

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Challenger Diversified Property Group (CDI)

ACN/ARSN Challenger Diversified Property Trust 1 - ARSN 121 484 606
Challenger Diversified Property Trust 2 - ARSN 121 484 713

1. Details of substantial holder (1)

Name APN Property Group Limited (APD) and its controlled entities:

- APN Funds Management Limited (APNFM) in its capacity as responsible entity for the registered managed investment schemes listed below;
- APN Funds Management (Asia) Pte. Ltd. in its capacity as the manager of ARA Asian Asset Income Fund

ACN/ARSN (if applicable) APN Funds Management Limited ACN 080 674 479 as responsible entity for the following managed investment schemes
APN AREIT Fund ARSN 134 361 229
APN Property For Income Fund ARSN 090 467 208
APN Property For Income Fund No.2 ARSN 113 296 110
APN Direct Property Fund ARSN 113 296 432

There was a change in the interests of the substantial holder on 18 January 2011
The previous notice was given to the company on 7 December 2010
The previous notice was dated 7 December 2010

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

| Class of securities (4) | Previous notice | | Present notice | |
|---------------------------|-----------------|------------------|----------------|------------------|
| | Person's votes | Voting power (5) | Person's votes | Voting power (5) |
| Ordinary Fully Paid Units | 97,438,131 | 10.94% | 99,497,398 | 11.17% |

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of change | Person whose relevant interest changed | Nature of change (6) | Consideration given in relation to change (7) | Class and number of securities affected | Person's votes affected |
|----------------|--|----------------------|---|---|-------------------------|
| 5/1/2011 | The persons named in item 1 | Acquired on market | \$29,633.50 | 59,267 | 0.23% |
| 18/1/2011 | | Acquired on market | \$505,000.00 | 1,000,000 | |
| 24/1/2011 | | Acquired on market | \$485,000.00 | 1,000,000 | |

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

| Holder of relevant interest | Registered holder of securities | Person entitled to be registered as holder (8) | Nature of relevant interest (6) | Class and number of securities | Person's votes |
|---|--|--|--|--------------------------------------|----------------|
| APN Funds Management Limited as responsible entity of APN Property For Income Fund | RBC Dexia Investor Services Australia Nominees Pty Limited | RBC Dexia Investor Services Australia Nominees Pty Limited | Responsible Entity with power to exercise control over voting rights | 54,269,142 Ordinary Fully Paid Units | 54,269,142 |
| APN Funds Management Limited as responsible entity of APN Property For Income Fund No.2 | RBC Dexia Investor Services Australia Nominees Pty Limited | RBC Dexia Investor Services Australia Nominees Pty Limited | Responsible Entity with power to exercise control over voting rights | 30,502,793 Ordinary Fully Paid Units | 30,502,793 |
| APN Funds Management Limited as responsible entity of the APN AREIT Fund | RBC Dexia Investor Services Australia Nominees Pty Limited | RBC Dexia Investor Services Australia Nominees Pty Limited | Responsible Entity with power to exercise control over voting rights | 13,025,772 Ordinary Fully Paid Units | 13,025,772 |
| APN Funds Management Limited as responsible entity of the APN Direct Property Fund | Trust Company Limited | Trust Company Limited | Responsible Entity with power to exercise control over voting rights | 1,699,691 Ordinary Fully Paid Units | 1,699,691 |

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|-----------------------|
| | |

6. Addresses

The addresses of persons named in this form are as follows:

| Name | Address |
|------------------------------|-----------------------------------|
| APN Funds Management Limited | 30/ 101 Collins Street, Melbourne |
| RBC Dexia Investor Services | 17/ 2 Park Street, Sydney |
| Trust Company Limited | 3/ 35 Clarence Street, Sydney |

Signature

print name John Freemantle capacity Company Secretary

sign here  date 25-Jan-11