

Q3 2025 FACTSHEET

DPFC
Diversified Property
Fund For Charities

1st APRIL 2025 - 30th JUNE 2025



Maidstone

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.



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	£81.1m
Net asset value	£85.0m
Number of assets	10
NAV per unit - FRS102 basis	148.46 p.p.u.
NAV per unit - INREV basis	148.50 p.p.u.
NAV per unit - MSCI/AREF basis	146.50 p.p.u.
Vacancy rate	10.9%
Weighted average lease	3.55 years
Weighted average lease	2.64 years
May 2025 Distribution paid	1.9576 p.p.u.
Distribution for last 12 months	7.8304 p.p.u.
Year end	30-Sep
Total expense ratio (TER)	0.89%
SEDOL number	BXQ9SB8
ISIN number	GB00BXQ9SB85

Occupancy

The portfolio was 89.1% occupied at 30th June with 10.9% vacant (AREF/MSCI All Funds 12.2%), an increase from 6.0% in March. Post quarter end further lettings have completed, reducing the vacancy rate to 9.6%. One unit which became vacant during the quarter represents 2.8% of the total, letting prospects for this unit are considered strong and represent an opportunity to relet at or above ERV, a c.20% increase on the previous passing rent. Since inception DPFC has had an average void rate of 3.1%. The void rate is calculated using the current estimated market rent for vacant units as a percentage of the Fund's total rental income.

Fund Review

Income returns continue to be the dominant driver of real estate total returns. However, this quarter capital appreciation has been achieved through asset management and income growth. DPFC's Total Returns continue to materially outperform the benchmarks at a property level (MSCI All Property Index) and fund level (AREF). The increases in rental income being achieved at lease events are enhancing asset values once capitalised. DPFC continues to meet the Fund's Investment Objective.

Distribution

The Fund's distribution for the June 2025 quarter, to be paid in August 2025, has been maintained at 1.9576p per unit, an annualised 5.30% 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 1.8% 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 14.0% (AREF/MSCI All Funds 6.8%). Total returns of 2.8%pa, 9.8%pa and 9.8% pa have been achieved over 3, 5 & 10 years respectively (AREF/MSCI All Funds -4.1%, 3.4%pa and 4.0%pa respectively). Since inception DPFC has delivered a 10.0% Total Return annualised (122% total return in absolute terms, 74% distributed, 48% NAV growth).

Capital Growth

A 0.7% increase in the value of the DPFC portfolio was recorded over the quarter, its 11th consecutive quarter of growth (MSCI All Property Index 0.3%). Over the quarter, DPFC's urban industrial assets (76% of portfolio) increased in value by 1.2% (MSCI 0.8%). Values of the Fund's office properties (14% of the portfolio) decreased by 1.3% (MSCI -0.5%). The Fund's retail warehouse asset values (10% of the portfolio) were flat (MSCI +0.1%). DPFC's investment strategy, portfolio weighting and quality of properties have been key to outperforming the benchmarks.

Asset Management

The Manager's income approach to asset management is delivered through developing a 5 year asset plan for each of the properties in the portfolio.

Enhancing the quality and crucially the quantity of the income results in enhanced capital values. The urban industrial sector (76% of the portfolio) is evidencing attractive levels of rental growth which is crystallised in DPFC's asset values at rent reviews, lease renewals and new lettings. This evidence supports the portfolio valuation growth. This quarter, at the Fund's industrial asset in Ipswich a rental settlement in line with market levels saw the rent increase by 92% and a rent review settlement in Swindon saw the rent increase by 22%. As occupier needs evolve the Manager endeavours to deliver solutions for existing occupiers within the portfolio in order to reduce void costs and optimise rental income. This asset management activity has supported the increase in property values this quarter.

Historic Total Returns (pa)



* 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 targeting a score of 60+. 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. The DPFC portfolio is MEES compliant and we continually seek to exceed the minimum requirements of this legislation, targeting EPC Bs when refurbishing assets.

Property Investment Market

Investment transaction volumes increased in June to £4.5bn from £3.5bn in May, whilst June was in line with the five year monthly average, transaction volumes year to date is 14% below the corresponding position in 2024. Transactional volumes continue to be restricted by the geopolitical uncertainty and higher, but now reducing, debt costs. Investor sentiment is sensitive to interest rate movements. The Bank of England's Monetary Policy Committee reduced the Base Rate again to 4.0% at their August meeting and further reductions are anticipated this year despite inflation having increased temporarily. US import tariffs may see low-cost base producers looking for alternative markets for their goods which may have a deflationary impact on the UK economy. Interest rates could then reduce further, potentially improving property yields as investor confidence increases. Looking at the individual commercial real estate sectors:

- Retail investment volumes totalled £540m in June, which is well below the five year monthly average. A c.40bps average yield improvement in this sector is underpinned by retail rents having increased by 2.0% over the trailing 12 months to June. 10% of the DPFC portfolio is invested in Retail Warehouses, a Retail sub sector aligned to successful retailer's multichannel retailing model and customer convenience.
- Office investment volumes totalled £680m in June, noticeably below the five year monthly average of £1.2bn. Investment volumes for the year to date are however 26% up on the same point in 2024. Occupier take up in London remains robust, up 29% Q-on-Q and 17% up on the ten year average. All Office rental growth was 2.4% up on the five year average of 1.2%. 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 reached £1bn in June, up from £770m recorded in May and broadly in line with the five year monthly average. Occupier take-up was up 17% Q-on-Q with e-commerce occupiers accounting for 15% of take up in the first half of 2025. Rental growth remained robust at 5.0% year on year to June. Supply of new stock in this sector remains constrained. This subsector of the real estate market remains aligned to the trends of e-commerce, convenience and ESG.

Outlook

Whilst the economic environment in the UK is subdued, DPFC's tenant base remains resilient and the levels of rental growth being achieved are attractive. Occupiers' strong financial covenants are supporting admirable rent collection rates. The portfolio is weighted in the sub-sectors which are aligned to current social, economic, occupier trends resulting in strong occupier demand for voids which generally relet readily at attractive rental levels. The Manager believes DPFC's clear investment strategy and portfolio are well placed to meet the objectives set and add to DPFC long term benchmark outperformance.

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Major Tenants

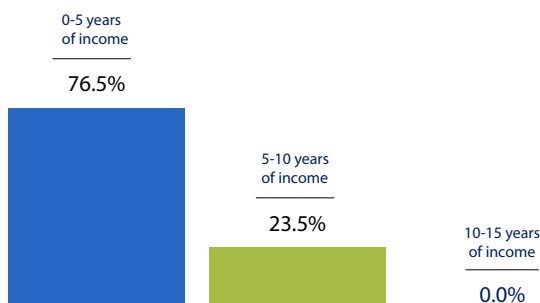
Ten largest tenants by income

Ten largest tenants by income	D & B Category	
Crowe UK LLP	Minimum Risk	7%
Telenco UK Ltd	Minimum Risk	5%
Currys Group Ltd	Minimum Risk	4%
MTD (UK & Ireland) Ltd	High Risk	4%
Go Outdoors Retail Ltd	Lower than average risk	4%
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%
PRP Optoelectronics Ltd	Minimum Risk	3%
Total proportion of rent roll		39%

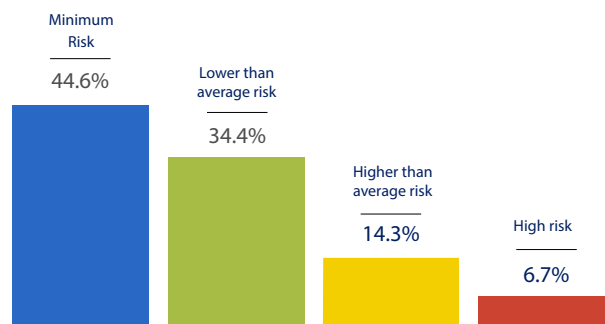
Glossary

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
MSCI	Morgan Stanley Capital International
AREF	The Association of Real Estate Funds

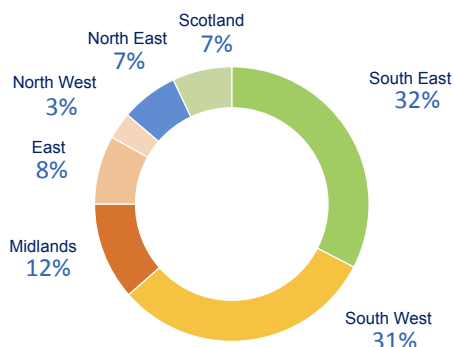
Lease Expiry Profile (Excl. Break Options)



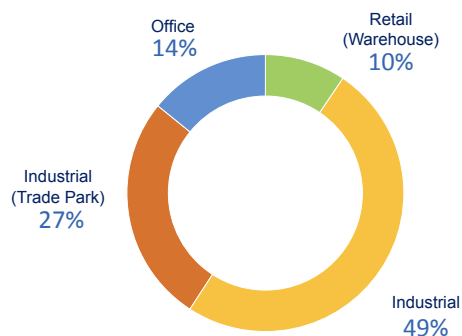
Tenant Covenants By D&B Risk Rating



Portfolio Analysis By Location



Portfolio Analysis By Sector



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