

**DIVERSIFIED INVESTMENTS OPPORTUNITIES FUND**  
**(ARSN 656 002 032)**

**SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT**

**Property:** 4 Miami Key, Broadbeach, Qld, 4218

**Trust:** Walters Walters Capital Fund

**Class of Units:** E class of units

**Responsible Entity and Issuer:**

Diversified Investments Company Limited (ACN 643 177 477, AFSL 525072)

**Investment Manager:**

Walters Walters Capital Pty Ltd ABN 651 734 575

**Date:**

20 May 2024

## IMPORTANT NOTICES

This Supplementary Product Disclosure Statement is dated 20 May 2024 ('**SPDS**') and relates to the offer of Units in the Trust. The Trust will invest in the property known as 4 Miami Keys.

This SPDS is issued by Diversified Investments Company Limited ACN 643 177 477 AFSL 525072 ('**DICL**' or '**RE**'), in its capacity as responsible entity of the Platform. In this document, the description 'we', 'us' or 'our' refers to DICL.

This SPDS should be read in conjunction with the Product Disclosure Statement dated 20 May 2024 ('**PDS**'). The information in the PDS continues in full force and effect except to the extent that information is varied in relation to the proposed Trust described in this SPDS. Defined terms in the PDS have the same meaning in this SPDS unless noted otherwise.

An investment in the Trust offered under this SPDS is not guaranteed by the RE, the Investment Manager or any of their directors, employees, advisors, agents or associates.

This means that the performance of the Trust, any return of capital or any particular rate of return on your investment is not guaranteed and to the maximum extent permitted by law, they deny any liability for any loss or damage suffered by any person investing on the Platform. An investment in the Platform does not represent a deposit with or a liability of the RE or the Investment Manager.

You should consider this when assessing the suitability of the investment, and particular aspects of risk, including the risk of loss of income and capital invested or delays in repayment. The significant risks associated with investing in the

Platform are summarised in [Section 7] of the PDS.

The forward-looking statements included in this SPDS involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, RE, the Investment Manager, and their officers, employees, agents or associates. Actual future events may vary materially from the forward-looking statements and the assumptions on which those statements are based. Given these uncertainties, you are cautioned to not place undue reliance on such forward-looking statements.

The Australian Securities and Investments Commission ('**ASIC**') takes no responsibility for the content of this SPDS. This document contains important information but does not take into account your investment objectives, financial situation or particular needs. Before making any decision based upon information contained in this document, you should read it carefully in its entirety and consult with a financial adviser or tax adviser.

This SPDS has been prepared to comply with the requirements of the laws of Australia. The distribution of this SPDS in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this SPDS should seek their own advice on and observe any such restrictions.

Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This SPDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

In this document Business Day refers to a day on which Australian banks are open for business in the City of Gold Coast, Queensland.

All financial amounts in this SPDS are expressed in Australian dollars ('**A\$, AUD**') unless stated otherwise. Fees and charges set out in this SPDS, unless otherwise stated, are inclusive of goods and service tax ('**GST**') less input tax credits (including approximate reduced input tax credits) that the Platform may be entitled to claim.

The assets depicted in photographs in this SPDS are not assets of the Platform unless otherwise stated. This SPDS is available in electronic format, including access via our website [www.dicl.com.au](http://www.dicl.com.au).

If you receive it electronically, please ensure that you have received the entire SPDS. If you are unsure whether the electronic document you have received is complete, please contact us. A printed copy is available free of charge by contacting the RE.

Information in this SPDS is subject to change from time to time. If the change is not materially averse to investors, the RE may update the SPDS by posting a notice on its website at [www.dicl.com.au](http://www.dicl.com.au). If the change is materially averse to investors, the RE will replace this SPDS or issue a supplementary SPDS.

If there are any inconsistencies between the PDS, the SPDS and the Constitution, the Constitution will prevail. If there is inconsistency between the PDS and SPDS, the SPDS will prevail. This SPDS is important, and you should read it in full.

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## 1. OVERVIEW OF THE TRUST, UNITS AND PROPERTY

Key Features	Description
<b>Offer</b>	An investment in the Trust, that in turn owns the interests in the SPV created to hold the Property.
<b>Property</b>	4 Miami Key, Broadbeach, Qld, 4218
<b>Property Type</b>	Commercial
<b>Purchase Price</b>	\$10,800,000.00
<b>Target return</b>	10% p.a.
<b>Investment strategy</b>	To purchase commercial assets with potential upside. The commercial building is in a prime broad beach location which will house blue chip tenants as well as becoming the head off of Walters Corp as the anchor tenant & owner of the builder.
<b>Capital to be raised</b>	\$5,500,000.00
<b>Borrowing</b>	No more than 85% GRV of the value of the asset
<b>Tenancy</b>	From time-to-time assets to be acquired will have tenants as part of the purchase but cannot be determined at the time of issuing the PDS.
<b>Valuations</b>	No valuation has been performed as at the date of this SPDS. However, a valuation will be obtained before the contract of sale (' <b>Contract</b> ') is executed by the RE.  If the valuation is more than 10% lower than the Purchase Price, the RE will not acquire the Property and the Trust will not be created.
<b>Term</b>	3 years from Settlement Date, subject to available liquidity. The RE can reduce or extend the term for up to 5 year/s in its absolute discretion.
<b>Offer Opening Date</b>	20/05/2024
<b>Offer Closing Date</b>	20/08/2024
<b>Settlement Date</b>	Settlement is expected to be on 30 June 2024. However, the Settlement Date may be earlier or delayed.
<b>Unit pricing</b>	The Units are priced annually or as otherwise required by the RE based on updated valuations.
<b>Distribution payments</b>	Distributions are not expected to be made for the Trust. However, any distributions of income for the Units will be made at the winding up of the Trust.
<b>Withdrawals</b>	The Units will generally only be redeemed upon winding up of the Trust.
<b>Cooling off rights</b>	In accordance with the PDS, a 14-day cooling off period is available to retail investors to decide whether to proceed with their investment in the Platform under the PDS.
<b>Minimum Investment</b>	\$50,000.00
<b>RE Fee</b>	1% per annum of the gross asset value of the Platform with a minimum of \$100,000 for the first year of the Platform and \$140,000 per annum for each subsequent year.

<b>(Platform as a whole)</b>	The fee will be spread across all Classes in the Platform (including the Trust) in proportion to the gross asset value of each Class.
<b>Investment Manager Fees</b>	<b>Trust Establishment Fee</b> – Up to 5.5% <b>Annual Investment Management Fee</b> – up to 1% <b>Property Acquisition Fee</b> – up to 5% <b>Property Disposal Fee</b> – up to 5% <b>Performance Fee</b> – up to 1.5% <b>Property Net Rent Fee</b> – up to 8.8% <b>Loan Facilitation Fee</b> – up to 2.2%
<b>Expenses</b>	In addition to the RE Fee the RE is entitled to recover all reasonable expenses properly incurred in the performance of its duties. Expenses excluding Investment Manager Fees are estimated to be 2% p.a. of the gross asset value of the Trust.

## 2. DISCLOSURE PRINCIPLES AND BENCHMARKS

ASIC has issued Regulatory Guide 46 Unlisted property schemes: Improving disclosure for retail investors ('RG 46') which sets out six benchmarks and eight disclosure principles covering information that is key to analysing the risks associated with unlisted property schemes, such as the Platform.

The disclosure principles and benchmarks outlined below refer to the Trust. Please refer to the PDS for the RG 46 disclosure for the Platform as a whole.

Benchmark/Disclosure Principle Requirement	Response / Commentary
<b>Benchmark 1 – Gearing policy</b>  Does the RE maintain and comply with a written policy that governs the level of gearing at an individual credit facility (borrowing facility) level?	<b>Yes – The Trust meets this benchmark.</b>  The RE monitors and manages the borrowings for the Trust at an individual borrowing facility level on an ongoing basis in accordance with its gearing and interest cover policy.
<b>Benchmark 2 – Interest Cover Policy</b>  Does the RE maintain and comply with a written policy that governs the level of interest cover at an individual credit facility level?	<b>Yes – The Trust meets the benchmark.</b>  The RE maintains a written interest cover policy as well as a Compliance Plan which require regular reporting on compliance with banking covenants for each facility that may be held by the Platform.
<b>Benchmark 3 – Interest capitalisation</b>  Will the interest expense of the Scheme not be capitalised?	<b>Yes - The Trust meets this benchmark.</b>  In respect of borrowings in the Trust, the interest expense of the Platform will not be capitalised.
<b>Benchmark 4 – Valuation policy</b>  Does the RE maintain and comply with a written valuation policy that contains all the elements set out in ASIC Regulatory Guide 46?	<b>Yes – The Trust meets this benchmark.</b>  The RE maintains and complies with a written valuation policy for the Platform, which is consistent with the valuation policy required by the benchmark.
<b>Benchmark 5 – Related party transactions</b>  Does the RE maintain and comply with a written policy on related party transactions, including the assessment and approval processes for such transactions and arrangements to manage conflicts of interest?	<b>Yes – The Trust meets this benchmark.</b>  The RE maintains a related party transaction policy that provides a framework for the review of the terms of all related party transactions.
<b>Benchmark 6 – Distribution practices</b>  Will the Platform only pay distributions from its cash from operations (excluding borrowings) available for distribution.	<b>Yes – The Trust meets this benchmark.</b>  The Trust will only pay distributions from cash from its operations.
<b>Disclosure Principle 1 – Gearing ratio</b>  The RE must disclose the level of direct gearing and look-through gearing for the Trust using the following formula:  $\text{Gearing ratio} = \frac{\text{Total interest bearing liabilities}}{\text{Total assets}}$  The gearing ratio indicates the extent to which assets are funded by interest-bearing liabilities. It gives an indication of the potential risks the scheme faces in terms of its level	As at the date of this SPDS the Trust has no borrowings.  OR  Insert details regarding the gearing ratio specific to the Trust if there are borrowings or intention that there will be borrowings.

of borrowings due to, for example, an increase in interest rates or a reduction in property values.

#### **Disclosure Principle 2 – Interest cover ratio**

The RE should disclose the scheme's interest cover ratio calculated using the following formula and based on the latest financial statements:

*Interest cover ratio (ICR) =*

*EBITDA – unrealised gains + unrealised losses*

*Interest expense*

The interest cover ratio gives an indication of an unlisted property scheme's ability to meet the interest payments from earnings.

As at the date of this SPDS the Trust has no borrowings.

OR

Insert details regarding the ICR specific to the Trust if there are borrowings or intention that there will be borrowings.

#### **Disclosure Principle 3 – Scheme borrowing**

If a scheme has borrowed funds (whether on or off-balance sheet), the RE should clearly and prominently disclose the nature of those borrowings.

As at the date of this SPDS the Trust has no borrowings.

OR

Insert details regarding the nature of the borrowings in the Trust if there are borrowings or intention that there will be borrowings.

#### **Disclosure Principle 4 – Portfolio diversification**

The RE should disclose the current composition of the property scheme's direct property investment portfolio.

The RE does not manage portfolio diversification.

[insert details regarding the property investment portfolio specific to the Trust]

Investors can diversify their investments by employing strategies such as investing into different Trusts under the Platform

#### **Disclosure Principle 5 – Related party transactions**

Responsible entities that enter into transactions with related parties should describe related party arrangements relevant to the investment decision.

The RE and the Investment Manager may enter into related party transactions from time to time.

The Investment Manager and its subsidiaries (related parties) may invest in the Platform and the Platform may invest in related parties from time to time. Further, the RE and/or the Investment Manager may appoint related parties or source providers to undertake functions for the Platform from time to time including for example the role of property manager.

The Administration Manager is a related party of the RE and has been engaged on arms' length terms.

See the Additional Information section below for further details as to related party transactions.

#### **Disclosure Principle 6 – Distribution practices**

If a scheme is making or forecasts making distributions to members, the responsible entity should disclose the nature and source of the distributions.

All distributions will be sourced from cash from operations available for distribution and will not be sourced from borrowings or unrealised capital gains.

No distributions are expected to be made for the Trust.

Or

[insert details regarding distributions of the Trust]

#### **Disclosure Principle 7 – Withdrawal arrangements**

It is important for responsible entities to make investors aware of withdrawal arrangements so that investors form realistic expectations about their ability to withdraw from the scheme. If investors are given the right to withdraw

Investors in the Trust will only be able to withdraw if the RE makes a withdrawal offer. The RE has no obligation to make a withdrawal offer.

from a scheme, the responsible entity should clearly disclose the nature of those rights.

#### **Disclosure Principle 8 – Net tangible assets**

The responsible entity of a closed-end scheme should clearly disclose the value of the net tangible assets ('NTA') of the scheme on a per Unit basis in pre-tax dollars.

*NTA =*

*Net assets – intangible assets +/- any other  
adjustments*

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*Number of Units in the scheme on issue*

The NTA in the Trust is calculated by reference to the annual valuation of the property asset held less any liabilities (e.g. loans and outstanding expenses) related to the Trust divided by the number of Units on issue in the Trust.

Currently, the Trust does not have any assets, liabilities or Units on issue, so an NTA is unhelpful. However, it is expected that at Settlement Date there will be net assets of [insert] and a total of [insert] Units in the Trust on issue. Therefore, the NTA of the Trust is expected to be approximately [insert] per Unit.

The NTA will be published on the Platform's website and updated every 12 months.



### 3. THE PROPERTY

Key Features	Description
<b>Property Type</b>	Commercial Premises
<b>Location</b>	4 Miami Key, Broadbeach, Qld, 4218
<b>Ownership</b>	100% to be acquired under the Contract by the Trust.
<b>Property Description</b>	<p>4 Miami Key is a modern three-level office building with basement and podium parking, located in a mixed-use development on the western side of the Gold Coast Highway within The Star Casino and Gold Coast Convention Centre precinct.</p> <p>~ Gross building area of 1,923sqm including 481sqm balcony.</p> <p>~ 51 basement car parks plus eight podium bays.</p> <p>~ 30-year marine lease expiring 30 November 2035.</p> <p>~ Available with vacant possession or a short-term lease.</p> <p>~ Surrounded by major arterial roads and short walk to the Broadbeach North light rail station, providing ease of connection throughout the Gold Coast.</p>

Financial Income "As Is", 4 Miami Key is being purchased as a going concern with the current tenant of crest remaining on a month-to-month rental or until new purchaser gives notice. Note to be confirmed by a valuer at the point of issuing the SDPS:

#### 4 Miami Key Broadbeach Waters - As Is

Input - As Is	
NLA	1441.5
# Car Parks	59
Car Parks \$pa	\$ 1,800.00
Gross \$psm	\$ 625.00
Signage Income	\$ 50,000.00
Outgoings \$psm	\$ 151.90
Capitalisation Rate (assumed)	7.25%

Output - As Is	
Total Gross Income	\$ 1,057,137.50
Net Income	\$ 838,173.65
<b>Value @ 7.25%</b>	<b>\$ 11,561,015.86</b>

#### Key Assumptions:

- NLA of 1,441.5
- 59 Car Parks quoted in CBRE / GV IM. Have made an overall allowance of \$1,800/bay (\$1,200/bay pa for stacker car bay, \$2,500/bay for individual).
- Capitalisation rate of 7.25% assumed based on industry standards.
- Outgoings provided by Vendor of \$218,915.46 including Land tax, equating to \$151.90psm approx.
- \$625psm gross rent adopted from comparable leasing evidence at Oracle Broadbeach, 2382 Gold Coast Highway & 50 Cavill Avenue.

Current photos of purchase Property:









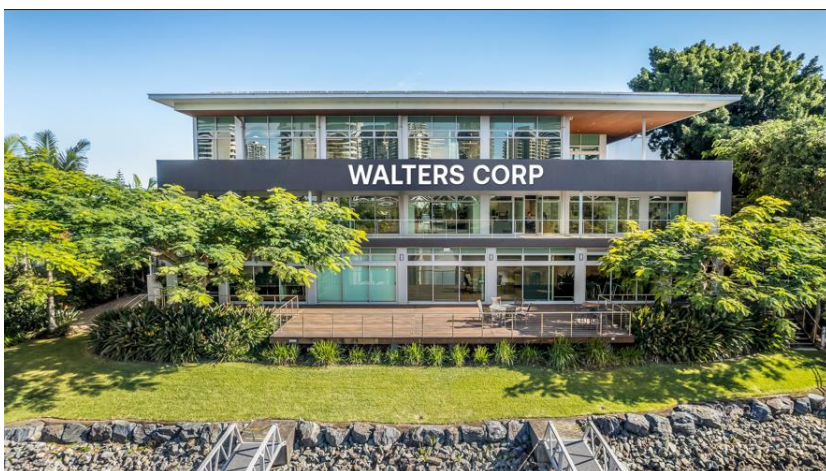
### **The Vision:**

**With a full refurbish to bring the building & interior to the 21<sup>st</sup> century, Industrial Lux:**

4 Miami Key is a modern three-level office building prominently located in Gold Coast's most desirable lifestyle precincts with access to the best amenities on the Gold Coast. With a total 1,441.5sqm of Net Lettable Area, 4 Miami Key rewrites the definition of first-class workspace with on-site amenity including generous balconies on each floor, a large terrace at ground level with frontage to the Broadbeach waterway and a private pontoon.

With efficient floorplates that benefit from abundant natural light and eastern views back over the Broadbeach skyline, 4 Miami is the quintessential Gold Coast workspace with Pacific Fair, Star Casino, Broadbeach entertainment and dining precinct and Kurrawa Beach all nearby. The property also benefits from ease of access to main arterial thoroughfares including both Gold Coast Highway and Southport-Burleigh Road, and near the G-Link Light Rail. 51 basement car parks and 8 on-grade car parks provide for generous staff and customer car parking allocation.

With the Gold Coast office market near a 15 year vacancy low of 6.4% and forecasted to further compress in the coming years with no new commercial office supply under construction, 4 Miami Key is an irreplaceable proposition to capitalise on one of Australia's best performing office markets.



#### 4 Miami Key Broadbeach Waters - Repositioned

Input - Repositioned	
NLA	1441.5
# Car Parks	59
Car Parks \$pa	\$ 1,800.00
Gross \$psm	\$ 750.00
Signage Income	\$ 50,000.00
Outgoings \$psm	\$ 151.90
Capitalisation Rate (assumed)	7.25%

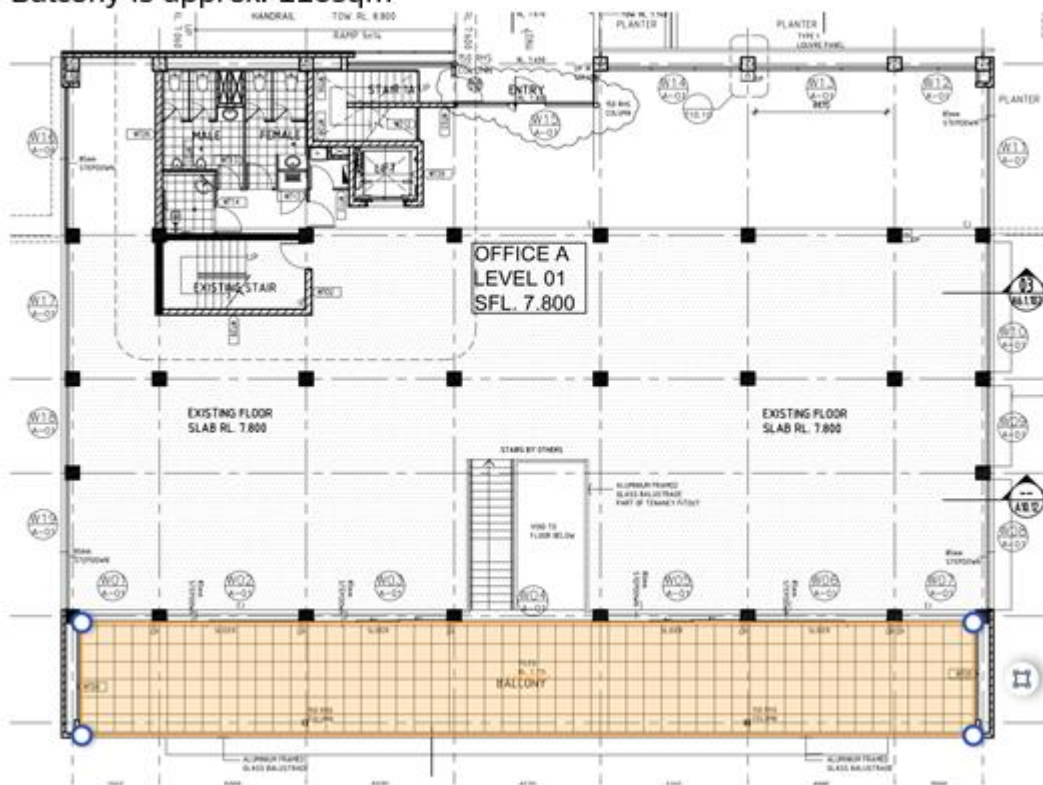
Output - Repositioned	
Total Gross Income	\$ 1,237,325.00
Net Income	\$ 1,018,361.15
Value @ 7.25%	\$ 14,046,360.69

#### Assumptions

Proposed gross rent of \$750psm on the basis of providing a full turnkey office to tenants. Reposition works being amortized. Future benefits, enclose the balcony space on Level 1 to increase the NLA (Net Lettable Area)

1<sup>st</sup> Floor: (ground as you walk in)

Balcony is approx. 116sqm



#### 4 Miami Key Broadbeach Waters - Balany Enclosed

Input - Repositioned	
NLA	1557.5
# Car Parks	59
Car Parks \$pa	\$ 1,800.00
Gross \$psm	\$ 750.00
Signage Income	\$ 50,000.00
Outgoings \$psm	\$ 151.90
Capitalisation Rate (assumed)	7.25%

Output - Repositioned	
Total Gross Income	\$ 1,324,325.00
Net Income	\$ 1,087,740.75
Value @ 7.25%	\$ 15,003,320.69

#### Assumptions

Enclosing the Balcony on Level 1 will increase the net lettable area by 116sqm. Reposition works being amortized. Investors can see that the Directors of the Trust have been able to purchase the property at an agreed price that based on the above assumptions is below market value. By repositioning the building, refurbishing it to bring it in line with the corporate vision of the Directors to maximise the profitability of the building thus increasing the revenue which in turn attributes toward facilitating the debt facility & being able to repurpose the loan over time to repay investors on maturity.

#### Lending Facility & Funding position for the purchase including cashflow:

Lending Facility	Amount
La Trobe	7,560,000.00
Interest Rate	8.99%
LVR	70%
Term	60 months interest only
Establishment Costs	Circa \$2500.00
Application Fee	\$94,500.00
Fixed/Variable	Variable
Stamp Duty	\$540,000.00
Valuation	\$5,000.00
Legals	\$20,000.00
Fund Required to settle	\$3,902,000.00
Capital Raising Fees	\$275,000.00
Administration fees	\$110,000.00
Renovation	\$713,000.00
Total Funds Raised	\$5,000,000.00
Interest only on Mortgage	\$679,644.00
Surplus from Cashflow	\$ 408,096.75

## **4. BENEFITS AND RISKS**

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### **Benefits**

Please refer to the PDS for a full summary of the benefits.

### **Risks**

Please refer to the PDS for a full summary of the risks.

The risks include but are not limited to:

- Changing economic conditions risk
- Tenancy risk
- Property maintenance risk
- Class liquidity risk
- Borrowing risk
- Income tax risk
- MIT and AMIT risk
- Valuation risk
- Construction risk
- Stamp duty and land tax risks
- Disputes and defaults risk

In addition to these risks summarised in the PDS, the following risks specifically relate to this Offer and the Property:

- The Property is adjacent to a canal, this may create design and development issues.
- The Property is curtailed by current development restrictions.

## **5. INVESTMENT PROCESS OVERVIEW**

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The investment process is as follows:

### **1. Offer Opening Date**

This is the date from which investors can commence submitting their Application Forms to the Issuer for investments in the Trust. This is expected to be 20 May 2024.

### **2. Submit Application Form**

To invest in the Trust, a completed Application Form, nominating how many Units you want to acquire in the Trust needs to be submitted to the Issuer together with payment of the Application Money after the Offer Opening Date and before the Offer Closing Date.

### **3. Offer Closing Date**

This is the date whereby no further applications to invest in the Trust will be accepted. It is expected that the Offer will close on 20 August 2024. However, the RE retains the right to close the Offer early or delay the Offer Closing Date for an additional 40 Business Days.

### **4. Valuation**

The Investment Manager will conduct an independent valuation on the Property. The Issuer will re-negotiate the contract terms or not acquire the asset. In this circumstance, the Trustee will source other investments suitable to the trust.

### **5. Execute Contract**

Assuming the valuation is not 10% less than the Purchase Price, the RE will enter into the Contract to purchase the Property.

### **6. Issue of Units**

The Units which have been applied for are expected to be issued 5 Business Days before the Settlement Date. Where the Settlement Date is expected to be delayed beyond 30 September 2024, the RE may terminate the Contract and the RE notify the investors that it is not proceeding with the Trust and refund Application Money.

### **7. Settlement Date**

Settlement is expected to be on 30 June 2024. However, settlement may be earlier or delayed.

### **Trust not proceeding.**

There are a number of circumstances in which the RE may not create the Trust. These circumstances include but are not limited to, if:

- there is insufficient capital committed from investors.
- the Property valuation is more than 10% lower than the Purchase Price: or
- the Settlement Date is delayed beyond 30 September 2024.

If the RE determines not to proceed in creating the Trust, the RE will inform all investors who submitted Application Forms for Units in the Trust and refund any Application Money.



## 6. FEES AND OTHER COSTS

This section sets out the fees and other costs that may be incurred by the Platform. You should read all information about fees and costs carefully as it is important to understand their impact on your investment.

### Consumer Advisory Warning

Government regulation requires the inclusion of the following standard consumer advisor warning as set out below. The information in the consumer advisory warning is standardised across all product disclosure statements and does not provide any specific information on the fees and charges in this Platform.

#### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable.

Ask the fund or your financial adviser.

#### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission ('ASIC') website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed investment fee calculator to help you check out different fee options.

This table shows fees and other costs that you may be charged for an investment in the Trust and the Platform. Other trusts forming part of the Platform may have different fees and costs to this Trust.

These fees and costs may be deducted from your money, from the returns of your investment or from the Platform's assets as a whole. Taxation information is set out in Section 10 of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

### Fees and Costs relating to the Trust

Type of fee or cost <sup>1</sup>	Amount (excluding GST)	How and when paid
Fees when your money moves in or out of the Platform		
Establishment Fee <b>The fee to open your investment.</b>	Nil	Not applicable
Contribution Fee <b>The fee on each amount contributed to your investment.</b>	Nil	Not applicable
Withdrawal Fee <b>The fee on each amount you take out of your investment.</b>	Nil	Not applicable
Exit Fee <b>The fee to close your investment.</b>	Nil	Not applicable

Type of fee or cost	Amount (excluding GST)	How and when paid
<b>Management Costs</b>		
The fees and costs for managing your investment.		
<b>RE Fee</b>	1% per annum of the gross asset value of the Platform.	Payable to the RE in equal monthly instalments in arrears. The fee will be spread across all Classes in the Platform (including the Trust) in proportion to the gross asset value of each Class.
<b>Investment Manager Fees</b>	<b>Trust Establishment Fee</b> Up to 5%	A once-off fee calculated and paid from the assets of the Trust within a month of the Trust being established.
	<b>Annual Investment Management Fee</b> Up to 2%	Calculated and accrued monthly and payable to the Investment Manager from the Trust assets within 7 days of the end of each month.
	<b>Property Acquisition Fee</b> Up to 5%	A once-off fee calculated on the Purchase Price of the Property and payable to the Investment Manager on settlement of the Property from the assets of the Trust.
	<b>Property Disposal Fee</b> Up to 5%	A once-off fee calculated on the sale price of the Property and payable to the Investment Manager on settlement of the Property from the assets of the Trust.
	<b>Performance Fee</b> Up to 1.5%	Calculated on the sale price of the Property and payable to the Investment Manager on settlement of the Property from the assets of the Trust.
	<b>Property Net Rent Fee</b> Up to 8.8%	Calculated and accrued monthly and payable to the Investment Manager from the Trust assets within 7 days of the end of each month.
	<b>Loan Facilitation Fee</b> Up to 2.2%	A once-off fee calculated and payable to the Investment Manager upon granting of the loan facility by the relevant financial institution from the assets of the Trust.
<b>Expenses</b> (including indirect cost)	All expenses incurred by the Investment Manager or the RE in the proper performance of their duties in respect of the Trust.  Estimated to be 1% per annum of the gross asset value of the Trust	All expenses are payable or reimbursable out of the assets of the Trust.

### Additional explanation of fees and costs

#### *Investment Manager fees*

These are the fees payable to the Investment Manager for managing the Platform's assets. These are all classified as expenses of the Platform. Pursuant to the terms of the Investment Management Agreement the Investment Manager is entitled to charge the following fees:

- **Trust Establishment fee**

Up to 5%

This fee is paid directly to the Investment Manager from the assets of the Trust within a month of the Trust being

established. This fee includes the costs associated with establishing the Trust.

- ***Investment Management fee***

Up to 2%

This fee is calculated and accrued monthly and is payable to the Investment Manager monthly in arrears from the Trust's assets within 7 days of the end of each month. This fee is paid to the Investment Manager for managing the assets of the Trust.

- ***Property Acquisition Fee***

Up to 5%

This fee is calculated on the purchase price of the Property. The Property Acquisition Fee is payable on the settlement of the Property from the Trust. This fee is paid to the Investment Manager for successfully sourcing and acquiring the Property for the Trust.

- ***Property Disposal Fee***

Up to 5%

This fee is calculated on the sale price of the Property. The Property Disposal Fee is payable on the settlement of the Property from the Trust. This fee is paid to the Investment Manager for successfully selling the Property of the Trust.

***Buy and sell spreads.***

As at the date of this SPDS, there is no buy/sell spread. Updated buy/sell spreads can be obtained online at [www.dicl.com.au](http://www.dicl.com.au) or by contacting us.

***Transactional and operational costs***

Transaction and operating costs are not included in the calculation of management costs. The transactional costs for the Trust are estimated to be or 1% of the gross asset value of the Trust. The operational costs for the Trust are estimated to be 1% of the gross asset value of the Trust.

***Indirect costs***

The Platform's estimated indirect cost for the Trust is at cost.

***Indirect cost ratio ('ICR')***

The ICR of the Trust is estimated to be 1.30%. The ICR of the Trust is an estimate of the total management costs (which does not include transactional or operational costs) and is represented as a percentage of the estimated average net assets of the Trust.

## **7. TAX AND STAMP DUTY**

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Please refer to the PDS for full tax and stamp duty disclosure which includes but is not limited to disclosure in respect of the following issues:

- Income of the Platform – rent and capital gains.
- Disposal or redemption of Units in the Platform.
- Non-resident tax treatment.
- Foreign tax reporting.
- Stamp duty consideration.
- Goods and Services Tax (GST).
- Australian tax reform.

## **8. ADDITIONAL INFORMATION**

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### **Related party transactions**

Related party transactions carry a risk that they could be assessed and reviewed less rigorously than transactions with other parties. As disclosed in the PDS, the RE and the Investment Manager may enter into related party transactions from time to time.

The vendor of the Property is not a related party to the RE or the Investment Manager.

### **Distribution payments**

No distributions are expected in the Trust and investors should only invest for the potential of capital growth only.

The amount of distribution income (if any) paid to you is based on the number of Units held in the Trust at the end of each distribution period.

Distributions are generally paid within 30 days of the end of a distribution period.

### **Delayed valuation**

No valuation will be obtained until after the fundraising has been completed. If the valuation obtained is more than 10% lower than the total agreed purchase price under the Contract, the RE will not proceed with acquiring the Property. Any costs associated with this Offer will be borne by the Investment Manager.

### **Insufficient capital raised**

If there is insufficient interest in the Trust, the Trust will not be created the Property will not be acquired. Any costs associated with this Offer will be borne by the Investment Manager.

### **Extension of Term**

The RE can reduce or extend the Term for up to 1 year in its absolute discretion. Under the Constitution, the Unit holders of the Trust can also in certain circumstances reduce or extend the Term.

### **Consents**

Each of the following parties has given their written consent to act in the position and role set out in the directory:

- Diversified Investments Company Limited
- Walters Walters Capital Pty Ltd ABN 651 734 575

Where applicable, they have consented to the information attributed to them in this SPDS in the form and context in which they have been included. Further, none of these parties have withdrawn their consent prior to the date of this SPDS.

## 9. HOW TO INVEST

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Investing in the fund is a straightforward process that allows you to access a unique investment opportunity. Below are the step-by-step instructions to guide you through the investment process.

### **Step 1: Explore the Investment Opportunity**

Download a copy of the offer disclosure to explore the Fund investment opportunity by following this link:  
<https://www.registrydirect.com.au/offer/miami-key>

### **Step 2: Undertake Due Diligence**

It's essential to understand what you're investing in. Carefully read our Information Memorandum (this document), detailing the Fund's objectives, strategy, and risks. Familiarising yourself with this information will empower you to make an informed decision. Ready to proceed? Move on to step 3.

### **Step 3: Join Our Online Platform**

Investing is made easy with our online platform. Access our online application form by following the link:  
<https://www.registrydirect.com.au/offer/miami-key>.

### **Step 4: Begin the Subscription Process**

Registering a new account is simple. You'll need to provide personal details if the applicant is a natural person, including your full name, contact information, and tax file number or related information if the applicant is a legal entity.

### **Step 5: Acknowledge Terms and Conditions**

Before proceeding, carefully review and accept the terms and conditions that govern our online platform and the investment process.

### **Step 6: Fill Out the Application Form**

Your investment preferences matter. Complete the online form with your investment amount and other relevant information. Verify all details before submission.

### **Step 7: Finalise Your Subscription with a Fund Transfer**

Upon receipt of your subscription invoice transfer the subscription money to the bank account reflected on the invoice. Applications are processed only after receiving the funds.

### **Step 8: Enjoy Full Online Access as a Verified Investor**

After your subscription has been processed and approved, an approval notice including an invitation to register as an approved investor will be sent to you. Once registered you will enjoy complete access to our registry, enabling you to manage your account, update details, view transactions, and download essential documents like ATO certificates. To register use the link in the invitation.

To see more on how to create your 'Verified Investor Account' watch our short instructional video [here](#).

## 10. GLOSSARY

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In this SPDS the following expressions have the meanings set out below:

Term	Definition
<b>Application Form</b>	The application form as attached to this SPDS.
<b>Application Money</b>	The payment for Units applied for pursuant to an Application Form in accordance with this SPDS.
<b>Contract</b>	The contract of sale to purchase the Property.
<b>Offer</b>	An offer of Units in the Truss available in the Platform pursuant to this SPDS.
<b>Offer Closing Date</b>	20 August 2024.
<b>Offer Opening Date</b>	20 May 2024.
<b>PDS</b>	The product disclosure statement for the Platform.
<b>Property</b>	The Commercial property at 4 Miami Keys.
<b>Purchase Price</b>	This is the contracted purchase price of the Property of \$10,800,000.00.
<b>Settlement Date</b>	30 June 2024 unless notified by the RE otherwise.
<b>SPDS</b>	This supplemental product disclosure statement in respect of an investment opportunity to be held by the Trust.
<b>Term</b>	60 months years from the Settlement Date, subject to available liquidity. The RE can however shorten or extend the Term for up to 12 months year in its absolute discretion.
<b>Trust</b>	Walters Walters Capital Fund
<b>Unit</b>	An undivided share in the beneficial interest of the Trust which represents a Unit holder's interest in the Assets, including (without limitation) Property
<b>Unit holder</b>	A holder of a Unit in the Trust.

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## 11. CORPORATE DIRECTORY

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Walters Walters Capital Fund	
Diversified Investments Company Limited (ACN 643 177 477, AFSL 525072)	Suite 12 Level 15, 2 Corporate Court, Bundall Qld 4217, Australia