

Market cap	£363.7m	Number of properties	159
Share price	82.5p	Number of tenancies	370
Net asset value	95.9p	Void rate	8.9%
Target dividend	5.5pps	Target gearing	25%
Dividend payments	Feb, May, Aug, Nov	Current gearing	29.6%
EPRA earnings per share	5.6 pps per annum	Ongoing charges ratio	1.2%
Fund Manager	Richard Shepherd-Cross MRICS		

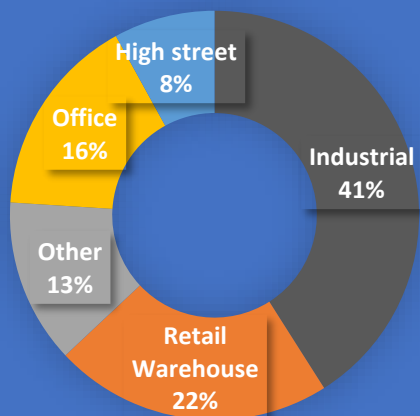
All figures as at 30 September 2023



### Performance to Sep 2023

	Qtr	1yr	3yr	5yr
<b>NAV Total Return</b>	<b>-1.3%</b>	<b>-10.8%</b>	<b>17.7%</b>	<b>14.7%</b>
Income return	1.4%	4.8%	17.0%	26.4%
Capital return	-2.7%	-15.7%	0.7%	-11.7%
<b>Share Price Total Return</b>	<b>-0.9%</b>	<b>-9.3%</b>	<b>11.1%</b>	<b>-8.1%</b>
Income return	1.6%	5.7%	18.2%	23.7%
Capital return	-2.5%	-14.9%	-7.1%	-31.8%

### Sector Weightings



### Dividends

	Q3-23	Q4-23	Q1-24	Q2-24
Share price total return	Q3-23	Q4-23	Q1-24	Q2-24
Pence per share	1.375	1.375	1.375	1.375

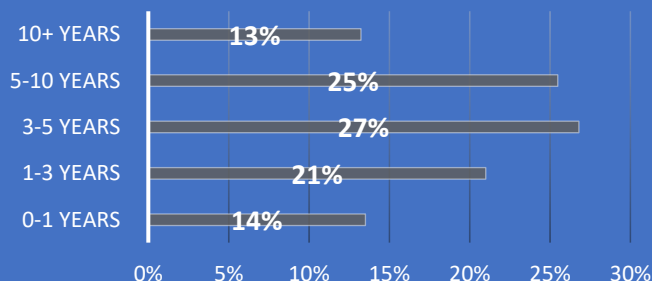
Annualised

5.5 pence per share

### Investment Strategy – Smaller Regional Property

- Diversified UK commercial property portfolio
- Income focused strategy
- High residual value, low obsolescence properties
- Smaller lot sizes
- Diverse tenants, region and sector mix
- Minimise cash drag

### Income at Risk



## About us

Custodian Property Income REIT plc was launched as a main-market-listed property investment company on the London Stock Exchange on 26 March 2014.

The Company seeks to deliver a higher level of fully covered dividend by pursuing a smaller regional property strategy. We believe through this strategy it is possible to secure a marginal income advantage, without adding to property specific risk or concentration risk.

Custodian Capital Limited, the Investment Manager, is a subsidiary of Mattioli Woods plc and is authorised and regulated by the Financial Conduct Authority (FCA).

## ESG

The Company is committed to:

Seek to minimise pollution and comply with all relevant environmental legislation;

Gather and analyse data on our environmental performance across our property portfolio; and

Monitor environmental performance and achievements against targets for our properties as a commitment to continuous improvement.

## Energy Performance Certificate



## Fund Manager's comment

### Richard Shepherd-Cross:

"The disconnect between the occupational and investment markets in UK real estate continues to persist. While the impacts of high inflation and interest rates appear to weigh heavily on investor sentiment, perhaps the greater influence has been the marked re-rating of valuations in the final quarter of 2022, which still seems to colour investors' attitude to real estate investment. However, since the start of 2023, valuations have been reasonably stable across the market, with some sub-sectors showing signs of recovery while others continue to drift. The outcome for the NAV of Custodian Property Income REIT has been a marginal decrease of 3.9% over the past three quarters.

"By contrast, occupational demand has been consistently strong, which has led to a reduced vacancy rate and increase in the portfolio rent roll. We experienced a post lockdown increase in vacancy to c.10%, but this has steadily improved and based on lettings under offer, vacancy is expected to reach c.7% by 31 December 2023.

"Similarly, the portfolio rent roll has grown 2.9% from £42.0m at the start of the financial year to £43.2m at the end of the Quarter, through both reduced vacancy and rental growth. During the Quarter, letting vacant units added £1.0m (2.3%) to the rent roll.

"It is the strength of the occupational market driving rental growth and low vacancy that will ultimately support fully covered dividends and earnings growth. Income/earnings remain a central focus for Custodian Property Income REIT, and it is income that will deliver positive total returns for shareholders. On this basis, we remain cautiously optimistic."

## Gearing

LTV	29.6%
76% of facilities fixed rate	
24% revolving credit facility	
Weighted average cost of debt	4.2%
Weighted average unexpired term of fixed debt	6.5 years

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