

The Local Authorities' Property Fund

Fund Fact Sheet – 30 September 2020

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.

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.

Target investors

The Fund is aimed at local authorities seeking exposure to UK commercial property for their long-term investments.

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.

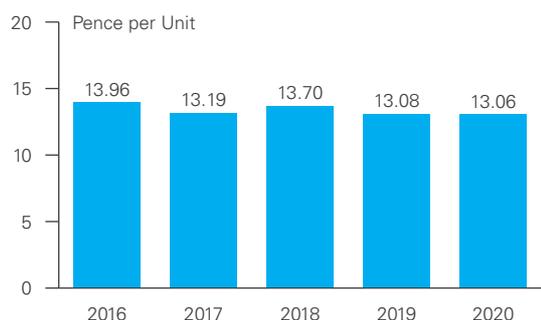
Income

Gross dividend yield	4.26%*
MSCI/AREF UK Other Balanced Quarterly Property Fund Index yield	3.46%**
Official Bank Rate	0.10%

* Based upon the net asset value and historic gross annual dividend of 12.0715p.

** As at 30 September 2020

Rolling 12 month distributions to 31st March:



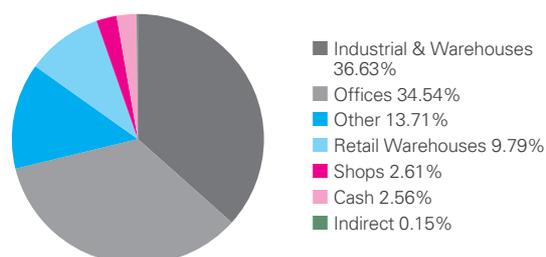
Fund update

Improved pricing stability and a modest increase in transaction volumes allowed the moratorium in dealing in the Funds units to be lifted and dealings resumed from the September dealing date. Capital values remained flat overall, but the position was not uniform across the sector. Once more retail asset values fell but there was improvement in parts of the office sector and retail assets continued to enjoy broad support.

There were no acquisitions or disposals in the quarter, but it was a busy time for lease management activity. There were four substantial renewals completed the success of which reflected the demand for the Funds high quality assets in the industrials sector. Overall, the new agreements added c. £1m to overall income and also reduced the void rate, down to 8.5% including development voids of 2.9%. This compares to an industry average closer to 15%.

Conditions in the sector remain challenging but earlier fears of capital value weakness look overdone, this will be a down year but not to the extent feared when the pandemic first struck and overall economic activity fell away. Recent signs of improved stability have been encouraging and whilst it is important to avoid premature optimism, there are grounds for expecting a more positive environment in the new year.

Asset allocation at 30 September 20



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

Discrete year total return performance

12 months to 30 September	2020	2019	2018	2017	2016
The Local Authorities' Property Fund	-2.80%	+4.46%	+7.64%	+9.36%	+2.93%
Comparator Benchmark	-2.75%	+2.82%	+9.47%	+9.47%	+4.31%

Annualised total return performance

Performance to 30 September 2020	1 year	3 years	5 years
The Local Authorities' Property Fund	-2.80%	+3.00%	+4.23%
Comparator Benchmark	-2.75%	+3.06%	+4.56%

Net performance shown after management fees and other expenses. Comparator Benchmark – MSCI/AREF UK Other Balanced Quarterly Property Fund Index. Past performance is not a reliable indicator of future results. Source: CCLA

Top 10 property holdings at 30 September 20 – Total 35.01%

London, Beckton Retail Park	Elstree, Centennial Park
London, Palace House	Uxbridge, Stockley Park
London, Imperial House	Bristol, Kings Orchard
London, Goodman's Yard	Leeds, Park Row
Bracknell, Arlington Square West	Coventry, Torrington Avenue

Key facts

Total fund size	£1,156m
Current borrowing	£0m
Number of holdings	78
Income units	
Offer (buying) price	302.56p (xd)
Net asset value	283.43p (xd)
Bid (selling) price	279.04p (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)	0.64%
Fund management fee (FMF)	0.71% **
PRIIPs other ongoing costs	0.71% ***

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* Dealing instructions for the purchase of units must be received by 5.00pm on the business day preceding the valuation date. If the valuation date is a bank holiday, the dealing day will be the previous working day. Whilst units are realisable on each monthly dealing date, all redemption requests are subject to a minimum notice period of 90 calendar days and will therefore be processed on the next available dealing day following expiry of the notice period.

** The FMF includes the Annual management charge and other costs and expenses of operating and administering the fund such as depositary, custody, audit and regulatory fees.

*** The PRIIPs other ongoing costs includes the FMF and where relevant, synthetic charges. Synthetic charges are the impact to the Fund of costs incurred in relevant underlying funds or similar investments. For more information on costs, refer to the Fund's Key Information Document.

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 Information 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 supplemental Trust Deeds dated 6 April 1972, 13 September 1978, 21 April 2016 and 23 September 2019. 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>.