



# Darwin Leisure Property Fund

Quarterly Update – Q4 2022

“M” Class Income Units



	NAV Price	Cumulative Performance %					Annual Return %	Return %		Annualised Return % per annum	
Unit Class	Current Month	1 Month	3 Month	6 Month	12 Month	YTD Return	2021	3 Year	5 Year	3 Year	5 Year
M Income Launch date: 12/1/15	1.8442	+0.24	-0.22	-0.45	-0.75	-0.75	+1.30	+2.18	+5.44	+0.72	+1.06

All data as at 31 December 2022 unless otherwise stated. Source: Darwin Alternatives

- During the quarter, a dividend of 1.8483 pence per unit was recorded on 31 October 2022 and paid on 9 December 2022.
- The performance tables above indicate the actual performance of the M Income Units based on the movement of the NAV, dividend payments are not therefore reflected in the performance returns.

## Investment Statement – Q4 2022

Holiday home sales were ahead of budget for the quarter, helped by an uplift in sales in November which was led by the sites in North Wales and particularly Aberconwy. It was encouraging to see sales at both ends of the price spectrum, indicating improved resilience for both high-volume, lower-margin caravan sales and low-volume, higher-margin lodge sales.

The holiday rental portfolio was below its budget for the quarter. Rental yields held up well in October, a month which features half term school holidays, when the parks usually receive a boost in holiday rentals, and the budget is set to reflect this. Holiday rental income in November was marginally lower than the same period last year, which at the time saw a slight boost due to the barriers that existed in relation to international travel. Rental income was below budget for December, although a number of sites recorded higher Average Net Hire and occupancy rates than for the same period last year. We usually record an increase in ANH in December, compared to November, but this year the increase was significantly higher than the same monthly swing in 2021.

Like many businesses facing into the current economic environment, we have been working to reduce costs within the business and we continue to make positive strides in this area, particularly in relation to staff costs. We are continuing to evolve our F&B offering to ensure further cost reductions can be made in this area. The Fund also benefited from milder than normal temperatures for much of the quarter, which led to lower energy usage, something that is particularly welcome given the rising energy prices.

The UK's first energy positive holiday lodge has been launched at New Pines Holiday Home Park in North Wales. The Super Nova Eco Lodge, designed by Perfect Parks, has been designed to produce more energy than it consumes. The lodges generate energy through solar panels which are seamlessly incorporated into the exterior walls and roof and uses photovoltaic technology to drastically reduce its carbon footprint. The energy saved can be used within the lodge, exported back to the grid, saved in batteries for later use or even deployed to charge electric vehicles. The lodge is currently available to buyers of holiday homes.

November saw the Annual Hoseasons Awards, where Bath Mill was named best Large Park in Britain. Bath Mill was also a regional Diamond Award winner in the Lodge Escape Large Park Category for Devon and Somerset, with Woodside Bay, Mullion Cove, Sandymouth and Talacre Beach also won Diamond awards in their respective regions. Hoseasons is the holiday booking partner for the holiday rental portfolio and this national recognition provides a marketing boost for the portfolio.

Signatures Restaurant at Aberconwy Resort & Spa was named Wales' Best Restaurant 2022 at the 3rd Annual World Culinary Awards held in Dubai. Whilst Signatures is independently owned and managed, the award has brought positive recognition to the site and will help to continue to make Aberconwy a desirable location for holiday home buyers.

Planning permission has been granted to expand the restaurant at Keswick Reach – we anticipate that the work will start in Q3 2023 after the busy summer period.

Key Data			
Fund Size:	£613.5m	Dealing & Valuation Frequency:	Monthly
Launch Date:	12 Jan 2015	Minimum Subscription:	£20,000,000
TISE Listing Date:	12 Jan 2015	Annual Management Fee:	0.85%
Dealing Date:	1 <sup>st</sup> business day of each month	TER:	1.01%

## Strategy

The Darwin Leisure Property Fund purchases holiday parks that are set in excellent locations and where we believe we can increase income returns and generate capital growth through:

- Delivering a “Best in Class” experience for holiday home owners and holiday makers, creating a competitive advantage.
- Improved operational management to streamline the cost base and exploit economies of scale.
- Improvements in on-site facilities.
- Exploitation of planning gains to transform tenting and touring sites into high yield lodge developments.

## Fund Summary

- The Darwin Leisure Property Fund is an open-ended unit trust listed on The International Stock Exchange.
- The objective of the Fund is to preserve and grow capital and provide income returns above the rate of inflation. The Fund aims to make annualised total returns of 6-8%.
- The Fund is not geared and it is not intended to be so.
- The Fund invests in holiday parks throughout the UK, which comprise either Tenting & Touring, Static Caravan or Lodge accommodation. The accommodation comprises of a mix of holiday rental and owner-occupied units.

## Portfolio

Park	Location	Occupancy Type	No. of Pitches	% of Portfolio (by acre)
Aberconwy	North Wales	Owner	300	10.6%
Bath Mill	Somerset	Rental	64	6.8%
Beach Cove	Devon	Rental	27	0.9%
Canterbury Reach	Kent	Rental	27	1.2%
Cheddar Woods	Somerset	Owner & Rental	177	8.5%
Hawkchurch	Devon	Owner & Rental	120	2.0%
Keswick Reach	Cumbria	Rental	176	10.2%
Mullion Cove	Cornwall	Rental	28	0.7%
New Pines	North Wales	Owner & Rental	421	8.2%
Piran Meadows	Cornwall	Owner & Rental	186	9.6%
Sandymouth	Cornwall	Rental	130	8.2%
Seaview	North Wales	Owner & Rental	110	2.7%
Talacre Beach	North Wales	Owner & Rental	632	9.9%
Thanet Well	Cumbria	Owners & Rental	63	3.4%
Tilford Woods	Surrey	Rental	33	1.7%
Wareham Forest	Dorset	Rental	55	2.7%
Woodside Bay	Isle of Wight	Rental	120	11.9%
Woodside	Isle of Wight	Rental	36	0.7%

### Trustee:

Butterfield Bank (Guernsey) Limited

### Administrator:

Vistra Fund Services (Guernsey) Limited

### Business Valuers:

Evelyn Partners  
(formerly Smith & Williamson)

### Property Valuers:

JLL

### Auditors:

Grant Thornton Limited

### Lawyers:

Guernsey: Collas Crill  
London: Field Fisher Waterhouse

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This is a marketing communication. Please refer to the prospectus of the Darwin Leisure Property Fund before making any final investment decisions.

**Disclaimer:** The purpose of this document is to provide summary information for “M Income” Unit Classes and does not constitute a recommendation to buy or sell units in the fund. Any decision to buy and sell shares should be made after seeking appropriate professional advice and on the basis of the Fund’s Prospectus, available from the Administrator to investors in certain jurisdictions where the fund has been authorised. The fund can only be marketed to Eligible Investors as defined in the Prospectus. The Fund is not marketed or sold in any jurisdiction that is not legally permitted. Investments in property carry specific risks and may not guarantee a return, and the value and the income on them may go up or down, so that you may not realise the amount originally invested. Changes in exchange rates between currencies may cause the value of investments to go up or down. Persons in receipt of the information contained herein are required to inform themselves about, and observe such restrictions. Past performance is not necessarily a guide to future performance. The value of investments and the income from them can fluctuate and is not guaranteed. The views expressed are as at the date hereof and are subject to change. This document does not constitute investment or any advice. This document is produced by Darwin Alternative Investment Management Limited.