

FUND OBJECTIVES

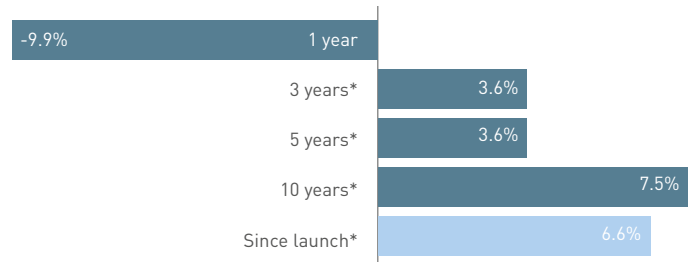
The Charities Property Fund is the original and largest tax efficient pooled property vehicle available to all charities in the UK (AREF/MSCI March 2023). It is a Common Investment Fund regulated by the Charity Commission and helps c.1,500 charities to invest in commercial real estate in an ethical, 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 2023

- Fund size £1.2 billion
- No debt
- Well diversified and balanced portfolio
- 119 properties and 247 tenants
- Negligible exposure to the high street and no shopping centres
- Portfolio weighted to London and the South of England
- High yielding (5.0% gross and 4.4% net of costs)
- Low vacancy rate (2.0% versus MSCI at 10.1%)
- Strong covenants (72% rated low or negligible risk)
- Long average unexpired lease term of 11.4 years to expiry (8.9 years to break)
- 47% of income benefits from fixed or index linked rental increases, two thirds of which are linked to RPI

The Fund total return for Q1 2023 was 0.04% compared to the AREF/MSCI UK All Balanced Property Fund Index of -0.2%. Over the last 12 months the Fund produced -9.9% against the Index which returned -14.5%.

FUND PERFORMANCE



*annualised

Source: Savills Investment Management, MSCI/AREF Quarterly Property Funds Index, March 2023

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.

Over the last five years the Fund has returned 3.6% per annum, against the Index of 2.6% per annum. Over 10 years the Fund returned 7.5% per annum, ahead of the Index at 6.4% per annum.

SALES

Following the completion of a new 5 year reversionary lease at the end of 2022, we marketed a logistics warehouse in Burton Upon Trent for sale. We experienced competitive bidding and are pleased to confirm the sale has now completed at a price of £18.4m, reflecting a net initial yield of 5.45%. This reflected an 8.2% premium to the December 2022 valuation of £17.0 million. The Fund purchased the asset in March 2011 for £9.55 million reflecting a 9% yield to the Fund and, over the course of its ownership, renewed the lease to Waterstones twice resulting in a rental increase of 23%. The sale of the asset has crystallised a capital profit of almost £9 million, and together with the £10 million in income delivered over 12 years, resulted in an IRR of almost 13% pa.



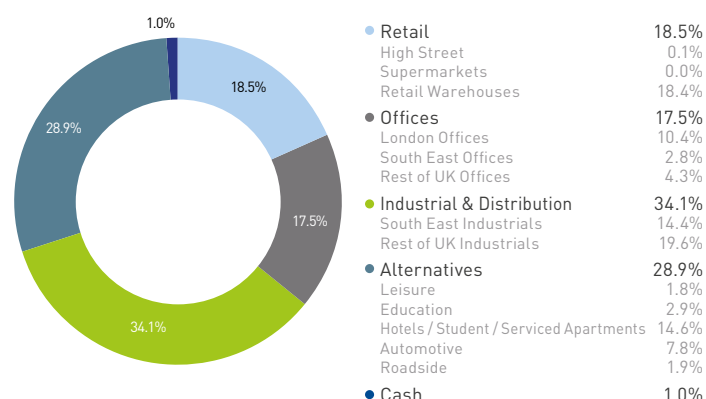
ASSET MANAGEMENT

We continue to see strong rental momentum across the portfolio and in Q1 we completed two new lettings within the industrial sector. In Liverpool we signed a new ten year reversionary lease to Kammac Limited, at £893,750 pa, £6.25 per sq ft, which is a 13.6% increase in the rent currently being paid by the Tenant and 50% above the rent at purchase in 2013.

At Epsom Trade Park, we completed a new letting of Unit 3 to Brewer & Sons at a rent of £60,000 pa, reflecting £20 per sq ft. The former tenant had outgrown the space and we managed to agree an early surrender of the lease, in exchange for a surrender premium. Simultaneously we relet to the new tenant at a rent almost 60% higher than previously being paid, without incurring any void costs.

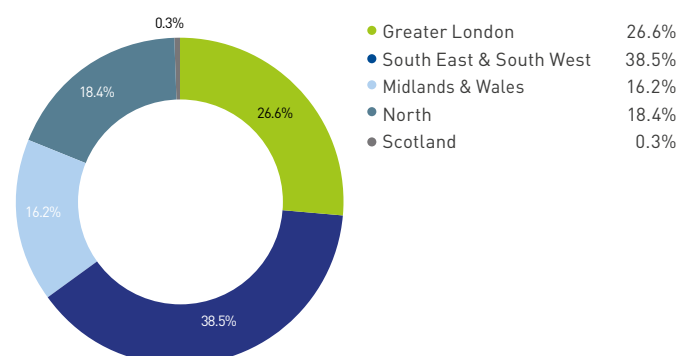


CPF PORTFOLIO MARCH 2023



Source: Savills Investment Management, March 2023

GEOGRAPHICAL WEIGHTINGS



Source: Savills Investment Management, March 2023

FUND INFORMATION - (AS AT 31 MARCH 2023)

Launch date	September 2000
Fund size	£1.2 billion
No of investors	c.1,500
Historic distribution yield	4.19%*
Prospective distribution yield	4.40%**
Fund costs (TER)	0.56% per annum
Unit price	NAV - 124.86 pence
	Bid - 123.09 pence
	Offer - 127.06 pence
Bid spread	1.45%
Offer spread	1.55%
SEDOL	0208075
Next distribution date	15 May 2023
Last distribution payment	1.33p per unit
Next dealing date	30 June 2023 [#]

* 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.

ASSET MANAGEMENT CONTINUED

Further asset management successes throughout Q1 include agreeing a new 10 year reversionary lease to Aldi at Trafford Retail Park, Redditch, at the current rental level of £274,295 pa (£17 per sq ft). The park remains fully let and will remain anchored by Aldi until 2034.

Rent reviews agreed during the quarter have also added a further £750,000 to the Fund's annual rent roll. In the industrial sector, we agreed three open market rent reviews at an average uplift of 40%. The smallest of these reviews was at Screwfix, Wilverly Trading Estate, Bristol, which the Fund acquired at the end of 2021. The agreed rent increased from £44,000 pa to £64,575 pa (+47%). At Gemini Industrial Estate in Basingstoke, we have concluded rent review negotiations with BB&R Limited resulting in an uplift of over 37% over five years.



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	5.9%
Macmillan Publishers International Limited	3.6%
Sytner Properties Limited (surety: Sytner Group Limited)	3.5%
Leonardo Hotel Management (UK) Limited	3.4%
Tesco Stores Limited	3.4%
Total (across 12 locations)	19.8%

10 LARGEST ASSETS

London EC1 - The Smithson, 6 Briset Street, Farringdon	5.4%
London SE7 - Brocklebank Retail Park, Greenwich	4.0%
Brighton - Leonardo Hotel, Stroudley Road	3.3%
London SW11 - Travelodge, Battersea	3.1%
Oxford - 333 Banbury Road	2.9%
Gateshead - Metro Park West	2.8%
Cambridge - Travelodge, Newmarket Road	2.3%
Bury St Edmunds - SP147, Suffolk Park	2.0%
Tamworth - Emperor Point	1.8%
Epsom - Epsom Trade Park	1.8%
Total	29.4%

At Kelling in Normanton, the rent review mechanisms in the lease permitted the reviewed rent to be to the higher of RPI (capped at 4% pa) or open market. Even though RPI would deliver an uplift of almost 22%, we chose to instigate an open market rent review which resulted in an uplift of 38%, far outstripping the indexation.

In the alternatives sector, we have agreed rent reviews on two of the Fund's hotel assets, the first being the EasyHotel in Newcastle, which was acquired in 2022. The agreed rent increased by almost 13% as a result of CPI movement. At the Fund's Leonardo Hotel in Brighton, where the rent is reviewed by reference to uncapped RPI and we have achieved an uplift of over 29% / +£517,000.

