



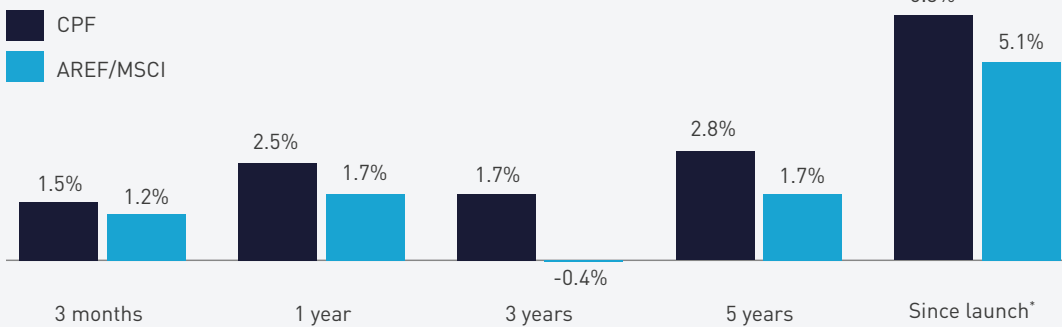
Fund Objectives

The Charities Property Fund is the original and largest tax efficient pooled property vehicle available to all charities in the UK (AREF/ MSCI September 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 - 30 September 2024

£1.007 billion fund size	5.5% gross fund yield	99 properties	10.3 years to Fund lease expiry
No debt	4.9% yield net of costs	218 tenants	8.4 years to earliest break

Fund Performance



Source: Savills Investment Management, MSCI/AREF Quarterly Property Funds Index, 30 September 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 six sales during the quarter including a car showroom, a leisure investment, two retail warehouses and two industrial units. Collectively they produced £34.30 million in receipts and this reflected a +5.1% premium to their most recent independent valuations.

The car showroom comprised the Audi dealership in Knaresborough, which was let to Sytner for a further 12 years. The sale price of £8.70 million reflected a yield of 6.5%. The property was fully marketed and sold to a rival car showroom operator.

The leisure investment comprised three units in Sheffield, which formed half of a wider block that the Fund has owned since 2002. This followed the sale of the other half to JD Wetherspoon last quarter.

The two retail warehouse investments were located in Doncaster and Hereford. Doncaster was occupied by Wickes Building Supplies and earlier this year we extended the lease by 11 years and increased the rent by 22.1%. We then conducted a full marketing campaign, receiving multiple bids. This asset sold for £5.33 million, reflecting a yield of 6.3%. Hereford was another successful example of asset management - we agreed to combine the existing Lidl unit with the adjoining unit and to extend the lease and increase the rent. The larger store helps to drive footfall to the scheme whilst securing a strong retailer on a long lease. Again it was fully marketed and we received multiple bids. The asset sold for £6.25 million reflecting a yield of 6.5%.



CPF Portfolio September 2024

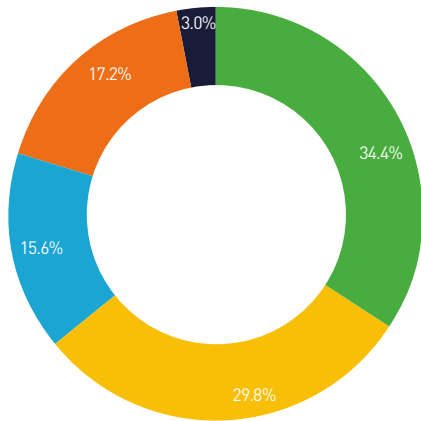
3.4%
fund vacancy rate

49% of income
benefits from fixed term or
index-linked rental increases

11.4%
MSCI vacancy rate

75% of index linked
income is linked to RPI

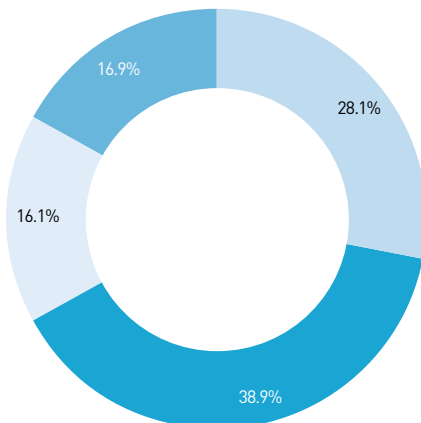
Sector weightings



Industrial & Distribution	34.4%	Retail	15.6%
South East Industrials	13.8%	High Street	0.0%
Rest of UK Industrials	20.6%	Supermarkets	0.0%
Alternatives	29.8%	Retail Warehouses	15.6%
Leisure	1.8%	Offices	17.2%
Education	3.8%	London Offices	9.6%
Hotels / Student / Serviced Apartments	16.1%	South East Offices	3.0%
Automotive	6.0%	Rest of UK Offices	4.6%
Roadside	2.2%	Cash	3.0%

Source: Savills Investment Management, September 2024

Geographical Weightings



Greater London	28.1%
South East & South West	38.9%
Midlands & Wales	16.1%
North	16.9%
Scotland	0.0%

Source: Savills Investment Management, September 2024

Sales continued

There was a similar story with the industrial sale in Swindon. This asset had been owned since 2003 and we had recently completed a new lease to Jewson who had been in occupation since it was built. During the 21 year hold period, the rent increased by 57%. Having signed a new 10 year lease with Jewson, we again conducted a full marketing campaign, received multiple offers and the asset was sold for £3.51 million, reflecting a yield of 5.7%. The final industrial sale comprised a unit in Telford which we sold to the tenant for £8.03 million, compared to the most recent valuation of £7.50 million. This reflected a yield of 8.5%.



Rent reviews

We completed seven rent reviews over the quarter increasing the rental income by £790,000 per annum in total. Three were industrial units, two were office buildings and two were alternatives. The average increase at review was 13%.



The increases were highest in the industrial sector where the average uplift was 38%. The largest monetary increase was at Warrington where the rent increased by £200,000 per annum to £550,000 per annum (+57%). The largest percentage increase was in Manchester where we settled the review at £412,500 per annum which showed a 70% increase. Both of these were open market rent reviews. The smallest uplifts were perhaps not surprisingly achieved in the office sector - in London, where we achieved a 5% increase - and in Newcastle where we achieved a 16% increase. Nevertheless it is reassuring to be achieving uplifts in the office sector bearing in mind the headwinds it has faced over the last few years.

Fund Information - (As At 30 September 2024)

Launch date	September 2000
Fund size	£1.007 billion
No of investors	c.1,400
Historic distribution yield	6.2%*
Prospective distribution yield	4.9%**
Fund costs (TER)	0.56% per annum
Unit price	NAV - 118.24 pence
	Bid - 116.58 pence
	Offer - 120.31 pence
Bid spread	1.45%
Offer spread	1.55%
SEDOL	0208075
Next distribution date	15 November 2024
Last distribution payment	1.375p per unit
Next dealing date	31 December 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.

Five Largest Tenants

Travelodge Hotels Limited (4)	7.3%
Macmillan Publishers International Limited (1)	4.2%
D'Overbroeck's Limited (surety: Nord Anglia Education Limited) (2)	3.9%
Leonardo Hotel Management (UK) Limited (1)	3.8%
Amazon UK Services Limited (2)	2.3%
Total (across 10 locations)	21.5%

10 Largest Assets

London EC1 - The Smithson, Farringdon (Office)	5.3%
London SE7 - Greenwich (Retail Warehouse)	4.4%
Oxford - 333 Banbury Road (Alternative)	3.9%
Brighton - Leonardo Hotel (Alternative)	3.4%
London SW11 - Battersea (Alternative)	3.3%
Cambridge - Travelodge (Alternative)	2.7%
Bury St Edmunds - Suffolk Park (Industrial)	2.3%
Epsom - Epsom Trade Park (Industrial)	2.2%
Tamworth - Emperor Point (Industrial)	2.1%
Hayes - Caxton Point (Industrial)	1.9%
Total	31.4%

Annual Performance to 30 September

	Year ended Sep 2024	Year ended Sep 2023	Year ended Sep 2022	Year ended Sep 2021	Year ended Sep 2020
Charities Property Fund	2.5%	-11.7%	16.1%	11.5%	1.8%
AREF/MSCI All Balanced Funds Index	1.7%	-14.3%	13.3%	13.1%	-2.8%

Risk Warning

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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).