

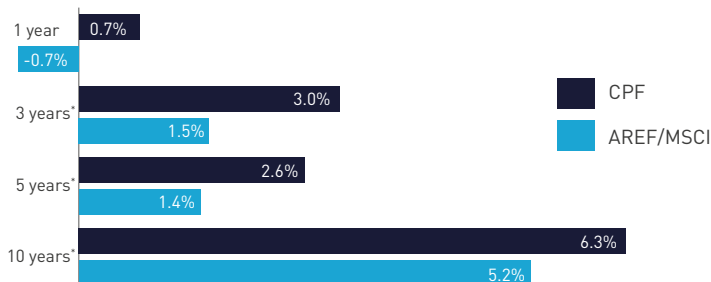
Fund Objectives

The Charities Property Fund is the original and largest tax efficient pooled property vehicle available to all charities in the UK (AREF/MSCI March 2024). It is a Common Investment Fund regulated by the Charity Commission and helps c.1,500 charities to invest in commercial real estate in an ethical, responsible and tax-efficient way. The Fund has a strong focus on ESG and looks to improve the environmental credentials of the assets it holds and favours socially beneficial occupiers. 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 March 2024

- Fund size £1.04 billion
- No debt
- Well diversified and balanced portfolio
- 105 properties and 230 tenants
- No high street retail and no shopping centres
- Portfolio weighted to London and the South of England
- High yielding (5.6% gross and 5.0% net of costs)
- Low vacancy rate (3.0% versus MSCI at 11.4%)
- Strong covenants (73.2% rated low or negligible risk)
- Long average unexpired lease term of 10.5 years to expiry (8.7 years to break)
- 48% of income benefits from fixed or index linked rental increases, two thirds of which are linked to RPI

Fund Performance Annualised



Source: Savills Investment Management, MSCI/AREF Quarterly Property Funds Index, 31 March 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.

Annual Performance to 31 March

	3 months ended Mar 2024	Year ended Mar 2024	Year ended Mar 2023	Year ended Mar 2022	Year ended Mar 2021	Year ended Mar 2020
Charities Property Fund	0.6%	0.7%	-9.9%	20.5%	2.3%	1.5%
AREF/MSCI All Balanced Funds Index	0.5%	-0.7%	-14.5%	23.1%	2.5%	0.0%

Sales

We completed three sales during the quarter and these included a petrol station, a car showroom and a manufacturing unit. Collectively they achieved £15.25 million and this reflected an +11.1% premium to their pre sale valuations.

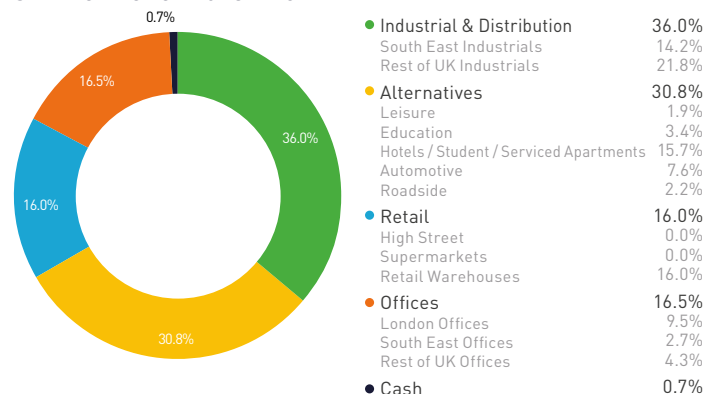
The first comprised the Mercedes dealership in Harrogate, which was acquired by the tenant. Selling to occupiers has been a rich vein for us over the last two years and we believe reflects the quality of the assets held within the portfolio. This asset was acquired in 2013 for £3.38 million and whilst a small lot size, benefitted from a long unexpired lease term of 23 years, an attractive yield of 7.3% and a low rent of £243,100 pa, reflecting £14.90 per sq ft. The rent increased at review in 2018 and again at review in 2023. The sale price of £6.0 million, reflected a net initial yield of 4.9% and was +43.7% above the latest

valuation of £4.175 million, partly reflecting the special purchaser nature of the buyer. It delivered capital growth of £2.62 million and over £2.8 million in rental income over the 10 year hold period.

The second was an industrial unit in South Normanton, Derbyshire. This asset was acquired in 2014 and let to Recticel Limited. Again, despite being a small lot size at only £2.8 million, we were attracted by the very low passing rent of £206,925 pa, reflecting £2.40 per sq ft and the long lease with 17 years remaining. It was also producing an attractive yield of 7.3%. At rent review in 2017 the rent increased by 50% and last year we settled the 2022 review at £446,500 pa, a 44% increase. Capturing these uplifts triggered the sale and after undertaking a full marketing campaign we sold the property for £6.0 million, reflecting a yield of 6.96%.

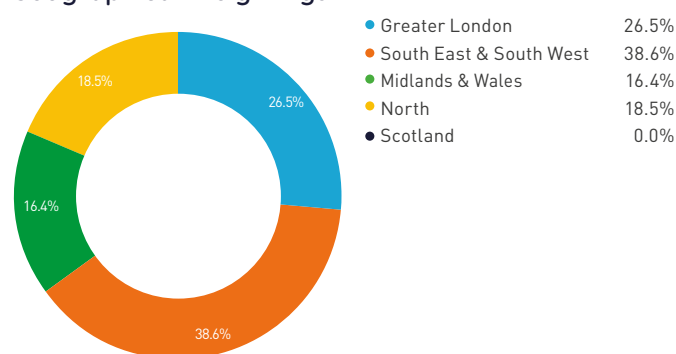


CPF Portfolio March 2024



Source: Savills Investment Management, March 2024

Geographical Weightings



Source: Savills Investment Management, March 2024

Fund Information - (As At 31 March 2024)

Launch date	September 2000
Fund size	£1.04 billion
No of investors	c.1,500
Historic distribution yield	6.3%*
Prospective distribution yield	5.00%**
Fund costs (TER)	0.56% per annum
Unit price	NAV - 117.87 pence
	Bid - 116.17 pence
	Offer - 119.98 pence
Bid spread	1.45%
Offer spread	1.55%
SEDOL	0208075
Next distribution date	15 May 2024
Last distribution payment	3.31p per unit
Next dealing date	30 June 2024#

* 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.

Sales continued

This was marginally below the most recent valuation of £6.3 million, however it was widely marketed and we crystallised a £3.2 million (+115%) increase over its acquisition price and it also delivered £2.8 million in income over the 10 years.

The final sale was a BP and M&S service station in Glenrothes, Fife. This asset was acquired as part of a portfolio in 2014 and benefitted from a 20 year unexpired lease term, but we had concerns about the long term viability of the location and with less than 10 years remaining on the lease we felt it was an opportune time to exit. The price achieved of £3.25 million reflected a yield of 7.6% and was in line with valuation.



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).

Five Largest Tenants

Travelodge Hotels Limited [4]	7.0%
Macmillan Publishers International Limited [1]	3.8%
D'Overbroeck's Limited (surety: Nord Anglia Education Limited) [2]	3.6%
Leonardo Hotel Management (UK) Limited [1]	3.6%
Sytner Properties Limited (surety: Sytner Group Limited) [3]	2.9%
Total (across 11 locations)	20.9%

10 Largest Assets

London EC1 - The Smithson, Farringdon (Office)	5.0%
London SE7 - Greenwich (Retail Warehouse)	4.1%
Oxford - 333 Banbury Road (Alternative)	3.5%
Brighton - Leonardo Hotel (Alternative)	3.4%
London SW11 - Battersea (Alternative)	3.1%
Cambridge - Travelodge (Alternative)	2.6%
Bury St Edmunds - Suffolk Park (Industrial)	2.1%
Epsom - Epsom Trade Park (Industrial)	2.0%
Tamworth - Emperor Point (Industrial)	1.9%
Hayes - Caxton Point (Industrial)	1.7%
Total	29.4%

Asset Management

We completed two notable lease extensions over the quarter, firstly at the Wickes unit in Doncaster. The building has been occupied by Wickes since the early 1990's and the current lease was due to expire in September 2028. We persuaded Wickes to add a further 11 years to the term, providing us with 15.5 years term certain and immediately increasing the rent by 25% from £296,000 pa to £358,000 pa. In return they will receive a 12 month rent free period. In Swindon, Jewson have been in occupation since we acquired the unit in 2003 and were originally paying a rent of £135,828 pa reflecting £7.72 per sq ft. We have signed a new 10 year lease, with a break at the fifth year at a rent of £213,400 pa, reflecting £12.12 per sq ft, a 57% increase since purchase.

