

# The Local Authorities' Property Fund

## Fund Fact Sheet – 31 December 2019

### 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.

### Suitability

The Fund is suitable for the long-term funds of any local authority seeking exposure to UK commercial property.

### Independent Governance

The trustee is the Local Authorities' Mutual Investment Trust (LAMIT) a body 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 and investors in the Fund.

### Who can invest?

Any local authority in England, Wales, Scotland and Northern Ireland.

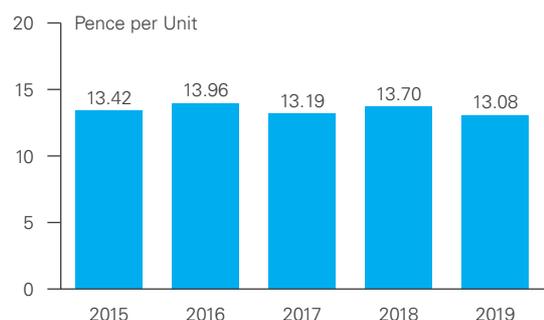
### Income

Gross dividend yield	4.33% *
MSCI/AREF UK Other Balanced Quarterly Property Fund Index yield	3.69% **
Official Bank Rate	0.75%

\* Based upon the net asset value and historic gross annual dividend of 13.0959p. Distribution for the most recent quarter has been estimated.

\*\* As at 30 September 2019

### Rolling 12 month distributions to 31st March:

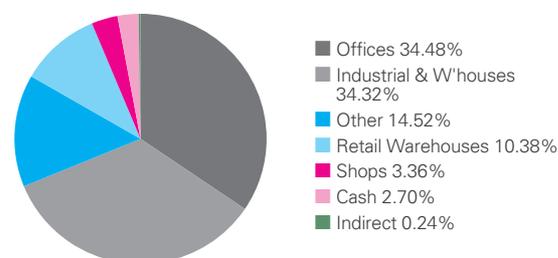


### Fund update

The Fund continued to experience positive cash inflows over the period. There were no purchases or sales, but lease management activity was at a high level and included renewals at Centennial Park in Elstree and at Lakeview West in Dartford, and there were rent reviews for Knutsford and for Derby College, too. The void rate increased to 9.8% reflecting a pre-planned programme of refurbishment at Arlington Square in Bracknell.

The erosion of capital values which began in the final months of 2018 has continued. Total return, however, has remained positive because of the contribution from income. Price weakness has been centred in the retail sectors with high street shops, shopping centres and retail warehouses all experiencing difficult conditions. In sharp contrast, conditions remained supportive for industrial assets and for those such as good-quality hotels which can offer long-term income security. Transaction volumes fell again; one effect of the fall in market data was increased subjectivity of asset pricing.

### Asset allocation at 31 December 19



The Fund has credit facilities which, at quarter end, were not utilised.

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## Discrete year total return performance (net)

12 months to 31 December	2019	2018	2017	2016	2015
The Local Authorities' Property Fund	+2.27%	+7.60%	+9.68%	+2.12%	+14.09%
Benchmark*	+1.80%	+7.43%	+10.58%	+3.66%	+12.97%

## Annualised total return performance (net)

Performance to 31 December 2019	1 year	3 years	5 years
The Local Authorities' Property Fund	+2.27%	+6.47%	+7.06%
Benchmark*	+1.80%	+6.54%	+7.21%

Benchmark – MSCI/AREF UK Other Balanced Quarterly Property Fund Index \*(estimated for the last quarter). Net performance shown after management fees and other expenses. Past performance is no guarantee of future returns. Source: CCLA

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## Top ten property holdings at 31 December 19 – total 35.18%

London, Beckton Retail Park	Elstree, Centennial Park
London, Palace House	Leeds, Park Row
London, Kingsway	Bristol, Kings Orchard
London, Goodman's Yard	Bracknell, The Arena
London, Stockley Park, Longwalk	Coventry, Torrington Avenue

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## Key facts

Total fund size	£1,200m
Current borrowing	£0m
Number of holdings	75

### Income units

Offer (buying) price	322.70p (xd)
Net asset value	302.30p (xd)
Bid (selling) price	297.61p (xd)
Launch date	18 April 1972
Unit types	Income
Minimum initial investment	£25,000
Minimum subsequent investment	£10,000
Dealing day	Month end valuation day*
Sedol & ISIN numbers	0521664, GB0005216642
Dividend payment dates	End January, April, July & October
Annual management charge (taken 100% from income)	0.65%

\* Instructions for the issue or redemption of units must be received by CCLA no later than 5pm on the business day prior to the Valuation Date. If the valuation day is a bank holiday, the dealing day will be the previous working day. Units 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 units.

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## Risk warning and disclosures

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. To ensure you understand whether our product is suitable, please read the Scheme Particulars and the risk factors identified therein. We strongly recommend you seek independent professional advice prior to investing. Past performance is not a reliable indicator of future results. 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. Investment in the Fund is for Eligible Local Authorities only. Holders of the Fund are not covered by the Financial Services Compensation Scheme (FSCS). The Fund is an unauthorised Alternative Investment Fund and an Unregulated Collective Investment Scheme established under a Scheme approved by H M Treasury under Section 11 of the Trustee Investments Act 1961 and is subject to provisions of a Trust Deed dated 6 April 1972 and a supplemental Trust Deed dated 13 September 1978. The Fund operates as an open-ended Fund under Part IV of the schedule to the Financial Services and Markets Act 2000 (Exemption) Order 2001. The company CCLA Fund Managers Limited (registered in England & Wales No. 8735639 at Senator House, 85 Queen Victoria Street, London, EC4V 4ET) is authorised and regulated by the Financial Conduct Authority and is the manager of the Local Authorities Property Fund. 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>.