

THE CHARITIES PROPERTY FUND FACTSHEET

Fund Objectives

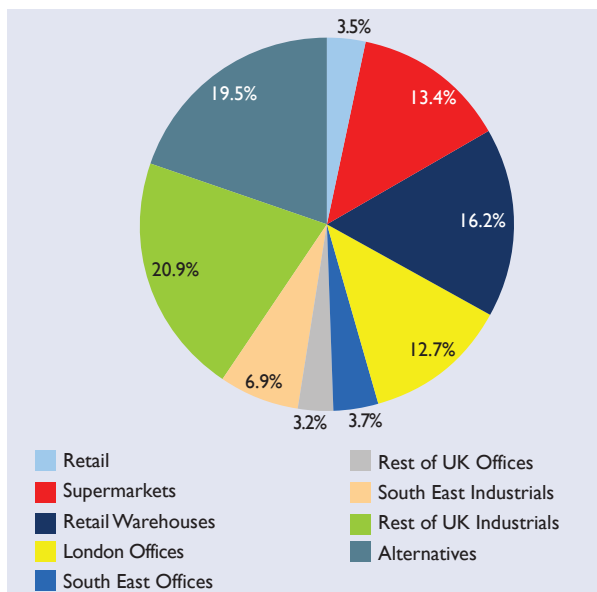
The Charities Property Fund is the original and largest tax efficient pooled property vehicle available to all charities in the UK (including Scotland and Northern Ireland). It is a Common Investment Fund (CIF) regulated by the Charity Commission.

The Fund's objective is to invest in property throughout the UK to provide a balanced portfolio. It aims to provide a high and secure level of income and to maintain the capital value of assets held.

Key Points

- Well diversified
- 113 properties and 240 tenants
- High yielding (5.0% net forecast as at June 2015)
- Low vacancy rate (0.9% versus IPD at 9.9%)
- No gearing
- Strong covenants compared to IPD (86.7% rated low or negligible risk, compared to IPD at 76.2%)
- Long unexpired average lease term of 11.6 years to expiry (10.0 years to break). IPD: 10.6 years to expiry (9.5 years to break), allowing for voids.
- 29.5% of the income benefits from fixed rental increases

CPF Portfolio June 2015



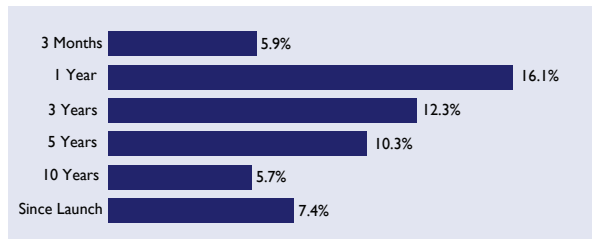
Source: Savills Investment Management, June 2015

Fund Information (as at 30 June 2015)

Launch date	September 2000
Fund size	£959 million
No of investors	1,795
Historic distribution yield	5.0%*
Prospective distribution yield	5.0%**
Fund costs (TER)	0.60% per annum
Unit price	Bid - 114.57 pence Offer - 117.68 pence NAV - 115.90 pence
Bid/Offer spread	2.5%***
SEDOL	0208075
Next distribution date	15 August 2015
Last distribution payment	1.57p per unit
Next dealing date	30 September 2015#

* Based on the last four distributions declared divided by the current NAV
 ** Based on the next four estimated distributions divided by the current NAV
 *** Assuming Fund fully invested
 # 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

Fund Performance (per annum)



Source: Savills Investment Management, IPD (June 2015)
 Basis: NAV-to-NAV with gross income reinvested
 The Charities Property Fund launched in 2000

The Fund total return for Q2 2015 was 5.9% compared to 3.3% for the IPD All Balanced Funds Property Index. Over the last 12 months the Fund has produced a total return of 16.1% compared to 15.5% for the Index.

Applications

£4.2 million of new applications were accepted this quarter. Cash on deposit is £27.7 million (2.9%). £34 million of applications were accepted but deferred until September.

Purchases

There have been three purchases this quarter: a retail warehouse, a mixed use leisure scheme and a hotel. The purchases totalled £46 million and the average yield to the Fund was 7.1%. The combined average unexpired lease term to earliest break for these assets is 20 years.

The retail warehouse comprises the Homebase in Basingstoke, let for a further 11.5 years and offering excellent potential for rental growth. We believe this is one of their best performing stores in the UK and is located within a growing, affluent catchment. The price of £17.3 million reflected a yield to the Fund of 6.4%.



Basingstoke

The second acquisition was the Jurys Inn hotel in Derby. This is let to Jurys Inn until June 2043 and benefits from five yearly rent reviews in line with the retail price index. The price of £15 million reflected a yield to the Fund of 8.6%.



Plymouth

Finally a mixed use leisure investment in Plymouth let to six different tenants for a further 20 years on average was acquired for £14 million, reflecting a yield to the Fund of 6.4% and a low capital value per sq ft of £160. Over 75% of the income benefits from Index linked rental increases.

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Sales

There have been three sales this quarter realising £7.4 million. They included a retail unit in Windsor and two office buildings in Leeds (Bradford) and Tunbridge Wells.

At Windsor and Leeds, we opportunistically sold to special purchasers (a local investor in Windsor and the tenant in Leeds) in excess of our opinion of current market value. At Tunbridge Wells, we regeared the lease some time ago to maximise the income before the tenant vacates in 2016, and we sold the building to a residential developer.

Asset Management

Following on from the recent successful industrial lettings in Kettering and Warrington, we are pleased to report the letting of a 138,000 sq ft unit in Doncaster to Howdens Joinery for a term of five years. We acquired this unit empty 14 months ago, with the benefit of a 24 month rental guarantee for £6.475 million, reflecting a yield of 8.5%. Post letting the property has been valued at £8.63 million (6.75%), a 33% increase in just over a year. It has delivered a total return of over 40% during this period.

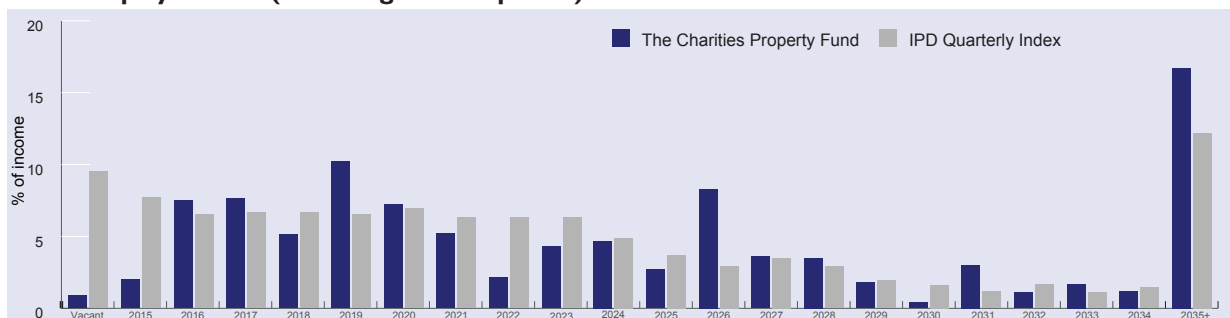


Howdens, Doncaster

Terms have also been agreed with M&S at Rayleigh to take a new lease of the supermarket currently occupied by the Co-operative. The lease to Co-op only has five years remaining and we have agreed that we will surrender this lease and grant a new 20 year lease to M&S with five yearly rent reviews to RPI (capped at 4% and collared at 1% per annum compounded). The commencing rent will be 14% higher than under the previous lease.

We are delighted to have secured a tenant of this quality, whilst increasing the rent, the unexpired lease term and guaranteeing future rental growth. M&S will receive an incentive payment to cover their fit out costs.

Lease Expiry Profile (including break options)



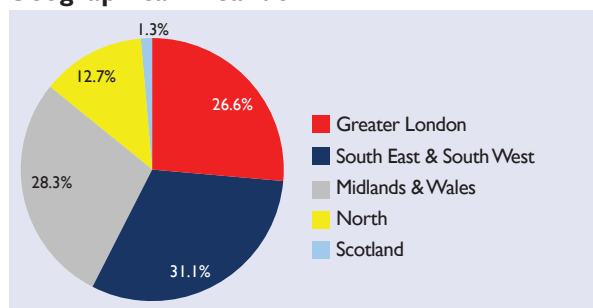
Source: Savills Investment Management, June 2015

10 Largest Tenants (by income)

Tesco Stores Limited (surety: Tesco Plc)	6.3%
Sytner Properties Limited (surety: Sytner Group Limited)	3.2%
Sainsbury's Supermarkets Ltd (surety: Sainsbury's Plc)	3.1%
EHS Brann Limited (surety: Havas SA)	3.0%
John Lewis Plc	2.6%
Travelodge Hotels Limited	2.6%
The Secretary of State for Communities and Local Government	2.6%
Wickes Building Supplies Limited (surety: Wickes Holdings Limited)	2.4%
Rybrook Limited (surety: Rybrook Holdings Limited)	2.3%
Jurys Hotel Management (UK) Limited (surety: Vesaway Limited)	2.3%
Total	30.4%

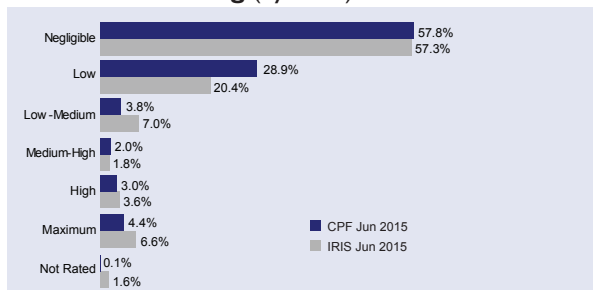
Source: Savills Investment Management, June 2015

Geographical Breakdown



Source: Savills Investment Management, June 2015

Tenant Risk Rating (by D&B)



Source: Savills Investment Management, IPD (June 2015)
The table above rates the risk of default within the covenants i.e. 57.8% of the Fund's covenants are thought to be at negligible risk of default.

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Risk Warning

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