



## MESSAGE FROM OUR CEO

SIMON KENNEDY - CLARENCE PROPERTY CEO



Dear Unitholder,

As we close the books on another successful financial year, we wanted to provide a quick update on CPDF's progress and outlook.

With occupancy at 99%, turnover at our retail centres growing, rental growth achieved in our core industrial and office assets and an exciting counter cyclical acquisition on the horizon, the property portfolio is in good shape. The development portfolio has also seen positive results, particularly at our industrial subdivision Hub Heathwood and residential subdivision Yamba Quays. With a pipeline of over 700 lots across Northern NSW at various stages in the development approval process, the prospects are positive.

Notwithstanding the Fund's strong fundamentals there are challenges - with the RBA cash rate remaining at its highest level since November 2011, we have not been immune to softening capitalisation rates, which will see valuation adjustments of (\$7.8M) or -1% of total assets at 30 June and our gearing move to a conservative 34%.

As the Fund approaches its 30th year of uninterrupted monthly distributions, strong earnings, low gearing, a diversified portfolio and a significant pipeline of activity sees us cautiously optimistic about FY25.

# KEY TRANSACTION HIGHLIGHTS

120 EDWARD ST, BRISBANE QLD



We are excited to announce that we have exchanged contracts to buy 120 Edward Street, a 15,161m<sup>2</sup>, A grade office asset in the Brisbane CBD, and will settle it for \$119 million at the end of July.

Our industrial estate, Hub Heathwood has been a great success with 19 of 24 lots sold, two lots converted to hardstand for lease and the remaining three lots to be retained by the Fund for potential development.

We have also sold three long-WALE, lower yield childcare centres located in Rangeville, Bahrs Scrub and Bellbowrie with five more childcare centres at various stages of construction and on track to be completed by the end of the calendar year.

## LAND DEVELOPMENTS

EPIQ, LENNOX HEAD NSW



There's plenty of activity across our land development sites – here's a snapshot:

### **Epiq, Lennox Head NSW**

Development consent for an approx. 800m<sup>2</sup> office/retail building adjacent to Epiq Marketplace has been received. Construction will go to tender in the next few months. Development consent for a tavern is expected in August. We are proposing to take the DA approved site to market.

### **Yamba Quays, Yamba NSW**

Stage 4 subdivision works approval from Clarence Valley Council is imminent. We'll then move to title registration and settlements, which we expect to commence in August. The Stage 5 approved lot design, which dates back to 1973, has been redesigned to a more contemporary (saleable) lot configuration. An amended DA is now being prepared.

### **Wallum, Brunswick Heads NSW**

Political and environmental activists continue to hamper commencement of any meaningful onsite work. The matter is now before the courts, with the next hearing expected in mid August. We will continue to keep you updated as the matter progresses.

### **290 North Boambee Road, Boambee Valley NSW**

Development approval of this 267 lot residential subdivision by Coffs Harbour City Council is expected in October. Application will then be made for works approval, with onsite civil works expected to commence mid-2025.

### **Newmans Road (79 lots) + Bark Hut Road (211 lots), Woolgoolga NSW**

DAs for both sites are currently with Coffs Harbour City Council, with the Newmans Road approval expected in September. Onsite civil works are forecast to commence May/June 2025.

**ANNUAL TAX STATEMENTS WILL BE DISTRIBUTED IN EARLY SEPTEMBER 2024**

Kind regards,

*Peter Fahey - Executive Chairman*  
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