



Property Group

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## ASX ANNOUNCEMENT

### December 2016 Property Valuations

SCA Property Group (ASX: SCP) ("SCP") announces the results of its property valuations as at December 2016.

Seventeen of the properties from June 2016 were independently valued. In addition the five properties acquired after June 2016 were also independently valued at the time of acquisition. The remaining 52 properties were internally valued.

Overall the total portfolio capitalisation rate improved by 51 bps to 6.62% at December 2016 (from 7.13% at June 2016), and the total value of investment properties increased by \$313.4m to \$2,201.4m. The components of this increase were:

- Like-for-like properties valuation increased by \$169.1m; and
- Acquisitions completed during the period added \$144.3m, being Muswellbrook Fair (\$29.3m), Belmont Central (\$28.5m), Jimboomba Junction (\$27.5m), Lillybrook (\$25.5m) and Annandale Central (\$33.5m).

Investment Property Portfolio Valuation	A\$m
<b>June 2016 Portfolio Valuation</b>	<b>1,888.0</b>
- Add: Acquisitions & disposals completed during the period at cost	144.3
- Add: Acquisitions & disposals valuation increase	0.0
- Add: Valuation increase 'like for like'	169.1
<b>December 2016 Portfolio Valuation</b>	<b>2,201.4</b>

  

<b>Valuation Weighted Average Capitalisation Rates:</b>	
- June 2016 % rate	7.13%
- December 2016 % rate	6.62%

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

Independent vs. Internal Valuations	A\$m
<b>Independent Values:</b>	
- Number	17
- % of portfolio by book value	27.8%
- <b>Change in Valuation (\$m)</b>	<b>62.7</b>
- Change in WACR	-0.60%
<b>Internal Values:</b>	
- Number	52
- % of portfolio by book value	65.6%
- <b>Change in Valuation (\$m)</b>	<b>106.4</b>
- Change in WACR	-0.50%
<b>Acquisitions and Disposals:</b>	
- Number of Acquired Properties	5
- Number of Disposed Properties	0
- % of portfolio by book value	6.6%
- Cost of Acquisitions (\$m)	144.3
- Consideration for Disposals (\$m)	0.0
- Valuation gain/loss on Acquisitions and Disposals (\$m)	0.0
- <b>Valuation (\$m)</b>	<b>144.3</b>
- Change in WACR	0.00%
<b>Total:</b>	
- Number of Properties	74
- <b>Change in Valuation (\$m)</b>	<b>313.4</b>
- Change in WACR	-0.51%

Our Mount Gambier Masters store was independently valued by CBRE in December 2015 at \$20.25m based on the existing lease to Masters Home Improvement Australia Pty Ltd. Discussions in relation to this store are continuing, but at present there is uncertainty as to the final outcome of those discussions. As such, pending such resolution, we have held this valuation constant.

For financial reporting purposes, the impact of these valuation increases on net tangible assets will be reduced by stamp duty paid on the acquisitions during the half year, the value of improvements made to the properties, lessor works and tenant incentives, and straight-lining.

## ENDS

*Institutional investor, analyst and media contacts:*

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