

5 November 2024

CPF Diversified Property Fund - termination of Investment Management Agreement with Capital Property Funds Limited (IMA)

- 1 As investors are aware, One Managed Investment Funds Limited (**OMIFL**) as the responsible entity of the CPF Diversified Property Fund ARSN 610 941 654 (**Fund**) filed an Application in the Supreme Court of New South Wales (**Court**) for judicial advice in relation to the defence of proceedings brought by Raptis Properties Pty Ltd (**Raptis**), the vendor of the 63 Pirie Street, Adelaide property under a contract dated November 2022 (**Contract**). The Application was heard by the Court on 31 October 2024 and the orders made by the Court were summarised in our update dated 1 November 2024.
- 2 Following on from those orders, OMIFL has formed the view that it is no longer in the best interests of investors that Capital Property Funds Pty Ltd remain as investment manager as, among other reasons, the Court concluded OMIFL is justified in bringing a claim against Capital and Andrew Kerr in relation to their conduct concerning the Contract.
- 3 Having regard to the fact the parties are now on opposite sides of adversarial litigation and taking into account the nature of the conduct which will be alleged against Capital and Mr Kerr, OMIFL has determined Capital's continuation as investment manager of the Fund is not in the best interests of investors.
- 4 OMIFL has therefore issued a notice to Capital terminating the IMA with immediate effect. It also intends to change the name of the Fund to Diversified Property Fund. The Fund's ARSN will remain the same.
- 5 OMIFL has appointed or will shortly appoint Archerfield Investment Management, a wholly owned subsidiary of Archerfield Property Group, initially as asset manager, and eventually Investment Manager. There will be no changes to the fees paid by the Fund to Archerfield in respect of its appointment.
- 6 Archerfield are very experienced asset and investment managers. A capability statement is attached detailing their experience. OMIFL intends to convene an information session to introduce Archerfield to investors once they have had an opportunity to complete their strategic review of the Fund and its assets.
- 7 We appreciate this is a significant change for investors given Andrew Kerr and Joe Christie's long association with the Fund. It is not a decision OMIFL has made lightly.

If you have any queries, please contact capital@oneinvestment.com.au.



ARCHERFIELD
PROPERTY GROUP

Real Estate Investment Management

We are a real estate investment manager with a proven track record in transaction origination and execution, development delivery and asset management.





Welcome to Archerfield

**Integrated development management,
asset management and advisory services.**

Our multi-disciplined team allows capital partners and clients to benefit from our deep understanding of real estate markets, knowledge of recent transactions and data analysis, as well as our extensive hands-on experience and industry know-how.

Investment Management

We work closely with our capital partners to define specific real estate investment strategies. These are based on detailed market research and a thorough understanding of investors' risk appetite and return targets.

An excellent market network means we can implement investment strategies by originating on and off-market opportunities and executing value-adding asset plans and financial structures.

Our investment management services include:

- Origination and due diligence
- Negotiation and structuring
- Financial feasibility modelling
- Debt structuring and arranging
- Asset and risk management planning
- Property management
- Leasing
- Tenant negotiations and management
- Accounting, tax, and insurance
- Repositioning or disposal
- Investor reporting
- Governance and compliance

We have deep experience in origination, transactions and development, with the team having worked directly on:

- Major commercial CBD site consolidations
- Mixed-use projects
- Industrial & logistics estates
- Residential land subdivisions
- Public Private Partnerships (PPP)
- Health & wellness facilities
- Hotel & hospitality opportunities

Integrated Services

Capital partner and client relationships are at the centre of our work. We pride ourselves on adding value to high achieving teams and the professionalism and integrity we bring to every engagement.

Project Delivery

Development Management:

- ▶ Prepare development strategy/brief
- ▶ Commercial feasibilities & analysis
- ▶ Master planning
- ▶ Due diligence
- ▶ Authority approvals/DA's
- ▶ Contractor procurement
- ▶ Sales & marketing
- ▶ Leasing & pre-lease/AFL negotiations
- ▶ Income/value optimisation

Project Management:

- ▶ Program management & control
- ▶ Design management
- ▶ Tendering & procurement
- ▶ Budget tracking & control
- ▶ Authority approvals
- ▶ Project reporting
- ▶ Contract administration & superintendent services

Occupier Services:

- ▶ Pre-lease discussions & budget assessments
- ▶ Design & fitout guide preparation
- ▶ Lessor/Lessee works coordination

Asset Management

- ▶ Strategic asset plans
- ▶ Assessment of refurbishment/development opportunities
- ▶ Development of income growth strategies
- ▶ Manage BAU risk – operational, competition and market
- ▶ Major & minor capital works
- ▶ Annual asset planning
- ▶ Valuation management
- ▶ Asset reporting
- ▶ Makegood negotiations

Strategic Advisory

- ▶ Strategic property advice
- ▶ Highest & best use analysis
- ▶ Acquisitions & disposals
- ▶ Change of use/re-zonings
- ▶ Commercial feasibilities & analysis
- ▶ Preparation of investment brief
- ▶ Due diligence investigations
- ▶ Negotiation of commercial terms
- ▶ Sale contract negotiation
- ▶ Structured finance
- ▶ Debt work-outs and recoveries

Values

Commitment to Capital Partners & Clients

One of our principals will be the primary point of contact with full responsibility for the conduct of our dealings throughout the course of our engagement.

Core to our business is a partnership philosophy based on trust and a commitment to providing first class services in a timely manner.

Integrity & Confidentiality

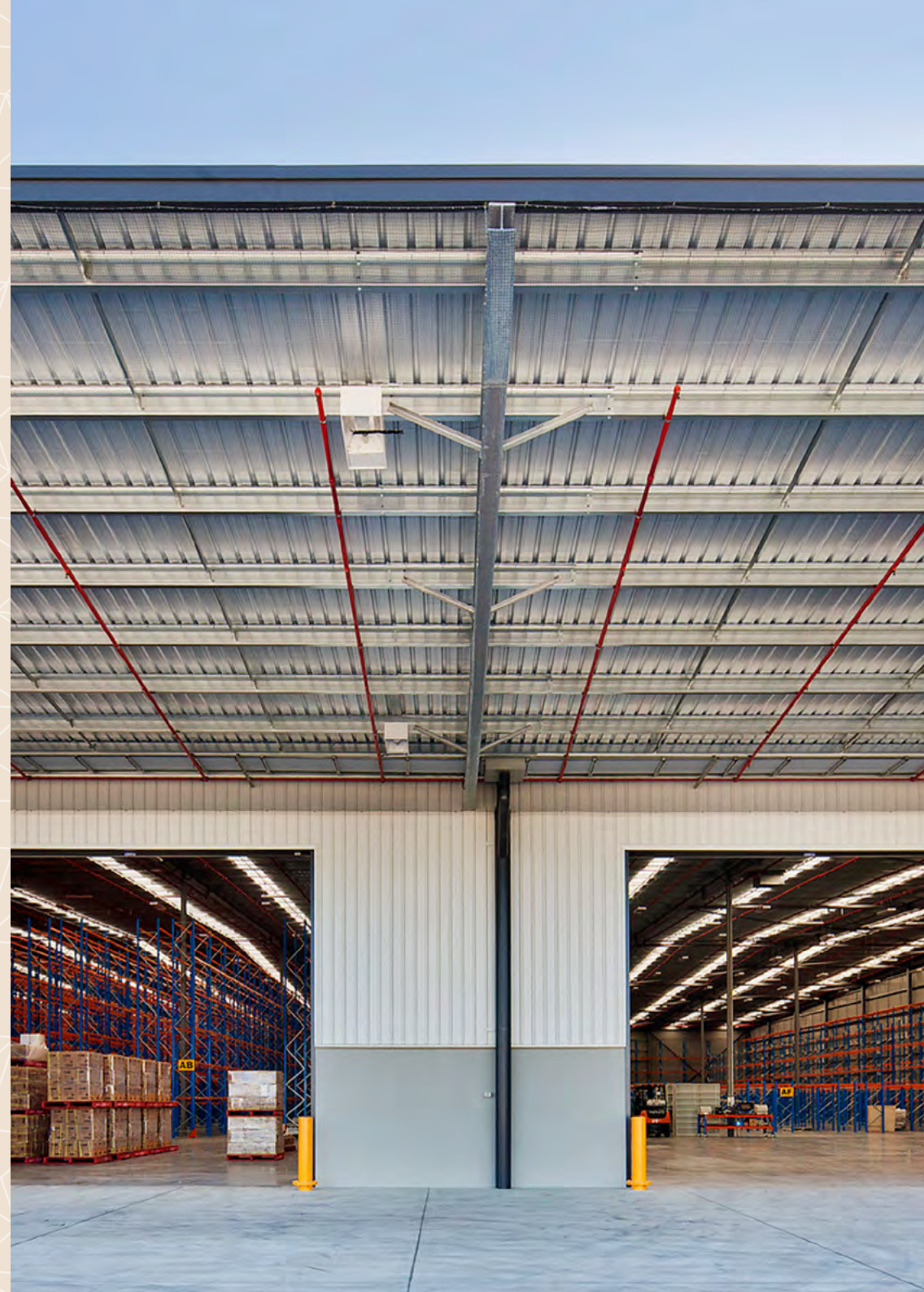
Integrity, honesty, and truthfulness underpin our business model. We are committed to the confidentiality of our capital partners and clients and will not disclose details of assignments undertaken without formal prior consent.

Professionalism & Hard Work

Each member of our team has established a strong reputation in Australian real estate and corporate finance markets, built over many years in organisations recognised as leaders in their fields. That ethos of professionalism and hard work carries over into each assignment we undertake.

Environmental, Social, and Governance

Property and infrastructure often have large impacts on communities and the environment. We always have a keen focus on ESG, it's important to us, and we know that it is important to our capital partners and clients, as well as their investors. We believe this focus makes for better outcomes for all stakeholders.



Our Team

Founded in 2009, Archerfield Property Group is owned and managed by its three principals, Steve Howes, Tim Ambler and Michael Kwok, all of whom have a passion for real estate and its potential as a vehicle for long-term value and wealth generation. The management team is joined by a select group of real estate professionals who share in that vision and in the guiding values of the firm.



Tim Ambler
EXECUTIVE DIRECTOR

B. Econ GAICD

Tim has over 35 years of experience in development and construction management gained through various roles with Archerfield, Concrete Constructions and Valad.

His specific areas of expertise include the management of large, complex projects across a range of sectors including commercial office, industrial, residential, health and social infrastructure.

With a track record of delivering projects on time and within budget, Tim is often appointed as the key representative of owners and financiers to manage a project from acquisition through to operational commencement.

Tim has served on several state and Australian Government advisory panels and is a Graduate of the Australian Institute of Company Directors.

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Steve Howes
EXECUTIVE DIRECTOR

B. Comm, MBA

Steve has extensive experience in real estate investment management gained over 25 years with Archerfield, NM Rothschild & Sons, Valad and Colonial.

His specific areas of expertise include the implementation of bespoke real estate investment strategies, capital raisings, debt financing, asset due diligence and stakeholder relations and communication.

Having served on the boards of public and private companies and as a Responsible Manager on both wholesale and retail Australian Financial Services Licenses, Steve has a strong focus on the management of risk and compliance/governance processes.

Steve is a licensed real estate agent in NSW.

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Michael Kwok
EXECUTIVE DIRECTOR

B. Eng, M Des Sc

Michael has over 25 years of experience in real estate investment and asset management in various roles, including Dexus, Valad and Colonial.

His specific areas of expertise include the origination of on and off-market investment & development opportunities, project and asset due diligence, design & construction, leasing and asset management across a range of sectors including commercial office, industrial and healthcare.

With extensive hands-on experience and a broad skill set, Michael has a consistent record of delivering positive commercial outcomes on complex tasks and assignments. Michael has been involved in over \$10 billion of capital transactions and developments and played an integral role in the establishment and management of more than \$2.5bn of wholesale investor property partnerships.

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Adam Stent
**SENIOR ASSET MANAGER/
PROJECT DIRECTOR**

B. Eng (Civil/Building)

Adam has broad property experience gained in his roles at Dexus, Colonial, Valad and Lend Lease.

He has hands-on experience in the asset management of commercial properties and maximising performance and returns including setting asset strategies, managing tenant relationships, and optimising retention and occupancy.

Adam also has proven development capabilities working with institutional groups, private investors, and local councils on masterplanning, commercial feasibility, and the direct delivery of a diverse range of public and private projects.

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Terry Timso
**SENIOR DEVELOPMENT
MANAGER**

B. Eng (Civil), MEngSc, MIEAust

Terry has over 35 years of experience in the construction industry, initially as an engineer and progressing into project management, successfully delivery numerous commercial, retail, industrial, and logistics projects.

He has been involved in all aspects of the project lifecycle, including managing complex planning approval processes, design coordination and value management, tender assessment, and on-site superintendent roles.

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Tom Negus
TRANSACTIONS ANALYST

B. Prop Eco

Tom has solid experience in the commercial real estate industry, with a focus on the industrial property market. Initially Tom worked as an analyst with an internationally recognised agency's commercial sales and leasing team. He then transitioned into their valuations and advisory services team, where he worked closely with institutional landowners and private developers to provide detailed valuation and advisory reports and analysis.

Tom has achieved his Certified Practicing Valuers (CPV) Certificate, and is currently studying to complete a Master of Financial Analysis at the University of New South Wales.

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