

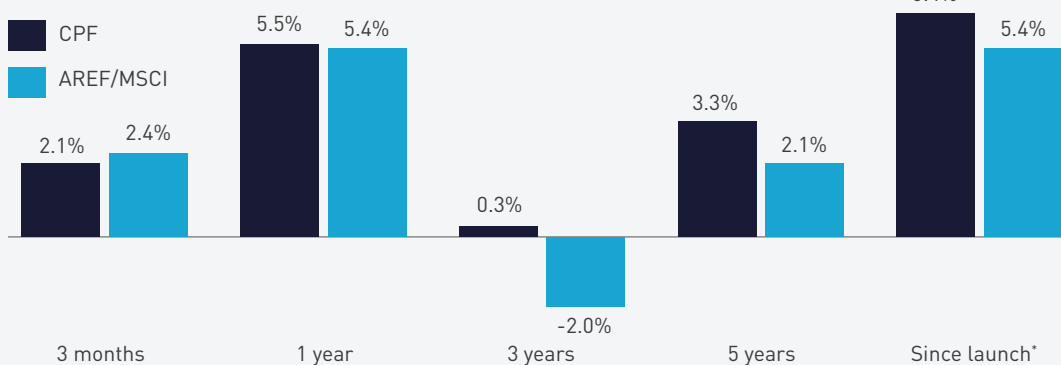
Fund Objectives

The Charities Property Fund is the original and largest tax efficient pooled property vehicle available to all charities in the UK (AREF/ MSCI December 2024). It is a Common Investment Fund regulated by the Charity Commission and helps c.1,400 charities to invest in commercial real estate in an ethical, responsible and tax-efficient way. The Fund's objective is to invest in property throughout the UK to provide a balanced and diversified portfolio to deliver a high and secure level of income and to maintain the capital value of assets held over the long term.

Key Points - 31 December 2024

£987 million fund size	5.5% gross fund yield	96 properties	10.3 years to Fund lease expiry
No debt	4.8% yield net of costs	194 tenants	8.4 years to earliest break

Fund Performance



Source: Savills Investment Management, MSCI/AREF Quarterly Property Funds Index, 31 December 2024

Basis: NAV-to-NAV with gross income reinvested

*The Charities Property Fund launched in 2000.

Total return is net of fees and expenses.

Past performance is not an indicator of future performance.

Sales

We completed two sales during the quarter comprising an office building in Maidenhead and a retail warehouse scheme in Basildon. The office building in Maidenhead has very recently been let in its entirety (as reported last quarter) having been extensively refurbished to create a Net Zero Carbon enabled Grade A office which included extensive works to the M&E, a reconfigured reception, air source heat pumps, photovoltaic panels, eight electric vehicle charging points and a green roof. The letting was to Glencore and it will be occupied by their copper division. The rent achieved of £886,210 per annum reflects £46.00 per sq ft and

is a 25% premium to the previous rent passing.

We were pleased to attract a FTSE 100 company occupier through our sympathetic refurbishment at a strong rental level and it reduced the void rate in the portfolio by over 1%. We then proceeded to conduct a full marketing campaign and achieved competitive bidding which resulted in a sale to Berkshire County Council Pension Fund for £9.25 million, reflecting a net initial yield of 8.98% and a capital value per sq ft of £465. This reflected a 10.1% premium to the valuation.



CPF Portfolio December 2024

3.6%

fund vacancy rate

51%

of income benefits from fixed or index-linked rental increases

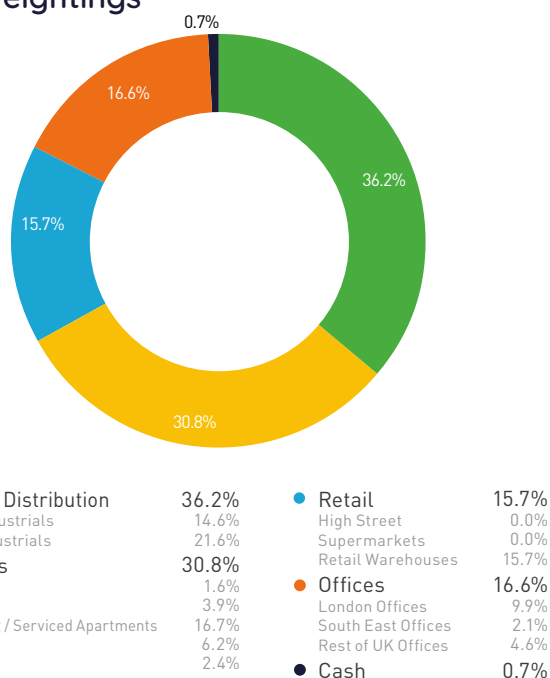
12%

MSCI vacancy rate

75%

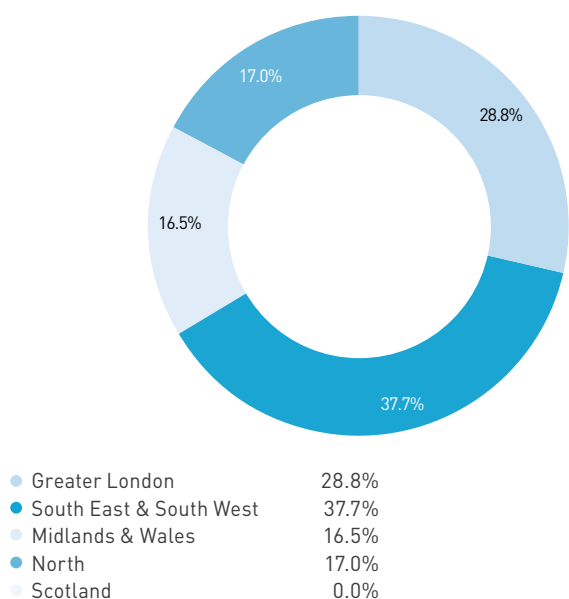
of index linked income is linked to RPI

Sector weightings



Source: Savills Investment Management, December 2024

Geographical Weightings



Source: Savills Investment Management, December 2024

Sales continued

The second asset comprised a retail warehouse scheme in Basildon arranged as a single terrace of three units let to Farm Foods, Poundland and Pets at Home and two 'drive-thru' restaurants let to McDonalds and KFC. Part of the attractiveness at purchase was the low rental tone and the rental income has grown by 20% since we acquired the asset. The leases however, were now relatively short with Poundland holding over and Pets at Home due to expire next year, and we took the decision to market the asset in Q4. It was acquired by London Metric for £10.0 million reflecting a yield of 6.7%, marginally ahead of the most recent valuation.

Asset Management

We also completed a complicated lease renegotiation with Berry Bros & Rudd at their premises in Basingstoke, which they use as a bonded warehouse. We settled the outstanding rent review at £440,000 per annum, reflecting an increase of 37% on the previous passing rent and simultaneously granted a new 15 year reversionary lease from the current expiry in 2027, thereby extending their lease until July 2042. Future rent reviews will also be to the higher of open market rent or CPI (capped and collared at 1-3% pa). Importantly the value enhancement provided by the lease extension allowed us to contribute £230,000 towards the cost of a photo voltaic installation, enhancing the ESG credentials of the asset and helping to reduce its future energy consumption and improve its EPC rating.



We reported last quarter on some successful rent reviews in the office sector where we achieved uplifts in both Farringdon and Newcastle and we have managed to replicate this by securing an uplift at review at our office in Cheltenham and through a new letting in Brighton. In Brighton we have signed a new 10 year lease, with a break option at year 5, increasing the rent to £31 per sq ft and in Cheltenham we have settled a rent review with Abercrombie & Kent at a 9% uplift.



Fund Information - (As At 31 December 2024)

Launch date	September 2000
Fund size	£987 million
No of investors	c.1,400
Historic distribution yield	6.3%*
Prospective distribution yield	4.8%**
Fund costs (TER)	0.69% per annum
Unit price	NAV - 119.25 pence
	Bid - 117.56 pence
	Offer - 121.36 pence
Bid spread	1.45%
Offer spread	1.55%
SEDOL	0208075
Next distribution date	14 February 2025
Last distribution payment	1.4262p per unit
Next dealing date	31 March 2025 [#]

* Based on the last four distributions declared divided by the current NAV

**Based on the next four estimated distributions divided by the current NAV

[#] Applications must be received on the 15th day of the month in which the Valuation Date falls (or if that is not a Business Day the preceding Business Day) for dealing on the next Dealing Date.

Five Largest Tenants

Travelodge Hotels Limited (4)	7.5%
Macmillan Publishers International Limited (1)	4.3%
D'Overbroeck's Limited (surety: Nord Anglia Education Limited) (2)	4.0%
Leonardo Hotel Management (UK) Limited (1)	4.0%
Amazon UK Services Limited (2)	2.4%
Total (across 10 locations)	22.2%

10 Largest Assets

London EC1 - The Smithson, Farringdon (Office)	5.3%
London SE7 - Greenwich (Retail Warehouse)	4.8%
Oxford - 333 Banbury Road (Alternative)	4.0%
Brighton - Leonardo Hotel (Alternative)	3.5%
London SW11 - Battersea (Alternative)	3.4%
Cambridge - Travelodge (Alternative)	2.7%
Bury St Edmunds - Suffolk Park (Industrial)	2.3%
Epsom - Epsom Trade Park (Industrial)	2.3%
Tamworth - Emperor Point (Industrial)	2.2%
Hayes - Caxton Point (Industrial)	2.0%
Total	32.5%

Risk Warning

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. Savills Investment Management (UK) Limited have not considered the suitability of this investment against your individual needs and risk tolerance. To ensure you understand whether our product is suitable, please read both the Fund Factsheet document and the Scheme Particulars. We strongly recommend you seek independent professional advice prior to investing. Investors should consider the following risk factors identified as specific to the Fund before investing: Counterparty/Tenant/Credit Risk (financial institution/tenants may not pay), Market Risk (investment value affected by market conditions), Operational Risk (general operational risks), Expiry/Maturity Profile (timing of maturity of tenancies), Liquidity Risk (investment in non-readily realisable assets), Interest Rate risk (changes to interest rate affecting income), Concentration Risk (need for diversification and suitability of investment), Business Risk (possibility of lower than anticipated profits). Please see the Fund Scheme Particulars for further details.

Disclosures

Investment in the Fund is only available to charities within the meaning of section 96 or 100 of the Charities Act 2011. Past performance is not an indicator of future performance. 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. Properties within the Fund are valued by an external property valuer; any such valuations are a matter of opinion rather than fact. The performance of the Fund may be adversely affected by a downturn in the property market which could impact on the value of the Fund. 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. The Fund is approved by the Charity Commission as a Common Investment Fund under section 24 of the Charities Act 1993 (as amended or replaced from time to time) and is an Unregulated Collective Investment Scheme and an Alternative Investment Fund. Investments and deposits in the Fund and the Fund itself are not covered by the Financial Services Compensation Scheme (FSCS). However, the Manager may pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund. Savills Investment Management (UK) Limited (registered in England No. 03680998 at 33 Margaret Street, London W1G 0JD) is authorised and regulated by the Financial Conduct Authority and is the manager of the The Charities Property Fund (Registered Charity No. 1080290).