

ASX Announcement

24 June 2020

### Elanor Commercial Property Fund Forecast Q4FY20 Result

- Forecast FY20 FFO of \$13.4 million or 6.57 cents per security (FFO Yield of 9.3% p.a. based on Issue Price of \$1.25). This result is 9.1% above the PDS forecast of \$12.3 million
- Forecast distribution of 2.37 cents per security for the quarter ending 30 June 2020 based on a payout ratio of 80%
- Forecast total distribution of 5.25 cents per security for the period from ASX listing to 30 June 2020, based on a payout ratio of 80% (representing a 7.2% p.a. distribution yield based on Issue Price of \$1.25)

Elanor Commercial Property Fund (“ECF” or “Fund”) is pleased to announce its forecast distribution for the period from 1 April 2020 to 30 June 2020 (“Period”).

#### Highlights

- Forecast Funds from Operations (“FFO”) for the Period of \$6.07 million or 2.97 cents per security
- FY20 Forecast FFO Yield of 9.3% p.a. (based on Issue Price of \$1.25), significantly ahead of PDS Forecast FY20 FFO Yield of 8.3% p.a.
- Payout ratio of 80% at the lower end of the Fund’s target payout ratio range (80% – 100%)
- Completion of the acquisition of Garema Court, Canberra, for \$71.5 million in February 2020
- Lease renewal of Bunnings at Nexus Centre, Upper Mount Gravatt, for an additional four years, thereby extending the WALE of the Fund’s portfolio to 4.3 years
- Implementation of new debt facility with an average tenor of 4 years, resetting the Fund’s debt at an all-in average interest rate of 2.1% p.a. (significantly below PDS forecast of 3.0% p.a.)

#### Overview

The Fund is an externally managed real estate investment fund investing in high investment quality Australian commercial property.

The Fund’s portfolio of commercial properties:

- comprises seven commercial properties located in established commercial precincts in Brisbane, Perth, Canberra and Adelaide, with a combined value of \$378 million;
- has a current occupancy of 97.3%;
- has 87% of its current income generated from Government (21.3%), Multinational (19.8% - including DXC Technology, Optus, Clemenger and Panasonic) and ASX Listed tenants (46.2% - including CIMIC, Bunnings (Wesfarmers), Coles and NAB); and
- is geared at approximately 35%.

### **Distribution Timetable**

The timetable for the ECF distribution for the quarter ending 30 June 2020 is as follows:

- Record Date: 30 June 2020
- Ex-Date: 29 June 2020
- Payment Date: 31 August 2020

### **Outlook**

The Fund is forecast to achieve an FY20 FFO of \$13.4 million, significantly ahead of the PDS forecast FFO of \$12.3 million. This result, in addition to the recently announced renewal of the Bunnings lease at the Fund's Mount Gravatt property, positions ECF well for the coming year.

The Manager will continue to monitor the potential impact on the Fund of Government announcements and market conditions in relation to the COVID-19 pandemic and will provide further updates as required.

ENDS

This announcement has been authorised for release by the Elanor Funds Management Limited Board of Directors.

For further information regarding this announcement, please contact:

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### **About Elanor Commercial Property Fund**

Elanor Commercial Property Fund (ASX: ECF) is an externally managed real estate investment trust that invests in Australian commercial office assets. It was listed on the ASX in 2019 and currently owns 7 office assets with a combined valuation of \$378 million.

[www.elanorinvestors.com/ECF](http://www.elanorinvestors.com/ECF)