Q2 2025 FACTSHEET

DPFC
Diversified Property Fund For Charities

1st JANUARY 2025 - 31st MARCH 2025

Fund Objectives

Deliver a sustainable, growing distribution and a target IRR of 7-9% over a rolling five years.

Tax efficient investment in real estate for charity investors.

Provide a sustainable income stream from a diverse portfolio of multi-let investments which diversify location, sector, occupier and lease event risk.

Occupancy

The portfolio was 94.0% occupied at 31st March with 6.0% vacant (AREF/MSCI All Funds 12.1%), an increase from 4.4% in December. Once lettings on the units currently under offer complete the vacancy rate will reduce to 5.7%. Since inception DPFC has had an average void rate of 3.0%. The void rate is calculated using the current estimated market rent for vacant units as a percentage of the Fund's total rental income.

Investment Strategy

DPFC's clear investment strategy targets:

- Multi-let properties, a sub-sector of the property market often under-valued with diverse rental income streams spreading occupier risk;
- Well located properties where tenants want and need to be;
- £3m - £12m properties, a strata of the market too large for most private investors and too small for most institutions, resulting in acquisitions at attractive income yield; and
- Active asset management of properties in line with each property's individual five-year asset plan detailing how to deliver performance.

Key Fund Data

Portfolio value	£80.6m
Net asset value	£85.0m
Number of assets	10
NAV per unit - FRS102 basis	147.75 p.p.u.
NAV per unit - INREV basis	147.80 p.p.u.
NAV per unit - MSCI/AREF basis	144.30 p.p.u.
Vacancy rate	6.0%
Weighted average lease length to expiry	3.81 years
Weighted average lease length to first break	2.77 years
February 2025 Distribution paid	1.9576 p.p.u.
Distribution for last 12 months	7.8108 p.p.u.
Year end	30-Sep
Total expense ratio (TER)	0.89%
SEDOL number	BXQ9SB8
ISIN number	GB00BXQ9SB85

Fund Review

Whilst we have seen income returns dominate real estate returns over recent times, this quarter capital growth and transactional activity have been the principal drivers of performance. DPFC's Total Returns continue to outperform the benchmarks at a property level (MSCI All Property Index) and fund level (AREF). The increases in rental income which are being achieved at lease events are enhancing asset values once capitalised and keeping the void rate materially below the benchmark. DPFC continues to meet the Fund's Investment Objective.

Distribution

The Fund's distribution for the March 2025 quarter, to be paid in May 2025, is 1.9576p per unit, an annualised 5.54% of the opening NAV. Since inception the distribution has grown by an average of 1.8% pa and increased or been maintained each year. DPFC's distribution has shown low volatility, with the target of a sustainable and growing distribution continuing to be met.

Total return

A 6.0% Total Return was delivered by DPFC over the quarter (AREF/MSCI All Funds 1.5% total return). Over the last 12 months DPFC's Total Return was 14.7% (AREF/MSCI All Funds 6.4%). Total returns of 4.0%pa and 9.7%pa have been achieved over 3 and 5 years respectively (AREF/MSCI All Funds -3.3% and 2.7% respectively). Since inception DPFC has delivered a 10.1% Total Return annualised (119% total return in absolute terms, 72% distributed, 47% NAV growth).

Capital Growth

A 1.8% increase in the value of the DPFC portfolio was recorded over the quarter, its ninth consecutive quarter of growth (MSCI All Property Index 1.2%). Over the quarter, DPFC's Industrial assets (70% of portfolio) increased in value by 2.4% (MSCI 2.2%). Values of the Fund's Office property (14% of the portfolio) increased by 5.4% as a result of refurbishment and positive lease events (MSCI - 0.7%). The Fund's Retail Warehouseasset values (16% of the portfolio) reduced by 3.5% (MSCI +1.6%).

Asset Management

The Manager adopts an income approach to asset management which is delivered through developing a 5 year asset plan for each of the properties in the portfolio. Enhancing the quality and quantity of the income results in enhanced capital values. The urban industrial sector continues to evidence attractive levels of rental growth which is crystalised in DPFC's assets at rent reviews, lease renewals and new lettings. This evidence supports the portfolio valuation growth. This quarter a retail warehouse DPFC owned in Hall Green Birmingham has been sold to an owner occupier which crystalised a material profit over the last valuation and historic book cost. At the Fund's industrial asset in central Glasgow a reversionary lease has been completed extending the WAULT and rent reviews have been concluded in Swindon and Watford increasing rents by 22% and 10% respectively. This asset management activity has supported the increase in property values this quarter.

Historic Total Returns

*Annualised

ESG

DPFC seeks to minimise the impact on the environment whilst we transition to a Net Zero Carbon society. As such, DPFC is focused on preventing pollution and proactively complying with current and evolving environmental legislation in addition to improving social performance across the portfolio and ensuring the highest level of governance. Being able to assess and analyse the energy use and efficiency at a portfolio and unit level is key to delivering on DPFC's sustainability objectives. DPFC's GRESB score was 58 in 2024 an increase from 43 in 2023 and we are targeting further improvements in the current year. The data we digitally collect on energy use is invaluable in developing DPFC's Net Zero Carbon Route Map. We continue to use lease events as opportunities to engage tenants on how to improve energy efficiency whilst creating value through enhanced lease terms to potentially fund the Energy Performance Certificate (EPC) enhancement works. We are especially proud of the refurbishment at Medway Bridge House, Maidstone where the office buildings EPC improved from EPC D to EPC A.

Property Investment Market

Investment transaction volumes slowed in February to £1.5bn from £2.7bn in January with overall transaction volumnes 38% down on where they were for the first two months of 2023. MSCI data shows yields have improved by 30bp since June 2023 but transactional volumnes are being restricted by the geopolitical uncertainty and higher, but now improving, debt costs. Investor sentiment is sensitive to interest rate movements. The Bank of England's Monetary Policy Committee reduced the Base Rate again to 4.25% at their May meeting and further reductions are anticipated this year. Tariffs on imports into the US may see low-cost base producer looking for alternative markets for their goods which may have a deflationary impact on the UK economy. This could see interest rates reduce further which could lead to improving property yields. Looking at the individual commercial real estate sectors:

* Retail investment volumes totaled £240m in February, well below the £680m five year monthly average. Whilst investment volumes are some 40% below their five year average there has been a c.40bps average yield contraction in this sector. Retail rents have increased by 1.7% over the trailing 12 months, the strongest rate of growth since 2016. 10% of the DPFC portfolio is invested in Retail Warehouses, a Retail sub sector aligned to successful retailer's multi-channel retailing model and customer convenience.

* Office investment volumes totaled £280m in February, down from £580m in January and some way below the five year monthly average of £1.2bn. Average office yields compressed by c.80 bps over the past 12 months. Rental growth continues with the average office rental value increasing by 2.3% pa against a five year average of 1.2% pa. Occupier and investor demand continues to focus on Grade A accommodation where there has been very limited development in recent years.

* Industrial investment transaction volumes totaled £260m in February, down from £600m recorded in January and noticeably below the £1.2bn five year monthly average. Occupier take-up was 18% higher in 2024 than in 2023 with retail/wholesalers and logistics companies accounting for 30% of the take-up. Rental growth remained robust at 5.5% year on year to February. Supply of new stock in this sector remains constrained.

Outlook

The economic environment in the UK is broadly supportive of the real estate sector with low inflation and reducing interest rates although GDP growth is nominal. DPFC's vacancy rate is low, the occupiers have strong financial covenants, and the rent collection rate is admirable. The portfolio is weighted in the sub-sectors which are aligned to current social, economic, occupier trends resulting in robust occupier demand (as evidenced by the low vacancy rate) and attractive rental growth. The Manager believe DPFC's clear investment strategy and portfolio are well placed to meet the objectives set.

Q2 2025 FACTSHEET

DPFC
Diversified Property Fund For Charities

1st JANUARY 2025 - 31st MARCH 2025

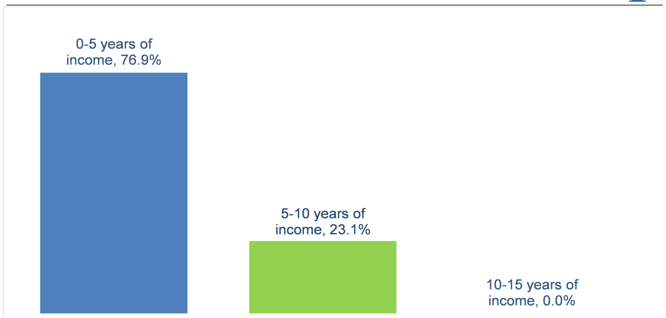
Major Tenants

Ten largest tenants by income	D & B Category	
Crowe UK LLP	Minimum Risk	6%
Telenco UK Ltd	Minimum Risk	5%
Currys Group Ltd	Lower than average risk	4%
Go Outdoors Retail Ltd	Lower than average risk	4%
MTD (UK & Ireland) Ltd	High risk	3%
JD Sports Gyms Ltd	Lower than average risk	3%
Ionic Systems Ltd	Minimum Risk	3%
Frost Bodyshop Ltd	Minimum Risk	3%
Gridserve Holdings Ltd	Minimum Risk	3%
Valutech Ltd	Higher than average risk	3%
Total proportion of rent roll		38%

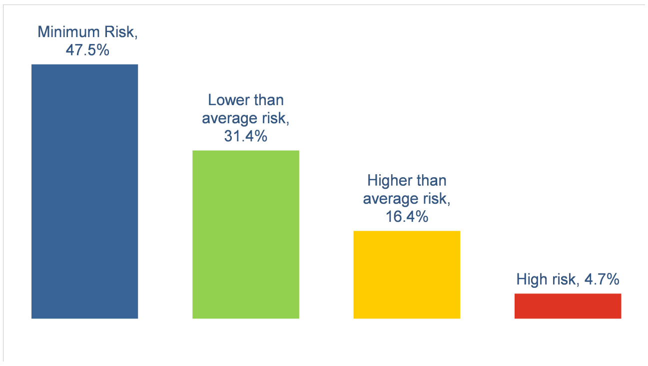
Glossary

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	Dunn & 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
MEES	Minimum Energy Efficiency Standards
GRESB	Global Real Estate Sustainability Benchmark

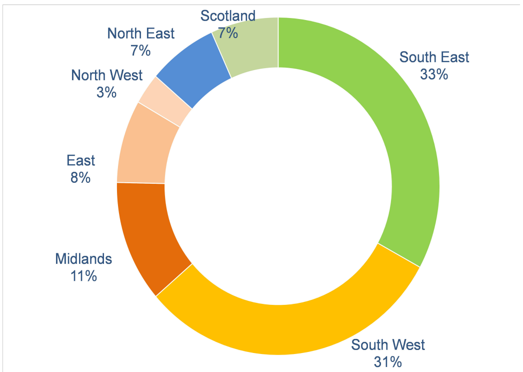
Lease Expiry Profile (Excl. Break Options)



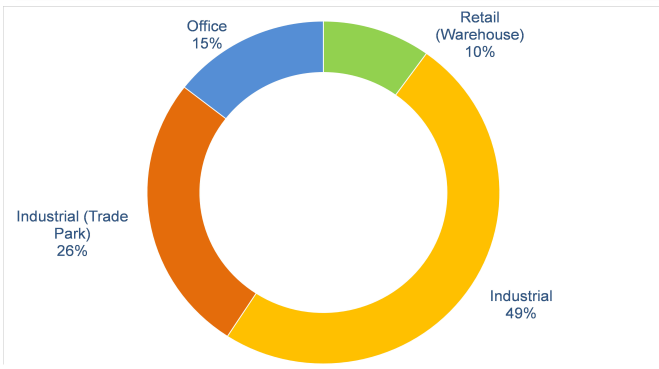
Tenant Covenants By D&B Risk Rating



Portfolio Analysis By Location



Portfolio Analysis By Sector



Paul Hodgson,
Eskmuir FM Limited
Appointed Representative of Fund Manager

Eskmuir FM Ltd, 8 Queen Anne Street, London, W1G 9LD

T. 020 7436 2339

www.dpfc-eskmuir.co.uk

Prepared by Eskmuir FM Limited, Appointed Representative of Boston & Alexander LLP, Fund Manager to DPFC registered as an AIFM with The Financial Conduct Authority under Firm reference number 543477.

Boston and Alexander LLP, 8-10 HIll Street, London, W1H 5NQ

www.bostonandalexander.com