



ASX RELEASE

22 February 2022

Newmark Property REIT delivers on its PDS forecasts and is well positioned to deliver on its strategy to provide sustainable income and long-term growth

Following the listing of Newmark Property REIT (**NPR**) in December 2021, NPR is pleased to announce its results for the period ended 31 December 2021.

Financial highlights

- FFO of \$1.1m for the period 8 December 2021 to 31 December 2021 is in line with PDS forecasts.
- Distribution of 0.68 cents per unit for the period 8 December 2021 to 31 December 2021 was paid in February 2022 – in line with PDS forecasts¹.
- FY22 distribution guidance maintained at 9.7 cents per unit (annualised)².
- Valuations for all properties as at 31 December 2021 were maintained at the carrying values included in the PDS³.
- Gearing of 27.6%⁴ as at 31 December 2021 with a weighted average cost of debt of 2.3%⁵ with \$84m of debt headroom to fund future growth.
- Hedged 76.5% of borrowings post half-year end⁶.

Operational and portfolio highlights

- Newmark Property REIT is a portfolio of eight high-quality properties with a total portfolio value of \$519.6m⁷.
- NPR is well placed to provide investors with defensive and growing income:
 - Occupancy of 99% with the remaining vacant space at Chadstone expected to be leased in the short term in accordance with a signed heads of agreement⁸.
 - 90%+⁹ of the portfolio's tenants being leading national tenants and 76% of the portfolio leased to Bunnings Group⁹.

¹ Refers to Product Disclosure Statement dated 15 November 2021

² Distribution guidance is based on information currently available and barring any unforeseen events.

³ All properties were subject of directors' valuations as at 31 December 2021, following independent valuations of the entire portfolio as at 30 September 2021

⁴ Gearing calculated as interest bearing liabilities less cash divided by total tangible assets less cash

⁵ Weighted average cost of borrowings (annualised) as at 22 February 2022

⁶ Hedged 76.5% of drawn borrowings as at 22 February 2022

⁷ Includes Preston valued on an 'as if complete' basis

⁸ Non-binding heads of agreement

⁹ By anticipated gross passing income as at 31 December 2021

- A strong WALE of 7.4 years⁹ and no near-term expiries with only 2.2% of income expiring between FY22 and FY24.
 - Contracted income growth with a combination of fixed (85%), CPI (10%) and turnover (5%) based leases with a weighted average of 2.7%.
- Preston development is on track for completion in early FY23 and will provide for future growth.

Managing Director, Chris Langford, said “We are really pleased with the performance of NPR since the IPO in early December 2021. It is a high-quality and land rich portfolio that has been carefully selected over the past 10 years. The fundamentals of NPR’s portfolio being its strong WALE, high-quality tenancy mix and built-in growth provides the defensive qualities that investors are seeking in a real estate investment in ever changing environment.”

Outlook

- **NPR reaffirms FY22 forecast distribution of 9.7 CPU (annualised) based on information currently available and barring unforeseen circumstances**

Fund Manager, Ed Cruickshank said “Newmark Property REIT is set up for success and is on track to deliver on its forecasts and provide investors with a defensive and sustainable income return and long-term growth.

Following the listing of Newmark Property REIT in December 2021, we are confident in the core investment thesis and objectives of NPR and its ability to provide investors with a predictable, reliable and growing income stream underpinned by Australia’s best retailer in Bunnings”.

Teleconference

An investor teleconference will be held to provide an overview of the operating activities and financial results for the half-year to 31 December 2021. Details of the teleconference are as follows:

Title: Newmark Property REIT HY22 Results

Date: Tuesday 22nd February 2022

Time: 9:30 AEDT

To register for the teleconference please click [here](#).

Authorised for release by the Board

- ENDS -

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Important Notice

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