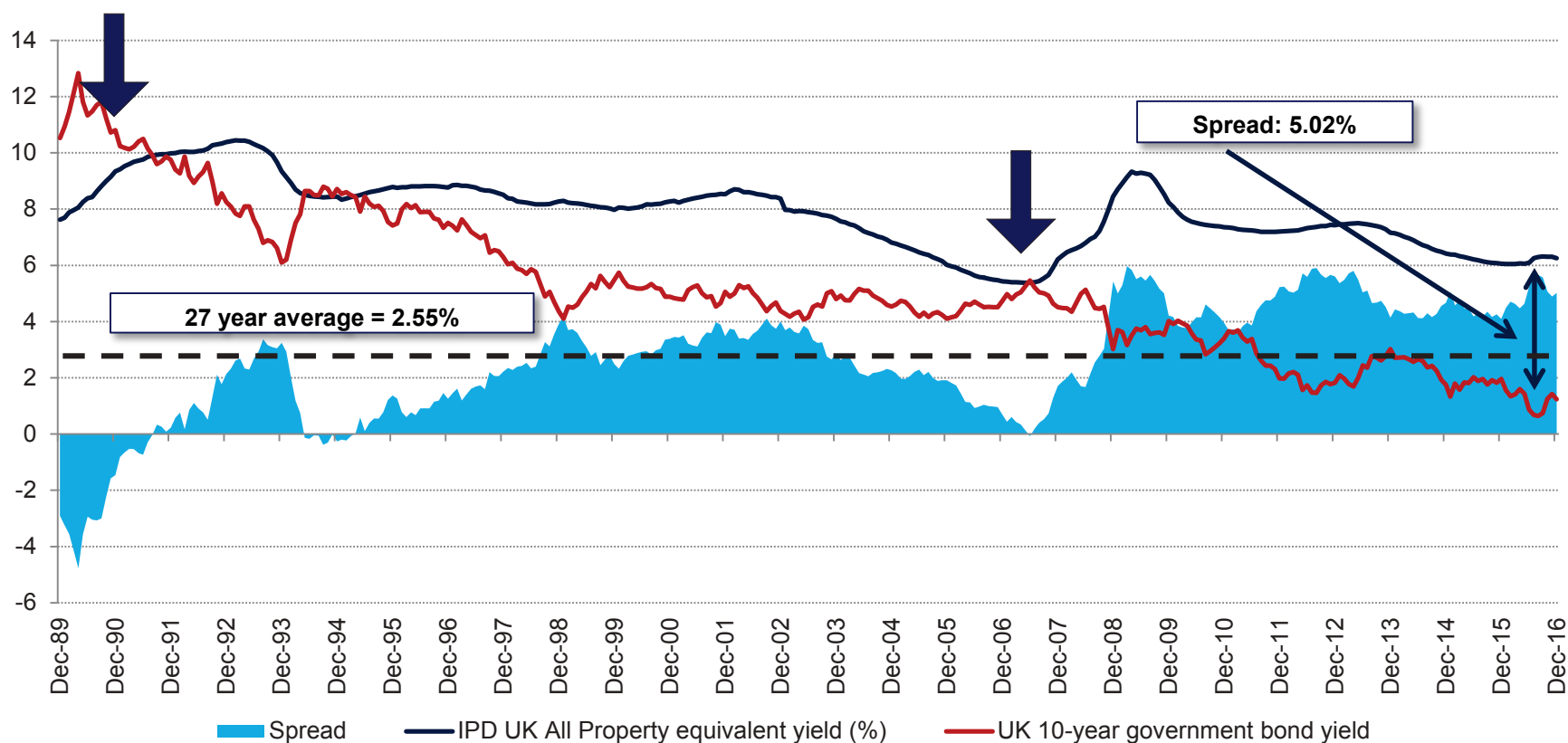


Charities Property Fund

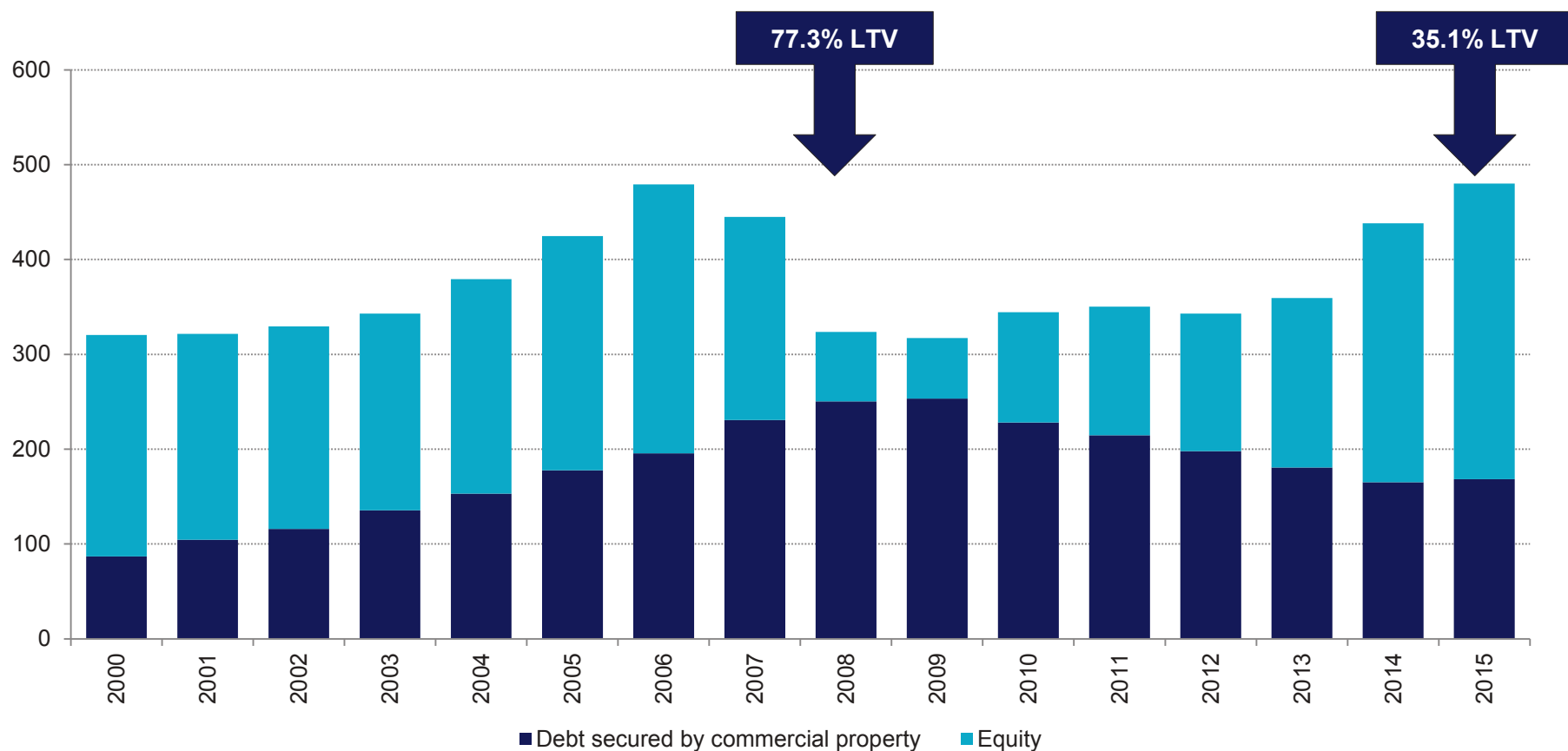
Property yield spread at twice its historic average

MSCI UK All property equivalent yield spread over UK government 10-year bond



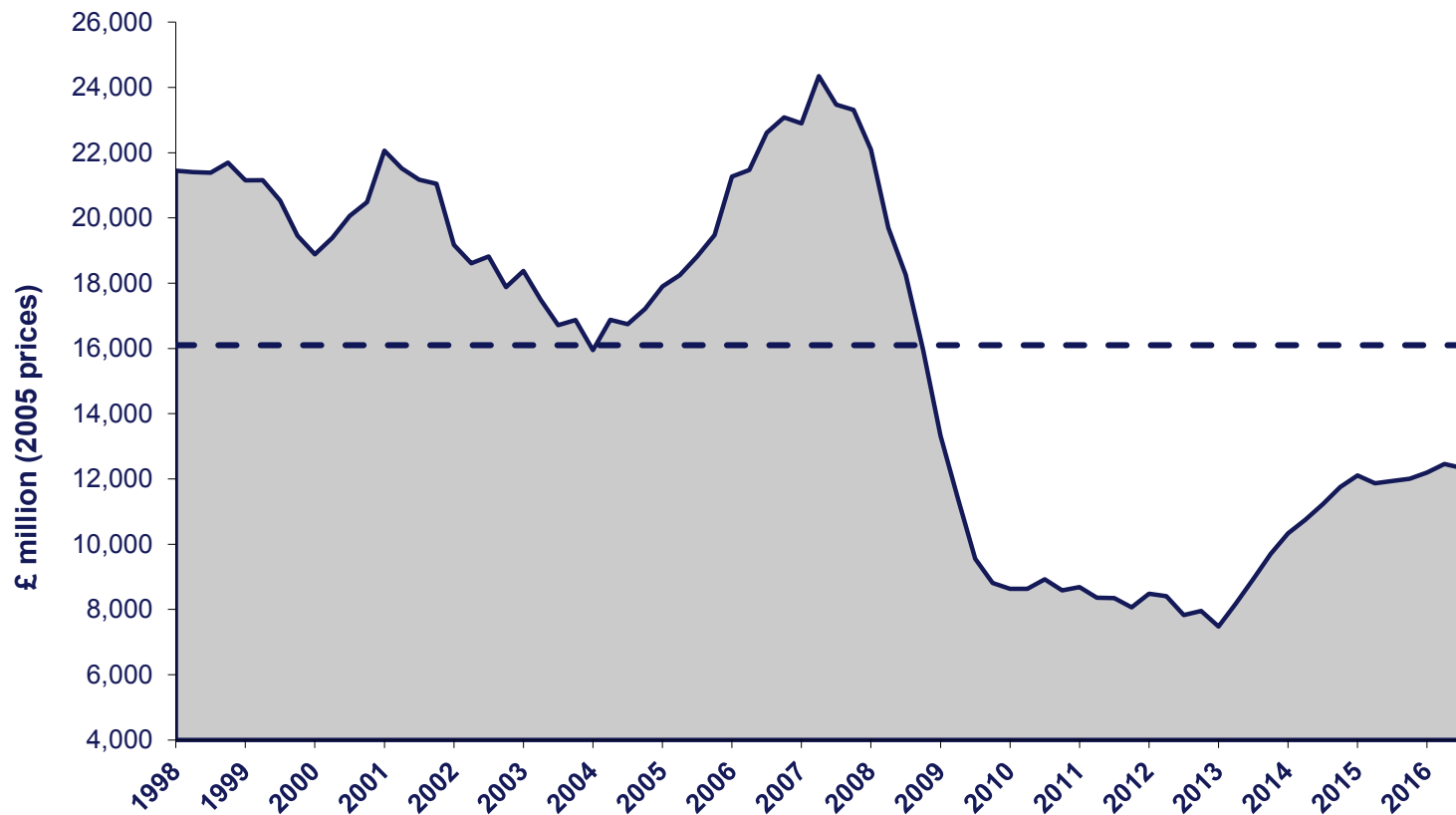
Commercial property debt market is not distressed

Loan-to-Value lending (GBP billions)



Development continues to be restricted...

New Construction Orders (development activity)
Retail, Office and Industrial





The Fund & Strategy

Our approach...

Create a large and diversified fund

Distribute consistent and stable dividends (almost £450m since launch)

Earn good returns on equity whilst employing little or no debt

Simple easily understood business plan – we don't over complicate

Strong and stable management team

Buy good quality properties at sensible prices and hold for long term

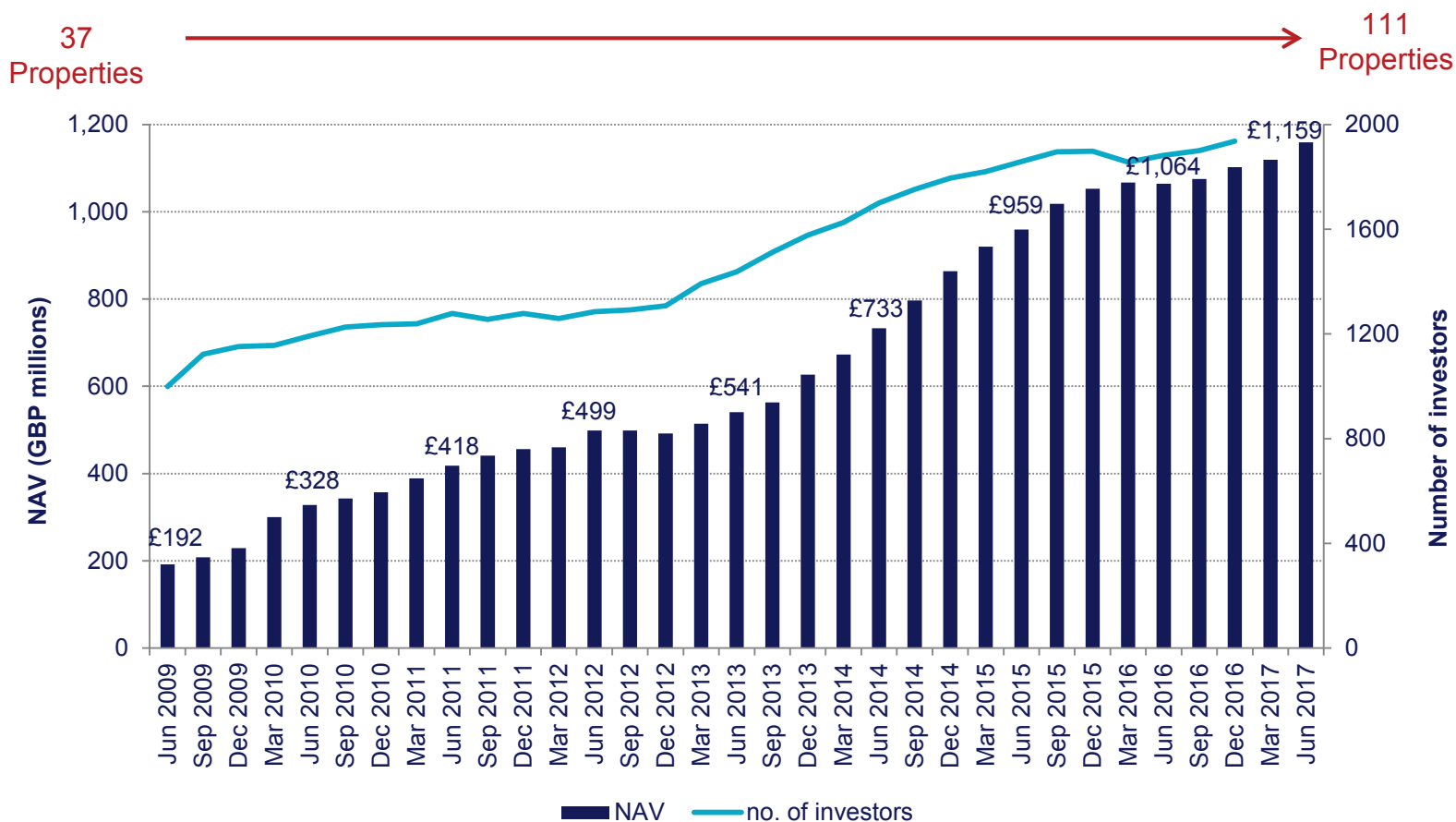
Majority of acquisitions transacted in exclusivity

Transparency

Competitive fee scale (TER 0.56%)

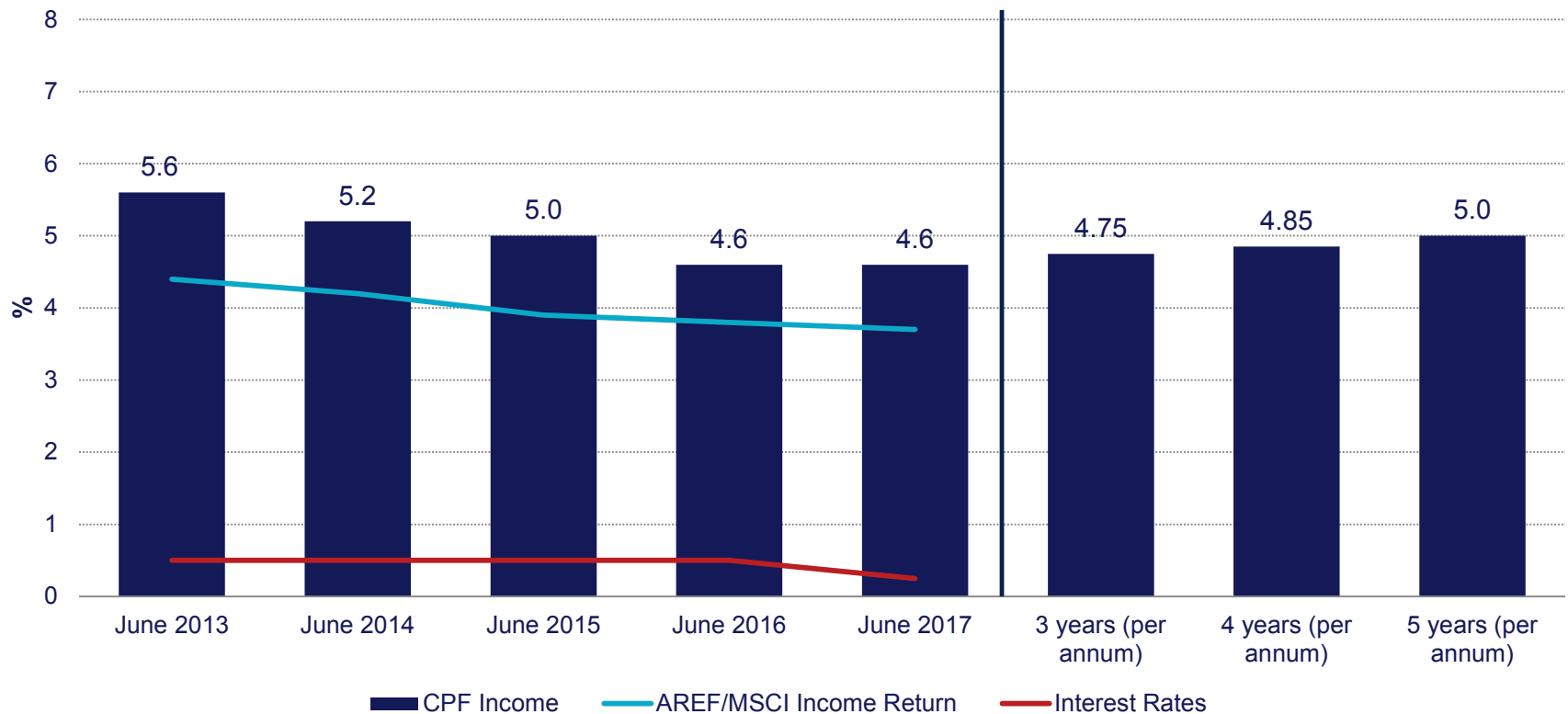
A low risk, diversified property fund delivering high and secure income

Large & diversified



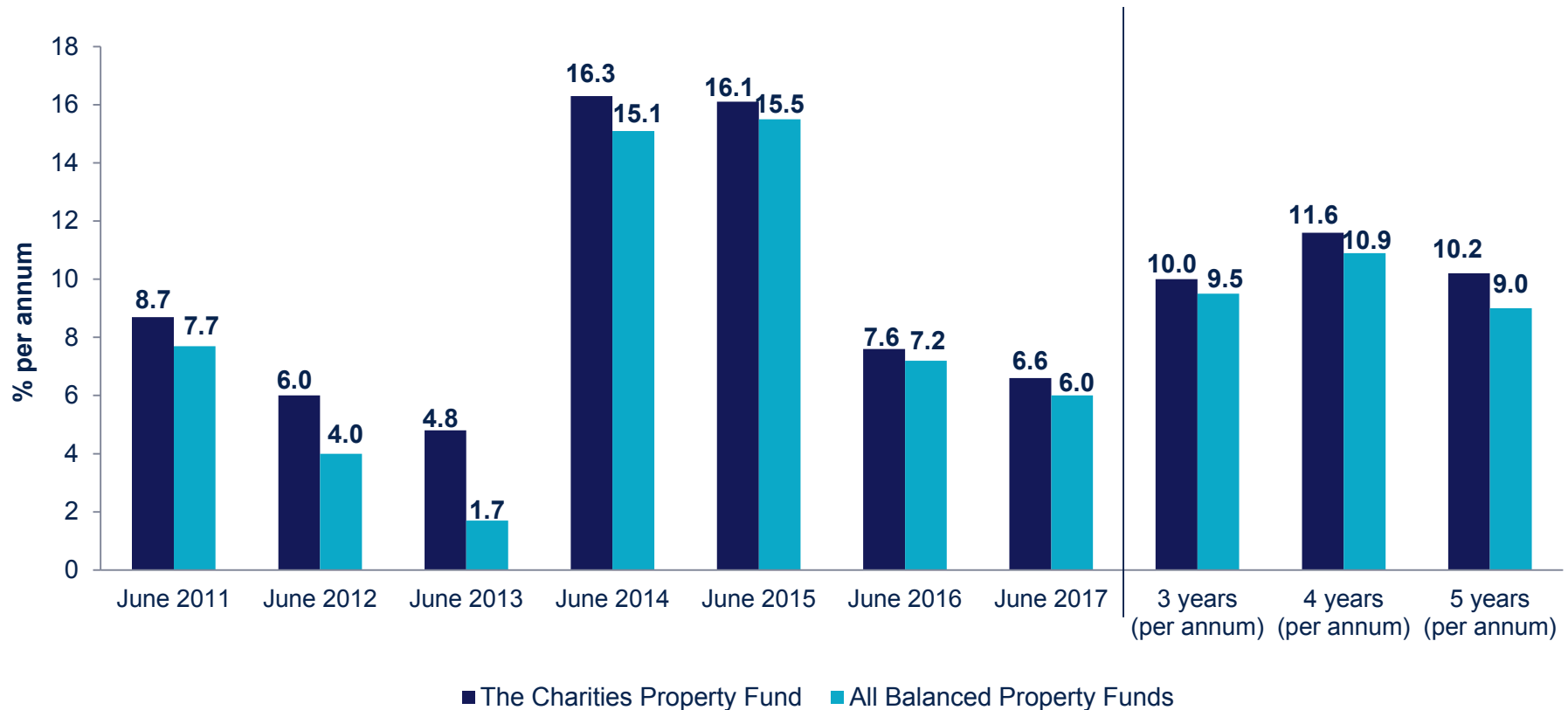
Greater size brings greater diversification

Income returns



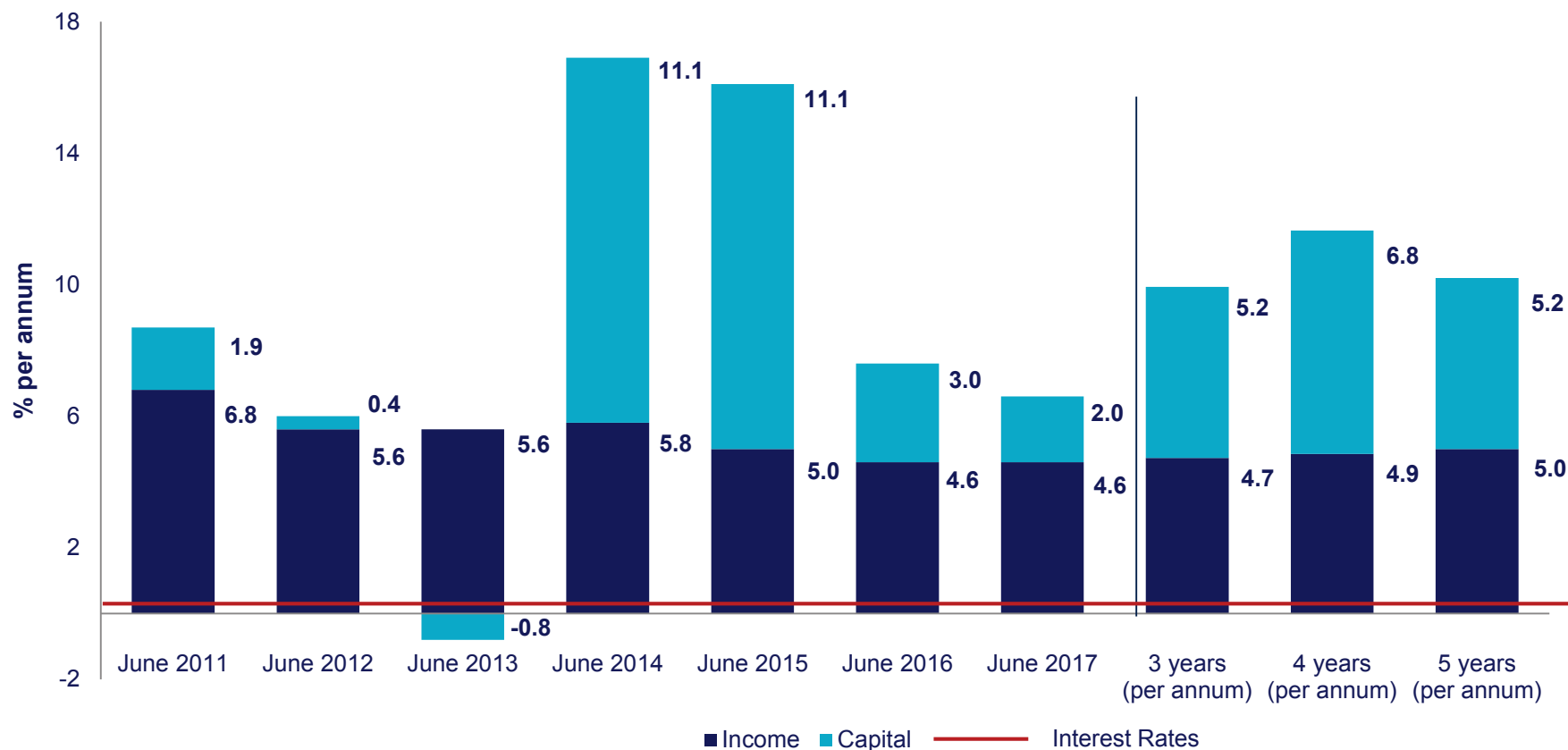
Income is 25% higher than the All Balanced Funds average

Fund level performance - total return



Consistently outperforming

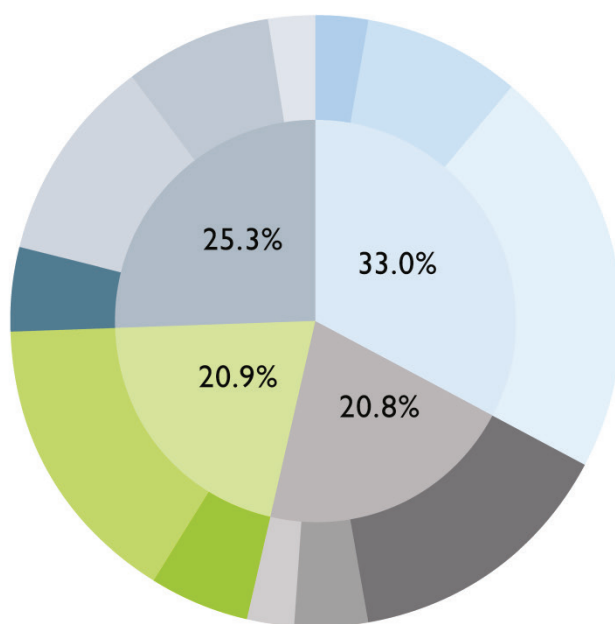
Fund level performance – income and capital



High and secure income and growing capital

Sector weightings

CPF Portfolio June 2017



● RETAIL	33.0%
Retail	2.9%
Supermarkets	8.3%
Retail Warehouses	21.8%
● OFFICES	20.8%
London Offices	14.3%
South East Offices	4.0%
Rest of UK Offices	2.5%
● INDUSTRIAL	20.9%
South East Industrials	5.1%
Rest of UK Industrials	15.8%
● ALTERNATIVES	25.3%
Leisure	4.4%
Hotels	10.7%
Automotive	7.8%
Roadside	2.4%

80% invested in sectors forecast to outperform the average

50% distribution & alternatives

40% in Bath, Brighton, Cambridge, London and Harrogate

40% sub £5 million

40% fixed or RPI linked

87% negligible or low risk tenants

5.0% vacancy rate

11.9 years average unexpired lease term

1,937 investors

A highly resilient quality portfolio

Source: Savills Investment Management (June 2017)

Agglomeration in key centres...

Brighton



Agglomeration in key centres...

Bath



Building critical mass...





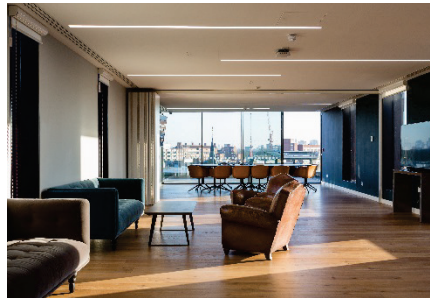
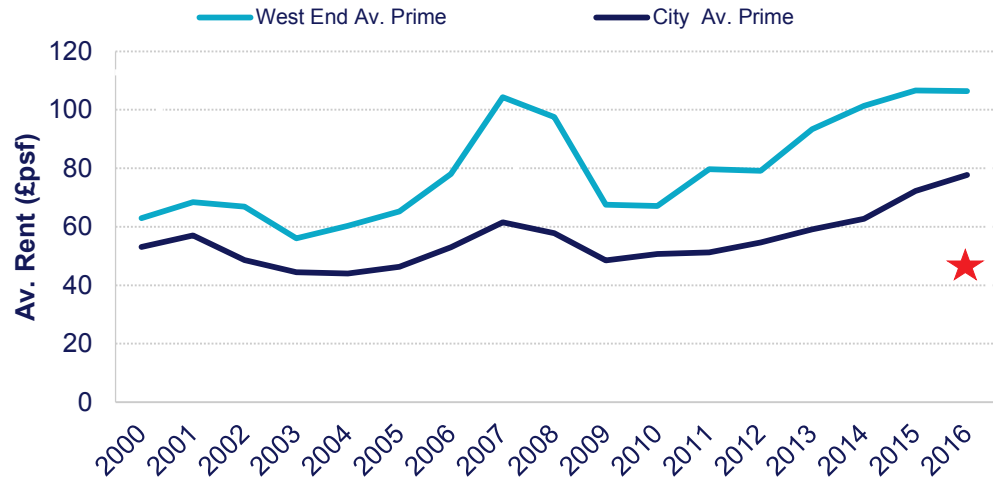
The Portfolio

Central London



Central London

- 7 properties
- 24 tenants
- 165,000 sq ft
- 15% of the Fund
- Av. Rent: £44psf



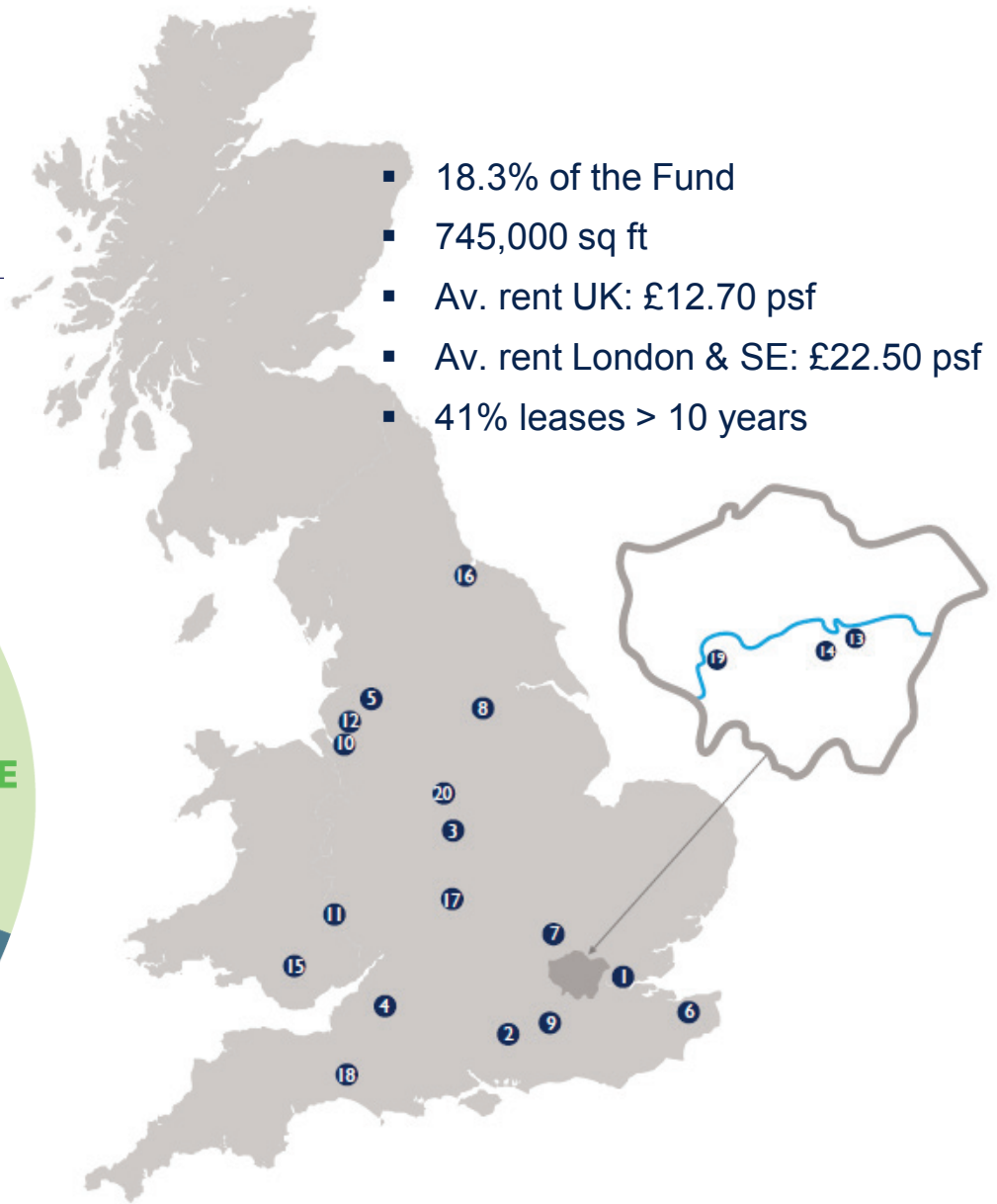
Low rents, no obsolescence, low volatility – no financial services firms

Retail Warehousing

Top 10 tenants by income

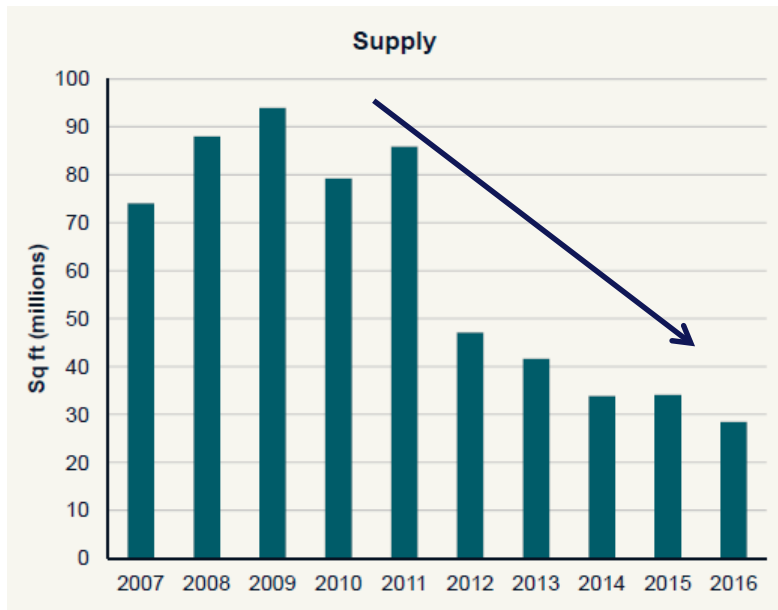


- 18.3% of the Fund
- 745,000 sq ft
- Av. rent UK: £12.70 psf
- Av. rent London & SE: £22.50 psf
- 41% leases > 10 years



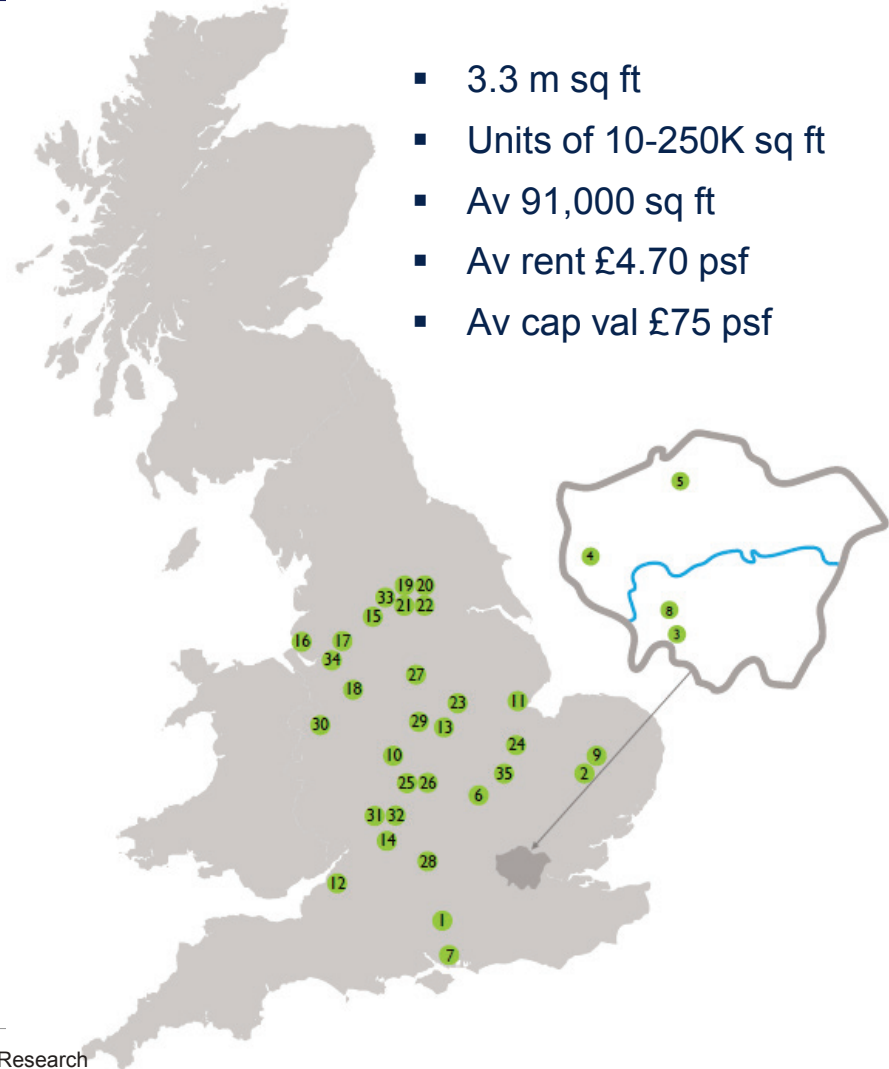
0% vacancy across the portfolio

Industrial - supply levels at historic lows



- Take up of 32.1m sq ft in 2016
- Supply only 28.4m sq ft
- 48% online, high street and grocery retail
- Forecast rental growth of 2.2% pa 2017 - 21

- 3.3 m sq ft
- Units of 10-250K sq ft
- Av 91,000 sq ft
- Av rent £4.70 psf
- Av cap val £75 psf



A modern lounge area with two white, curved armchairs and a small round table. The table holds a coffee pot and cups. The room has large windows overlooking a city skyline, featuring a prominent dome. The floor is made of light-colored wood.

Asset Management

Asset management – forward funding

Brocklebank Retail Park, Greenwich, London



- New open A1 food & fashion park
- Completion due 7 August 2017
- Will be the largest asset in the Fund
- Anchored by Primark on a 20 year lease, further lettings to Next and Aldi (both 15 years) and Mothercare (10 years)
- 85% of income is RPI/CPI linked
- Improving area with growing population
- Long leases without breaks
- BREAAAM 'Very Good' rating
- Freehold reversionary asset
- Average rent £28.75 psf, final letting to Mothercare at £40.00 psf
- £52 million in total, a yield of 4.5%

Asset management – refurbishment

Bath Spa Travelodge



- Acquired in 2012 for £6.9 million (8.75%)
- Lease surrender taken from office tenant
- Planning permission submitted for hotel use
- Refused initially but eventually granted February 2016
- Practical completion due in October 2017
- Rent has increased by almost 90%
- New 25 year lease signed with Travelodge
- RPI linked uncapped rental uplifts
- Likely to result in end value over £15 million

Asset management – pre let development

Vitec plc, Bury St Edmunds



- Property originally acquired for £1.3 million in March 2015
- Let to Carillion until 2017 at £131,000 pa
- 4 acre site, primarily used for open storage
- Excellent location and under supply of industrial units
- Lease surrender taken from Carillion in late 2016
- Pre-let signed with Vitec for a new 15 year lease at £587,000 pa with RPI linked rent reviews
- New 60,000 sq ft unit under construction at a cost of circa £4.5 million. Completion due October 2017
- End value likely to be £10.5 million (5.25%)
- Capital uplift of circa £4.7 million after costs

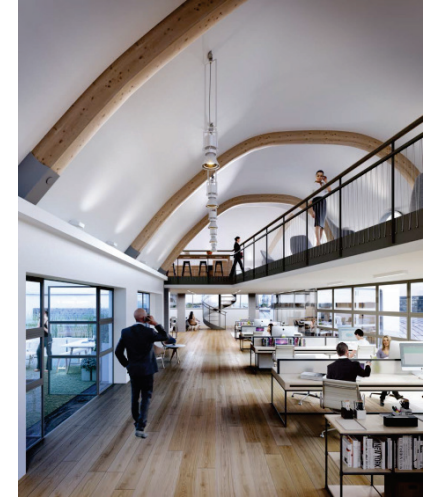
Asset management – refurbishment and repositioning

The Smithson, Farringdon, EC1



Exciting new project for delivery in 2018

Asset management – refurbishment and repositioning



- Prime Clerkenwell building located 200 metres from the new Crossrail / Thameslink interchange at Farringdon
- Acquired in March 2011 for £23 million (7.1%)
- Currently valued at £42 million
- Lease surrender taken from previous tenant
- A full refurbishment has been architecturally designed and tendered
- Contractor appointed with a completion date of July 2018
- Crossrail will open in December 2018
- Likely construction costs of £9 million
- End value likely to be £65 million



Acquisitions & Disposals

£85 million acquired - year to June 2017

8 properties acquired at an average yield of 6.0% (vs MSCI at c5.1%)

55% of income benefits from guaranteed rental increases

0% vacancy (vs MSCI at c8.2%)

18 years average lease length, 13 years to earliest break

95% of income with low or negligible risk tenant rating (vs MSCI at 79%)



stelfox



films@59



FIVE GUYS

HAYS

Handelsbanken

HOUSE OF FRASER



Outperformance through stock selection

£85 million sold - year to June 2017

12 properties sold at an average yield of 5.50% (vs MSCI at c5.1%)

25% of income benefits from guaranteed rental increases

2% vacancy (vs MSCI at c8.2%)

10 years average lease length, 9.75 years to earliest break

90% of income with low or negligible risk tenant rating (vs MSCI at 79%)

oasis

Iceland

iFORCE

TheWorks.co.uk

COSTA

WHSmith

Designer
Contracts

TESCO



CLOUDREACH

BBC



European Parliament

SMITHS

Profit taking after executing business plan

Retail – improving quality and reducing risk

WH Smith, Chichester



- Limited prospects for rental growth
- Well located and configured unit but tired through underinvestment
- Only six years remaining
- Sold for £3.82 million (4.0%)

House of Fraser, Chichester



- Newly refurbished department store
- Strong retailing position opposite the Cathedral
- 22 years unexpired lease term
- Low rent of £10 psf and low capital value of £193 psf
- Acquired for £13.4 million (5.50%)

Retail – improving quality and reducing risk

Chichester, Worcester, St Neots, Southend



- Five sales - £11.4 million, 4.8%
- Traditional retailers
- No fixed increases
- Rack rented
- 7.25 years to expiry, 6.25 years to breaks
- Difficult to forecast performance

Chichester & Harrogate



- Two acquisitions £22.0 million, 5.3%
- Newly constructed or refurbished units
- Leisure focused retailers
- 20% of the income benefits from RPI linked increases
- 20 years to lease expiry, 19 years to breaks

Improved lease length, location and reversion at a similar yield

Supermarkets – improving quality and reducing risk

Tesco, Nailsea



- Acquired for £21.3 million in August 2011
- 15 years remaining to Tesco
- Main supermarket in the town, but rent now high at £27 per sq ft.
- Sold for £23.6 million, a yield of 4.85%

Brocklebank Retail Park, Greenwich



- New open A1 food & fashion park
- Pre-let to Next, Primark, Mothercare and Aldi
- Improving area with growing population
- Freehold reversionary asset
- Long leases and fixed increases
- BREAAAM 'Very Good' rating
- £52 million in total, a yield of 4.5%

Cash recycled into a much better quality asset at a similar yield

Retail warehouses – improving quality and reducing risk

Gateshead - Metrocentre



- Prime retail warehouse located adjacent to the Metrocentre and an Ikea store
- Metrocentre is the second busiest retail location in the UK
- Let to Tesco and underlet to The Range and Sports Direct
- 31.5 years unexpired with 16.5 years to break
- £33.67 million, 5.85%, rising to 6.6% in August 2018

Bury St Edmunds



- Prominent location in an attractive town
- Matalan's best performing UK store
- 12.5 years unexpired
- Low rent of £9.80 psf
- Underpinned by numerous alternative uses
- £4.3 million, 6.9%

Long leases, low rents and quality locations

Offices – improving quality and reducing risk

Wolverhampton



- Limited prospects for further growth and growing risk of obsolescence
- Large surrender premium received from previous tenant
- Acquired for £1.0 million in December 2009, sold for £1.375 million
- IRR of 18.3% per annum since purchase

Clifton, Bristol



- Restricted supply – conservation area
- Numerous alternative uses
- Significant reduction in office space due to PD
- Low rents of £17 per sq ft
- Residential values double that of offices
- £4.15 million, 6.4%

Low rents, strong location and underpinned by alternative uses

Offices – improving quality and reducing risk

SOLD

Edinburgh



- Limited prospects for further growth and growing risk of obsolescence
- Short leases, 5 years average to earliest breaks and limited tenant demand
- Sold for £8.3 million, 7.1%
- £300,000 ahead of the last valuation

Brighton

ACQUIRED



- Restricted supply – conservation area
- Adjacent to Brighton railway station
- Significant reduction in office space due to PD
- Low rents of £17 per sq ft
- Residential values double that of offices
- £11.2 million, 6.5%

Low rents, strong location and underpinned by alternative uses

Industrial & Distribution – improving quality and reducing risk

Designer Contracts, Kettering

SOLD



- Older unit
- Unit successfully re-let after previous tenant vacated
- Produced a healthy IRR and income return since purchase
- Non prime location some distance from the motorway
- Sold for £7.4 million, reflecting a yield of 6.25%

Amazon, Liverpool

ACQUIRED



- Newly constructed unit
- Lies adjacent to another unit owned by the Fund
- Well connected and improving location
- New letting to Amazon for 10 year term
- Acquired for £8.6 million, 6.7%

Industrial & Distribution – improving quality and reducing risk

iForce, Redditch



- Good quality industrial unit
- Acquired in 2011 for £15.15 million, 9.4%
- Relatively high rent of £6.00 psf
- Lease extended in 2017 for a further 10 years
- Sold to a UK institution for £25.15 million, 5.35%, reflecting £100 per sq ft
- Capital growth of 65% and an IRR since purchase of 17.3% per annum.

Wednesbury, Birmingham



- Good quality modern unit
- Excellent location close to J9 of the M6
- Let for a further 7.25 years to AF Blakemore
- Low rent of £4.80 psf
- Low capital value of £63 per sq ft
- Acquired for £4.0 million, 7.45%

An aerial photograph of a large Amazon warehouse complex. The main building is a long, low-profile structure with a light-colored metal roof and dark lower walls. A smaller section of the building on the right has the 'amazon' logo on its facade. To the right of the building is a large parking lot filled with numerous cars and several white delivery vans. In the foreground, there is a road intersection with a 30 mph speed limit sign and a grassy area with trees. A dark blue rectangular box with the word 'Sustainability' in white text is centered over the middle of the image.

Sustainability

ESG - acquired two 'BREEAM Excellent' buildings

122 Back Church Lane, London E1

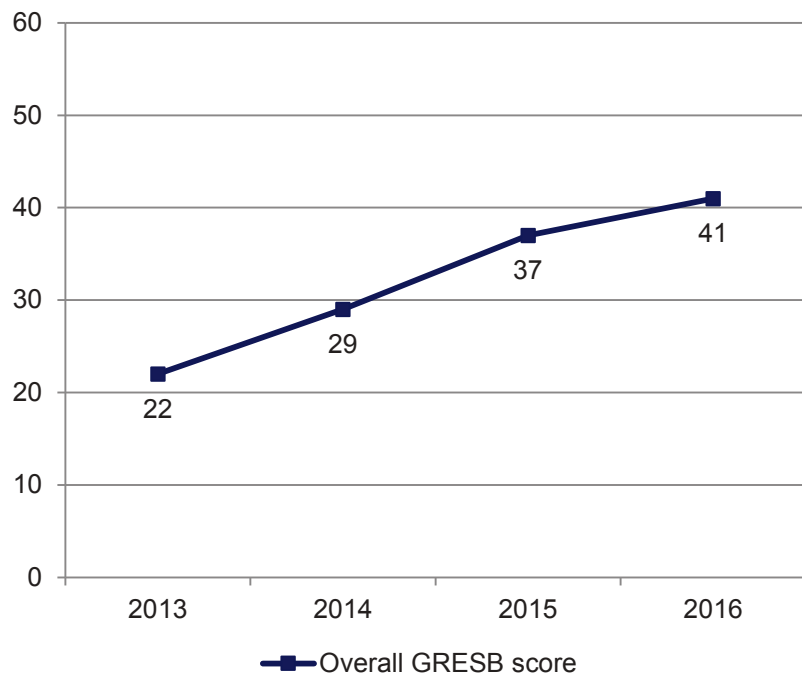


Amazon, Hornhouse Lane, Knowsley, Liverpool



ESG - asset management

10.8% improvement in GRESB score in 2016



Efficiency upgrades

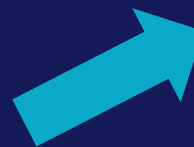
- LED lighting
- BMS optimisation
- Multi-let offices
- All retail parks



Tenant engagement
newsletter:
100% portfolio

5

further sites
assessed for EV
charging points



EPC 'F&G Risk'
review:
100% complete

- **Utility consumption** - full year of data reported
- **Waste reporting** - 100% managed portfolio reviewed

Key statistics – last 5 years



Net Asset Value up **57%**



Number of properties has increased by **63%**



Investor base has increased by **52%**



Unit price is up **20.6%**



Dividend is up **2.8%**



Average unexpired lease term is up **21%**



Leases benefitting from fixed increases is up **50%**



Income secured on low & negligible risk covenants is **85.1%**



Vacancy rate is down **28%**

All indicators are green

Appendices

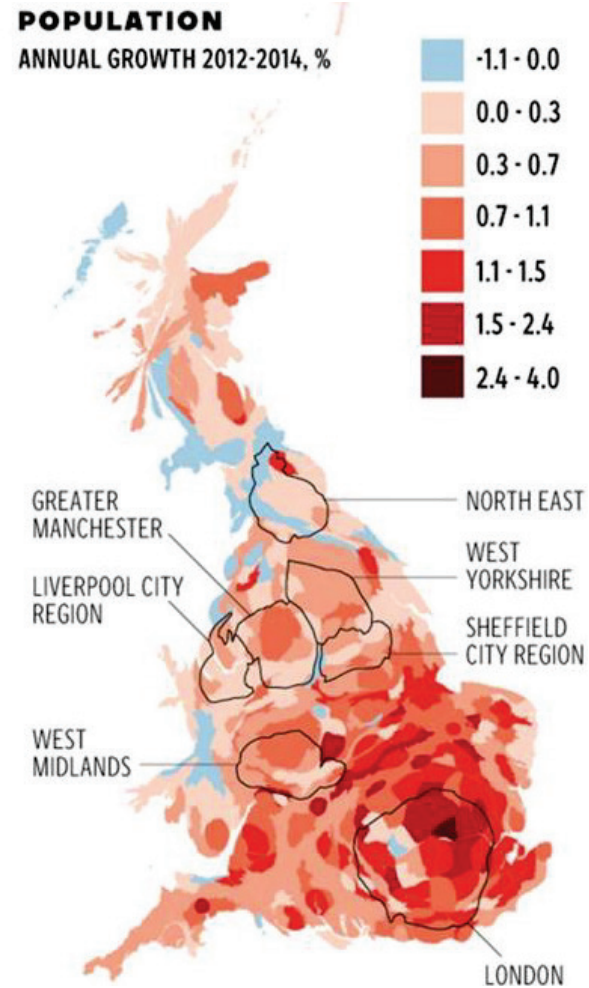
Supplementary market and Fund information

The Charities Property Fund team

The Advisory Committee

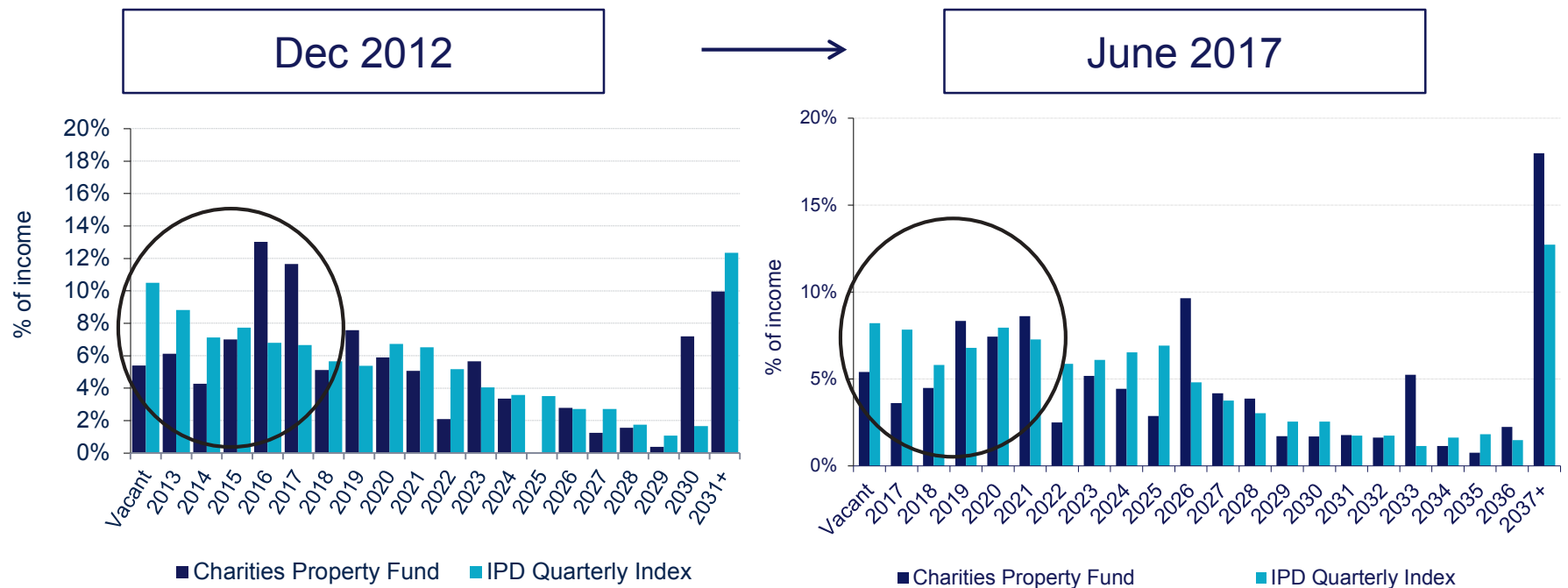
Contact details

UK population distribution and growth



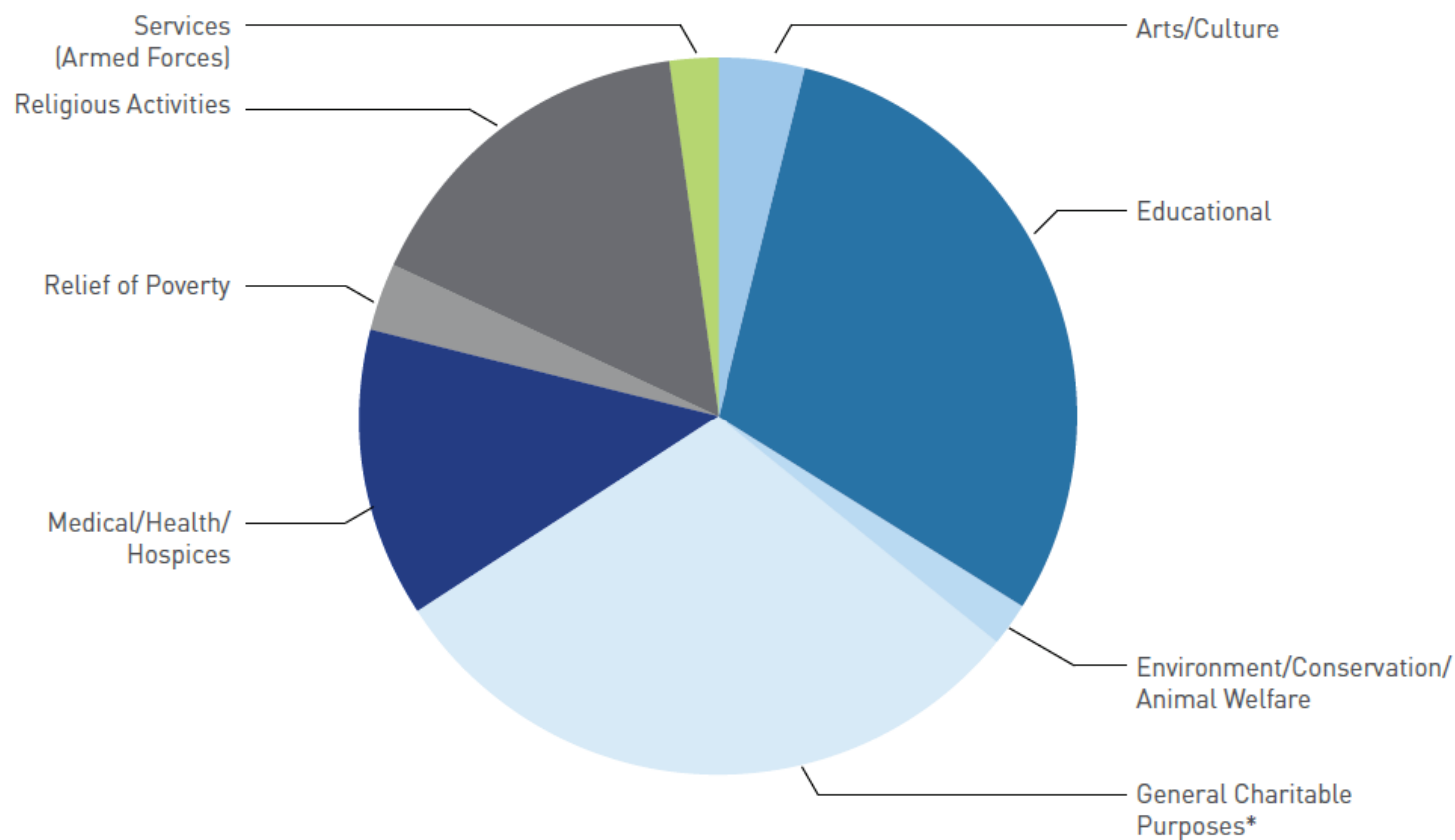
Lease expiry profile (assuming all breaks are exercised)

The Fund versus market average



Expiry risk significantly reduced

The Fund – investment by charity category



* This category includes charities with multiple sector beneficiaries or charities who offer a range of services to a set geographical area.

The Charities Property Fund team

PROPERTY



Harry de Ferry Foster
Fund Director



Angy Benitz
Fund Manager



Jim Garland
Assistant Fund
Manager

INVESTOR RELATIONS



Amy Joslin
Investor Relations
Charities Property Fund



Lucy Auden
Investor Relations



Shalin Khanna
Investor Relations

FINANCE



Tammy Thomas
Fund Finance Manager

The Charities team



Harry de Ferry Foster is the Fund Director for The Charities Property Fund with responsibility for all aspects of the management of the Fund and for ensuring the Fund fulfils its objectives. He has held this post for the last 10 years.

Day to day, Harry's role encompasses setting the strategic framework of the portfolio, equity raising, investor relations and marketing, sourcing property investments and investing new subscriptions and managing the Fund team.

Harry is a Senior Director of Savills Investment Management which he joined over 14 years ago and has a seat on the UK Management Committee and the Investment and Risk Committee.

Harry started his career at Cushman & Wakefield (formerly Healey & Baker) and occupied a variety of investment agency roles before assisting with the establishment of their Fund Management team in 1998.

Harry is RICS qualified and has 20 years experience in property investment and fund management. Harry completed the Investment Management Certificate (IMC) exams in 2003.

The Charities Team



Angy Benitz is the Fund Manager for the Charities Property Fund. Angy's primary role involves asset acquisition and disposal together with adopting portfolio and fund management initiatives.

Angy joined Savills Investment Management in September 2010 from DTZ where he spent 8 years in a variety of advisory roles with an emphasis on investment agency representing a range of clients on acquisition and disposal transactions of commercial real estate within the UK.

Angy graduated from Oxford University in 2001 before joining DTZ and becoming RICS qualified in 2005.



Jim Garland joined the Savills Investment Management investment team in 2009 where he worked as an analyst in research and strategy contributing to the creation of house views, fund reporting and ad hoc research assignments. Jim moved across to the Charities Property Fund team in 2014. As a portfolio analyst, Jim supports the portfolio managers with asset management initiatives, acquisitions and disposals.

Prior to joining Savills Investment Management Jim worked at a healthcare strategy and marketing consultancy.

Jim graduated from UCL in 1999 with a degree in Biotechnology and gained an MSc in Real Estate at Cass Business School in 2009. Jim is RICS qualified and has completed the Investment Management Certificate (IMC) exams.

The Charities Team



Tammy Thomas is the Finance and Operations Manager responsible for financial reporting and analysis, and administrator management.

Tammy joined Savills Investment Management from KPMG in the Cayman Islands where she worked in the audit practice with a focus on the alternative investment industry. Previously she completed her chartered accountancy training with Deloitte in London within the real estate team. Tammy graduated from the University of Western Australia in 2004 where she studied Accounting and Corporate Finance.



Amy Joslin works in Investor Relations for the Charities Property Fund, responsible for investor communications, fund dealing, reporting and marketing. Amy also sits on the Charitable Giving Committee.

Amy joined the Savills Investment Management Investor Relations team in July 2014. Previously she worked in a client facing position as a Recruitment Consultant based in London.

Amy graduated from University of Exeter with a degree in BA Geography.

The Charities Team



Lucy Auden works alongside Amy dealing in investor queries, applications and redemptions and fund reporting for the Charities Property Fund.

Lucy joined Savills Investment Management Investor Relations team in April 2012 and is responsible for fund reporting and investor communications for a number of UK and pan-European Savills Investment Management funds and segregated mandates. Lucy also sits on the Environmental and Social Governance Committee as well as Savills Investment Management Charitable Giving Committee. Prior to joining Savills Investment Management, Lucy worked in a client facing role as a Corporate Account Executive at Number One Health, a private health company specialising in corporate medicals, and then as PA to the CEO of an international executive financial search firm, Execuzen Ltd.

Lucy graduated from King's College, London, with a degree in English Language and Literature.



Shalin Khanna joined the Savills Investment Management Investor Relations team in August 2016 and is responsible for fund reporting and investor communications for a number of UK and pan-European Savills Investment Management funds and segregated mandates. Shalin also provides support for the Charities Property Fund.

Prior to joining Savills Investment Management, Shalin worked as a Mergers and Acquisitions Associate at Colville Partners, a corporate finance boutique focused on the renewable energy sector. She has also held internships with other corporate finance boutiques in the City.

Shalin graduated from King's College, London, with a degree in Mathematics with Management and Finance.

The Advisory Committee



Malcolm Naish (*Chair*) is a member of the Advisory Panel and Board at Greenwich Hospital. Since June 2012 he has also been Director of Aurora Europe Property Fund and Chairman of Target Healthcare Reit Ltd. Prior to this Malcolm was Director of Real Estate at Scottish Widows Investment Partnership with overall responsibility for the management of 14 property funds having a combined value in excess of £8 billion.

Previously Malcolm was Director and CEO of the FSA Regulated entity at DTZ Investment Management and Co-founder, Director and Shareholder at Fountain Capital Partners. He began working as a general practice surveyor at GVA Grimley in 1971 before moving to Jones Lang LaSalle in 1981

The Advisory Committee



Wilf Stephenson joined Oriel College, Oxford in the summer of 2005 as Treasurer and Bursar. Immediately prior to this he was Group Treasurer of Chelsfield plc, a large UK property company.

His previous career included a period as Group Treasurer of Grosvenor, the international property group owned by the Duke of Westminster and his family, and senior roles at two oil companies, Mobil and Amerada Hess. At Oriel, he is responsible for the management of the College's endowment, its day to day finances, buildings, catering and other service functions. His team work closely with the Provost and fellows to create, within their historic buildings in the centre of Oxford, the finest possible living environment for students.



Chris Hills is currently the Chief Investment Officer of Investec Wealth & Investments, one of the UK's leading firms of asset managers for charities and high net worth individuals. In that role, he is the architect of its approach to portfolio management, its internal research department and its investment policy committee. Chris was formerly a director of Baring Fund Management, where he managed a range of institutional mandates and was a member of its strategic investment team. He joined Investec in 1995 in his present capacity.

Chris is also a director of Invesco Income Growth plc (on which he chairs the Management Engagement Committee), Henderson Opportunities Trust plc and the Association of Investment Companies. He provides counsel on investment matters to a number of charity organisations.

The Advisory Committee



Paul Taylor has over 25 years of property fund management experience as Head of UK Direct Property Investment at Schroder Property Investment Management and prior to that working at Merrill Lynch Investment Managers. Most recently Paul held the position of Director of Property at St John's Hospital, Bath. Within this role Paul had overall responsibility for the property that made up their endowed estate and which generates the income that allows the charity to continue to provide its almshouse accommodation and its provision of grants.

Paul brings to the role a personal enthusiasm for historical architecture with a particular interest in Georgian buildings.



Nick Downer has been Bursar of Selwyn College, Cambridge since August 2002. He also serves on the Finance Committee of the University, as a Trustee of the Cambridge Colleges' Federated Pension Scheme and is a former Chairman of the University Board of Scrutiny.

Prior to joining Selwyn, he spent over 20 years as an investment banker advising international corporate clients on initial public offerings, privatisations and other forms of debt and equity capital raising.

The Advisory Committee



Richard Robinson is the Investment Director of the Paul Hamlyn Foundation, a £550m endowment fund which was established by the publisher Paul Hamlyn in 1987. It helps young people, principally in the UK, achieve their potential and operates in the areas of performing arts, education and social justice.

Previously Mr Robinson was head of Charities and Foundations at Schroders plc, one of the largest fund managers in the UK. He began working in investment management in 1982 and has a masters degree in Theology from Oxford University.



Andrew Chapman has developed a portfolio of roles including working part-time as the CIO for The Health Foundation and membership of the Global Investment Advisory Committees for T.Rowe Price, the Collier Capital Investment Advisory Committee, and the Charity Property Fund Investment Advisory Committee. He is also a non-exec director of Quiznos and Steadfast Financial and a Special Advisor to Campbell Lutyens.

Andrew first became a fund manager in 1978. In 1984 he was appointed the Deputy Investment Manager at the British Aerospace Pension Fund. From 1991 to 2000 he was the CIO at United Assurance plc. Andrew joined Hewitt Associates as a Senior Consultant in 2001 before being appointed as the first in-house Pension Investment Manager for the John Lewis Partnership.

The Advisory Committee



Aidan Kearney is the Chief Investment Officer of The Health Foundation, an independent charity committed to bringing about better health and health care for people in the UK. He is responsible for the management of the Foundations endowment fund having spent over 35 years in the capital markets most recently at Aberdeen Asset Managers where he sat on the Group Regulatory Board as well as the Aberdeen Solutions Global Strategy Group and Alternatives Strategy Committee, and prior to that at Credit Suisse and Artemis Investment Management.

He is an experienced multi-asset fund manager understanding investment processes across a broad spectrum of asset classes, alongside portfolio construction and the application of risk management.



Alan Fletcher has held a variety of roles in the Church of England both at local and national church level, and in 2014 started his second 6 year term as a member of the Church of England Pensions Board where he chairs the Housing Committee and is a member of the Investment Committee.

Alan has significant experience in financial services and investment management having been Managing Director of a Leicester based pensions brokerage in the 1980's and Chairman of the Neville James Group of Companies . Alan has been a non-executive director on the Group Board of the Paragon Group of Companies plc since February 2009 and is a member of the Risk Committee, Nominations Committee and Audit Committee and Chair of the Remuneration Committee. He is also a Trustee Director of the defined benefit pension scheme for Paragon.

Contact

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London
W1G 0JD
Tel: 020 3107 5439
Fax: 084 5409 1281
E-mail: cpf@savillsim.com



For property related information: **Harry de Ferry Foster**

For fund and unit holder related information: **Amy Joslin**

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