

CASE STUDY

MPG Hardware Trust 2

1st Rollover 2023

About the Trust

The MPG Hardware Trust 2 (“Trust”) contains a standalone 9,512 sqm Bunnings warehouse property located in Kingston in Tasmania. Kingston is located in the Shire of Kingsborough and is located 15 kilometers southwest of Hobart via the Channel Highway and is one of Tasmania’s fastest growing regions.

The property is well positioned and enjoys extensive street frontage and visibility from the Channel Highway. It is in close proximity to the local Kingston Town Shopping Centre and Channel Court Shopping Centre as well as the Kingston Primary School and popular Kingston Beach. This busy location ensures a steady stream of traffic to the property.

There are a number of residential housing subdivisions which have started construction in the surrounding areas. The increase in housing may lead to an ever increasing demand for hardware and bulky goods items.

In 2016, the Trust successfully raised \$8.3 million from wholesale investors to allow MPG to develop the property, which Bunnings leased on completion, for an initial 12-year term.

The Kingston Bunnings property had a value at the time of the Trust rollover in 2023 of \$26.6 million.

Returns to Investors at the rollover of the first term

Investors who exited the Trust at the term rollover in June 2023 received a total return (comprising distributions and capital gain) of approximately 16.27% p.a. For example, an initial investment of \$100,000 in 2016 realised \$217,960 in distributions, capital gains and principal repayment over the seven-year investment term.



Value Add Activities by MPG

Over the period of the first term, MPG undertook the following value add activities to improve the value of the asset:

- Planning approvals were obtained by MPG to allow the development of the property.
- Using our in-house Project Management Team, MPG developed the property in accordance with the building plans, specifications and permits.
- MPG secured the tenant Bunnings Group under a new 12-year Agreement to Lease.

Performance History

Over the duration of its investment term, which included the COVID-19 Pandemic, the Trust performed well. Distributions were paid quarterly over this first term period and the asset increased in value from \$19.19 million in 2016 to \$26.6 million in June 2023.

The annual returns to investors over the first term period are summarised below:

Year ended	NTA Value	Tax-Deferred Portion	Cash distribution cents per unit
30 June 2023	\$1.66	100%	7.35c
30 June 2022	\$2.20	100%	7.25c
30 June 2021	\$1.67	100%	7.25c
30 June 2020	\$1.33	100%	7.25c
30 June 2019	\$1.16	100%	7.25c
30 June 2018	\$1.09	100%	7.25c
30 June 2017	\$1.03	100%	7.25c
30 June 2016	\$1.00	100%	1.11c
Total			51.96 c

For those investors who chose to exit at the end of the first term, over the seven-year term, they received \$2.1796 for their original \$1.00 investment. This consisted of the total distribution of \$0.5196 over the term and the payout of \$1.66 per unit based on the Net Tangible Asset Value of the Trust as at 30 June 2023. The average total return over this period is 16.27% per annum, with 100% of the cash distribution being tax-deferred, offering further tax savings to investors.



The property is located in Kingston, Tasmania.



Disclaimer Please note, past performance is not indicative of future performance. Any case studies on past sales provide a selection of historical information relating to the sale or rollover of these particular Trusts. The case studies are in summary form only and have no correlation to any other MPG Trusts. Total returns include capital gains as well as distributions paid during the life of completed funds shown on a per annum basis. Performance has been determined after the properties are wound up or rolled over for a further term. Each fund managed by MPG will have different characteristics, properties and risks, and should be assessed by an investor independently of the performance of completed funds. Before considering any investment, please read the PDS/IM in its entirety and consult with your financial adviser prior to making an investment decision. **13 March 2026**