

Information Memorandum
Wholesale Offer

MPG Property Income Trust

An exciting opportunity to invest in a diversified portfolio of MPG Property Trusts and ASX-listed property securities that targets regular monthly tax-advantaged income



What you need to do

1 Read

Please read this Information Memorandum carefully and in its entirety.

2 Consider

Consider all of the risk factors and other information concerning the Trust in light of your investment objectives and needs. You may also wish to consult with your financial adviser at this point.

3 Complete

Complete the Application Form attached to this Information Memorandum following the instructions set out on page 30.

4 Mail

The completed Application Form, AML checklist and Accountant's Certificate (where applicable) should be mailed to:

MPG Funds Management Ltd
PO Box 1307, Camberwell VIC 3124



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Contacting us

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Website www.mpgfm.com.au

This Information Memorandum (IM) relates to the MPG Property Income Trust (Trust) and is dated 1 September 2023. The Offer of Units pursuant to this IM is made by MPG Funds Management Ltd (MPG) (ACN 102 843 809) as Trustee of the Trust. Please read the whole of this IM in its entirety and note the investment considerations and risks as set out on page 20. MPG may update the information in this IM on its website www.mpgfm.com.au.

This Offer closes at 5.00 pm (Melbourne Time) on 30 June 2026, unless the Trustee decides to close the Offer earlier or extend it, which it may do so without notice.

The IM has been prepared by MPG Funds Management Ltd. It sets out information about the MPG Property Income Trust, upon which the recipient can base a decision as to whether to invest in the Trust. For the conditions of issue of the IM please refer to page 28 of this document.

The information given in this document is of a general nature and has been prepared without taking account of your individual investment objectives, financial situation or particular investment needs. Before making an investment decision on the basis of this IM, you should consider the appropriateness of the information, having regard to your objectives, financial situation and needs. We recommend you consult with a financial advisor, who can help you determine how best to achieve your financial goals and whether investing in the Trust is appropriate for you.

This IM can only be used by investors receiving it electronically or otherwise in Australia and New Zealand and does not constitute an offer in any other jurisdiction or to anyone whom it would not be lawful to make such an offer.

The Offer contained in this document is not made pursuant to a disclosure document that has been lodged with ASIC. ASIC takes no responsibility for the content of this document. No Offer or invitation to subscribe for interest in the Trust will be made pursuant to this IM if the Offer must be accompanied by a Product Disclosure Statement under Chapter 7 of the Corporations Act. The Trust is a managed investment scheme and is not required to be registered under Chapter 5C of the Corporations Act. The images contained in this IM may not represent assets contained in the Trust. This investment is not a bank deposit.

Key Features and Benefits of the Offer

The objective of the Trust is to provide Investors with regular monthly tax-advantaged income through an investment in a diversified portfolio of MPG Property Trusts, ASX-listed property securities and cash.

Features and Benefits

The Trust is an unlisted property unit trust that invests in unlisted property trusts managed by MPG as well as ASX-listed property securities and cash.

The targeted Asset Allocation is as follows:

Target Level	Asset Type
80-90%	Unlisted property Trusts managed by MPG
10-20%	ASX-listed securities and cash

Attractive regular tax-advantaged returns Targeted cash yield of 6 cents per unit pa¹ (6.00% pa¹ for initial \$1.00 investors) to be paid monthly. Depreciation and building allowances mean a proportion of this income will be tax-advantaged.

The Trust invests in properties across the retail (predominantly neighbourhood shopping centres and large format), government office and social infrastructure within the following ranges over the long-term:

Retail	Office	Social Infrastructure	Industrial
40-65%	5-20%	15-30%	0-5%

Experienced manager with a proven track record The Trustee, MPG Funds Management Ltd and parent entity McMullin Group have over 40 years of commercial property investment, management and development experience including 20 years dealing with retail, government office and social infrastructure investment properties.

Defined Exit Strategy The Trust has a defined exit strategy at the end of the initial 5 year term and intends to operate a Limited Withdrawal Facility on a quarterly basis under which investors may request partial unit redemptions of up to 5% of Issued Units per quarter (20% per annum). This facility is operated at the sole discretion of MPG and is subject to liquidity.

Reduced capital volatility Australian direct property has historically experienced lower volatility than listed Australian and international shares and REIT's.

Risks

The risks are typical of those that would apply to investments in real property and in units in property trusts. Key risks are outlined on page 20.

Target Investors

Wholesale Investors seeking an investment opportunity in commercial property, who typically are seeking regular monthly tax-advantaged income and who don't have the expertise, opportunity or time to undertake the investments themselves.

What else should I know?

Minimum Investment \$500,000 for wholesale investors, or \$50,000 for Professional or Sophisticated Investors with an approved Accountant's Certificate.

The Offer will close on the 30 June 2026 which can be changed without notice.

¹ Estimate only and not guaranteed to occur.

Chairman's Letter



The Trust aims to provide Investors with sustainable and stable, tax-advantaged monthly income.



Dear Investor

It gives me great pleasure to present you with this exciting opportunity to invest in the MPG Property Income Trust (Trust). The Trust will invest in a portfolio of unlisted property trusts managed by MPG, ASX listed property securities and cash. The Trust aims to provide Investors with sustainable and stable, tax-advantaged monthly income.

MPG intends to pay distributions monthly in arrears from 30 June 2023 and distributions are forecast to be 6 cents per unit pa¹ (6.00% pa¹ for initial \$1.00 investors) pro-rata for the forecast period. The Trust will have an initial five year term ending on or around the fifth anniversary of the Closing Date unless the investments are sold earlier. Where Investors decide the term of their investment in the Trust is to be extended beyond its initial five year term, the Trustee intends to implement a liquidity strategy to assist Investors wishing to realise their investment in the Trust. This will include a first right of refusal for existing investors to purchase the units of those wishing to exit at this point. The Trust also intends to operate a Limited Withdrawal Facility on a quarterly basis under which Investors may request partial unit redemptions of up to 5% of issued units per quarter (20% per annum). This Limited Withdrawal Facility is operated at the sole discretion of MPG and is subject to asset liquidity.

MPG is an experienced specialist property funds manager with a highly skilled and motivated team that extends across asset management, property management, property development and property investment. MPG and associates of the McMullin Group have over 40 years' experience in property investments, development and management.

In this document we have provided information about the Trust structure, investment considerations and risks. We encourage you to read the full Information Memorandum (IM) to better acquaint yourself with the Trust and carefully weigh the opportunities and risks which affect this investment. Potential investors with questions on how to complete the Application Form or the contents of the IM should seek advice from their professional adviser.

On behalf of the Board of Directors, I look forward to welcoming you as a Unitholder in this exciting investment opportunity.

Yours faithfully
MPG Funds Management Ltd

A handwritten signature in black ink, appearing to read 'T. Gorman', written over a light blue horizontal line.

Trevor Gorman
Chairman

Investment Overview

Key Dates	OFFER OPENS 1 September 2023	OFFER CLOSES 30 June 2026
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Item	Summary
The investment	The Trust will invest in a portfolio of unlisted property trusts managed by MPG, ASX listed property securities and cash.
Type of investment	Units in an unlisted property trust. Detailed on page 9.
Units on offer	20,000,000 Ordinary Units at the initial Application Price of \$1.00 per unit. Detailed on page 9.
Target subscription	The Trust is raising up to \$20,000,000 which is not underwritten. Detailed on page 9.
Forecast returns¹	Initial forecast return of 6 cents per unit pa ¹ (6.00% pa ¹ for initial \$1.00 investors) with a significant portion of this income being tax-advantaged.
The Tenants	The key tenants of the underlying property Trusts managed by MPG include: Bunnings, Coles, Woolworths, Australian Federal Government, various State Governments and many known ASX listed and national retailers amongst others.
Minimum investment	Minimum Investment \$500,000 for Wholesale Investors, or \$50,000 for Professional or Sophisticated Investors with an approved Accountant's Certificate, with upwards multiples of \$10,000. Detailed on page 8.
Issuer/Trustee	MPG Funds Management Ltd (ACN 102 843 809) AFSL 227114 is the Trustee and Issuer of the Units. Detailed on page 12.
Term of the Trust and Liquidity of the Units	The investment term is expected to be approximately five years from the Closing Date. In approaching the end of the five-year term, Unitholders will be given the opportunity to sell their Units or extend the term of their investment. This exit procedure will include a first right of refusal to existing investors wishing to continue their investment. The termination and windup process may take up to two years after the end date of the Initial Term. The Trustee does not expect the Trust will be liquid however does intend to operate a Limited Withdrawal Facility on a quarterly basis under which investors may request partial unit redemptions of up to 5% of Issued Units per quarter (20% per annum). This Limited Withdrawal Facility is operated at the sole discretion of MPG and is subject to asset liquidity. Unitholders will only have the right to sell any Units they buy subject to approval by the Trustee. The Units will not be listed on any stock exchange and will be redeemed or repurchased by the Trustee, at the Trustee's sole discretion. See page 9 for details on liquidity.
Distributions	The Trustee intends to pay distributions monthly in arrears from 30 June 2023. Detailed on page 10.
Entry and Exit Fees	There are no entry or exit fees. Detailed on page 18.
Management costs	Estimated Administration Expenses Ratio of no more than 0.95% plus GST per annum on a look through basis with underlying trusts managed by MPG of Gross Asset Value (estimated to consist of 0.80% management fees plus 0.15% ongoing expenses administration expenses per annum). Detailed on page 18.

¹ Estimate only and not guaranteed to occur. All areas are approximates only.

² These dates are indicative only and the Trustee reserves the right to close the Offer early or extend the Offer.

The Investment Strategy

MPG believes direct investment into commercial property plays an important role in the construction of a balanced investment portfolio, based on attractive income yield and potential for capital growth.

Investment Objective

The core investment objective is to generate regular tax-advantaged income returns from a diversified portfolio of MPG Property Trusts, ASX-listed property securities and cash that targets regular monthly tax-advantaged income.

Trust Strategy

The Trust will invest in a diversified portfolio of MPG Property Trusts, ASX-listed property securities and cash providing diversification by property, sector, geographical location and tenancy mix.

Target Portfolio Weighting

The target portfolio allocations of the Trust are as set out below.

Investment Class	Target Allocation
Property Trusts managed by MPG	80-90%
ASX-listed property securities, liquid investments and cash	10-20%

The Trustee may change these allocations in the future. While we aim for the Trust to operate within the above target ranges, factors affecting the fund or its underlying portfolio may result in investments moving outside the target allocation ranges from time to time. We intend that the Trust will hold a minimum of 10-20% of the total assets in ASX-listed property securities, liquid investments and cash to facilitate liquidity requirements and to enhance returns.

Diversification

The Trust invests in properties across the retail sector (predominantly neighbourhood shopping centres and large format), government office and social infrastructure within the following ranges over the long-term:

Retail	Office	Social Infrastructure	Industrial
40-65%	5-20%	15-30%	0-5%

The above splits describes the diversification of the underlying property trusts managed by MPG, not what this Trust will be investing in directly.

Property Trusts Managed by MPG

A benchmark allocation of 80-90% of Trust gross assets will be allocated to property trusts that are predominantly managed by MPG.



Bunnings Warehouse, Bundamba, QLD

Investment Criteria - MPG Property Trusts

1. Property Trust Managed by MPG Funds Management
2. Portfolio to consist of at least five individual holdings
3. No single holding to represent more than 30% of the MPG trust portfolio
4. Forecast distribution yield of each underlying trust to be greater than 4%
5. Consideration to be given to the targeted property sectors diversification splits as outlined in this IM.

Initial Portfolio

The targeted initial portfolio is anticipated to include the following MPG property trusts:

Trust Name	Target Allocation
MPG Essential Services Property Trust	30.0%
MPG Retail Brands Property Trust	30.0%
MPG Hardware Trust 2	22.0%
MPG BW Trust 2	15.0%
MPG KM Trust	3.0%



Seacrest Shopping Centre, Wandina WA

A description of these Trusts and other Trusts managed by MPG the may be included in the portfolio in the future may include but are not limited to the following:

Trust Name	Underlying properties contained in the Trust
MPG Essential Services Property Trust	A diversified portfolio of twenty-one essential services properties in the government and social infrastructure sectors with key tenants including: Commonwealth Government of Australia (Centrelink, Medicare, Department of Human Services, Australian Pesticides and Veterinary Medicines Authority), The State Government of Victoria (Environmental Protection Authority), Queensland Government (Queensland Police, Department of Housing, Department of Environment and Science, Department of Child Services), The Centre for Non-Violence and Think Childcare Ltd.
MPG Retail Brands Property Trust	An investment in diversified portfolio of nine retail properties in the neighbourhood shopping centre, large format retail and everyday essentials sectors with key tenants including: Coles, Woolworths, Bunnings, Kmart amongst others.
MPG Bulky Goods Retail Trust	A diversified portfolio of four quality large format retail properties tenanted by some of Australia's best known retail brands including: JB Hi-Fi, Anaconda, Fantastic Furniture, Chemist Warehouse, Nick Scali and Rebel Sport amongst others.
MPG BW Trust	An investment in two standalone Bunnings Warehouse properties located in Blacktown, NSW (17,167 sqm) and Bundaberg, QLD (18,252 sqm)
MPG BW Trust 2	An investment in a standalone 14,228 sqm Bunnings Warehouse located in Bundamba, QLD.
MPG KM Trust	An investment in a standalone 7,037sqm Kmart store with 1,089 sqm of complimentary specialty retail tenants located in Port Macquarie, NSW.
MPG BW Newstead Trust	An investment in a standalone 16,704sqm Bunnings Warehouse property located in Newstead, QLD.
MPG Hardware Trust 2	An investment in a standalone 9,512sqm Bunnings Warehouse property located in Kingston, TAS.

Upon allotment of Ordinary Units in the Trust, the Trust intends to either subscribe to a new issue of units under an offer document such as a PDS or IM for a trust on the same terms and conditions as offered to other investors or purchase residual units at the conclusion of a periodic rollover process of a trust after these units have firstly been offered to other investors for purchase.

ASX-listed property securities, liquid investments and cash

We intend to have a benchmark incidental investment allocation of 10-20% in ASX listed property securities, liquid investments and cash managed by MPG Funds Management.

Investment Criteria - ASX listed property securities

1. Property REIT listed on the ASX
2. Market Capitalisation greater than \$100 million
3. Liquidity - Total investment amount less than 7 times the average daily traded for that stock over the previous three months
4. Yield greater than 5.5% per annum

5. Target 10-12 individual holdings each representing less than 12% of the total portfolio.

Investment Approach

Our approach is to actively manage the diversified portfolio of MPG Property Trusts, ASX-listed property securities and cash assets that will be held for the medium to long term. For the underlying Trusts managed by MPG, it is our intent to continue actively managing these assets which will involve renewing current leases and targeting new tenants for any vacant space. Upgrading and refurbishing specific assets to attract and maintain occupancy and improve asset values may also be undertaken. We will work with building consultants to develop asset management plans and to identify value-add opportunities.



Chirnside Homemaker Centre, Chirnside Park VIC

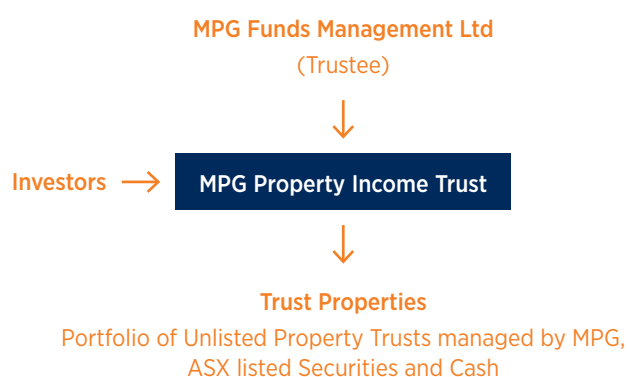


Dept. of Justice and Court Services, Shepparton VIC

Structure and operation of the Investment

Overview

The structure of the Trust is shown in the diagram below.



Introduction

The MPG Property Income Trust (Trust) has been formed for the purpose of acquiring and holding a portfolio of MPG Property Trusts, ASX-listed property securities and cash.

It is a managed investment scheme that is not required to be registered under Chapter 5C of the Corporations Act (Act) and is relieved from the disclosure requirements of the Act. MPG Funds Management Ltd (MPG) (AFSL 227114) will act as the Trustee of the Trust. The operation of the Trust and the responsibilities of the Trustee are governed by the Trust Deed, the Corporations Act and other relevant laws.

The Trust

The Trust is governed by the Trust Deed which is summarised on page 23 of this document.

Units in the Trust

You may apply for Ordinary Units in the Trust by completing the Application Form at the back of this IM and sending it to MPG. MPG reserves the right to reject your application in whole or in part without giving a reason for doing so. In this instance, MPG will return the Application Money to the applicant within twenty-one days of issuing the notice of rejection together with any accrued interest, less any taxes and bank fees in connection with the Application.

Application monies will be deposited into an interest bearing account in the name of the Trustee and the Trust.

If your application is accepted, in return for your Application Money, you will be allotted Ordinary Units in the Trust at the discretion of the Trustee, which entitle you to pro-rata distributions of the net property income of the Trust in proportion to your total unitholding.

When an Application is accepted, the number of Units issued will equal the amount received, divided by the Application Price. Application monies paid by cheque will not be processed until the cheque is cleared.

If the Application is accepted, the Trustee will allot Ordinary Units to you within 7 days of the Closing Date.

The Trustee will issue to each investor a holding statement, which will state the class and number of Units in the Trust, held by the Investor. A register of all interests will be held by the Trustee.

The Offer, Permitted Investors and Minimum Application Amounts

The Offer is a limited offer under the Corporations Act with the Trustee and is raising \$20,000,000 and Wholesale Investors are invited to invest in the Trust by subscribing for Ordinary Units. The Application Price for Ordinary Units has been set at \$1.00 per unit at the opening date and will change on a monthly basis thereafter based on the Application Price formula detailed on page 9. If there is demand for more than \$20,000,000 then Investors may be scaled back and Applications may be accepted by the Trustee in part at the discretion of the Trustee.

The Offer opens on 1 September 2023 and is anticipated to close on 30 June 2026. Units will be allotted to successful investor applications as outlined above. The Trustee reserves the right to close the Offer early or extend the Offer and there is no cooling off right for Investors. You cannot withdraw your Application once it has been received.

The Offer is one that does not require the giving of a Product Disclosure Statement under the Corporations Act and MPG can accept minimum investments of \$500,000 from wholesale investors, or \$50,000 for Professional or Sophisticated Investors with an approved Accountant's Certificate, with upwards multiples of \$10,000 in accordance with Chapter 7 of the Corporations Act.

Minimum and Maximum Subscriptions and Offer Conditions

There is no minimum subscription and the maximum amount to be raised through cash subscription by the Trust is \$20,000,000. The Offer is not underwritten. The allotment of Trust interests will proceed as soon as possible after the Subscription Period has closed.

Unit Pricing

The Application Price is currently \$1.00 per Ordinary Unit and is calculated monthly using the formula below:

Application Price =
(Net Asset Value + Buy Spread)/ Units on Issue.

Withdrawal Prices are calculated in accordance with the following formula:

Withdrawal Price =
(Net Asset Value – estimated selling costs)/ Units on Issue

Net Asset Value is represented by the Assets of the Trust (which includes all investments at valuation and financial assets such as debtors and distribution income receivable from all investments) less liabilities of the Trust, which include: borrowings, accrued costs, charges and expenses, contingent liabilities, performance and management fees provisions and unpaid distributions. Estimated selling costs are determined by the Trustee, and may include agent's commission, advertising etc.

Buy/Sell Spread

A difference will exist between the Application Price and the Withdrawal Price, which is due to transaction costs and is referred to as the Buy/Sell spread. When investors make new investments or withdrawals from the Trust, the Trust will incur some costs in buying new investments or selling investments.

So that existing investors do not continually bear these transaction costs from new investments or withdrawals, all investors pay a set amount when they transact.

The Trustee has introduced a 2% buy spread for future offers from 1 July 2024 that will apply to Application monies to reflect its estimate of the average cost of acquiring the investment in which it is mandated to invest.

Please note that any buy/sell spread is not paid to the Trustee and is paid to the Trust to ensure equality to all investors. The Trustee will review the amount of buy/sell spread from time to time to ensure fair unit pricing.

Limited Withdrawal Facility

There are no mandatory withdrawal rights offered to Investors, other than those included in the Trust Deed, which specifies that the Trustee must accept, reject or partially accept a withdrawal request only if the Trust is "liquid" as determined by the Trustee. However, as property is by its nature an illiquid asset, we do not anticipate the Trust will be "liquid" very often, if at all. Where the Trust is illiquid, withdrawals will only be available on issuance of a Withdrawal Offer by the Trustee.

MPG intends to operate a quarterly Limited Withdrawal Facility at its sole discretion, under which Investors may request redemption of part or all of their investment.

Limited Withdrawal Facility Offers are subject to available liquid assets and an aggregate cap of 5% of issued securities per quarter (20% per annum), or such other amount determined by MPG at its discretion.

A Limited Withdrawal Offer Form is available on the MPG website (www.mpgfm.com.au). Valid Limited Withdrawal Offer requests received during the quarter will be processed at the end of each quarter ending March, June, September and December. If a Limited Withdrawal Offer Form is received after the last day of the month for the previous quarter, it will be processed for the next quarter. If the total amount of withdrawal requests exceeds the amount allocated, you and each other Investor will enjoy a pro-rata entitlement to redeem your Units according to the number you have asked to redeem.

If a Limited Withdrawal Facility Offer request is not satisfied in full for a particular quarter (ie due to insufficient liquidity or where the total withdrawal requests exceeds the aggregate 5% of issued capital cap for the quarter), a new Limited Withdrawal Facility Form will be required to be completed to be considered for redemption in the following quarter.

Term and Opportunity to Sell

This investment should be viewed as a medium-term investment with an anticipated Initial Term of approximately five years from 1 July 2024.

Approximately six months prior to the end of year five, all Investors will be given the option (via a Term Extension Proposal Letter) of extending the term of the Trust for a further five year term or offering to sell their units at a price determined by the Trustee. The Term Extension Proposal Letter will also contain a copy of the most recent valuation summary and estimated forecasts to allow Investors to make an informed decision.

Investors who do not notify the Trustee that they wish to exit the investment within three months of the Term Extension Proposal Letter being made will be deemed to have elected to remain in the investment for the extended period.

In order to exercise their right to exit the investment, Investors must respond in writing before the date prescribed by the Trustee in the term extension proposal letter.

By electing to exit the investment, Investors automatically authorise the Trustee to dispose of the Investor's Units in the Trust.

The Trustee's determined price per Unit will be based on the Net Asset Value of the Trust at an independent valuation (obtained at the time by the independent valuer engaged at the Trustee's discretion) less estimated selling costs determined by the Trustee, which may include agent's commission, advertising etc.

In the first instance these Units will be offered to other existing Unitholders in the Trust in proportion to their existing unitholding and Unitholders will have 60 days to respond to this first instance offer. In the event that this first instance offer is not fully subscribed then the remaining Units will be offered as a secondary offer to existing Unitholders to apply for these remaining additional Units within 60 days on a "first come first served" basis. If the existing Unitholders decline to purchase these additional Units after the expiry of this 60 day period, then the Trustee may invite applications from other parties. Additional bank debt may also be drawn down to buyback Units of Investors wishing to exit at this point.

If the Units remain unpurchased after six months from the date of the secondary offer, then the Trustee will resolve to wind the Trust up and distribute the proceeds to Unitholders on a proportionate basis. In the event of a resolution to wind up the Trust, the Trustee has up to two years to realise the assets of the Trust.

This exit process will be repeated at the expiry of each Term Extension period up and until the termination of the Trust in accordance with the Trust Deed. Under the Trust

Deed, the Trust will terminate on the 80th anniversary of the day before the Trust commenced or in accordance with the Corporations Act or any other law or at the Trustee's discretion.

Sale or Transfer of Trust Units

The transfer of Units in the Trust must be in writing, signed by both the Transferor and the Transferee and lodged with MPG for registration. The transfer must be approved by the Trustee and the Trustee can withhold this approval for transfer at its sole discretion.

Distribution Policy and Financial Accounts

It is anticipated that distributions will be made on a monthly in arrears basis from 30 June 2023 and may be of income and/or capital in nature. The Trustee intends to distribute available net income, and return capital to investors at the expiry of the Trust term or as Trust assets are realised, however distributions are not promised or guaranteed.

The Trust will pay distributions to Investors from its cash from operations (excluding borrowings) available for distribution. This is to mitigate the risk that distributions received from unrealised gains, capital, borrowings or other support facilities may not be commercially sustainable over the longer term, particularly when property values are not increasing.

All distributions will only be paid directly into an Australian bank account or other account with a financial institution (where there is a branch in Australia). If valid bank details are not provided, the Trustee may delay processing an Applicant's application and/or an investor's distribution payment. Distributions will not be paid by cheque. The Trust does not have a distribution re-investment facility.

The Trustee anticipates that distribution payments to unitholders will contain some portion of tax deferred amounts. Tax deferred amounts arise through the different treatment of expenses and depreciation allowances on buildings and plant and equipment within a building for accounting and taxation purposes. Changes in the amount of depreciation, interest rates, the level of gearing and other risk factors may influence the actual tax-deferred amounts of a distribution. Refer to page 16 for further information regarding tax deferred distributions.

The financial reports will be available to Investors on request from late September of each year. Taxation distribution statements will be posted to all Unitholders within 90 days of the financial year end (30 June).

Gearing Policy

Whilst it is not anticipated to have any gearing at the Trust level, MPG as Trustee, for the underlying Trust's maintains and complies with a written policy that governs the level of gearing at an individual credit facility level. A higher

gearing ratio means a higher reliance on external liabilities to fund assets. This may expose the Trust to increasing funding costs, for example, if interest rates rise. A more highly geared Trust has a lower asset buffer to rely on in times of financial stress.

MPG has the power to arrange borrowings for the Trust and may at any time agree with the financier to amend the terms of a loan where it is in the best interests of the Unitholders to do so. MPG may refinance the loans at or before the repayment date and this may occur through the current financier or alternate debt provider.

Relatively short-term borrowings and credit facilities with short expiry dates are a risk factor if they are used to fund assets intended to be held long term. If a trust has a significant proportion of its borrowings that mature within a short timeframe, it will need to refinance. There is a risk that the refinancing will be on less favourable terms or not available at all. If the Trust cannot refinance, it may have to sell assets on a forced sale basis with the risk that it may realise a capital loss. Breach of loan covenants may result in penalties being applied, or the loan becoming repayable immediately and the Trust may need to refinance on less favourable terms or sell assets. Additional borrowings are permitted under the Trust Deed to fund any capital expenditure.

MPG does not intend to have any borrowings at the Trust level however the underlying investments that the Trust invests in may have some gearing and the look through gearing ratio (calculated on the basis of total interest bearing liabilities/total assets) of the Trust will not exceed 55%.

All bank loans for investment Trusts managed by MPG and owned by the Trust will be on a limited recourse basis which means that if default occurs under a loan then recourse will generally be limited to the property to which the loan relates and Unitholders and the Trustee will have no further liability.

Where appropriate the Trustee may enter into suitable hedging arrangements at the investment Trust level, to protect the Trust's exposure to interest rate movements. For these investment Trusts, the Trustee intends to enter into a fixed forward rate or extend its existing agreement with the debt financier to fully hedge the market base rate for a period of three years.

Interest Cover Policy

MPG maintains and complies with a written policy for the Trust and investment trusts managed by MPG that governs the level of interest cover at an individual credit facility level.

The interest cover ratio (ICR) for an underlying property trust is generally calculated by dividing the Trust's earnings before interest, tax, depreciation and amortisation

(EBITDA) excluding any unrealised gains or losses, by the Trust's interest expense for the relevant period. An ICR is a measure of how many times loan interest is covered by the EBITDA. An underlying property trust's ICR is an indicator of financial health. The lower the interest cover, the higher the risk that the Trust will not be able to meet its interest payments.

Typically loan facilities obtained by the Trust and Investment Trusts managed by MPG will include debt covenants however in some cases loan facilities may include the ability to capitalise interest payments into the loan facility. Interest cover covenants for Investment Trusts managed by MPG are typically around 2.0 times earnings from the asset.

Valuation Policy

MPG maintains and complies with a written valuation policy in relation to the assets of the Trust.

It is the Trustee's policy to have the Trust's assets valued in accordance with Australian Accounting Standards and as required under the Trust Deed and the Corporations Act. Independent valuations for Investment Trusts managed by MPG will be performed before a property is purchased or sold on an "as is" and "as if complete" basis or within two months after the Directors form a view that there is a likelihood that there has been a material change in the value of the property.

Where required valuations will be performed on an annual basis and this will include either internal Directors' valuations or external independent valuations. External valuations will be performed by valuers who are registered under a Federal or State registration scheme and valuations will comply with relevant industry codes and standards. Where external valuations are conducted, such valuations will be obtained at intervals of not more than three years. Any conflicts of interest that may arise in relation to a valuation will be referred to MPG's compliance officer. MPG considers such a policy will ensure the reliability of valuations and mitigate the risks that an asset will return the valuation amount when it is sold, or loan covenants may be breached.

Related Party Transactions Policy

MPG maintains and complies with a written policy for the Trust on related party transactions, including the assessment and approval processes for such transactions and arrangements to manage and monitor the risks of conflicts of interest. MPG's paramount duty is to act in the best interests of Unitholders in the Trust.

In summary, it is MPG's policy that companies associated with MPG that are appointed to perform services for the Trust are engaged on an arm's length basis and on normal commercial terms and conditions. A summary of these engagements are included on page 25.

About MPG

MPG Funds Management

MPG Funds Management Ltd (ACN 102 843 809) (MPG) was established in December 2002 as a specialist property funds manager and currently has funds under management in excess of \$1.1 Billion.

MPG is an unlisted public company that holds an Australian Financial Services Licence (AFSL 227114) to act as a trustee for managed investments schemes and is owned by interests associated with the McMullin Group.

MPG aims to provide its investors with property investment opportunities that offer the potential for reliable income returns, capital growth and taxation benefits. MPG prides itself on its ability to source high quality properties, its experienced personnel, its innovative strategies and the strength of its developed networks.

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MPG is the Trustee of the Trust and governs it in accordance with the Trust Deed. MPG is responsible for the application and redemption of Units, valuation and management of Trust assets, administration and payment of income distributions from the Trust. MPG has also undertaken preliminary work to set up this trust structure including preparation of this IM, undertaking acquisition due diligence, organising the preparation of legal documentation, applications for banking finance as well as other administrative tasks.

MPG currently is the trustee for thirteen other direct property funds and has developed an outstanding track record in the business of property trusts and managing property assets.

In 2020 and 2008, MPG was named as one of the fastest growing Australian company in the BRW Fast 100 Awards. In 2007, MPG was named as the tenth “Fastest of the Fast” growing companies in BRW magazine’s “Fast Starters” edition.

In 2013, MPG was the winner of the IAIR Award for Excellence in Property Investment Management/Boutique in Australia.



Chirnside Homemaker Centre, Chirnside Park VIC - A property held in the MPG Bulky Goods Retail Trust

Directors and Key Personnel

The Directors of MPG Funds Management include:



Trevor Gorman
Chairman

FCA, Grad Dip Bus Admin

Trevor has significant commercial experience gained over the past 30 years including over 19 years' experience as a partner of Big 4 accounting firm Deloitte Touche Tohmatsu where he held the position of Managing Partner of the Victorian Growth Solutions Division and had a significant number of property industry clients. He is currently Chairman of MPG Funds Management and oversees net assets in excess of \$1.1 billion. He is a Fellow of the Institute of Chartered Accountants.



Ian McMullin
Non-Executive Director

Ian has significant property development, strategic management and investment expertise developed in a variety of industry sectors including commercial, residential and aged care. Ian is currently the Managing Director at McMullin and other associated companies and has held a variety of senior management roles including positions at Spotless Group, an ASX-listed company, and as Director of Operations at Compass Group Australia. Ian is also a former Board Member of the Collingwood Football Club.



Brett Gorman
Director/Secretary

**CA, F.FIN, B.Comm,
Grad Dip App Fin & Invest**

Brett is a Chartered Accountant and Licensed Real Estate Agent and has significant experience gained in establishing and operating managed investment schemes. Prior to working with MPG, Brett held positions with Deloitte Touche Tohmatsu in the Corporate Finance, Audit and Growth Solutions divisions. He holds a Graduate Diploma in Applied Finance and Investment and Bachelor of Commerce. He is a Fellow of the Financial Services Institute of Australia, a Registered Tax Agent and is a holder of a Public Practice Certificate.

Property Experience

MPG has gained significant property experience over the past 40 years including: property development, property investment and property management.

Year	Description of involvement	Property Development	Property Investment	Property Management
Bunnings Corio, VIC				
1993 - 2011	Ownership, property management and extensions of the property until sold in 2011.	✓	✓	✓
Chirnside Homemaker Centre, VIC				
2005 - present	13,752 sqm NLA & consists of 11 tenancies including: JB Hi-Fi, Rebel Sports and The Good Guys	✓	✓	✓
Mildura Homemaker Centre, VIC				
2006 - present	17,343 sqm NLA & consists of 14 tenancies including: Harris Scarfe, Chemist Warehouse, Rebel Sports	✓	✓	✓
HomeCentral Warrnambool, VIC				
2007 - present	13,355 sqm NLA & 5 tenancies including: Bunnings, Rebel Sports, Petstock, Lincraft and Forty Winks	✓	✓	✓
Village Lakeside Shopping Centre Pakenham, VIC				
2004 - present	3,571 sqm NLA & consists of 12 tenancies including: Coles, Brumby's and The Bottle-O		✓	✓
Bunnings Trade Centre Pakenham, VIC				
2007 - 2009	Development, ownership and property management until sold in 2009	✓	✓	✓
Bunnings Wonthaggi, VIC				
2009 - present	4,983 sqm Bunnings Warehouse facility	✓	✓	✓
Target Kadina, SA				
2006 - present	3,306 sqm NLA Target store		✓	✓
Bunnings Mt Gambier, SA				
2009 - 2013	Ownership and property management until sold in 2013		✓	✓
Village Travel Centre, Chinchilla, QLD				
2014 - present	1,379 sqm NLA with tenants including: Caltex, Coffee Club, Subway, KFC & Bottlemart		✓	✓
Bunnings Bundaberg, QLD				
2014 - present	18,282 sqm Bunnings Warehouse facility	✓	✓	✓

Year	Description of involvement	Property Development	Property Investment	Property Management
Bunnings Blacktown, NSW				
2014 - present	16,800 sqm Bunnings Warehouse facility	✓	✓	✓
Bunnings Bundamba, QLD				
2015 - present	14,228 sqm Bunnings Warehouse facility	✓	✓	✓
Seaford Meadows Shopping Centre, SA				
2015 - present	5,305 sqm NLA shopping centre with tenants including Bunnings, Chemist Warehouse and The Reject Shop		✓	✓
Kmart Port Macquarie, NSW				
2016 - present	7,037 sqm Kmart with complementary specialties	✓	✓	✓
Bunnings Kingston, TAS				
2016 - present	16,800 sqm Bunnings Warehouse facility	✓	✓	✓
Coles Moss Vale, NSW				
2016 - present	2,500 sqm Coles supermarket		✓	✓
Rocks Central Shopping Centre, NSW				
2016 - present	4,547 sqm NLA shopping centre with tenants including Coles, Liquorland and The Reject Shop		✓	✓
Beaudesert Central Shopping Centre, QLD				
2017 - present	4,474 sqm NLA shopping centre with tenants including Bunnings, Amcal, Specsavers and Subway		✓	✓
Bunnings Newstead, QLD				
2017 - present	18,386 sqm Bunnings Warehouse facility with complementary specialties	✓	✓	✓
Tweed Hub, NSW				
2018 - present	9,757 sqm convenience retail centre featuring 18 convenience, large format and service based retailers		✓	✓
Bunnings Port Macquarie, NSW				
2018-present	18,400 sqm Bunnings Warehouse plus 2,400 in additional large format tenancies	✓	✓	✓
Seacrest Shopping Centre, WA				
2018 - present	4,640 sqm NLA neighbourhood shopping centre with tenants including Bunnings and 8 specialty tenants		✓	✓
Regional Cities Property Portfolio				
2018 - present	Centrelink: Echuca, Maryborough, Hervey Bay & Newcastle. Childcare: Geelong. Offices: Traralgon & Bendigo		✓	✓

Taxation Considerations

The following summary of taxation matters is a general guide that outlines the key taxation implications applicable to the Trust and resident Investors who are not considered to be trading in investments for tax purposes. The summary is based on the taxation laws as at the date of this IM.

The tax laws are subject to continual change, and as the tax treatment applicable to particular Investors may differ, it is recommended that all Investors seek their own professional advice on the taxation implications before investing in the Trust.

Applicable Taxation Law

The forecasts are based on existing Australian Taxation laws and announcements as at the date of the IM.

Taxation of the Trust

The Trust should be treated as an Australian Resident for taxation purposes, therefore, the Trust is required to determine its net income (taxable income) for the year of income. On the basis that Investors are presently entitled (as required under the Trust Deed) to the net income of the Trust, pursuant to the existing income tax legislation, the Trust should not be subject to Australian income tax in its own right. It is the Trustee's opinion that the Trust is not a "public Trading Trust" as it carries on an eligible investment business of investing in land for the primary purpose of deriving rental income.

Taxation of Distributions

Investors should have a present entitlement to all of the distributable income of the Trust. Distributions received by Investors representing the Investor's share of taxable income of the Trust, including amounts that are received in a subsequent year of income or which are reinvested, will be taxable in the hands of each Investor. The portion of distribution that is tax-advantaged generally does not attract income tax in the year in which the distribution is made. Examples of tax-advantaged amounts include distributions comprising amounts attributable to deductions for capital allowances. Although the receipt of tax-advantaged amounts is generally not subject to tax, the receipt of these amounts may have capital gains tax consequences.

Broadly, the receipt of tax-advantaged distributions may reduce the cost base and reduced cost base of the Investor's investment in the Trust. The impact of the reduction to the cost base and reduced cost base may result in either an increased capital gain or a reduced capital loss on the subsequent disposal of the investment in the Trust.

Capital Allowances

Taxation allowances for depreciation of plant and equipment and capital allowances on buildings are based on reports prepared by Independent Depreciation Consultants. If the Trust disposes of an item of plant and equipment and the deemed disposal proceed exceeds its written down value, then the excess (known as a balancing adjustment) will be included in the calculation of taxable income of the Trust. Conversely, where the amount received is less than the written down value, the Trust will be able to offset this balancing adjustment against other assessable income of the Trust.

Close of the Trust

It is the view of the Trustee that the market value of the depreciable items of plant and equipment at the time of the sale will be equivalent to the written down value in the book of the Trust and on this basis there will be no balancing adjustment for the purposes of Income Tax. Capital gains tax will apply to the sale of the property and the close of the Trust.

Capital Gains Tax

If an investor's share of the net income of the Trust includes an amount that consists of discount capital gains derived by the Trust, the Investor needs to first "gross up" the discount capital gain (by the amount of any reduction in the capital gain that the Trust obtained). However, individual, some trusts and complying superannuation fund Investors may then be entitled, in determining the net capital gain that is to be included in their assessable income, to the discount capital gain concessions. Furthermore, Investors may be able to offset certain other capital losses they may have against their share of the capital gains included in the net income of the Trust (after grossing up any discount capital gains).

Investors may also be liable for Capital Gains Tax on the disposal of their Units in the Trust. A capital gain will arise if the amount received by the Investor exceeds the Investor's cost base. Investors who have held their Units for at least 12 months will be entitled to reduce the taxable gain (i.e. the amount of the gain reduced by any capital losses available to the investor) by: 50% for Investors who are individuals and 33.33% for Investors who are complying superannuation funds. No CGT discount is currently available to companies.

Goods and Services Tax Implications for Investors

The issue of Units by the Trust is a financial supply and is not subject to GST. Additionally, the acquisition of the Units by you may give rise to a deemed financial supply by you. This may impact on your own recovery of GST on costs. You should therefore seek independent advice on this matter. Distributions are not regarded as consideration for supplies by Investors for GST purposes and are therefore not subject to GST.

Trust Loss Provisions

In the event that the Trust incurs a loss of a revenue nature, these losses will remain in the Trust and cannot be allocated to Investors. The Trust may however take these losses into account when determining net income of future years, provided that the trust loss provisions are satisfied. The relevant Trust Loss rules for carrying forward revenue losses include a continuity of more than 50% of the ownership interest in the Trust. The Trustee notes that the financial forecasts assume that the Trust will not incur tax losses.

Pay As You Go Withholding

The collection of investor's Tax File Numbers is authorised and their use is strictly regulated by Law. Where an Investor does not quote their Tax File Number or claim an exemption, the Trustee is required to deduct tax from their distribution at the highest marginal rate (currently 45%) plus the Medicare levy (2.0%).

Withholding from “closely held trust” distributions

If the Trust is characterised as a “closely held trust”, the Trustee will be required to comply with special reporting requirements imposed under Australian Taxation Laws. An Investor that is a Trustee of a trust, must disclose this information to the Trustee so that it can meet these reporting requirements. If this information is not provided, distributions to the particular Investor will be taxed at the top marginal tax rate plus Medicare levy. A trust will be “closely held” where an individual has, or up to 20 individuals have between them, directly or indirectly, and for their own benefit, fixed entitlements to 75% or greater share of the income or capital of the Trust. The Trustee expects the Trust will be “closely held”.

Non-resident Investors

An Investor that quotes an overseas address will be treated by the Trust as a non-resident for Australian Taxation purposes. Trust distributions made to non-resident Investors may be subject to withholding tax and non-resident income tax deductions.

Information for your Income Tax Return

The Trustee will provide each Investor with a tax statement containing information required to complete the Investor's tax return within three months of year end.



Dept. of Justice and Court Services, Shepparton VIC - A property held in the MPG Essential Services Property Trust

Fees and other costs

Did you know?

Small differences in both investment performance and fees and costs have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of an investment in a fund, rather than 1%, could reduce that investment's final return by up to 20% over a 30-year period (for example reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

To find out more

If you would like to find out more, or see the impact of the fees based on your circumstances, the Australian Securities and Investment Commission (ASIC) website (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options.

The table below shows fees and other costs that you may be charged as a Unitholder in the Trust. All fees and costs are deducted from the Trust's funds prior to distribution to Unitholders or from the fund assets as a whole. Fees are shown exclusive of GST, reduced input tax credits and stamp duty (if applicable). You should read all of the information about fees and charges, as it is important to understand their impact on your investment in this Trust.

Type of fee or cost	Amount (No contribution fees are payable)	How and when paid
Fees when your money moves in or out of the fund		
Entry fee: The fee to open your investment	Nil	Not applicable
Contribution fee: The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee: The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee: The fee to close your investment	Nil	Not applicable
Management costs The fees and costs for managing your investment		
Management fee¹	Estimated at 0.95% per annum of the Gross Asset Value (GAV) of the Trust, comprising: Base management fee ¹ of 0.80% per annum of the GAV; and Ongoing costs and expenses ² , estimated to be 0.15% per annum of the GAV.	The fee is accrued and payable monthly in arrears and is deducted directly from the Trust's assets as incurred.
Service fees		
Switching fee: The fee for changing investment options	Nil	Not applicable

¹ This management fee is charged as set out in the Trust Deed. This fee may include an amount payable to an adviser (see Additional Explanation of Fees and Costs), which is paid by MPG and is not an additional amount paid by you. The Trustee (or an associate of it) may carry out functions and roles that may be carried out by external parties (e.g. leasing, property management, development management, capital raising, underwriting, accounting, registry, finance procurement etc). If this occurs, the Trustee (or any associate of it) is entitled to charge fees in respect of such services and work of this nature at the rate normally charged. This fee may be deferred and recouped in future periods. In respect of underlying property Trusts managed by MPG, the ongoing Management Fee will be reduced such that the total fee charged on a look-through basis does not exceed 0.80% of the GAV to ensure that there is no double charging of fees.

² Costs and expenses include: accounting, valuation, administration, reporting, printing, custodian, compliance committee, audit, compliance and other costs.

Example of Annual Fees and Costs

The table below provides an example of how the fees and costs for the Trust can affect your investment over a one-year period. You should use this to compare the Trust with other managed investment products. The fees are shown excluding GST.

Example	Fee basis	Balance of \$500,000 ¹
Contribution fees	Nil	You will not be charged a contribution fee.
PLUS Management costs	Up to 0.95% pa of the Trust's GAV comprising: 0.80% per annum of Trust GAV for the base management fee; plus 0.15% per annum of Trust GAV for ongoing costs and expenses	For every \$500,000 of equity you have in the Trust, the Trust will be charged approximately \$4,750 each year.
EQUALS cost of fund	0.95% pa of the Trust's GAV	If you have an investment of \$500,000 and if all the above fees were incurred, the Trust would be charged costs and fees of approximately \$4,750. ^{2, 3, 4}

¹ No contributions to the Trust can be made during the year, so this is not illustrated.

² The minimum investment for the Trust is \$500,000. Additional fees may apply in a given year as outlined in the table below. The Disposal Fee has been waived for the duration of the Trust.

³ This calculation assumes the Trust has no gearing.

⁴ This does not include any additional fees or expenses your adviser may charge you.

Explanation of fees and other costs

Under the Trust Deed, the Trustee is entitled to the base management fee as outlined on page 24 as well as the following additional fees as outlined in the table below.

Additional Service Fees	Amount (No contribution fees are payable)	How and when paid
Replacement Fee: In the event that the Trustee is replaced as the Trustee of the Trust.	A fee of 2.00% (plus GST) of the value of the Gross Asset Value of the Trust is payable to the Trustee.	Payable in the event that the Trustee retires or is replaced as Trustee of the Trust. This fee is not payable in the event of insolvency of the Trustee.
Performance Fee:	25% of the outperformance over a 10% internal rate of return per annum. This internal rate of return figure above is not an indication of future trust performance expectations.	Payable at the end of each 5 year period up to the next Trust Term.
Unit Transfer Fee:	Flat fee of \$110 (inc GST) on transfer of units	Payable by the transferror to MPG on the transfer of units.
Other expenses: The fees incurred for the operating expenses and reimbursements.	Ongoing expenses relating to the proper performance of the Trustee's duties for the Trust.	Reimbursable and payable to the Trustee when incurred.

¹ The Trustee may accept lower fees than it is entitled to receive under this Trust Deed, or may defer payment for any period. Where payment is deferred, the fee accrues daily until paid.

² The Trustee may also seek services for the Trust from service providers which may be related parties. The fees for these services will be charged on normal terms and conditions in accordance with the related party policy of MPG.

Investment Risks and Considerations

As with all investments, an investment in the Trust will be subject to risks, some of which are outside the control of the Trustee. Before deciding to invest in the Trust, you should consider your attitude towards the following key potential risks.

Property Risks

	Potential Consequences	Active Risk Management Measure
<p>Risks associated with property investment include the following:</p> <ul style="list-style-type: none"> • Tenant vacancy • Operating expense increases • Tenant performance of default 	<p>Investor returns may be adversely impacted by any of these property investment risks.</p> <p>In particular if there is ongoing tenant default, the income may not be sufficient to meet interest payments under the loan conditions. If there is default in such payment, the financier may be entitled to enforce its security against the property. In these circumstances the Trust would be wound up.</p>	<p>The underlying property trusts managed by MPG have quality key tenants such as: Coles, Woolworths, Bunnings and the Federal and State Governments, which under lease agreements provide for a significant proportion of Trust income.</p>
<p>The value of investment property is to a large extent dependent on the leases in place. Trust income is wholly dependent upon the tenants of the property abiding by the terms and conditions of the leases.</p>	<p>If a tenant fails to pay rent due under a lease, the income may not be sufficient to meet interest payments under the loan conditions. If there is default in such payment, the financier may be entitled to enforce its security against the property.</p>	<p>MPG considers the key tenants listed above, to be quality tenants and is unlikely to default on its lease obligations.</p>
<p>Investments in properties are by their nature a speculative investment and no guarantee is or can be given that there will be a capital gain arising out of the investment in the Trust.</p>	<p>Due to the speculative nature of property investment, there is no guarantee of any future capital gain on the sale of the property.</p>	<p>MPG has chosen properties in the underlying Trusts in a location with growing demand and with a quality tenant to improve the potential for capital gain.</p>
<p>Contamination or other environmental issues that have not been previously identified may affect this property.</p>	<p>This may result in additional cost to the Trust and reduce investment returns.</p>	<p>Independent experts have undertaken soil and contamination assessments of assets contained in the underlying investments.</p> <p>The Trust itself will not be undertaking any activities likely to cause contamination.</p>

Financial Risks

	Potential Consequences	Active Risk Management Measure
<p>Leverage Risk - Borrowings of the Trust increase the potential for reward, but also increases the risk attributable to Investors.</p>	<p>Any rise or fall in property values has a corresponding disproportionate effect on that equity.</p>	<p>Whilst there are no anticipated borrowings at the Trust level, the underlying investment Trusts managed by MPG have a secured borrowing ratio of the property has been set by MPG at a level of up to 55% that we believe balances the appropriate level of risk and return.</p>
<p>Valuation Risk- The valuation obtained may not represent the price that could be achieved if the assets were sold. There is also a risk that property values decline.</p>	<p>Property values decline which reduces the NTA backing as well as a potential decrease in Trust income</p>	<p>For the underlying Trusts managed by MPG, Independent Valuers will be appointed to value the properties on a periodical basis at least once every three years with a Directors valuation in between.</p>

Financial Risks Continued

	Potential Consequences	Active Risk Management Measure
<p>There is no guarantee that MPG will be able to obtain or refinance the loans or achieve the desired level of hedging. Furthermore if the loan is refinanced the applicable interest rate base may be higher than anticipated resulting in reduced returns to Investors.</p> <p>Non-compliance with covenants under the loan agreements may result in penalty interest or the premature call in of the loan.</p> <p>There also may be changes in interest rates which may affect returns on Ordinary Units.</p>	<p>Any interest rate increase is likely to reduce the rate of return on your investment. Any significant interest rate fluctuation on the unhedged portion of the loan may adversely affect returns to Investors. Additional costs may be payable by the Trust, penalty interest or premature call up of the loan. Returns on cash amounts held by the Trust are exposed to fluctuations in short term interest rates.</p> <p>If the Trust is unable to obtain or refinance its loans, the assets may need to be realised to pay debts due and the Trust may be wound up.</p>	<p>For the underlying Trusts managed by MPG, MPG aims to monitor all banking covenants on a periodic basis to ensure compliance with the loan terms.</p> <p>MPG also reviews interest rates on the loans on a periodic basis and will look to enter into suitable hedging arrangements to mitigate the impact of interest rate changes. MPG also aims to maintain a good relationship with the lending institution.</p>
<p>Generally, the more diversified a portfolio, the lower the impact that an adverse event affecting one property or lease will have.</p>	<p>If any key tenant is unable to meet its lease obligations as a key tenant this will impact returns on the Trust.</p>	<p>The Trust contains investments in an underlying portfolio of Trusts that have a broad geographic diversification in all States of Australia.</p>



Seacrest Shopping Centre, Wandina WA - A property held in the MPG Retail Brands Property Trust

General and Economic Risks

	Potential Consequences	Active Risk Management Measure
<p>It is possible that the value of the Fund's investments would be adversely influenced by the following factors:</p> <ul style="list-style-type: none"> • A downturn in the Australian property market; • Interest rate fluctuations beyond the interest rates contained in the forecasts; • The passing of statutes, regulations and government policy adversely affecting the value of the property or the taxation or structure of Fund; • Economic downturn; • Social and technological change; or • Force Majeure e.g. Natural disasters. 	<p>The value of the assets of the Trust (and your investment) may be detrimentally affected by any of these factors.</p>	<p>Such events are outside the control of MPG however the impact of such factors may be mitigated by the Trust's investment strategy of selecting quality property and holding these investments over the longer term to smooth the impact of such events. All property is also insured for replacement cost in the event of structural damage.</p>
<p>Limited Liquidity – The investment in Ordinary Units under this IM should be considered as medium term. The Ordinary Units offered under this IM are likely to be illiquid investments during their Initial Term and there may not be a secondary market. There is no obligation on MPG to purchase or redeem the Ordinary Units and there is no cooling-off period. There is a risk that the Trust may not be able to provide the intended level of liquidity for Unitholders if there are insufficient liquid assets available, where market conditions dictate that it is not practical to do so or such a facility is not considered to be in the best interests of continuing investors.</p>	<p>Due to the illiquid nature of the investment in Ordinary Units you may not be able to exit the Trust until expiry of the term. The Trustee may exercise its discretion for Withdrawal Offer facility to be canceled, deferred, scaled back, which may result of investors remaining in the Trust longer than desired.</p>	<p>The Trust has a defined exit strategy for Investors at the end of the Initial Term and also intends to offer a Limited Withdrawal Facility as outlined on page 9. If an investor wishes to exit before this time, MPG will endeavour to find buyers on your behalf should you wish to sell your interest, however, it is under no obligation to do so. The investment opportunity should only be considered by investors that are comfortable with this lack of liquidity.</p>
<p>The effects of taxation on Investors can be complex and may change over time.</p>	<p>Investors should seek professional tax advice in relation to their own position.</p>	<p>We suggest that you seek the advice of your tax adviser on a periodic basis to stay abreast of the effects of taxation.</p>
<p>Investors' interest in the Trust may be diluted by future capital raisings by MPG on behalf of the Trust. MPG may issue Units to finance future acquisitions or may receive Units in lieu of a management fee, which may dilute the value of a Unitholder's interest in the Trust.</p>	<p>Potential for dilution of equity stake in the Trust upon the issue of new Units.</p>	<p>It is MPG's intention to treat all investors equally and in the event that a future capital raising is required, all investors will be invited to participate on a pro-rata basis in proportion to their unitholding to minimise the impact of dilution.</p>
<p>In the ordinary course of operations, the Trust may be involved in disputes and possible litigation such as tenancy disputes, native title claims, environmental, occupational health and safety or third party losses etc.</p>	<p>It is possible that a material or costly dispute or litigation could affect the value of the assets or expected income of the Trust.</p>	<p>It is MPG's policy to actively manage any disputes to endeavour to ensure that there will be no material loss to the assets of the Trust.</p>
<p>A service provider, including any related party of MPG and the Trustee, may default in the performance of its services to the Trust.</p>	<p>Enforcement of the contractual arrangements with the service provider and replacement of services may result in additional cost to the Trust and reduce investment returns.</p>	<p>As part of its due diligence process, MPG will make sufficient enquiries as to the suitability of a service provider, including any related party of MPG, and enter into a formal contract with them.</p>

Contract Summaries and Other Information

Trust Deed

The Trust is governed by a Deed and the statements in this IM only provide a summary of some of the provisions of the Trust Deed.

Investors may inspect a copy of the Trust Deed at our Registered Office at any time between 9.00am and 5.00 pm (EST) Monday to Friday (excluding Public Holidays), see contact details on page 57. The Trustee may change the Trust Deed by deed and in accordance with the Corporations Act however the consent of Investors must be gained if the Trustee believes that such a change will materially affect investor rights.

Management

MPG is expressly appointed Trustee of the Trust. The Trustee has the powers and duties set out in the Trust Deed (summarised below).

The Trustee has the exclusive control and supervision of the property unless otherwise expressly provided in this IM or the Trust Deed, and for that purpose has possession but not ownership of the property and assets of the Trust. The Trustee must act in accordance with the Corporations Act 2001 and the Trust Deed at all times.

The Trustee is authorised to transact on behalf of the Trust in relation to completing and maintaining, (or refinancing), a loan facility or any other type of financing facility and giving a first ranking mortgage over the property and the rental income from the property. The Trustee may appoint agents and delegate some of its functions.

Units

The Trustee may create and issue different classes of Units at its sole discretion. The Trustee may also decide to issue partly paid units. At the date of this IM it is the intention of the Trustee that only Ordinary Units be issued however this intention may change in future years.

Members may transfer Units in the form approved by the Trustee with the transfer not effective until registered by the Trustee who may refuse to transfer any interest without giving any reason for the refusal.

Unitholder Restrictions

A Unitholder and its associates are not entitled to hold more than 20% of the Trust at any time without the prior written approval of the Trustee. The Trustee in its absolute discretion and without liability may decline to issue, or to register any transfer of Units, if in the opinion of the Trustee this would cause a Unitholder to hold or control more than 20% of the Trust.

Investors who acquire, or may have acquired an interest in excess of 20% of the Trust must immediately inform the Trustee. If acquired without written approval of the Trustee, the Trustee by written notice may suspend the voting rights attaching to all or any of the Investor's Units. The Trustee may in such event also direct a Unitholder to divest some or all of its Units, and if the Unitholder fails to comply with its direction, the Trustee may dispose or cancel some or all of the Units of that Unitholder to reduce that Unitholder's holdings or control below 20%. In the event that Units are forfeited, the Trustee must pay to the Unitholder the amount derived by dividing the Net Asset Value minus the Trustee's estimate of total costs the Trust would incur to sell the Trust's assets by the number of Units on the forfeiture date.

Applications

The Application Price per Unit is initially \$1 per unit and then calculated monthly in accordance with the Application Price Formula as outlined on page 9. Each Application must be made in the form approved by the Trustee and the Trustee may reject an Application without giving a reason for doing so and has the power to set minimum application amounts.

Redemption

When the Trust is not liquid, a Unit carries no right of redemption unless the Trustee in its absolute discretion notifies the Unitholders in writing that they may redeem their Units. The Trustee is under no obligation to make a Withdrawal Offer. The Trustee expects that the Trust will be illiquid for the length of the Term.

When the Trust is liquid, a member may make a withdrawal request. A member may not withdraw a redemption request unless the Trustee agrees.

Whenever a Member redeems Units, the Trustee may deduct sums owed by the Unitholder prior to paying redemption money.

Valuation

The Trustee may cause an asset to be revalued at any time and must do so as required under the Corporations Act. The Units in the Trust are to be valued monthly based on the monthly NTA or share price of each underlying investment. For properties contained in the underlying trusts, the Trustee is required to value the assets by a Certified Practising Valuer at least once every three years with a Director's valuation in between on at least an annual basis. And such valuer cannot be used for more than two consecutive valuations.

Income and Distributions

The Trustee will determine the net and distributable income for the Trust each quarter and set aside the net income of the Trust for the benefit of members registered at the calculation date in proportion to their unitholding. Income distributions will be paid to members within 45 days after the distribution calculation date. The Trustee may also elect to distribute capital from the Trust at its sole discretion.

Powers of the Trustee

Subject to the Trust Deed of the Trust, the Trustee has all powers in respect of the Trust that is possible under the law as though it was the owner of the assets and acting in its personal capacity. Such powers include borrowing powers that allow the Trustee to borrow, raise money, grant security and incur liabilities provided such borrowing does not exceed 70% of the Gross Asset Value of the Trust. It also has investment powers that allow it to dispose with property and rights in its absolute discretion. The Trustee also has the power of delegation, which may include an Associate. The Trustee may seek directions from members from time to time.

Retirement of the Trustee

The Trustee may retire on one month's notice to members and may appoint another person to be the Trustee. At the time of retirement it is released from all obligations of the Trust. The Trustee not being insolvent and subject to approval required by law, is entitled to receive a benefit of up to 2% of the value of the Gross Asset Value of the Trust and is not required to account to members for such benefit.

Removal of Trustee

Subject to the Corporations Act, the Trustee may be removed if a resolution is approved by Unitholders entitled to vote and together hold more than 75% of all Units on issue of the Trust.

Notices

Notices to members are required to be in writing. Notices by members to the Trustee must also be in writing which is effective from the time of receipt.

Meetings

The Trustee may at any time convene a meeting of members and must do so if required under the Corporations Act by giving at least ten days' notice. A member or members with at least 20% of the votes that may be cast on the Resolution may request that the Trustee call and arrange a meeting and the Trustee must comply with such a request. The quorum for a meeting is two members or by proxy together holding at least 10% of all Units. The Trustee may appoint a Chairman and decide on the location and manner under which the meeting is conducted. Voting is by show of hands and on a poll one vote per registered unit held by the member. A member may be represented at a meeting by a proxy.

Rights and Liabilities of the Trustee

The Trustee may hold Units in the Trust and deal with itself in any capacity subject to Corporations Act requirements. The Trustee may rely on the advice of experts. The Trustee is entitled to be indemnified out of the assets of the Trust for any liability incurred by it in properly performing or exercising any of its powers or duties in relation to the Trust.

Liability of Members

Generally the liability of a member is limited to the amount, which remains unpaid in relation to the member's subscription for their Units. The recourse of the Trustee and any creditor is limited to its assets. A member must not interfere with any rights or powers of the Trustee under the Trust Deed

Remuneration of the Trustee

The Trustee is entitled to the following fees:

1. Management fee of up to 0.95% plus GST per annum of the Gross Asset Value of the Trust payable monthly in arrears;
2. Performance fee of 25% of the outperformance over a 10% internal rate of return per annum payable at the end of each five-year term of the Trust;
3. Trustee Replacement Fee of 2.0% plus GST of total assets in the event that the Trustee is replaced;
4. Unit Transfer Fee of \$110 payable to MPG on the transfer of Units; and
5. Reimbursement of expenses incurred in connection with the Trust.

The Trustee may defer the payment of any fees for recoupment in future periods or elect to be issued Units in lieu of cash payment.

Procedure on Termination

Following termination the Trustee must realise the assets within two years of the termination date if practical. The net proceeds after making allowance for all liabilities and meeting all expenses must be distributed pro-rata to members according to the number of Units they hold.

Complaints

If a member has a complaint they must in the first instance contact the Complaints Officer at MPG Funds Management Ltd in writing. Further details of our complaints and dispute resolution process are on page 25.

Experts and consents

Parties named in this IM have given and have not, before the release of the IM, withdrawn their consent to be named in this IM with the information and references to their names included in the form and context in which they appear. The parties listed below have relied upon MPG and make no representation to the truth and accuracy of the contents of this IM. The parties listed below have not authorised or caused the issue of this IM. No person named

in this IM who has performed the work of a professional, advisory or other capacity in connection with the preparation of this IM, nor any firm of which such person is a partner or director, has or has had at any time during the two-year period prior to the date of this IM, had an interest in the formation or promotion of the Trust.'

Interests of MPG and Directors

No director of MPG, or a firm of which a director is a partner or director, has an interest in the formation or promotion of the Trust or in any property acquired or proposed to be acquired by the Trust in connection with its formation or promotion at the date of this IM or within two years before that date, except the interest held directly or indirectly as set out below:

- MPG is entitled to the fees and other amounts detailed on pages 18-19.
- The directors of MPG are entitled to be paid directors' fees by MPG.
- The property management, accounting administration and registry services roles of the Trust may be outsourced to associated entities of MPG on normal commercial terms.
- The directors, shareholders and related parties of MPG may subscribe to Units.

Upon allotment of Ordinary Units in the Trust, the Trust intends to either subscribe to a new issue of units in MPG Property Trusts under a relevant offer document such as a PDS on the same terms and conditions as offered to other investors. Alternatively the Trust intends to purchase units in MPG Property Trusts from a related party at a price which is equal to or with buy/sell spread, at the current valuation of the units in those Funds and MPG is satisfied that there are no other unitholders in those Trusts who wish to exit and have not been able to.

For the initial portfolio the trust intends to purchase the following underlying MPG Property Trusts at the prevailing price under the means described above from MPG and associated entities.

- MPG Essential Services Property Trust - up to 4,575,000 Ordinary Units¹
- MPG Retail Brands Property Trust - up to 4,175,000 Ordinary Units²
- MPG Hardware Trust 2 - up to 1,700,000 Ordinary Units²
- MPG KM Trust - up to 320,000 Ordinary Units²
- MPG BW Trust 2 - up to 2,000,000 Ordinary Units²

¹ Subscribe to a new issue of units under an offer document such as a PDS for a trust on the same terms and conditions as offered to other investors.

² These units will be acquired from a related party at a price which is equal to or with buy/sell spread of the current valuation of the units in the Fund and at the time the units are to be purchased MPG is satisfied that there are no other unitholders in those Trusts who wish to exit and have not been able to.

For additional future investments the Trust may also purchase other property Trusts Managed by MPG under the means described above on normal terms and conditions. Other than disclosed above, no benefits or amounts

have been paid or agreed to be paid in cash or shares or otherwise:

- to any director or proposed director or firm of which the director is a partner or director to induce them to become or to qualify as a director or otherwise for;
- for services rendered by the director or proposed director or the firm in connection with the formation or promotion of the Trust; or
- to any person named in this IM as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the IM or for services rendered in connection with the formation or promotion of the Trust.
- Companies associated with MPG may be engaged to perform services for the Trust on an arm's length basis and on normal commercial terms.

Copies of consents and material contracts

Copies of the above consents and legal documents referred to in this IM are available for inspection without charge at the Registered Office of MPG until 13 months after the date of this IM.

Dispute resolution

If you have a complaint about the performance of the Trustee, then you are entitled to have your complaint dealt with in a proper and efficient manner.

The Trust Deed details how complaints can be made and how the Trustee must deal with them.

If you have a complaint, then you should notify the Complaints Officer of MPG Funds Management Ltd in writing on invest@mpgfm.com.au.

Once a complaint is made, the Complaints Officer must write to you within 7 days to acknowledge receipt of the complaint and respond fully to the complaint in writing within one month of the receipt of your complaint in an attempt to resolve the issue.

Anti-Money Laundering and Counter Terrorism Financing Laws

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (AML Act) and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to MPG as the Trustee (AML Requirements), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing.

The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (AUSTRAC).

In order to comply with the AML Requirements, MPG is required to, amongst other things:

- verify your identity before providing services to you, and to re-identify you if they consider it necessary to do so; and

Contract Summaries and Other Information

- where you supply documentation relating to the verification of your identity, keep a record of this documentation for seven years.

MPG reserves the right to request such information as is necessary to verify the identity of an applicant for Units in the Fund (Applicant) and the source of the payment.

In the event of delay or failure by the Applicant to produce this information, MPG may refuse to accept an application and the application monies relating to such application or may suspend the payment of withdrawal proceeds if necessary to comply with AML Requirements applicable to them. Neither MPG, nor its delegates shall be liable to the Applicant for any loss suffered by the Applicant as a result of the rejection or delay of any subscription or payment of withdrawal proceeds.

MPG has implemented a number of measures and controls to ensure it complies with its obligations under the AML Requirements, including carefully identifying and monitoring Investors.

As a result of the implementation of these measures and controls:

- transactions may be delayed, blocked, frozen or refused where MPG has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;
- where transactions are delayed, blocked, frozen or refused MPG is not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by it as contemplated above, or as a result of their compliance with the AML Requirements as they apply to the Fund; and
- MPG may from time to time require additional information from you to assist in this process.

MPG has certain reporting obligations under the AML Requirements and is prevented from informing you that any such reporting has taken place. Where required to by law, MPG may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC.

MPG is not liable for any loss you may suffer as a result of its compliance with the AML requirements.

Privacy Provisions

The Privacy Act 1988 Cth (as amended by the Privacy Amendment (Enhancing Privacy Protection) Act 2012 (Cth)), which governs the use of a person's personal information, came into effect on 21 December 2001. The Act sets out principles detailing how organisations should collect, use, disclose and store personal information, as well as the right of individuals to access and correct the information. MPG Funds Management Ltd will comply with the provisions of the Act at all times.

The personal information we collect from you on the Application Form is used to evaluate your application for Units in this Trust as well as to issue Units and maintain your interest in the Trust. We will keep the personal information you provide for record keeping purposes. Once personal information is no longer needed for our records, we will destroy it.

MPG will take all reasonable steps to ensure that your personal information is accurate, complete and up-to-date. To ensure your details remain current, please advise us of any information that appears incorrect. Please contact our Investor Relations Officer on 03 9831 8960 or write to us at the address listed on the back cover of this IM to access the information we hold about you. As well as reporting to you on your investment, we may use your contact details to keep you informed of upcoming investment opportunities. If you do not wish to receive these updates, please contact us. If we are obliged to do so by law, we will pass on your personal information to other parties strictly in accordance with our legal requirements.

Socially Responsible Investment Disclosure

MPG has no predetermined view about taking into account labour standards, environmental, social, ethical issues in selecting, retaining and realising any investment in the initial property by the Trust. MPG may take into account any one or a combination of these issues of which it becomes aware if that issue or those issues may financially affect the investment.

No Cooling Off Period

Investors should note that the Investment is an Illiquid Investment and under the terms of the Corporations Act, no cooling off period applies.

Indirect investors - Investment through an IDPS or IDPS like scheme

Where you invest in the Trust through an IDPS or IDPS like scheme (commonly known as a master trust or wrap account), your IDPS Operator will facilitate an investment in the Trust on your behalf. You will need to obtain and complete the relevant application forms from your IDPS Operator.

Indirect Investors do not directly hold Units or acquire the rights of an investor. The IDPS Operator acquires these rights and can exercise or decline to exercise them according to the arrangements governing the IDPS. It is your IDPS Operator that holds Units and who therefore has a direct relationship with MPG. This means that all income, notices, confirmations and regular reports are sent directly to your IDPS Operator. Your rights are governed by your agreement with your IDPS Operator.

If you invest through an IDPS:

- your primary point of contact for information or resolution of complaints is your IDPS Operator;

- you should ignore information in this IM that is relevant to only direct investors;
- your IDPS Operator will set the minimum transactions and balance requirements;
- fees and expenses applicable to the IDPS (and set out in the IDPS offer documents) are payable in addition to the fees and expenses stated in this IM.
- Your IDPS Operator will be responsible for collection, storage, use and disclosure of personal information. We do not collect or hold personal information about you in connection with your investment in the Trust. As a consequence, it will be your IDPS Operator's obligation to inform you about its privacy policy, its obligations to protect any personal information and your rights under the Corporations Act; and
- You should contact your IDPS Operator for specific details of the Trust, including information on the progress of the Trust, unit pricing, distribution payments, confirmation of your investment, additional investments, queries with respect to annual tax statements, complaints and any applicable cut off times for applications.
- Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.
- The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
- If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Currency exchange

- The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
- If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Authority for IDPS Operators to use this IM

The Trustee consents to the use of this IM by IDPS Operators that include the Trust on their investment menus.

New Zealand Investors

If you are a New Zealand investor, the Responsible Entity is required to provide the following additional information to you under New Zealand law.

- This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
- This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
- There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
- The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Australian taxation of New Zealand residents

Distributions – managed investment trust withholding tax regime and AMIT regime

The Fund is intended to be a managed investment trust for Australian tax purposes and on that basis has also elected into the AMIT regime. As such, pursuant to the managed investment trust withholding tax regime, the Responsible Entity is required to withhold tax at a rate of 15% from distributions of net taxable income (including rent and capital gains, but excluding amounts of interest which are subject to 10% interest withholding tax) made to New Zealand resident Investors. The Fund is also required to provide a payment summary to such Investors which sets out the total of the withholding payments that the payment summary covers and the total of the amounts withheld by the Fund from those withholding payments. If the Fund does not qualify as a managed investment trust, the tax treatment of your investment will differ. We recommend that you seek independent taxation advice in this regard.

Taxation of capital gains

The redemption or transfer of any Units may give rise to a taxable capital gain. For example, this will be the case in circumstances where a New Zealand resident Investor has, at the time of redemption or transfer, or throughout a 12 month period that began no earlier than 24 months before that time, an interest in the Fund (including any interests held by associates) of 10% or more. Nonresidents are not entitled to discount capital gains treatment.

Conditions of Issue

This IM is supplied on the following conditions, which are expressly accepted and agreed to by the recipient, in part consideration of the supply of the IM, as evidenced by the retention by the recipient of this document. If these conditions are not acceptable, the IM is to be returned immediately.

- None of the Directors of MPG makes any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this IM or subsequently provided to the recipient by any of the Directors including, without limitation, any financial information, the estimates and projections and any other financial information derived from them. Nothing contained in this IM is, or shall be relied upon as, a promise or representation, whether as to the past or the future.
- Except insofar as liability under any law cannot be excluded, the Directors shall have no responsibility arising in respect of the information contained in this IM or in any other way for errors or omissions (including responsibility to any person by reason of negligence).
- The estimates and forecasts contained in this IM involve significant elements of subjective judgement and analysis, which may or may not be correct. There are usually differences between forecast and actual results because events and circumstances frequently do not occur as forecast and these differences may be material. The recipient, any intending investors and their respective advisors should make their own independent review and analysis of the relevant assumptions, calculations and accounting policies upon which the estimates and projections are based.
- The Trustee may in its absolute discretion, but without being under any obligation to do so, update or supplement this IM. Any further information will be provided subject to these terms and conditions.
- MPG reserves the right to evaluate any investment offers and to reject any and all investment offers submitted, without giving reasons for rejection. The Trustee shall not be liable to compensate the recipient or any intending investor for any costs or expenses incurred in reviewing, investigating or analysing any information in relation to the Trust.
- The information in this IM is provided to the recipient only as a matter of interest. It does not amount to a recommendation either expressly or by implication with respect to the Investment in the Trust.
- The information in this IM may not be appropriate for all persons and it is not possible for the Directors to have regard to the investment objectives, financial situation and particular needs of each person who reads or uses the information in this IM. Before acting in reliance on the information in this IM the recipient should check its accuracy, reliability and completeness and obtain independent and specific advice from appropriate experts.
- The taxation and stamp duty information contained in this IM is current as at the date of the IM and we urge Investors to seek an independent advice prior to completing the Application Form. The Trustee is unable to guarantee that its interpretation will be sustained in the event of challenge by the Australian Taxation Office.
- Some of the photographs contained in this IM do not depict assets contained in this Trust.
- The information contained in the IM that is not materially adverse information is subject to change from time to time and may be updated. All such updates will be included on MPG's website located at www.mpgfm.com.au or can be requested on our toll free number 1300 668 247. A paper copy of any updated information will be given to any person without charge on request.

The recipient acknowledges the foregoing and it hereby agrees to these conditions.

Glossary

ABN Australian Business Number as defined in the Corporations Act

ABS Australian Bureau of Statistics

ACN Australian Company Number as defined in the Corporations Act

AFSL Australian Financial Services Licence

Application Application for a subscription for an interest in the Trust

Application Account A separate bank account where Application Monies are deposited prior to allotment as Ordinary Units

Application Form The Application Form which applicants are required to complete and lodge to subscribe for an interest in the Trust

Application Money Money paid in any Application

ASIC Australian Securities and Investment Commission

ASX Australian Securities Exchange

Associates Directors, employees or any related party as defined by the Corporations Act

Closing Date The end of the Subscription Period being 30 June 2026 or earlier or later at the discretion of the Trustee

Corporations Act Corporations Act 2001 (Commonwealth)

Date of issue of this Offer 1 September 2023

Directors The Directors of MPG, who is the Trustee of the Trust

EBITDA Earnings before interest, taxes, depreciation and amortisation

Financier The proposed financier who will provide the proposed loans

GAV Gross asset value of the Trust

GLA Gross lettable area

GST Goods and Services Tax

Gross Asset Value is represented by the Assets of the Trust (which includes all investments at valuation and financial assets such as debtors and distribution income receivable from all investments) less liabilities of the Trust, which include: borrowings, accrued costs, charges and expenses, contingent liabilities,

performance and management fees provisions and unpaid distributions. Estimated selling costs are determined by the RE, and may include agent's commission, advertising etc.

IDPS Investor directed portfolio service which is provided by an IDPS Operator to make investments on its client's behalf

IDPS Operator The operator of an IDPS service for indirect investors

Information Memorandum, IM Refers to this Information Memorandum dated 1 September 2023

Initial Term means approximately five years from the Closing Date subject to a Unitholder exercising their right to extend or withdraw from the Trust as outlined on page 8 of this IM.

Investor(s) Any person or group that has a unitholding in the Trust

Limited Withdrawal Facility Offer A limited withdrawal facility offer provided to Unitholders at the sole discretion of MPG, under which Investors may request redemption of part or all of their investment

Loan A loan from the financier arranged by MPG

Maximum Investment An investment in the Trust which does not exceed 20% of the Units issued

Minimum Investment An investment in the Trust of at least \$500,000 for approved Wholesale Investors or \$50,000 for investors with an Approved Accountant's Certificate

McMullin Group McMullin Nominees Pty Ltd and its Associated Entities

Minimum Subscription A subscription of at least 5,000,000 Units in the Trust

MPG, Trustee MPG Funds Management Ltd (ACN 102 843 809)

NTA The net tangible assets divided by the number of Ordinary units on issue

Offer The offer of units in the Trust as described on page 9 of this document

Offer Closing Date The end of the Offer period in respect of Ordinary Units as determined by MPG anticipated to be 30 June 2026 and may be extended by MPG at its sole discretion

Ordinary Units Ordinary units as described on page 9 of this document

Special Resolution As defined in section 9 the Corporations Act as one that is passed by at least 75% of the votes cast by Unitholders on a poll being in favour of the resolution

Subscription Period Being the period between the opening of the Offer (1 September 2023) and the close of the Offer (30 June 2026) or earlier or later at the discretion of the Trustee

SQM Square metres

TFN Tax File Number

Term period of time from subscription until the Trustee makes a Withdrawal Offer. The Trustee expects and initial term of approximately 5 years from Closing Date

Term Extension Period The period in which the Trust is to be extended by the Trustee, which is anticipated to be five years as outlined on page 9

Term Extension Proposal Letter A letter provided to all Unitholders at the expiry of each Trust term outlining the Unitholders rights of remaining in the Trust for a further seven-year term or electing to sell their Units at a price determined by the Trustee

Trust The MPG Property Income Trust as governed by the Trust Deed

Trust Deed Dated 1 September 2023, which outlines the operation of the Trust

Trustee MPG Funds Management Ltd – ABN 81 102 843 809, AFSL 227114

Unitholder(s), Member A holder of Units in the Trust

Units Units issued in the Trust

Wholesale Investor An investor as defined in s708 of the Corporations Act

Withdrawal Offer An offer by the Trustee to investors to redeem their Unit while the Trust is illiquid

Withdrawal Price The price per Ordinary unit offered to Investors under a Limited Withdrawal Facility Offer as calculated on page 9

Guide to completing the Application Form

Please complete all relevant sections of the Application Form using BLOCK LETTERS.

These instructions are cross-referenced to each section of the Application Form.

A	Insert the number of units you wish to apply for. The Application must be a minimum of 500,000 units for approved Wholesale Investors, or \$50,000 for those with investors with an Approved Accountant's Certificate, followed by increments of 10,000 units.
B	Insert the relevant amount of Application monies. To calculate your application monies, multiply the number of units applied for by the Offer price.
C	Write the full name you wish to appear on the statement of unitholding. This must either be your own name or the name of a company, superannuation fund, trust or partnership. Joint applications are permitted. This Application is suitable for investment by Superannuation Funds.
D	Enter your Tax File Number or Exemption Category. Where applicable, please enter the TFN for each joint applicant. Collection of TFN(s) is authorised by taxation laws. Quotation of your TFN is not compulsory but if you do not, tax may be taken out of your distributions at the highest marginal tax rate (plus Medicare Levy).
E	Please enter your residential address for all correspondence; the address must be in Australia. All correspondence will be mailed to this address. For joint Applicants, only one address can be entered. Please enter your telephone number(s), including area code in case we need to contact you in relation to your Application.
F	Please complete cheque details as requested: <ul style="list-style-type: none"> • Make your cheque payable to: 'MPG Funds Management Ltd <MPG Property Income Trust>' in Australian currency and cross it 'Not Negotiable'. • The amount of the cheque should agree with the amount shown in Section B. • OR please EFT Funds to MPG Property Income Trust, BSB 193879 Account Number 78528041
G	To receive distributions you must provide us with details of your account with an Australian Bank, Credit Union or Building Society.
H	Before completing the Application Form, the applicant should read the IM to which the Application relates. For individual applications, the Application Form should be signed personally. For companies, trust and superannuation funds, the Application Form must be signed by the directors or trustees in accordance with the relevant constitution of the entity or other method allowed under the Corporations Act. Please send your completed, signed Application Form together with your cheque to: The Applications Manager MPG Funds Management Ltd PO Box 1307 Camberwell VIC 3124

Applications must be received no later than 5pm (local time) on the Closing Date.

H

DECLARATION AND CONDITIONS

- By completing this Application Form you will be taken to have declared that:
- This Application was attached to or accompanied by either a printed copy of the information Memorandum (IM) or an electronic version of the IM (or a print out or download copy of it).
 - You have read the IM which was attached to or which accompanied this Application.
 - All details and statements made by you are complete and accurate and this Application is made upon and subject to the terms and conditions of the IM.
 - You authorise the Trustee to complete or amend this Application where necessary to correct any error or omission.
 - If signed under a company's common seal or other permitted manner, the signatories attest that the common seal was affixed in accordance with the company's constitution and the law.
 - If signed by a power of attorney, no notice of revocation of the power of attorney has been received.
 - If investing as trustee, on behalf of a superannuation fund or trust I/we confirm that I/we are acting in accordance with my/our designated powers and authority under the trust deed. In the case of a superannuation fund, I/we also confirm that it is a complying fund under the Superannuation Industry (Supervision) Act.
 - I declare that I/we are over 18 years of age.
 - You are not, as a result of the law of any place, a person to whom this IM should not be given.

- I/We understand that MPG Funds Management Ltd (ACN 102 843 809) is authorised under the Trust Deed to act:
- On the Unitholder's behalf to complete and sign all documents necessary to arrange, complete and sign all documents necessary to arrange, complete and maintain a loan facility or any other type of financing facility in relation to the Trust, with the financier including to act generally in relation to the loan in such form and substance as MPG in its absolute discretion approves.
 - To authorise MPG to give a first ranking mortgage over the investment and the income from the investment and charge the Trust assets and investment as security for any loan.
 - If a loan or replacement loan falls due prior to the sale of the investment, to roll it over or discharge it and enter into a new loan.
 - To make such amendments to a loan or replacement loan as MPG in its absolute discretion approves, whether or not involving changes to the parties.
 - Generally do all other acts or things on my behalf which MPG may consider advisable, desirable or necessary in connection with or in relation to a loan and any of the transactions contemplated by the loan including arranging for refinancing even if the loan still has a period to run.

- I/We acknowledge that:
- Investments in the Trust are subject to investment and other risks, including possible delays in repayment and the loss of income and principal invested.
 - MPG does not guarantee the repayment of capital or the performance of the Trust or any particular rate of return from the Trust.
 - By lodging the Application Form, I/we agree to take any number of units equal to or less than the number of units indicated in Section A that may be allotted to the applicant(s) pursuant to the IM.

I/WE MAKE THE DECLARATION AND, GIVE THE REPRESENTATIONS SET OUT ABOVE AND AGREE TO BE BOUND BY THE TRUST DEED.

Signature of Investor 1 / Director 1	Signature of Investor 2 / Director 2	Company Seal (if required)
<div></div>	<div></div>	<div></div>
Date (dd/mm/yyyy)	Date (dd/mm/yyyy)	
<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	

BENEFICIAL OWNERS AND CONTROLLING PERSONS

To comply with Australia's Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) legislation, we must collect certain information from prospective investors and their Beneficial Owners supported by original certified copies of the relevant identification documents or reliable and independent electronic data.

We require you to disclose the Beneficial Owners and Controlling Persons of the company and the Trust (where applicable) and further information as follows. Individuals only need to be listed once for verification purposes.

Beneficial Owner Details Company Details

Company / Trust / Individual Name

Director 1 Full Name

Director 2 Full Name

Director 3 Full Name

Registered Business / Individual Address

Country

Address 1

Address 2

Suburb

State Postcode

Source of Investment Funds

Please identify the source of your investable assets or wealth

- ☐ Gainful employment
 ☐ Inheritance/Gift
 ☐ Business Activity
 ☐ Superannuation Savings
 ☐ Financial Investments
 ☐ Other – please specify

What is the purpose of this investment?

- ☐ Savings
 ☐ Growth
 ☐ Income
 ☐ Retirement

By selecting “I consent” below, you consent and agree to MPG Funds Management performing an online identity verification check using the supplied information. The supplied information will be used to confirm your identity with the Australian Government. Your ID document details will be submitted to the Australian Government's Document Verification Service (DVS). The DVS is a national online system that allows organisations to compare an individual's identifying information with a government record. More information about DVS is available on their website.

By providing consent you agree that:

- You are authorised to provide ID document details to MPG Funds Management Ltd; and
- You understand that the ID details will be checked against records held by the Issuer or Official Record Holder. (Including for the supplied information and any documents referenced to be checked through the DVS with the document issuer or official record holder).

☐ I consent

Tax Residency

Australian Resident?

☐ Yes ☐ No

If not an Australian Resident, which country?

ACN

ABN

Foreign Account Tax Compliance Act (FACTA) Status (if any)

Global Intermediary Identification number (if any)

Common Reporting Standard Status (CRS) (if any)

Is the investment entity managed by another Financial Institution?

☐ Yes ☐ No

If the Company is a Non-Financial Entity (NFE) what is the classification?

Political Exposure

Are you a Politically Exposed Person or a family member or a close associate of a PEP?

☐ Yes ☐ No

The introduction of the Anti-Money Laundering and Counter-Terrorist Financing Act 2006 (AML/CTF) requires additional identification information from investors. This is to be provided by you or your adviser.
Please note that processing your application may be delayed where you, or your adviser do not provide adequate identification documents.

[illegible]

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Complete Part One - please provide us with requested identification information and your completed application form.

Complete Part One - please check appropriate boxes to indicate the documents you have either collected and verified for this investor, or have attached to the application form.

- confirm the satisfactory collection and verification of the investor's identification documents; or
- include certified copies of the investor's identification documents with the application form.

Individual	
Please complete: full name, date of birth and residential address on application form and provide verification documents from either A or B	
A	<p>A current or a certified copy of one of the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> an Australian driver's licence containing a photograph of the person, or <input type="checkbox"/> an Australian passport, or <input type="checkbox"/> an identification card issued by a state or territory that contains the date of birth and a photograph of the card holder, or <input type="checkbox"/> a foreign government, United Nations or United Nations agency issued passport or similar travel document containing a photograph and signature of the person. Where the document is not in English, it must be accompanied by an English translation prepared by an accredited translator.
B	<p>A current or a certified copy of one of the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> an Australian birth certificate, or <input type="checkbox"/> an Australian citizenship certificate, or <input type="checkbox"/> a pension card issued by Centrelink, or <input type="checkbox"/> a foreign driver's licence that contains a photograph of the person. Where the document is not in English, it must be accompanied by an English translation prepared by an accredited translator, or <input type="checkbox"/> a citizenship certificate issued by a foreign government. Where the document is not in English, it must be accompanied by an English translation prepared by an accredited translator, or <input type="checkbox"/> a birth certificate issued by a foreign government, United Nations or United Nations agency. Where the document is not in English, it must be accompanied by an English translation prepared by an accredited translator. <p>PLUS one of the following</p> <p>An original notice that contains the name and residential address of the person, and is:</p> <ul style="list-style-type: none"> <input type="checkbox"/> issued by the Commonwealth or a state or territory within the preceding 12 months that records the provision of financial benefits, or <input type="checkbox"/> issued by the Australian Taxation Office within the preceding 12 months; and records a debt payable to or by the person by or to the Commonwealth, or <input type="checkbox"/> issued by a local government body or utilities provider within the preceding 3 months that records the provision of services to that address or to that person.
Individual acting in the capacity of a sole trader	
Please complete: full name, date of birth, residential address, full business name (if any) and principle place of business (if any) on the application form and provide:	
<ul style="list-style-type: none"> <input type="checkbox"/> a current or certified copy of a business name search, and <input type="checkbox"/> verification documents required for an individual (above) 	

Partnership

Please complete: full partnership name, business name (if any) and one partners name on the application form and provide:

A certified copy or certified extract of one of the following

- ☐ a current partnership agreement; or
- ☐ minutes of a partnership meeting.

Either copy must include:

- the full name of the partnership;
- the full business name (if any) of the partnership, as registered under any state or territory business name legislation;
- the country in which the partnership was established; and
- the full name and residential address of each partner.

Please also provide verification documents required for individuals (listed on page 34) for one partner.

Company

Please complete: full company name, ACN and address of registered office on application form and provide:

- ☐ A current or a certified copy of a search of ASIC databases showing:
- the full name of the company;
 - the ACN;
 - the registered office address;
 - the principle place of business;
 - the names of each director (only provide if a proprietary company); and
 - the names and addresses of each shareholder (only provide if a proprietary company that is not licensed and is not subject to regulation).

Trustee

Please complete: full name of trust, country of establishment and full business name of trustee (if any) on application form and provide:

1. For all trusts (including self-managed super funds/wrap trusts/master trusts/IDPS) please provide the original trust deed or a certified copy or certified extract of the trust deed confirming:

- ☐ full name of the trust;
- ☐ type of trust;
- ☐ country where the trust was established; and
- ☐ name of each beneficiary or class of beneficiary. If the trust is a unit trust you will need to provide a certified extract of the trust register to confirm the name of each beneficiary.

If the trustee is an individual, please also provide documentation required for individuals (listed on page 1).

If the trustee is a company, please also provide documentation required for companies (listed above).

2. For a registered managed investment scheme or a government superannuation fund:
- ☐ an ASIC search confirming the registration of the managed investment scheme, or
 - ☐ an extract from relevant legislation confirming registration of the government superannuation fund.

3. For an unregistered managed investment scheme that only has wholesale clients and does not make small scale offerings under section 1012E of the Corporations Act, a declaration is provided to this effect is required.

Name of Financial Adviser

[illegible]

AFSL Name/Dealer Group Name

[illegible]

AFSL Number _____ Date verified (dd/mm/yyyy) _____

--	--	--	--	--	--	--	--

AFSL Number _____ Date verified (dd/mm/yyyy) _____

--	--	--	--	--	--	--	--

Signature _____

- I confirm I have completed AML/CTF identification requirements for this investor, or
- I have included the investor's identification documents for your verification.

- I confirm I have completed AML/CTF identification requirements for this investor, or
- I have included the investor's identification documents for your verification.

Accountant's Certificate

RE:

("Insert Name of Investor")

Of:

("Insert Address of Investor")

I certify that I am: (Please tick appropriate box)

- ☐ A member of the Chartered Accountants of Australia and New Zealand (CA ANZ) who is entitled to use the post nominals "CA" or "FCA", and is subject to and complies with the CA ANZ's continuing professional education requirements; or
- ☐ A member of CPA Australia (CPAA) who is entitled to use the post nominals "CPA" or "FCPA", and is subject to and complies with the CPAA's continuing professional education requirements; or
- ☐ A member of the National Institute of Accountants in Australia (NIA) who is entitled to use the post nominals "PNA", "FPNA", "MNIA" or "FNIA", and is subject to and complies with the NIA's continuing professional education requirements.

In accordance with the requirements of section 761G (7)(c) of the Corporations Act and Corporations Regulation 7.1.28, the Investor:

- ☐ has net assets of at least A\$2.5 million; or
- ☐ had a gross income for each of the last two financial years of at least A\$250,000 a year.

(Signature of Accountant)

(Name of Accountant)

(Address of Accountant)

___/___/___ (Date)

* To satisfy the requirements of Section 761G(7)(c), the certificate must not be more than six months old at the time the investor is provided with the relevant financial product or service. If the requirements of section 761G(7)(c) are fully satisfied in respect of the Investor and the product or service provided, the Investor acquires that product or service as a wholesale client and not as a retail client.

Directory

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2 - 6 Railway Pde

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