

## CPDF 2021/22 FINANCIAL WRAP

Dear CPDF Unitholder,

Welcome to our latest CPDF update, which includes a wrap-up of the 2021/22 year and an outlook for the current year



Epiq Lennox, Lennox Head, NSW

### 2021/22 IN REVIEW

The CPDF group's audit for the year-ended 30 June 2022 has been completed, and the consolidated financial statements lodged with ASIC. You can access a copy of the audited accounts at <https://clarenceproperty.com.au/forms-and-reports/>

The year was a successful one financially for the Fund, despite the lingering impacts of COVID and the extended period of wet weather which caused flood damage to a couple of the Fund's properties. Highlights were:

- We welcomed 189 new investors to the Fund during the year;
- Close to \$80m of new capital was raised;
- Group revenue totalled \$95.7m, up from \$75.9m the previous year;
- After-tax profit was \$57.5m (30/6/21: \$23.6m), or approximately 14.6 cents per unit;
- 8 commercial rental properties, the second 50% interest in The Rocket and 4 development sites were purchased;
- Group assets at 30/6/22 totalled \$726.8m, an increase of \$193.4m over the twelve months;
- Gearing at 30/6/22 was 37.6% (30/6/21: 36.1%);
- Unit price at 30/6/22 was \$1.10 per unit, up 15.8% from \$0.95 per unit at 30/6/21; and
- Distributions paid during the year totalled \$24.3m.



The Rocket, Robina, QLD

ABN 67 094 710 94 AFSL NO. 230212

**1300 853 069**

[invest@clarenceproperty.com.au](mailto:invest@clarenceproperty.com.au)

## OUTLOOK



There's been a noticeable change in the mood of property markets over the last few months, and we remain cautious.

The year to date has been tough with floods, continuing wet weather, a fire, builders unable to finish jobs, unavailability of key materials (e.g. concrete pipes) and under-resourced local Councils all having an impact on our operations. Despite this we are still managing well and would like to think some better luck will come our way over the next year.

On the positive side the business of renting out properties is in good shape, with record low arrears and vacancy rates. Additionally, although interest rates have climbed, we do have approximately 40% of our debt locked at low rates for the next few years. And with gearing at around 37% we have plenty of capacity to absorb any unexpected issues. So, the job ahead is to keep the commercial buildings as well leased as possible, and to advance each land development as fast as practicable.



Render of "Hub Heathwood", Heathwood, QLD

## "ZONE" UNDERWOOD - FIRE UPDATE



"Zone", Underwood, QLD

As reported in our August update, part of the Fund's large format retail centre at Underwood in Brisbane was impacted by fire in late August. The affected building has now been demolished, and design work is under way for the replacement building. We have started receiving rent compensation from our insurer and are in discussions with the intending purchaser to find a commercial way forward to complete the sale.

## SALE OF ORMEAU MARKETPLACE

We recently accepted an attractive offer to sell Ormeau Marketplace. The sale, for \$34.0m against a book value of \$31.5m (and against the December 2019 cost of \$29.0m), settled in September and transacted on a yield of 5.25%.



Ormeau Marketplace, Ormeau, QLD

## CAPITAL RAISING

Just a reminder that new or top-up investments in CPDF remain available. The current issue price is \$1.10 per unit, and we are forecasting a gross return this year of 7.1 cents per unit (6.45%) made up of 6.1 cents per unit p.a. cash, paid monthly, and a forecast franking credit of 1.0 cent per unit. Please read the PDS and Target Market Determination, both of which are available on our website [www.clarenceproperty.com.au](http://www.clarenceproperty.com.au)

Thank you for taking time to read this update. If you have any questions, please contact our investor relations team on: 1300 382 362 or [invest@clarenceproperty.com.au](mailto:invest@clarenceproperty.com.au)

Kind regards  
Peter Fahey  
Managing Director

