



## **ASX RELEASE**

16 June 2023

### **Portfolio Valuation and June Quarter Estimated Distribution**

#### **HIGHLIGHTS**

Newmark REIT Management Limited (**NRML**) as the responsible entity of Newmark Property REIT (**NPR**) today announces:

- Estimated distribution of 2.00 CPU for the quarter ended 30 June 2023, resulting in a full year FY23 distribution of 9.0 CPU in line with guidance;
- Three properties (36% of the portfolio by value) were independently valued as at 30 June 2023, with the balance of the portfolio subject to internal valuations;
- 30 June 2023 preliminary unaudited net valuation impact of -\$16.8m on NPR's balance sheet;
- Additionally, an unrealised gain of \$7.7m that had previously been forecast on Preston will not be realised upon settlement;
- The net valuation impact was driven primarily by 37bps of capitalisation rate expansion, resulting in the portfolio's WACR increasing to 5.11% (up from 4.74%).

#### **June 2023 Preliminary Unaudited Portfolio Valuation**

In line with NPR's valuation policy, the Board of NRML instructed independent valuations to be completed on 3 of the 9 properties as at 30 June 2023. The balance of the portfolio was subject to internal valuations.

Key points from the valuations include:

- Total fair value impact of -\$16.8m will be recognised as at 30 June 2023;
- NPR's weighted average capitalisation rate (**WACR**) has expanded by 37bps from 4.74% to 5.11%;
- The fair value impact recognised as at 30 June 2023 of -\$16.8m represents an approximate 9.4 CPU decrease in NTA<sup>1</sup>.

Ed Cruickshank, NPR Fund Manager, said: *"Whilst market sentiment has shifted, NPR's portfolio of high-quality properties continues to perform strongly. With Bunnings and other leading national retailers continuing their market dominance, NPR's portfolio benefits from strong rental growth and high-profile real estate underpinning the intrinsic value of NPR's balance sheet."*

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<sup>1</sup> Based the number of securities on issue as at 16 June 2023

## Portfolio Update

Preliminary unaudited portfolio summary

Portfolio Summary	31-Dec-2022	30-June-2023
Number of Properties	9	9
Total Portfolio Value (incl. Preston 'as is')	\$558.7m	\$543.3m
Total Portfolio Value (incl. Preston 'as if complete')	\$621.3m	\$595.5m
WACR <sup>2</sup>	4.74%	5.11%
Occupancy	99.6%	99.9%
WALE <sup>3</sup>	6.6 years	6.2 years

## ESTIMATED JUNE QUARTER DISTRIBUTION AND FY23 DISTRIBUTION GUIDANCE UPDATE

The estimated distribution for the quarter ended 30 June 2023 is 2.0 cents per stapled security.

NRML re-affirms FY23 distribution guidance, based on information currently available and barring any unforeseen circumstances, being:

- FY23 June quarter distribution of 2.0 CPU
- FY23 total forecast distribution of 9.0 CPU.

The Distribution Reinvestment Plan will not operate in respect of this distribution.

## Timetable

Key dates in relation to the distribution are as follows:

Event	Date
Estimated distribution announced to ASX	Friday, 16 June 2023
Ex-distribution date	Thursday, 29 June 2023
Record date	Friday, 30 June 2023
Date the actual distribution will be announced	Wednesday, 9 August 2023
Payment date	Friday, 11 August 2023

<sup>2</sup> Weighted by asset value as at 30 June 2023

<sup>3</sup> Weighted by gross passing income as at 30 June 2023 and accounts for the Preston property on an 'as if complete' basis

**Authorised for release by the Board**

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