

THE CHARITIES PROPERTY FUND FACTSHEET

Key Points

- High yielding (7.9% net as at December 2009)
- Third highest yielding balanced fund*
- Low vacancy rate (4.8% versus IPD at 12.5%)
- No borrowings
- Relatively strong tenant quality compared to IPD
- New monies available for investment
- Low weighting to the High Street

* IPD PPF1 (Q4 2009)

Market Commentary

Economy

There are tentative signs of economic recovery and we expect the economic indicators to show that in late 2009, the UK moved out of recession. Our opinion, however, is that the recovery is likely to be corrugated with a period of mixed signals, both positive and negative, expected to continue through 2010. We believe that the management of the economy will be a central focus of the 2010 election. Constraints upon public expenditure are a significant issue as is restricted financial liquidity for consumers and businesses. This would continue to suggest that any growth will be muted.

Property Market

We believe that the market is operating with two key dynamics.

Firstly, in line with our economic view, we remain cautious regarding the prospects for the occupiers of UK property and their affordability of rents; any rental growth is consequently unlikely to be strong. More positively, as the UK returns to economic growth, the resilience of the income from UK property tenants will also improve, benefiting property owners.

Secondly, the capital markets are maintaining their search for reliable income-producing assets. This has encouraged some domestic and international investors back into the UK property investment market, in particular. Consequently, the available investment buildings that produce reliable income streams are now increasingly sought after. This has resulted in some intense buyer competition and subsequently, capital growth.

Fund Performance

The Fund aims to provide an attractive level of income with the prospect of income and capital growth over the long term by investing in a diversified UK commercial property portfolio.



Source: Cordea Savills, IPD (December 2009)
*The Charities Property Fund launched in 2000

Property Profile

Properties	48
Average property size	£5.1 million
Number of tenancies	139
Covenant strength	82% rated as negligible or low risk. This compares to the IPD average of 67%.
Lease length	8.4 years excluding breaks
Cash on deposit	3.6% (as at 30 December)
Voids	4.8% of rental value (IPD average is 12.5%)

Portfolio Activity

Investment market activity

We have recently completed the purchase of two office buildings in Chester and Bath city centres.

Chester is let to The Secretary of State for Communities and Local Government until April 2026 and provides The Civil Court in Chester. The price of £6 million reflected a net yield to the Fund of 7.2%.

Bath is a multi-let office and retail property located close to the prime retail pitch and the railway station. It is let to three office and three retail tenants and has recently undergone a £1 million refurbishment. The price of £6.9 million reflected a net yield to the Fund of 8.4%.



Westpoint, Bath



Trident House, Chester

We also completed on the in-specie transfer of a portfolio of eight properties from a major UK charity in exchange for units in the Fund. The portfolio comprised three retail properties, three office properties and two industrial properties. The portfolio was independently valued at £13.1 million which reflected a net yield of 9.1%.

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Fund Information (as at 31 December 2009)

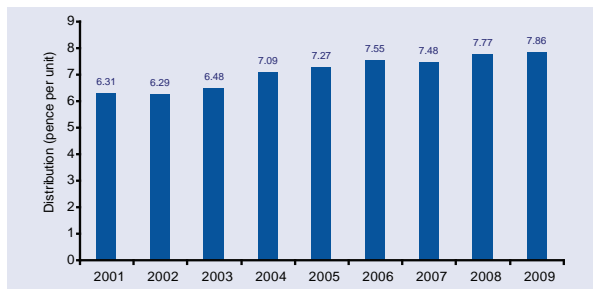
Launch Date	December 2000
Fund Size	£299 million
Distribution yield	8.6%*
Fund costs (TER)	0.6% per annum
Unit Price	Bid - 90.30 pence Offer - 93.15 pence
Bid/Offer Spread	3.25%**
SEDOL	0208075
Next Distribution Date	14 February 2010
Last Distribution Payment	1.65p per unit (14/11/09)
Next Dealing Date	31 March 2010#

* Based on the last four distributions declared (including the additional distribution) divided by the current net asset value

** Assuming Fund fully invested

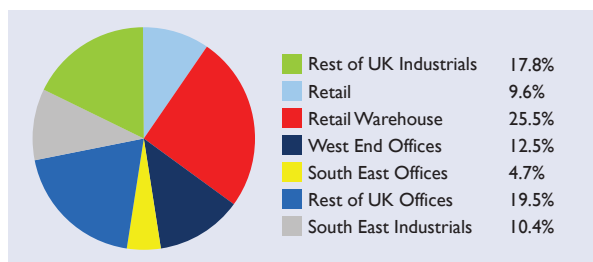
Applications must be received 14 days prior to the dealing date

Distribution Payment History (pence per unit)



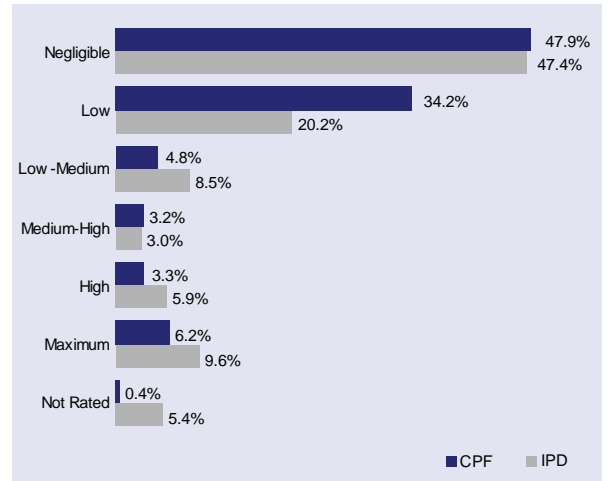
Source: Cordea Savills (December 2009)

Sector Weightings



Source: Cordea Savills (December 2009)

Tenant Risk Rating



Source: Cordea Savills, IPD (December 2009)

Dates for the Diary

The Charities Property Fund's 2010 AGM

London	8 February
Cambridge	10 February
Oxford	11 February

A full invitation and agenda can be found on our website:
www.cpfund.org.uk

Contact Information

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Further information can be found about the Fund at our dedicated website: www.cpfund.org.uk

CHARITIES



PROPERTY FUND

Risk Warning

Benefits anticipated in the Charities Property Fund may be affected by changes in UK tax legislation. The price and value of investments and the income derived can go down as well as up, and you may not get back the amount you invest. Past performance is not a guide to future performance. There may be times when property held within the fund may not be readily saleable. This can in some cases cause constraints when encashing units.

The Charities Property Fund is a registered charity, number 1080290

The Manager is Mayflower Management Company Limited, registered in England number 966906, which is authorised and regulated by the Financial Services Authority and is a subsidiary of Cordea Savills LLP, a limited liability partnership registered in England. The registered office of both entities is at 20 Grosvenor Hill, London W1K 3HQ.