



Property Group

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ASX ANNOUNCEMENT

December 2018 Property Valuations

SCA Property Group (ASX: SCP) ("SCP") announces the results of its property valuations as at December 2018.

Fifteen of the properties were independently valued. In addition the twelve properties acquired after June 2018 were also independently valued. The remaining 58 properties were internally valued.

On the like-for-like portfolio, the weighted average capitalisation rate softened by 4bps to 6.37% at December 2018 (6.33% at June 2018). Including the impact of the twelve acquisition properties (weighted average cap rate of 6.63%), the total portfolio capitalisation rate is 6.43% at December 2018.

The total value of investment properties increased by \$699.3m to \$3,153.1m. The components of this increase were:

- Like-for-like Australian properties valuation increased by \$11.4m, or 0.5%. The increase is driven by an increase in like-for-like valuation NOI of 0.5%, offset by overall capitalisation rate softening of 4bps;
- Valuation of development properties increased by \$10.0m, comprising \$7.8m from Shell Cove and \$2.2m from Bushland Beach, reflecting \$9.7m of capitalised development costs to date and fair value uplift of \$0.3m; and
- Acquisitions completed during the period added \$677.9m, being Sturt Mall in Wagga Wagga, NSW (acquired for \$73.0m), Miami One in Miami, QLD (acquired for \$31.9m) and a portfolio of ten assets acquired from Vicinity (acquired for \$573.0m).

Investment Property Portfolio Valuation	\$m
June 2018 Portfolio Valuation	2,453.8
- Add: Valuation increase 'like for like'	11.4
- Add: Developments completed during the period	10.0
- Add: Acquisitions completed during the period	677.9
December 2018 Portfolio Valuation	3,153.1

Portfolio Weighted Average Cap Rates	
June 2018	6.33%
December 2018 (excluding acquisitions)	6.37%
December 2018 (including acquisitions)	6.43%

Details of portfolio movements, including a comparison of independent and internal valuations, are set out in the table below:

Independent vs. Internal Valuations	\$m
Independent Values:	
- Number	15
- % of portfolio by book value	16.2%
- Change in Valuation (\$m)	10.9
- Change in WACR	(0.04%)
Internal Values:	
- Number	58
- % of portfolio by book value	62.3%
- Change in Valuation (\$m)	10.5
- Change in WACR	(0.04%)
Acquisitions and Disposals:	
- Number of Acquired Properties	12
- Number of Disposed Properties	0
- % of portfolio by book value	21.5%
- Cost of Acquisitions (\$m)	677.9
- Consideration for Disposals (\$m)	0
- Valuation gain/loss on Acquisitions and Disposals (\$m)	0
- Valuation (\$m)	677.9
Total:	
- Number of Properties	85
- Change in Valuation (\$m)	699.3
- Change in WACR	(0.10%)

For financial reporting purposes, the impact of these valuation increases on net tangible assets will be reduced by capital expenditure and tenant incentives.

ENDS

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Unitholders should contact SCP Information Line on 1300 318 976 with any queries.