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ASX ANNOUNCEMENT

June 2019 Property Valuations

SCA Property Group (ASX: SCP) ("SCP") announces the results of its property valuations as at June 2019.

The total value of investment properties decreased by $6.1m to $3,147.0m due to valuation NOI growth of 0.4% offset by cap rate softening of 5bps to 6.48% at June 2019 (6.43% at December 2018).

Fifteen of the properties were independently valued. The remaining 70 properties were internally valued.

Investment Property Portfolio Summary	$m
December 2018 Portfolio Valuation	**3,153.1**
Less: Valuation decrease	(6.1)
June 2019 Portfolio Valuation	**3,147.0**

Valuation Weighted Average Capitalisation Rate	
December 2018: % Rate	6.43%
June 2019: % Rate	6.48%

Sub-Regional centre valuations decreased by $5.5m, with NOI increasing by 0.4% and cap rates expanding by 11bps to 6.75% (from 6.64% as at December 2018). This takes into account a softening in demand for centres with greater exposure to discretionary retail categories.

Neighbourhood centre valuations decreased by $0.6m, with NOI increasing by 0.4% and cap rates expanding by 3bps to 6.38% from 6.35% as at December 2018.

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

Independent vs. Internal Valuations	$m
Independent Values:	
Number of Properties	15
% of portfolio book value	19%
Change in Valuation ($m)	**(8.2)**
Change in WACR	0.09%
Internal Values:	
Number of Properties	70
% of portfolio book value	81%
Change in Valuation ($m)	**2.1**
Change in WACR	0.04%
Total:	
Number of Properties	85
Change in Valuation ($m)	**(6.1)**
Change in WACR	0.05%

The independent valuations have declined due to a higher proportion of Sub-Regionals being independently valued, including a $4.8m decrease in the value of our centre at Kwinana, WA due to its cap rate softening from 6.50% to 6.75%. The internal valuations included a $3.4m uplift on the properties acquired from Vicinity in October 2018.

For financial reporting purposes, the impact of these valuation decreases on net tangible assets will be further 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.