

VCX: Analyst Commentary

Vicinity Centres (VCX) continues to demonstrate resilience across its diversified retail property portfolio. Despite macroeconomic headwinds, the REIT has maintained stable occupancy rates and reported consistent foot traffic in flagship centres. Management has focused on strategic refurbishments and tenant mix optimisation, positioning VCX to capitalise on shifting consumer preferences. Leasing spreads remain slightly compressed; however, rental income is supported by long WALEs and indexed leases. Looking ahead, VCX is expected to benefit from population growth and urban regeneration initiatives in core markets. Risks include exposure to discretionary retail and potential valuation softness across retail assets as interest rates remain elevated.

DCF Summary Table

Metric	Perpetuity	EBITDA Exit
nan	Perpetuity	EBITDA exit multiple
Weighted Average Cost of Capital (WACC)	0.073	0.073
Terminal Value	18190.15891585389	18339.845660979237
Enterprise Value	15674.115456973583	15785.415887172252
Net Debt	4573.2	4573.2
Equity Value	11100.915456973584	11212.215887172253
Shares Outstanding	4563.5640300000005	4563.5640300000005
Implied Price	2.432510069760889	2.4568989968071624