

10 December 2020

## ASX ANNOUNCEMENT

### December 2020 Property Valuations

SCA Property Group (ASX: SCP) (“SCP”) announces the results of its property valuations as at December 2020.

The total value of our Investment Properties has increased by \$125.6m, from \$3,138.2 as at June 2020 to \$3,263.8m as at December 2020.

- The valuation increase on like-for-like assets is \$86.2m (or an increase of 2.7%) due to:
  - Capitalisation rate tightening of 11bps, from 6.51% at June 2020 to 6.40% at December 2020;
  - Valuation NOI increase of \$1.5m or (0.7%) from June 2020; and
  - A reduction in COVID-19 once off rent relief adjustments from \$27.4m at June 2020 to \$4.0m at December 2020 (which assumes that there are no further outbreaks of COVID-19 in Australia and no further government interventions in response to the COVID-19 pandemic), partially offset by an increase in capital expenditure and leasing incentives.
- Acquisitions during the period have contributed \$39.4m, being the Bakewell Shopping Centre and the adjacent service station in Darwin, NT at a weighted average cap rate of 6.92%.

Investment Property Portfolio Summary	\$m
<b>June 2020 Portfolio Valuation</b>	<b>3,138.2</b>
Add: Valuation increase ‘like for like’	86.2
Add: Acquisitions completed during the period	39.4
<b>December 2020 Portfolio Valuation</b>	<b>3,263.8</b>
Valuation Weighted Average Capitalisation Rate	
<b>June 2020: % Rate</b>	<b>6.51%</b>
Cap Rate tightening	-0.11%
<b>December 2020: % Rate (excluding acquisitions)</b>	<b>6.40%</b>
<b>December 2020: % Rate (including acquisitions)</b>	<b>6.41%</b>

23 assets from the like-for-like portfolio were valued externally and make up \$23.8m of the total increase in valuation (increase of 2.4%). The remaining 62 centres were internally valued and make up \$62.4m of the total increase in valuation (increase of 2.9%). Details of portfolio movements, including a comparison of independent and internal valuations, are set out in the next table.

<b>Independent vs. Internal Valuations</b>	
<b>Independent Values:</b>	
Number of Properties	23
% of portfolio book value	31.6%
<b>Change in Valuation (\$m)</b>	<b>23.8</b>
Change in WACR	-0.11%
<b>Internal Values:</b>	
Number of Properties	62
% of portfolio book value	67.2%
<b>Change in Valuation (\$m)</b>	<b>62.4</b>
Change in WACR	-0.11%
<b>Total Like for Like:</b>	
Number of Properties	85
<b>Change in Valuation (\$m)</b>	<b>86.2</b>
Change in WACR	-0.11%
<b>Acquisitions:</b>	
Number of Acquired Properties	2
% of portfolio book value	1.2%
Cost of Acquisitions (\$m)	39.4
<b>Valuation</b>	<b>39.4</b>
<b>Total Portfolio:</b>	
Number of Properties	87
<b>Change in Valuation (\$m)</b>	<b>125.6</b>
Change in WACR	-0.10%

Across the like-for-like portfolio, neighbourhood centre valuations increased by \$82.5m (3.5%), while sub-regional centre valuations increased by \$3.7m (0.5%). Average cap rates for neighbourhood centres tightened by 13bps to 6.26%, while average cap rates for sub-regional centres remained flat at 6.84%.

## Other Acquisitions

In addition to the 87 properties that have been valued, SCP has entered into agreements to acquire the following properties:

- Auburn Central for \$129.5m, an implied fully let yield of 6.0%;
- Katoomba Marketplace for \$55.1m, an implied fully let yield of 5.6%; and
- Greenbank adjacent vacant land for \$10.0m.

The timing for settlement of these acquisitions is uncertain, but one or more of these properties may settle prior to 31 December 2020.

This document has been authorised to be release to the ASX by the Board of SCP.

**ENDS**

***Media, Institutional investor and analysts, contact:***

Mark Fleming  
CFO  
SCA Property Group  
(02) 8243 4900

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