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22 September 2023

Investment Account ID

Dear Investor,

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

As a shareholder in the CT UK Property Authorised Investment Fund (“**the Fund**”), we are writing to inform you of changes we are making to the Fund’s liquidity management, from 2 October 2023 (the “**Effective Date**”).

What changes are being made?

The Fund’s liquidity management¹ approach is being adapted to allow it to hold, under normal circumstances, a higher proportion in cash² 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. However, this remains consistent with the Fund’s investment policy, which requires at least two-thirds of the Fund 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 dealing³ to shareholders who wish to sell shares in the Fund.

Dealing in the Fund was suspended temporarily in October 2022 due to unusually high demand from shareholders to redeem units. Following an orderly sale of property assets, the Fund 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 confident of meeting daily redemption requests and avoiding a temporary suspension of dealing in the future (although this cannot be guaranteed).

¹ Liquidity Management is the proactive process of making sure there is sufficient cash on hand to meet the Fund’s financial needs and obligations.

² 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).

³ Daily dealing allows the option for investors to put money in and take it out on each business day.

How will this affect my investment?

The Fund will be managed in broadly the same way and the changes will not impact the risk profile of the Fund. The value of your investments and the number of shares 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 Fund and how it is 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 interests of shareholders, 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 shares, or you can switch your investment, free of charge, into another fund(s) in our UK range.⁴

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.

⁴ 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.