

NEADF – C&P Gold Coast Property Fund

Manager Update: Queensland Storm and Flood Crisis

As unit holders are aware, our properties are within the areas affected by the severe storm and flooding that took place during January.

Withcott Central was directly affected by a major storm cell on 12 January 2011. Substantial storm water off the adjoining Warrego Highway and shopping centre car parks, entered into several of the shops within the centre and caused minor non structural damage to gyprock walls, glass windows and electrical. Damage to tenant equipment and stock was more severe. In addition minor damage and clean up was required to the external car park and surrounding paths and landscaped areas. Our insurance company has promptly actioned all repairs and clean up works required. Parts of the centre were reopened within 48 hours. This storm has delayed the opening of the Thrifty Link Hardware store till mid February.

None of our other centres were directly affected. Many towns were cut off and business was disrupted over a normally busy summer holiday period.

We are not sure how the wide spread damage caused to the broader community will affect our tenants ability to pay their rents, or fill current or upcoming unit/shop vacancies.

Initial feedback from agents is the phones are quiet but all are confident that after the initial shock period, medium term (3 months plus) outlook should improve as stimulus created by extensive rebuilding and replacement of damaged goods etc will create new jobs and business growth.

Earle Plaza Nerang Sale

Settlement has been delayed due to buyer concern regarding information provided by council. The manager is now aware of the issues required to satisfy both council and the buyer for the transaction to complete. The buyers have agreed to settle within 14 days of receiving this information. As of today we believe all works and documentation has been provided and we are waiting on final council paperwork to provide to the buyers.

We will provide confirmation when settlement occurs.

Regards



Mark Walsh