

# The Local Authorities' Property Fund

## Fund Fact Sheet – 30 June 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.

### 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.

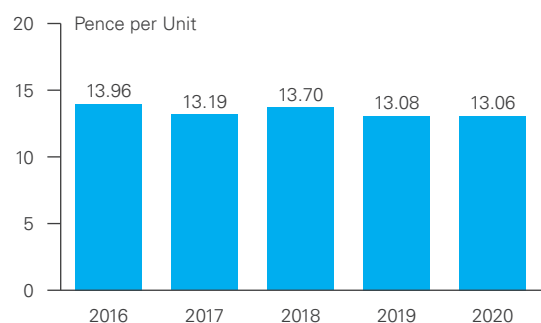
### Income

Gross dividend yield	4.48%*
MSCI/AREF UK Other Balanced Quarterly Property Fund Index yield	3.60%**
Official Bank Rate	0.10%

\* Based upon the net asset value and historic gross annual dividend of 12.7157p.

\*\* As at 30 June 2020

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

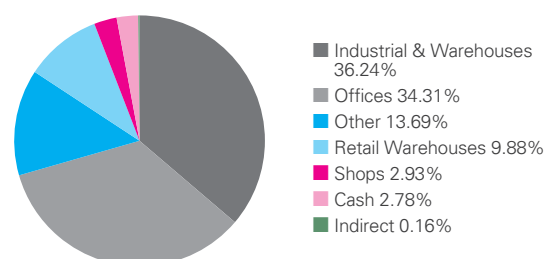


### Fund update

Capital values in the sector fell back over the quarter but not at an equal rate. The greatest weakness once again was in retail assets, but hotels also declined and there was pressure too on some offices. In contrast, industrials remained resilient. Transaction volumes stayed low and valuers continued to issue qualified valuation notices which resulted in the suspension of dealing in the Fund.

There was one acquisition in the period, a retail warehouse in Leeds at a total cost of £5.5m. The yield at acquisition was 7.3%. There was some significant letting activity including Arlington Square in Bracknell, let to Eli Lilly at the highest rent achieved in the town for 20 years. We also let a large distribution facility in Warrington to Hermes Parcelnet, achieved a rental increase on an Edinburgh office occupied by Sainsburys and re let a distribution unit used by Cath Kidston to Hotel Chocolat. The effect of the crisis has been to amplify and accelerate many of the trends previously evident in the sector. Demand for industrial assets has remained robust but the challenges facing the retail sector have intensified and are likely to influence returns for some time to come. Encouragingly, June saw some improvement in returns, a trend we expect to continue in the months ahead. Holdings in LAPF are categorised as Treasury investments and so are not deemed capital expenditure.

### Asset allocation at 30 June 20



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

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## Discrete year total return performance

12 months to 30 June	2020	2019	2018	2017	2016
The Local Authorities' Property Fund	-3.47%	+5.46%	+9.36%	+7.24%	+5.85%
Benchmark*	-3.08%	+4.05%	+10.23%	+5.67%	+8.85%

## Annualised total return performance

Performance to 30 June 2020	1 year	3 years	5 years
The Local Authorities' Property Fund	-3.47%	+3.64%	+4.79%
Benchmark	-3.08%	+3.59%	+5.04%

Net performance shown after management fees and other expenses. Benchmark – MSCI/AREF UK Other Balanced Quarterly Property Fund Index \* (estimated for the last quarter). Past performance is not a reliable indicator of future results. Source: CCLA

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## Top 10 property holdings at 30 June 20 – Total 34.89%

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

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## Key facts

Total fund size	£1,158m
Current borrowing	£0m
Number of holdings	77
<b>Income units</b>	
Offer (buying) price	303.14p (xd)
Net asset value	283.97p (xd)
Bid (selling) price	279.57p (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%
Fund management fee (FMF)	0.72% **
PRIPs other ongoing costs	0.72% ***

\* 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.

\*\* 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 PRIPs 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.

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