

1<sup>st</sup> OCTOBER 2025 - 31<sup>st</sup> DECEMBER 2025



## Key Fund Data

Portfolio value	£82.5m
Net asset value	£86.2m
Number of assets	10
NAV per unit - FRS102 basis	150.75 p.p.u.
NAV per unit - INREV basis	150.77 p.p.u.
NAV per unit - MSCI/AREF basis	148.77 p.p.u.
Vacancy rate	8.0%
Weighted average lease length to expiry	3.50 years
Weighted average lease length to first break	2.56 years
November 2025 Distribution paid	1.9770 p.p.u.
Distribution for last 12 months	7.8498 p.p.u.
Year end	30-Sep
Total expense ratio (TER)	0.83%
SEDOL number	BXQ9SB8
ISIN number	GB00BXQ9SB85

## Fund Objectives

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



## Occupancy

The portfolio was 92.0% occupied at 31st December with 8.0% vacant (AREF/MSCI All Funds 11.6%), a decrease from 10.42% in September and reflecting the letting of the vacant unit 11 at Swindon. Since inception DPFC has had an average void rate of 3.5%. 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

DPFC's investment strategy and active management continue to enable the Fund to meet, and exceed, the Investment Objectives set for the Fund. DPFC's Total Returns continue to materially outperform the benchmarks at both a property level (MSCI All Property Index) and a Fund level (AREF) over the short and long term. The Manager's income approach to asset management has seen enhanced rental income capitalised generating capital value growth. In the current macro economic environment where yields are stable, real estate total returns are dominated by income and the capitalisation of its growth.

### Distribution

The Fund's distribution for the December 2025 quarter, to be paid in February 2026, has been maintained at 1.9770p per unit, an annualised 5.33% of the opening NAV.

Since inception the distribution has grown by an average of 1.7% 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 2.6% total return was delivered by DPFC over the quarter (AREF/MSCI All Funds 0.8% total return). Over the last 12 months DPFC's Total Return was 12.6% (AREF/MSCI All Funds 5.1%). Consistent total returns of 9.5%pa, 9.4%pa and 9.6% pa have been achieved over 3, 5 & 10 years respectively (AREF/MSCI All Funds 3.0%pa, 3.3%pa and 3.6%pa respectively). Since inception DPFC has delivered a 9.9% Total Return annualised (128% total return in absolute terms, 78% distributed, 51% NAV growth).

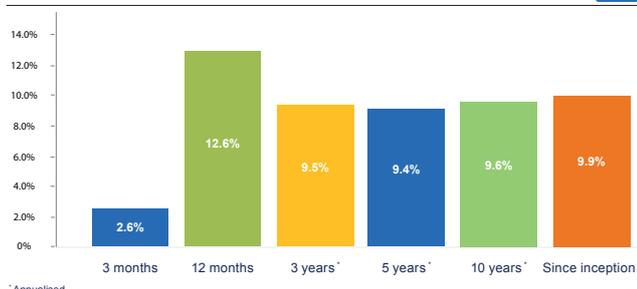
### Capital Growth

A 1.17% increase in the value of the DPFC portfolio was recorded over the quarter (MSCI All Property Index 0.0%). Over the quarter, DPFC's urban industrial assets (76% of portfolio) increased in value by 1.2% (MSCI 0.5%). Values of the Fund's office property (14% of the portfolio) reduced by 0.4% (MSCI -1.5%). The Fund's retail warehouse asset values (10% of the portfolio) increased by 1.9% (MSCI +0.3%). DPFC's investment strategy and portfolio weighting have been an important part of outperforming the benchmarks at a property and fund level.

### Asset Management

Each property in the portfolio has a bespoke five-year Asset Plan which focuses on income growth. Enhancing the quality and quantity of the income is capital value accretive. The urban industrial sector (76% of the portfolio) continues to evidence attractive levels of rental growth which is captured at rent reviews, lease renewals and new lettings delivering valuation growth. This quarter, at the Fund's industrial asset in Swindon, Westergate a letting has been completed at c.40% higher than the previous passing rent and 23% above the valuation ERV. In Milton Keynes lease renewals on four units with a single occupier accounting for 18% of the estate have been secured with the rent increasing by 25% from the previous passing rent. The Manager endeavours to solve tenants' changing occupational needs within the portfolio in order to mitigate void costs and optimise rental income. This asset management activity has supported the 1.17% increase in property values this quarter.

## Historic Total Returns



## ESG

DPFC's sustainable endeavours continue unchanged, seeking 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.

Delivering on DPFC's sustainability objectives requires the ability to assess and analyse energy use and efficiency at a portfolio and unit level. DPFC has embraced GRESB as a framework for this. The Fund secured a 2025 GRESB score is 69, showing a significant improvement in the three years DPFC has been part of GRESB (2023:43, 2024: 58). The data we digitally collect on energy use is invaluable in developing DPFC's Net Zero Carbon Route Map. Lease events provide the opportunity to engage tenants on how to improve energy efficiency whilst creating value through enhanced lease terms to assist funding the works required to improve Energy Performance Certificates (EPC). The DPFC portfolio is MEES compliant and we continually endeavour to exceed the minimum requirements of this legislation, targeting EPC Bs. 80% of the Fund's portfolio is rated EPC C or higher.

## Property Investment Market

Investment sales to the end of November reached £38.4bn for the year to date, 8% below the corresponding period for 2024. London continues to attract the greatest weight of investment (£13bn) followed by Birmingham (£1.6bn), Manchester (£1.4bn) and Glasgow (£1.3bn). Transactional volumes remain subdued. The all-sector blended yield remained static throughout October & November and is c. 20bps lower than a year ago. Investor sentiment and yields are sensitive to interest rate movements. The Bank of England's (BoE) Monetary Policy Committee reduced the Base Rate again to 3.75% at their December meeting with two further reductions anticipated during 2026 as inflation is forecast to reduce closer to the BoE target of 2% p.a.

- Retail transaction volumes reached a seven month high in November at £1.1bn, up from £600m in October and notably above the five year monthly average of £690m. Net initial yields contracted in November to c.30bps lower than a year ago, with rents up 2.6% year on year, one of the strongest periods of rental growth since 2008.
- Office investment volumes contracted from £1.6bn in October to £500m in November, notably below the five-year monthly average of £1.2bn. MSCI data points to a 11bps softening in yields during November albeit yields remain stronger than a year ago. National average office rental growth was 3.3% pa in November, the strongest rate of growth since 2016 and well above the five-year average of 1.2%. Occupier and investor demand remains focused on Grade A accommodation where there has been very limited new development in recent years. 3/2 hybrid working remains the most popular office occupational format.
- Industrial investment volumes fell to £280m in November, from £1.8bn in October, markedly below the five-year monthly average of £1.1bn with limited stock available. However, the volume for the year to the end of November, at £8.9bn, remains ahead of the corresponding figures for 2023 and 2024. MSCI data points to stable yields. Occupier take up reached its strongest quarterly figure, over the three months ending November, for three years with sector wide take up targeted to reach 32m sqft for 2025, up from 28m sqft in 2024. MSCI recorded annual all sector rental growth of 4.9% in November, up from 4.5% in October. This sector continues to exhibit constrained supply especially of new stock and resilient occupier demand additionally it is aligned to the trends of e-commerce, convenience, and ESG.

## Outlook

The Autumn Budget at the end of November passed relatively uneventfully and economic activity in the UK remains subdued. Inflation and the Base Rate are anticipated to reduce during 2026 which is generally supportive of the real estate investment market but the geopolitical climate remains volatile. DPFC's tenant base remains robust with attractive levels of rental growth being achieved. Occupiers' strong financial covenants and clear rent collection protocols are delivering admirable rent collection rates and the portfolio is weighted in the sub-sectors of the market aligned to current social, economic, occupier trends resulting in occupier demand for units which are generally readily relet when tenants vacate. The Manager continues to believe DPFC's clear investment strategy remains relevant and the portfolio is well placed to continue to meet the objectives set and add to DPFC long term track record of benchmark outperformance.

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## Major Tenants



### Ten largest tenants by income

Tenant	D & B Category	Percentage
Crowe UK LLP	Minimum Risk	6%
Telenco UK Ltd	Lower than average risk	5%
Currys Group Ltd	Minimum Risk	4%
MTD (UK & Ireland) Ltd	High Risk	4%
Go Outdoors Retail Ltd	Lower than average risk	4%
Ansett Aircraft Spares & Services Ltd	Minimum 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%
<b>Total proportion of rent roll</b>		<b>39%</b>

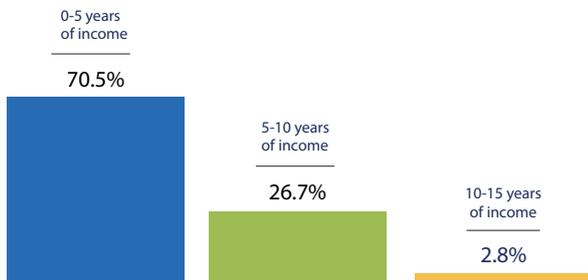
### D & B Category

## Glossary

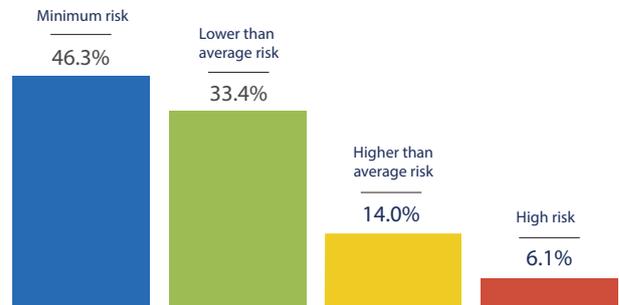


AREF	Association of Real Estate Funds
D&B	Dunn & Bradstreet provide data and analysis which is used to determine credit worthiness and relative risk of tenants
FRS102	Accounting basis on which accounts are prepared
Historic Fund Returns	Calculated over the reference period as the sum of closing NAV per unit less opening NAV per unit plus distributions per unit all divided by opening NAV per unit
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.
MEES	Minimum Energy Efficiency Standards
MSCI	Morgan Stanley Capital International
NAV per unit	Net Asset Value of the Trust prepared at the reporting date divided by units in issue
p.p.u.	Pence per unit
SEDOL & ISIN numbers	UK and International identifier of The Diversified Property Fund for Charities as an investment security

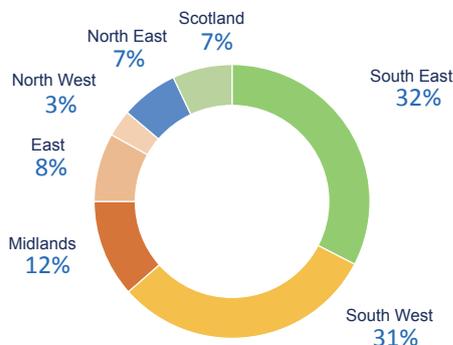
## Lease Expiry Profile (Excl. Break Options)



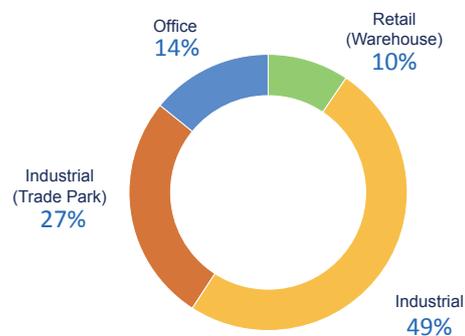
## Tenant Covenants By D&B Risk Rating



## 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](http://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](http://www.bostonandalexander.com)