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Company [Cardiff Property PLC](#)
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9 FEBRUARY 2011

THE CARDIFF PROPERTY PLC ("THE COMPANY")

INTERIM MANAGEMENT STATEMENT

The company makes the following statement under Financial Services Authority Disclosure and Transparency Rules, section 4.3 - Interim Management Statements.

From 25 November 2010, the date of the announcement for the results for the year ending 30 September 2010 to the date of this statement, no material property transactions have taken place.

The Market

In 2010 following the election, interest in commercial property in the Thames Valley showed signs of an upturn. However, the number of new letting enquiries over the last few months has been very disappointing. The continued uncertain outlook for the domestic economy remains a negative factor.

Many companies are still looking to reduce rather than increase their overheads. The amount of second hand commercial space being placed on an already over supplied market is creating further downward pressure on rental values. The majority of new commercial property leases continue to be for a ten year term usually including a break option at the fifth year allowing greater flexibility. Tenant incentives have marginally reduced.

Despite the lack of new tenants, the government's proposed reduction in the level of rateable value exemption for vacant properties, effective in April of this year will place many property owners under further pressure. Capital values for commercial property in prime locations and leased to good covenants are expected to remain unchanged. Secondary located property

values particularly those with weak covenants and short term leases are likely to experience a decline.

Residential values in the Surrey and Berkshire area remain unchanged although some specific locations have seen a small increase. The number of transactions reported remain at a low level. Rental levels have marginally improved.

The Commercial Portfolio

At The White House, Egham the five ground floor retail units and first floor office area are let. Discussions with the existing tenants to extend or renew their leases, which expire over the next eighteen months, are currently taking place.

At Heritage Court, Egham, all five retail units are let on medium term leases.

At the Windsor Business Centre, Windsor, three business units are let on medium term leases. Discussions are taking place with the current tenant of the fourth unit to extend or renew their lease.

At Maidenhead Enterprise Centre, Maidenhead, which comprises six business units three units are let and terms have been agreed for a further unit.

The group, including Campmoss Property, our 47.62% jointly controlled entity, continues to manage its existing tenant base as well as refurbishing and re-planning part of the commercial portfolio.

At Market Street, Bracknell, refurbishment of ten retail units has now been completed. Three units have been let and offers received for a further three. The remaining units are being marketed by local Agents.

The Residential Portfolio

At Tangley Place, Worplesdon, letting terms have been agreed with an established UK based care home operator. Project finance is currently being formalised and once all documentation has been completed building works should commence for the proposed 78 bedroom scheme.

At Datchet Meadows, Slough, the majority of apartments continue to be occupied on Assured Shorthold Tenancy Agreements. One apartment has been sold since the year end and a further sale is in solicitors hands.

Outlook

Until letting demand improves any recovery in Thames Valley commercial property values is unlikely. New commercial property projects have been assessed but in the current environment your directors continue to pursue a cautious acquisition policy.

Financial

There have been no significant changes in the financial position of the company since the publication of the results for the year ending 30 September 2010. The group, including Campmoss, has adequate resources to carry out projects currently in progress and maintain the existing investment portfolio.

Dividend

The final dividend of 9p per share in respect of the year ending 30 September 2010 will be paid on 10 February 2011.

For further information

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