No. 5957490). For information about how we obtain and use your personal data please see our Privacy Notice at <https://www.ccla.co.uk/our-policies/data-protection-privacy-notice>.