

Custodian REIT

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Custodian REIT rentals stabilise after coronavirus uncertainties

What it does

Custodian REIT PLC (LON:CREI) is a real estate investment trust with a portfolio of assets made of industrial, retail, office and other properties.

The company listed on the main market of the London Stock Exchange in 2014.

Since then, its market capitalisation has grown substantially on the back of investment into UK regional real estate.

How it's doing

In July, Custodian recommended a higher dividend than expected after rent collections improved in its latest quarter.

The trust said it had collected 92% of rents due for the June quarter adjusting for deferrals and 80% of the September quarter.

As a result, it is recommending a quarterly dividend of 0.95p or 27% above the minimum indicated in April.

Net assets per share for the period to end June dipped by 5.8% to 95.7p, reflecting the impact of the coronavirus lockdowns on property values in the UK.

What the boss says: Richard Shepherd-Cross, manager

"A full quarter of lockdown has seen occupational and investment activity in marked contrast to the buoyant market at the start of 2020.

"Investment volumes during the Period were only 20% of the previous quarter's levels and many office and retail occupiers deserted their premises in late March."

"While we are starting to see occupiers returning to offices and non-essential shops have been open for a few weeks, we have yet to fully recover from the occupational void caused by lockdown. The principal impact of this void has been the challenge of rent collection."

Price: 85.3

Market Cap: £358.31 m

1 Year Share Price Graph



Share Information

Code: CREI

Listing: LSE

52 week High Low
116.546 76

Sector: Real Estate

Website: www.custodianreit.com

Company Synopsis:

Custodian REIT aims to be the Real Estate Investment Trust of choice for private and institutional investors seeking high and stable dividends from well-diversified UK real estate. Custodian REIT plc was launched as a main-market-listed, property investment company on the London Stock Exchange on 26 March 2014. The company was established with a seed portfolio of £95m and successful IPO, raising further 55m.

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Proactive Research - Ed Stacey

Inflexion points

- Dividends still being paid albeit at a slightly reduced rate
- NAV per share of 95.7p at last valuation
- Rental collections improving

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