

Please address any replies to:
Columbia Threadneedle Investments
PO Box 10033
Chelmsford
Essex
CM99 2AL
United Kingdom
Tel: 0800 953 0134*
+44 1268 444 321*
Fax: 0845 113 0274
+44 1268 441 520
columbiathreadneedle.com

22 September 2023

Investment Account ID

Dear Investor,

Important changes to the CT UK Property Authorised Trust – no action required.

As a unitholder in the CT UK Property Authorised Trust (**the “Trust”**), a feeder fund¹ that invests into the CT UK Property Authorised Investment Fund (**the “Fund”**), we are writing to inform you about changes being made to the Fund’s liquidity management, from 2 October 2023 (the **“Effective Date”**).

What changes are being made?

The Fund’s liquidity management² approach is being adapted to allow it to hold, under normal circumstances, a higher proportion in cash³ e.g., bank deposits. Until now, the Fund has aimed to hold up to 15% cash in normal circumstances, but, from the Effective Date, the normal level of cash exposure will increase to 15-25%. As a result, the proportion of the Fund held in property will be lower in future than it has been in the past (as consequently will be the property exposure provided by the Trust). However, this remains consistent with the Fund’s investment policy, which requires at least two-thirds of the portfolio to always be invested in UK property.

Why is this change being made?

The Fund holds cash for various reasons: to fund ongoing property expenses; to be able to buy new properties; to finance improvements to properties (to improve opportunities for capital and income growth) and to continue to offer daily dealing⁴ to shareholders who wish to sell shares in the Fund.

Dealing in the Fund and the Trust was suspended temporarily in October 2022 due to unusually high demand from investors to redeem their holdings. Following an orderly sale of property assets by the Fund, both the Fund and Trust re-opened for dealing on 1 March 2023. Since re-opening, the Fund has held a higher proportion of its assets in cash. By permanently holding more cash, we can be more

¹ A feeder fund invests all (or nearly all) of its assets into another fund.

² Liquidity Management is the proactive process of making sure there is sufficient cash on hand to meet the Fund’s financial needs and obligations.

³ The reference to “cash” in this context includes “near cash” as defined in the prospectus (which includes money, deposits and investments that are highly liquid in nature i.e., easily converted to cash).

⁴ Daily dealing allows the option for investors to put money in and take it out on each business day.

confident of meeting daily redemption requests and avoiding a temporary suspension of dealing in the future (although this cannot be guaranteed).

How will this affect my investment?

Both the Trust and the Fund will continue to be managed in broadly the same way, and the changes will not impact their risk profile. The value of your investments and the number of units you hold will not be affected.

Income returns will continue to be driven from a combination of property (rental) income and interest received on cash deposits, although the property income proportion may become lower because of the higher cash weighting and the recent rises in the interest rates earned on cash.

We continue to monitor the performance of the Trust and the Fund and how they are operating, and we may reduce or increase the normal cash level in the Fund in the future if we think it is in the best interest of investors, in which case we will notify you accordingly.

What action do I need to take?

You do not need to take any action as a result of these changes. However, if you are unsure about your investment you should speak to a financial adviser. If you are based in the UK, you can find one in your area by visiting www.unbiased.co.uk – please note we do not endorse the advisers on the site.

What can I do if I disagree with the changes?

You have a number of options. Should you disagree with the changes you can choose to redeem your units, or you can switch your investment, free of charge, into another fund(s) in our UK range.⁵

Should you decide to redeem or switch your shares, it may trigger a taxable event. We are unable to provide tax advice and we therefore suggest you seek advice from your tax adviser about any potential tax implications before you take any action.

Further information

If you have any questions, comments, or complaints regarding your investments with us, please contact us on 0800 953 0134* and for investors outside the UK, please call +44 1268 444 321*. Our team is available from 8:00am to 6:00pm, Monday to Friday (UK time).

Yours sincerely,



James Perrin
Chief Operating Officer Distribution, EMEA
Columbia Threadneedle Investments

*Calls may be recorded.

⁵ Only funds managed by Threadneedle Investment Services Limited (TISL) (part of the Columbia Threadneedle group of companies), are currently available for this purpose. A fund's prospectus or Key Investor Information Document (KIID) (available on our website) will provide this information, or please contact us on 0800 953 0134 if you require help establishing the alternative funds available to you.