

1st APRIL 2018 - 30th JUNE 2018



FUND OBJECTIVES

- » A target distribution yield of 6-7% pa.
- » Tax efficient investment for charity investors.
- » A clear investment strategy for a diverse real estate portfolio in the primary sectors of industrial, retail and offices.
- » Focused on multi-let properties which provide a diverse and sustainable income stream.
- » Delivering a target IRR of 7-9% over a rolling five year period through maintaining and increasing rental income and targeting capital value increases at least in line with inflation.
- » Utilise the experienced and proven management team's skill set to actively manage the portfolio and drive returns.

FUND REVIEW

- » The Fund distribution for this quarter is 1.77400p per unit, equivalent to 6.03% annualised on opening NAV.
- » The Fund return since inception is 12.08% annualised.
- » DPFC's total return this quarter is 2.8% which again outperforms the AREF/ MSCI All Funds total return of 2.0%. Over the last 12 months DPFC has delivered a Total Return of 12.0% which compares favourably to the AREF/MSCI All Funds 8.1% Total Return.
- » The Total Return has been 41% since inception (February 2015) to 30 June 2018. The distribution paid over this period has been 21.36p per unit and the NAV has increased from 100p per unit to 119.53p per unit.
- » The DPFC portfolio recorded a valuation increase of 1.4% over the quarter, again comparing favourably to the 0.9% increase achieved by the IPD/MSCI All Property Index. The increase in the DPFC portfolio valuation was driven by asset management activity on lettings and lease extensions in keeping with each property's individual five year asset plan. The multi-let industrial asset weighting in the portfolio was also a strong contributor to returns.
- » The 0.6% vacancy rate at the start of the quarter increased to 3.7% by the end of the quarter. However, this is anticipated to reduce as we see

units under offer complete. Of the 79 units in the portfolio there are currently two vacant and one of these is under offer. The IPD/MSCI All Property Monthly Index for June showed a 9.9% vacancy rate.

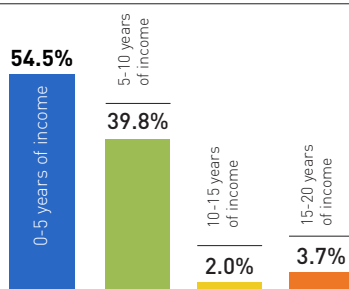
- » Part of DPFC's investment strategy is to acquire good quality multi-let assets with relatively short leases offering a higher income yield and through implementing the property's individual asset plans actively seek to enhance rentals and occupancy. DPFC has a clear investment strategy to invest in principally multi-let properties in strong locations which offer the potential for their rental income streams to be enhanced through implementing detailed asset plans. The average value of a property in the DPFC portfolio is c. £6m which is in keeping with our strategy of acquiring properties in a less crowded strata of the market place where there is limited competition from high net worth investors and institutions.
- » Whilst the start to 2018 saw very subdued economic growth with Q1 GDP at 0.2% and the Bank of England revising its forecast for 2018 down from 1.8% to 1.4%, the Q2 data is more encouraging with the new monthly series from the ONS indicating 0.3% economic growth in May. Additionally, the All Sector PMI increased from 53.1 in Q1 to 54.2 in Q2, consistent with improving economic growth. June's CPI inflation was unchanged from 2.4% in May and

KEY FUND DATA

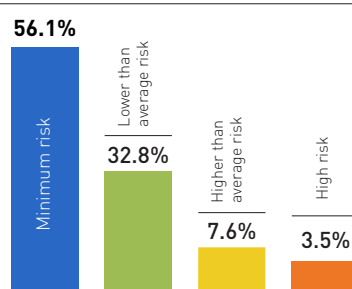
Portfolio value	£53.9m
Net asset value	£54.8m
Number of assets	9
NAV per unit - FRS102 basis	119.52 p.p.u.
NAV per unit - INREV basis	120.13 p.p.u.
Vacancy rate	3.6%
Weighted average lease length to expiry	4.88 years
Weighted average lease length to first break	3.30 years
May 2018 distribution paid	1.7580 p.p.u.
Distribution for last 12 months	7.0320 p.p.u.
Year end	30-Sep
Total expense ratio (TER) ¹	0.80%
SEDOL number	BXQ9SB8
ISIN number	GB00BXQ9SB85

1. TER is calculated as total fund expenses divided by NAV. TER on a stabilised basis assuming £200m fund size, is 0.64%.

LEASE EXPIRY PROFILE (EXCL BREAK OPTIONS)



TENANT COVENANTS BY D&B RISK RATING



HISTORIC TOTAL RETURNS

Period	%
3 months	2.8%
6 months	5.0%
12 months	12.1%
3 years (pa)	11.7%
Since inception (pa)	12.1%

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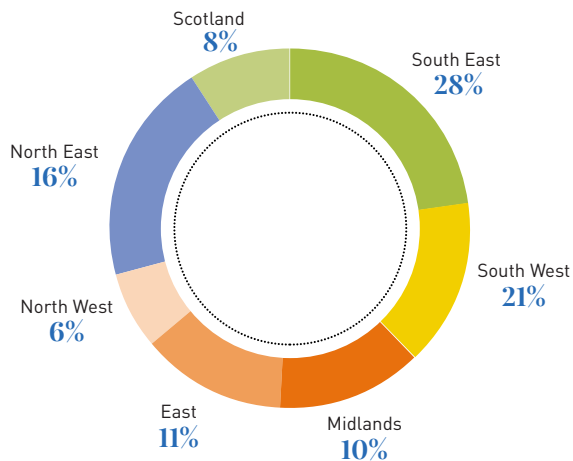


MAJOR TENANTS

Ten largest tenants by income

DSG Retail Ltd	Minimum Risk	8%
Go Outdoors Ltd	Minimum Risk	6%
JD Sports Gyms Ltd	Lower than average risk	5%
Halfords Ltd	Minimum Risk	4%
Graham Tiso Ltd	Lower than average risk	4%
Frost Bodyshop Ltd	Lower than average risk	3%
Lok 'N' Store	Minimum Risk	3%
Valutech Ltd	Lower than average risk	3%
Iseki France (as guarantor for Premium Turf-Care Ltd)	Minimum Risk	3%
Ionic Systems Ltd	Lower than average risk	3%
TOTAL		42%

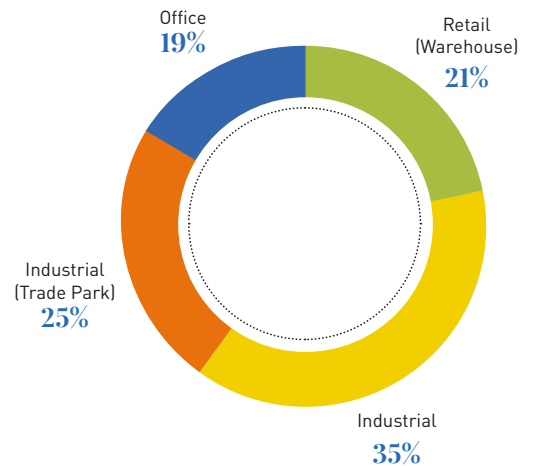
PORTFOLIO ANALYSIS BY LOCATION



GLOSSARY

NAV per unit	Net Asset Value of the Trust prepared at the reporting date divided by units in issue
FRS102	Accounting basis on which accounts are prepared
INREV	European Association for Investors in Non-Listed Real Estate Vehicles. Utilising their reporting recommendations certain costs related to vehicle setup and property acquisition are added back to net assets and amortised over a five year period
SEDOL & ISIN numbers	UK and International identifier of The Diversified Property Fund for Charities as an investment security
D&B	Dun & Bradstreet provide data and analysis which is used to determine credit worthiness and relative risk of tenants
p.p.u	Pence per unit
Historic Fund Returns	Calculated over the reference period as the sum of closing NAV per unit less opening NAV per unit plus distributions per unit all divided by opening NAV per unit

PORTFOLIO ANALYSIS BY SECTOR



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