Quarterly Property Operations Report

Portfolio review for the quarter ended 30 June 2026

Prepared for	[OPERATIONS DIRECTOR] — Regional Operations
Prepared by	[FACILITIES LEAD], with input from Leasing and Finance
Report date	15 July 2026
Period covered	1 April – 30 June 2026
Portfolio	[PROPERTY A], [PROPERTY B], [PROPERTY C]
Classification	Sample data. Training use only. Not a real portfolio.

1. Executive summary

The portfolio closed the quarter broadly stable, with a combined annualised rent roll of **KWD 4.72 million** across the two income-producing assets. Occupancy across the retail asset held at **78%** for the quarter, while the mixed-use tower remained close to full. Collections softened slightly but remain within tolerance.

Costs are the principal concern. Maintenance spend is running ahead of plan and the open-ticket backlog has grown for a third consecutive month, with tenant complaints more than doubling. Utilities are up year on year, driven by HVAC runtime at [PROPERTY B].

On construction, [PROPERTY C] slipped three weeks against programme following a late joinery delivery, now resolved. Cost impact is contained within contingency, and **the Board approved the revised handover date** at its June sitting. The tenant has been kept informed.

Tenant sentiment has deteriorated. Three tenants escalated in writing during the quarter, and logged complaints more than doubled month on month. Two of the three escalations relate to lift availability at [PROPERTY B].

Three matters require a decision this quarter: the upper-floor leasing incentive at [PROPERTY A], the maintenance budget position, and the portfolio-wide collateral revaluation, which is now materially out of date.

2. Portfolio overview

Asset	Type	Status	Opened / due
[PROPERTY A]	Retail centre	Operating	Opened 2019
[PROPERTY B]	Mixed-use tower	Operating	Opened 2016
[PROPERTY C]	Ground-floor unit	Under construction	Handover 2026

3. Occupancy and income

Asset	Units	Let	Occupancy	Annualised rent roll (KWD)
[PROPERTY A]	48	36	75.0%	1,940,000
[PROPERTY B]	62	56	90.3%	2,610,000

Asset	Units	Let	Occupancy	Annualised rent roll (KWD)
[PROPERTY C]	14	0	—	—
Portfolio total	**124**	**92**	**74.2%**	**4,720,000**

Table 3.1 — Occupancy and annualised rent roll at 30 June 2026.

- [PROPERTY A] occupancy fell from 83% in the same quarter last year. Twelve units are vacant; five have now been vacant for more than nine months, all on the upper floor.
- Three leases at [PROPERTY A] expire within 90 days. Two of those tenants have not responded to renewal outreach.
- Average rent achieved at [PROPERTY A] is KWD 11.40 per sqm against an asking rate of KWD 13.00.
- One new signing this quarter: a food-and-beverage operator, 240 sqm, five-year term.
- Footfall at [PROPERTY A] is down 8% year on year. Both anchor tenants report flat sales.
- Blended collection rate for the quarter was 96.2%, down from 98.1%. Two tenants are on payment plans.

4. Cost position

Cost line	Position at 30 June	Comment
Maintenance	62% of annual budget spent	Six months of the financial year remain. Overrun risk flagged.
Utilities	Up 14% year on year	Driven by HVAC runtime at [PROPERTY B].
Marketing	18% under budget at [PROPERTY A]	KWD 47,000 unspent. Not yet reallocated.
Contract labour	In line with budget	No variances to report.

The maintenance position is the item most likely to require a budget variation before year end. The overrun is concentrated in reactive callouts rather than planned works, which is itself a signal: the planned-maintenance programme is not preventing the failures it exists to prevent.

5. Construction — [PROPERTY C]

Item	Position
Programme status	Three weeks behind programme.
Cause	Late joinery delivery. Joinery delivered to site 2 June 2026.
Fit-out duration	Contractor requires six weeks from joinery delivery to practical completion.
Revised handover date	10 July 2026
Cost impact	KWD 18,000 against a KWD 25,000 contingency allowance.
Contractor	[CONTRACTOR B] — performance review outstanding.

The revised date has been **proposed** to the Board and communicated to the tenant verbally. It has not been ratified by the Board, and it has not been confirmed to the tenant in writing. Leasing advise that the tenant has a fit-out crew booked and is paying storage costs in the interim; if the date slips again, a request for rent-free compensation is expected.

6. Maintenance detail

Category	Open tickets	Older than 30 days	Average days to close
HVAC	17	5	14
Plumbing	9	2	9
Lifts	7	3	21
Lighting	5	1	6
Other	2	0	4
Total	**40**	**11**	**12 (blended)**

Table 6.1 — Open maintenance tickets at 30 June 2026. Service standard is five days to close.

The blended average of twelve days is more than double the five-day service standard, and the lift category is the worst performer at twenty-one days. Tenant complaints logged this month reached 23, against 9 the previous month. Two contractors are behind schedule; one has not attended site for eight days and has not responded to two written requests.

7. Tenant matters and escalations

Ref	Tenant	Asset	Matter	Position
E-01	[TENANT 1]	[PROPERTY B]	Lift reliability	Requesting a service credit.
E-02	[TENANT 2]	[PROPERTY A]	Upper-floor footfall	Seeking a rent review at renewal.
E-03	[TENANT 3]	[PROPERTY C]	Handover delay	Storage costs accruing; expects compensation.

None of the three escalations has yet received a written response. Leasing consider E-02 the most commercially significant, as the tenant occupies 620 sqm across two upper-floor units and its lease is one of the three expiring within 90 days.

8. Health, safety and compliance

- Annual fire system inspection completed 12 May 2026 at both operating assets. No major findings. Two minor observations raised and closed within the quarter.
- Statutory lift inspection at [PROPERTY B] falls due 30 September 2026. Not yet scheduled.
- Two contractor site inductions are overdue at [PROPERTY C].
- No reportable safety incidents during the quarter.
- Insurance renewal documentation submitted on time. No change to premium indicated.

9. Risk register

Ref	Risk	Impact	Likelihood
R-01	Maintenance backlog: 11 tickets older than 30 days.	Medium	High
R-02	North lift at [PROPERTY B] failed four times this month. Parts on three-week lead time.	High	High

Ref	Risk	Impact	Likelihood
R-03	Five units at [PROPERTY A] vacant more than nine months.	Medium	Certain
R-04	Tenant at [PROPERTY C] may request two weeks rent-free if handover slips again.	Medium	Medium
R-05	Portfolio collateral valuations are 27 months old.	High	Certain
R-06	Two contractors behind schedule; one absent from site for eight days.	Medium	High

10. Action log

Ref	Action	Owner	Due	Status
A-01	Confirm revised handover date to tenant in writing	[PROJECT MANAGER]	18 Jul 2026	Open
A-02	Contractor performance review with [CONTRACTOR B]	[FACILITIES LEAD]	22 Jul 2026	Open
A-03	Order replacement lift parts	[FACILITIES LEAD]	8 Jun 2026	Closed
A-04	Commission portfolio collateral revaluation	[FINANCE MANAGER]	30 Sep 2026	Open
A-05	Upper-floor leasing incentive proposal	[LEASING MANAGER]	31 Jul 2026	Open
A-06	Review payment plans for two tenants	[FINANCE MANAGER]	15 Aug 2026	Open
A-07	Reallocate unspent marketing budget	TBC	30 Jun 2026	Open

11. Management narrative and outlook

“The quarter reflects sector-wide conditions rather than asset-specific weakness. Vacancy at [PROPERTY A] is concentrated on the upper floor, and the new food-and-beverage signing is expected to lift footfall and support upper-floor leasing from next quarter. Collections remain healthy and the two payment plans are performing.”

“On costs, the maintenance position is understood and a contractor performance meeting is scheduled. We do not currently anticipate requesting a budget variation. On [PROPERTY C], the programme is recovered and handover is secured within contingency.”

Recommendation from [FACILITIES LEAD]: hold the asking rate at [PROPERTY A], redirect the unspent marketing budget to upper-floor incentives, and bring the collateral revaluation forward into this quarter rather than next.

12. Priorities for next quarter

- Resolve the maintenance backlog to under five tickets older than 30 days.
- Secure and confirm the [PROPERTY C] handover date in writing.
- Bring the collateral revaluation forward from Q4 into Q3.
- Respond in writing to all three tenant escalations.
- Decide the upper-floor incentive position at [PROPERTY A] before the three expiring leases lapse.

This document was written for training. Every entity, figure, date and quotation in it is invented. It is not a real portfolio, and it should not be treated as a model of correct reporting — it contains deliberate errors.