

Company Cardiff Property PLC
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THE CARDIFF PROPERTY PLC

INTERIM MANAGEMENT STATEMENT 17 JULY 2014

The company makes the following statement in accordance with DTR 4.3 of the FCA Handbook.

From 1 May 2014, the date of the announcement of the results for the six months ending 31 March 2014 to the date of this statement, save as set out in this statement, no material property transactions have taken place.

As announced on the 13 May the company acquired 12,241 of its ordinary shares for cancellation. The total consideration including costs was £123,126.

The Market

The UK economy, particularly in the South East, continues to expand and providing the anticipated rise in interest rates are modest and managed over the next few years, the Thames Valley commercial and residential property markets should continue to benefit.

Letting and investment activity in the Thames Valley commercial property market is improving. The majority of new lettings has centred towards retail and business units primarily by smaller business enterprises or start-ups, reflecting the growth areas of the economy. Enquiries for new and existing office space in the Thames Valley remains quiet although new lettings indicate a modest recovery.

In Surrey and Berkshire, the group's main area of operation, residential sales and lettings have remained active. Improved capital value and rental levels achieved over the last few years have been maintained.

The Commercial Property Portfolio

At the White House, Egham (5 ground floor retail units with offices above), all retail units and office suites are now occupied on medium term leases.

At the Maidenhead Enterprise Centre, Maidenhead, (6 business units) all units are occupied on medium term leases. Recent lettings have achieved higher rental levels although leases continue to incorporate tenant breaks.

At Heritage Court, Egham (4 retail units), all units are occupied on a mix of medium and short term leases. Ground rents are received from previously sold apartments on the upper floors. At The Windsor Business Centre, Windsor (3 business units), all units are occupied on short term leases with one tenant holding over awaiting renegotiation of terms.

The company also retains a business unit in Cardiff let on a medium term lease to The Royal Mail as a Post Office Sorting Centre and a freehold residential property in Egham currently let on an Assured Shorthold Tenancy Agreement.

The group includes Campmass Property, our 47.62% joint venture, which retains property in Worplesdon, Bracknell, Burnham, Woking, Maidenhead and Slough.

At The Priory, Burnham (Business Centre and 3 floors of adjoining offices), the Business Centre is fully occupied and two floors of office space let on medium term lease. Following refurbishment one of the floors remains available.

At Kiln Lane, Bracknell (14 business units and adjoining office unit), 13 units and the office unit are occupied on a mix of short and medium term leases. The remaining unit is available on a flexible lease.

At Gowring House, Market Street, Bracknell (3 retail units with 5 upper floors), all ground floor retail units are occupied on medium term leases with the first and second floors similarly occupied by a gym and junior fitness centre. The remaining three upper floors are currently being refurbished to create 18 residential units comprising 9 two bedroom and 9 one bedroom apartments. A marketing programme for both sales and letting is now in progress. The apartments will be offered for sale on long term leases or let using an Assured Shorthold Tenancy Agreement.

At Market Street, Bracknell (14 retail units) 12 units are occupied on medium term leases. Planning permission was recently granted for the demolition of the remaining two retail units allowing a new development of eight retail units on ground and first floor. Works are currently in progress and pre-letting enquiries have been encouraging.

At Britannia Wharf, Woking (office building on 4 floors), the ground floor is occupied with the 2nd and 3rd floors currently undergoing refurbishment following the surrender of an existing lease. The vacant space including the lower ground floor office area is being marketed and offered on a flexible short term lease.

At Clivemont House and Highway House, Maidenhead (both vacant sites), previous planning permissions were granted for a total of 94,000 sq ft new office space. The commencement of any new speculative office development is not considered viable given the current uncertain office letting market. As a result of the improving local residential market and potential

attraction of Crossrail, discussions are taking place with the Local Authority for a residential development at Clivemont House.

At Worplesdon View, Worplesdon (78 bed care home), the property is let on a 30 year institutional lease with rental increases linked to RPI. Planning permission for additional living space has been granted and discussions with the tenant are currently taking place.

At Datchet Meadows, Slough (37 apartments), 25 apartments are sold on long leases, 5 let on Assured Shorthold Tenancy Agreements and 7 are under offer for sale on long leases. The level of demand for these units has remained high throughout the year.

Outlook

A number of new Thames Valley based commercial and residential property opportunities have been actively pursued but keen competition has ruled out any new acquisitions. Suitable opportunities will continue to be appraised.

A number of new office and business unit lettings have recently been completed and early indications of interest in the group's retail and residential schemes at Bracknell are positive.

Financial

There have been no significant changes in the financial position of the company since the publication of the results for six months ending 31 March 2014. Campmoss, our joint venture, has reduced indebtedness following the further sales at Datchet as mentioned above.

The group has adequate resources to complete the proposed and current development programme.

Dividend

The interim dividend of 3.3p per share in respect of the half year ending 31 March 2014 was paid to shareholders on 4 July 2014.

J Richard Wollenberg

Chairman

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