

COIF Charities Property Fund

INVESTMENT POLICY AND OBJECTIVES

The Fund aims to achieve a high and sustainable level of income and some capital appreciation. It mainly invests in a diversified portfolio of direct property assets, but may also invest in specialist property unit trusts and property shares

The Fund’s benchmark is the Other Balanced Fund component of the MSCI/AREF UK Quarterly Property Fund Index.

INVESTOR CONSTITUENCY

Registered charities in England and Wales

Fund details	
Type of fund	Common Investment Fund (Charity)
Residence	United Kingdom
Launch date	29 August 2002
Open/closed-ended	Open-ended
Earliest date of winding up	Not applicable
Year-end	31 December
NAV (GBPm)	574.0

Source: CCLA Investment Management Limited

Management/professional advisors	
Manager	CCLA Fund Managers Limited
Fund Manager	Paul Hannam
Trustee	HSBC Bank plc
Auditors	PWC

Source: CCLA Investment Management Limited

Investment rates of return, %		MSCI/AREF UK Quarterly Property Fund Index		
	COIF Charities Property Fund	Other balanced open-ended funds	All balanced open-ended funds	All funds
3 months	1.2	0.3	0.4	0.3
Year-to-date	0.6	0.1	0.2	0.1
12 months	-16.6	-17.1	-17.4	-17.1
3 years+	4.5	3.3	3.4	2.3
5 years+	3.4	2.3	2.2	1.1
10 years+	7.2	6.6	6.3	5.5

Source: CCLA Investment Management Limited

Source: MSCI/AREF UK Quarterly Property Fund Index

Property investment restrictions	
Maximum development exposure	15%
Maximum speculative development exposure	Zero
Maximum lot-size holding as a standing investment	No maximum
Maximum lot-size holding permitted at purchase	15%
Maximum exposure to limited partnerships	5%
Maximum exposure to joint ventures	5%
Maximum exposure to closed and open-ended property unit trusts	5%

Source: CCLA Investment Management Limited

Portfolio distribution %		MSCI/AREF UK Quarterly Property Fund Index**		
	COIF Charities Property Fund	Other balanced open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	1.6	4.9	4.6	4.6
Standard retail – Rest of UK	1.3	1.2	1.4	2.3
Shopping centres	0.0	0.6	0.9	2.5
Retail warehouses	19.3	12.4	12.1	7.6
All UK retail	22.2	19.1	19.0	17.1
City offices	9.9	3.3	3.4	3.2
West End offices	0.0	8.1	7.5	5.1
Rest of South East offices	7.1	7.5	7.1	5.5
Rest of UK offices	2.0	5.2	4.9	5.3
All UK offices	18.9	24.2	22.9	19.1
South East industrial	15.2	24.0	24.5	20.3
Rest of UK industrial	34.0	13.6	13.7	11.8
All UK industrial	49.2	37.6	38.2	32.1
Other UK properties	8.2	12.4	12.5	25.9
Cash***	1.4	6.7	7.4	5.8
Overall	100.0	100.00	100.00	100.00

Source: CCLA Investment Management Limited

** MSCI/AREF UK Quarterly Property Fund Index

Property ownership structure			
	Number of assets	Valuation (GBPm)	% of total portfolio
Direct holdings	55	566.0	100.0
Joint and indirect holdings	0	0	0.0
Listed investments	0	0	0.0
Total	55	566.0	100.0

Source: CCLA Investment Management Limited

Largest direct investments by lot size & percentage of total portfolio				
Property	Location	Sector	Valuation (GBPm)	% of total portfolio
80 CANNON STREET	LONDON	Office	46.7	8.3
MENDLESHAM INDUSTRIAL ESTATE	STOWMARKET	Industrial	35.8	6.3
PAVILION RETAIL PARK	BRIGHTON	Retail Park	34.4	6.1
15 Coalfield Way	Ashby-de-la-Zouch	Industrial Other	31.3	5.5
MAGNA PARK	LUTTERWORTH	Industrial	22.7	4.0
BATH WATERSIDE TRAVELODGE	BATH	Hotel	21.3	3.8
1400-1499 & 1600 AZTEC WEST	BRISTOL	Industrial Other	20.1	3.6
UNIT 3220 MAGNA PARK	LUTTERWORTH	Industrial	19.9	3.5
7 ST ANDREWS WAY	LONDON	Industrial Other	16.6	2.9
BRACKMILLS INDUSTRIAL ESTATE	NORTHAMPTON	Industrial	16.2	2.9
10 largest investments as % of portfolio			264.9	46.8

Source: CCLA Investment Management Limited / MSCI estimates

Direct portfolio structure by lot-size bands			
Value band (GBPm)	Number of assets	Valuation (GBPm)	% of total portfolio
0 -2.5	8	15.8	2.8
2.5 - 5	7	26.1	4.6
5-10	21	141.4	25.0
10-25	15	234.6	41.5
25 - 50	4	148.2	26.2
50 - 100	0	0.0	0.0
100-150	0	0.0	0.0
Over 150	0	0.0	0.0
Total	55	566.0	100.0
Average lot size		10.3	

Source: CCLA Investment Management Limited

Property Yield		Voids as % of ERV	
Net initial yield	5.02%	Investments	4.20%
Nominal equivalent yield	6.57%	Developments	7.60%
True equivalent yield	6.84%	Total	11.80%
Net reversionary yield	6.48%		

Source: CCLA Investment Management Limited

Source: CCLA Investment Management Limited

Rental income & ERV by type of property		
	Rental income %	Estimated rental value %
Standard retail	4.2	2.9
Retail warehousing	22.5	17.3
Shopping centres	0.0	0.0
Central London offices	11.3	9.9
Other offices	9.1	17.7
Industrial	43.0	44.9
Other	10.0	7.2
Overall	100.0	100.0

Source: CCLA Investment Management Limited

Over Renting and Reversionary Potential, % Rent Passing									
Sector	Rent Passing, GBP Millions	Rent Free , % Rent Passing	Development vacancy, % Rent Passing	Investment vacancy, % Rent Passing	Over rented,% Rent Passing	Reversionary potential,% Rent Passing	Reversionary potential Net of Over renting,% Rent Passing	Market Value,% Rent Passing	
Standard retail	1.4	8.4	0.0	0.7	-15.8	1.1	-14.7	85.3	
Retail warehousing	7.8	9.9	0.0	0.0	-6.8	0.5	-6.3	93.7	
Shopping centres	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	
Central London offices	3.9	28.3	0.0	3.9	-1.0	46.3	45.3	107.5	
Other offices	3.2	0.0	55.4	79.9	-0.2	35.4	35.2	236.4	
Industrial	14.8	3.1	0.0	14.6	-1.4	18.4	17.0	127.2	
Other	3.5	0.0	0.0	0.0	-14.3	9.0	-5.2	88.0	
Overall	34.5	7.1	5.1	14.0	-4.3	26.1	21.8	121.8	

*Comprising the ERV of developments in progress or contracted which have not been pre-let

Source: CCLA Investment Management Limited

Listed Investments			
	% of Issue held	Valuation (GBPm)	Est. % of total portfolio
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

Source: CCLA Investment Management Limited

The unexpired term of leases	
Years	% of rent passing
20 years or greater	7.3
15 years or greater, but less than 20	2.4
10 years or greater, but less than 15	6.0
5 years or greater, but less than 10	25.5
Less than 5 years	58.9

Source: CCLA Investment Management Limited

Joint and Indirect property holdings						
Holdings	Sector	Joint/Indirect	Vehicle Type	Ownership %	Valuation	Est. % of total portfolio
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Source: CCLA Investment Management Limited

Debt analysis						
Fixed rate borrowings			Variable rate borrowings			
Amount drawn (GBPm)	Average rate (%)	Average unexpired term (years)	Amount drawn (GBPm)	Rate above LIBOR (incl expenses) (%)	Off balance sheet debt (GBPm)+	
0	0	0	0	0.00%	0.0	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	

Source: CCLA Investment Management Limited

Development exposure*				
Capital value of developments				Cost to complete schemes in progress+
	Not yet started	In progress+	All developments	
GBPm	0	0	0	0
% of all directly held properties*	0.00%	0.00%	0.00%	0.00%

* Includes joint ventures in which the Fund has an interest of 50% or more

Source: CCLA Investment Management Limited

Valuations/performance monitors/affiliations	
Frequency of valuation	Monthly, as at the last day of the month
Valuers	Knight Frank LLP
Portfolio performance monitored by MSCI	Yes
Constituent of MSCI/AREF UK Quarterly Property Fund Index	Yes
Member of the Association of Real Estate Funds	Full member

Source: CCLA Investment Management Limited

Restrictions on holdings of cash/borrowings	
Maximum total gearing permitted	25%
Cash holdings (maximum)	20%
Cash holdings (minimum)	Zero

Source: CCLA Investment Management Limited

The contribution of major tenants to rental income	
Tenant	%
CEVA LOGISTICS LTD	6.9
TRAVELODGE HOTELS LIMITED	4.9
EV DOWNTON LTD	4.1
INTELLIGENT PROCESSING SOLUTIONS	3.9
VWR INTERNATIONAL LTD	3.0
DHL SUPPLY CHAIN LIMITED	2.8
WICKES BUILDING SUPPLIES LTD	2.8
B&Q PLC	2.7
B&M RETAIL LTD	2.7
RETTIG (UK) LTD	1.9
Three largest tenants' contribution to rental income	15.9
Five largest tenants' contribution to rental income	22.8
Ten largest tenants' contribution to rental income	35.8

Source: CCLA Investment Management Limited

Balance sheet/gearing					
	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
Balance sheet (GBPm)					
Properties at valuation	566.0	0.0	0.0	0.0	566.0
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	0.0	0.0	0.0	0.0	0.0
Cash	8.1	0.0	0.0	0.0	8.1
Other net assets/liabilities	0.0	0.0	0.0	0.0	0.0
Total net assets	574.0	0.0	0.0	0.0	574.0
Gearing (%)					
Net debt (cash)/properties	-1.4	-	-	-	-1.4
Net debt (cash)/equity	-1.4	-	-	-	-1.4

Source: CCLA Investment Management Limited

Quarterly data per unit						
As at	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23

Bid (GBP)	129.21	135.31	129.63	109.62	107.45	107.42
Offer (GBP)	133.54	139.85	133.98	113.29	111.05	111.02
Mid (GBP)	131.38	137.58	131.81	111.46	109.25	109.22
Bid/offer spread	3.24%	3.24%	3.24%	3.24%	3.24%	3.24%
Net asset value (GBP)	129.72	137.44	131.67	111.35	109.14	109.11
Quarterly distribution (GBP)	1.53	1.35	1.49	1.37	1.53	1.35
Yield	4.32%	4.07%	4.36%	5.16%	5.26%	5.26%

Source: CCLA Investment Management Limited

Unit pricing

There are currently two Dealing Days per month, normally the last Tuesday and Thursday, except when this is not a Business Day; that is a day on which the London Stock Exchange (or any successor body) is not open for business, then the preceding Business Day becomes a Dealing Day. The valuation is carried out at mid-market prices at the Valuation Point. The Unit price includes the value of the income property of the Fund which has not been declared as a dividend on the Dealing Day.

Distributions

For income unitholders, distributions of income are calculated quarterly and distributed at the end of February, May, August and November.

Minimum investment/disinvestment

Minimum initial investment: GBP10,000

Minimum additional investment: GBP1,000

Minimum redemption: GBP1,000

Creation, transfer and realisation of units

Completed application forms together with payment must be received by 5pm on the business day prior to the dealing date. Completed redemption forms must be received by the manager by 5pm on the day prior to the dealing day. Settlement cheques are sent out within four business days of the dealing date. The Manager reserves the right to defer redemptions for up to six months if it considers it necessary for the protection of the continuing unitholders to do so. (See "Redemption notices outstanding".)

Taxation

As a registered charity, the fund is currently exempt from income and capital gains tax and is not subject to stamp duty.

Capital Gains Tax

Income Tax

Stamp duty reserve tax

Charges

The manager's fee is 0.65% pa of the value of the fund.

The corporate trustee's fee is flat fee of £36,000 (plus VAT) per annum.

Unit holder analysis		
	Number of unitholders	Total % held
Less than 1% of units in issue	653	26.5
1% or greater but less than 2%	3	4.8
2% or greater but less than 4%	3	9.4
4% or greater but less than 8%	1	5.2
Greater than 8.0%	3	54.2
Total	663	100.0
Major investors		
Largest holder	1	27.7
Three largest holders	3	54.2
Five largest holders	5	62.9
Ten largest holders	10	73.6
Internal/external investors		
Internal	3	47.1
External	660	52.9

Source: CCLA Investment Management Limited

Liquidity						
Period	Year to Dec 2018	Year to Dec 2019	Year to Dec 2020	Year to Dec 2021	Year to Dec 2022	Year to Dec 2023
Issues and redemptions						
Units in issue as at start of period	448,183,046.3	502,012,086.7	533,227,472.0	534,234,119.9	521,122,608.7	528,870,156.7
Units issued during period	75,803,766.7	71,044,401.0	25,616,999.5	14,700,300.3	60,002,225.8	2,765,896.6
Units redeemed during period	-21,974,726.3	-39,829,016.0	-24,610,351.6	-27,811,811.4	-52,254,677.9	-4,508,009.2
Units in issue at end of period	502,012,086.7	533,227,472.0	534,234,119.9	521,122,608.7	528,870,156.7	527,128,044.1
Unit transfers						
Matched bargains	0	0	533547457.1	0	0	0
Matched bargains %*	0	0	0.998714678	0.00%	0	0.00%

* as % of units in issue at the end of the period

Source: CCLA Investment Management Limited