

16 June 2022

ASX ANNOUNCEMENT

June 2022 Property Valuations

SCA Property Group (ASX: SCP) (“SCP”) announces the results of its property valuations as at June 2022. The total value of SCP’s Investment Properties has increased by \$34.5m, from \$4,426.4m at December 2021 to \$4,460.9m at June 2022.

This movement is made up of an increase in like-for-like properties of \$34.5m. There have been no acquisitions or disposals during the period (aside from those classified as assets held for sale in the December 2021 financial accounts).

Investment Property Portfolio Summary	\$m
December 2021 Portfolio Valuation	4,426.4
Add: Valuation increase ‘like for like’	34.5
June 2022 Portfolio Valuation	4,460.9

Valuation Weighted Average Capitalisation Rate	
December 2021: % Rate	5.45%
Cap Rate tightening	(0.02)%
June 2022: % Rate	5.43%

43 properties from the like-for-like portfolio were valued externally over the period and make up \$28.2m of the total increase in valuation (an increase of 1.4%). The remaining 48 properties were internally valued and make up \$6.3m of the total increase in valuation (an increase of 0.3%). Details of portfolio movements, including a comparison of external and internal valuations, are set out in the next table.

Independent vs. Internal Valuations	
Independent Values:	
Number of Properties	43
% of portfolio book value	47.1%
Change in Valuation (\$m)	28.2
Change in WACR	(0.04)%
Internal Values:	
Number of Properties	48
% of portfolio book value	52.9%
Change in Valuation (\$m)	6.3
Change in WACR	0.00%
Total Portfolio	
Number of Properties	91
Change in Valuation (\$m)	34.5
Change in WACR	(0.02)%

The valuation increase on like-for-like properties is \$34.5 (an increase of 0.8%) due to:

- Valuation Net Operating Income increase of \$2.3m (or 0.9%) from December 2021;
- Capitalisation rate tightening of 2bps, from 5.45% at December 2021 to 5.43% at June 2022;
- Discount rate compression of 2bps, from 6.19% at December 2021 to 6.17% at June 2022.

Net Tangible Assets (“NTA”) per unit will be increased by the valuations announced today, however this increase will be offset by capital expenditure during the period and movements in other balance sheet items including an expected negative movement in the mark-to-market valuation of derivatives.

The assets that were classified as assets held for sale in the December 2021 financial statements (Ballarat, VIC at \$23.1m and SCA Metro Fund seed assets at \$284.5m) were not included in the Investment Property value and as such do not affect the valuation movement. The divestment of these assets was completed during the period.

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

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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.