

Welcome to the Autumn edition of Insight, the newsletter of MPG Funds Management Ltd ("MPG") that brings you the latest information on our products and achievements.

We are excited to celebrate the key milestone of achieving \$300 million of funds under management and we now manage over 100 individual tenancies across five States of Australia.

This milestone has been achieved with the help of our loyal investors, staff and support team which includes: our banking partners, valuers, depreciation consultants, building and environmental experts, legal team, auditors and Custodian. We thank you all for your ongoing support!

With the Australian sharemarket again showing signs of significant volatility and with cash rates at historical lows at around to 1.5%-2.5% pa, the income characteristics of property with cash returns in the vicinity of 7.0% to 8.00% are looking very attractive to investors compared to most cash and fixed interest investments.



In this edition we are pleased to provide an update for our existing property trusts and introduce you to our new financial accountant, Cathy Zhang.

We hope that you enjoy reading this issue of Insight.

Yours faithfully

Trevor Gorman
Chairman
MPG Funds Management Ltd

OVER 100 TENANCIES AROUND AUSTRALIA ARE NOW MANAGED BY MPG FUNDS MANAGEMENT



Seaford Meadows Shopping Centre



Village Lakeside Shopping Centre



Bunnings Bundaberg



Bunnings Blacktown

BUILDING A STRONG TRACK RECORD



THE MPG BULKY GOODS RETAIL TRUST

This Trust contains two Homemaker Centres located in Chirside Park (Vic) and Mildura (Vic).

The 13,753 sqm (GLA) Chirside Homemaker Centre consists of 11 tenancies including: JB Hi-Fi, A-Mart All Sports, Nick Scali, Forty Winks and Pet Barn amongst others.

We are pleased to confirm that ASX listed furniture retailer, Nick Scali and foam, rubber and pool supplier, Clark Rubber have both recently exercised their options to renew their leases for further five year terms.

The 17,323 sqm (GLA) Mildura Homemaker Centre consists of 14 tenancies including: Fantastic Furniture, Nick Scali, Chemist Warehouse, Bev Marks Bedding and United Petroleum amongst others. A marketing program is underway to fill the 3,907 sqm of vacant space at the Centre.

The properties contained in the Trust are 88% occupied with a 2.82 year weighted average lease term.

We are pleased to announce that the Trust is on track to deliver a forecast quarterly distribution at the pro-rata rate of 8.00 cents per annum for the year ending 30 June 2016.



MPG BW TRUST 2

This Trust which was available to Wholesale Investors contains a Bunnings Warehouse property located in Bundamba (QLD).

The two level 14,228 sqm (GLA) Bundamba property is due for completion in April 2016 and at that point Bunnings will commence a new twelve year lease.

The Trust is on track to deliver on the forecast return of 7.50% for the year ending 30 June 2017.



MPG RETAIL BRANDS PROPERTY TRUST

This Trust contains a diversified portfolio of eight quality retail properties tenanted by some of Australia's best known retail brands such as: Bunnings, Coles, Woolworths, JB Hi-Fi and Target.

The Trust has recently purchased the 4,546 sqm (GLA) Rocks Shopping Fair Shopping Centre located on the northern coast of NSW for \$9.0 million. The property is anchored by a Coles supermarket and also features 14 specialty tenants including: Blooms the Chemist and ASX listed retailer The Reject Shop amongst others.

The 6,040 sqm Edlyn Foods building extension was completed in December 2015 with a new 10 year lease with the Trust on the new building.

As part of the revaluation process and improved market conditions in 2015, the Net Tangible asset backing of the Trust increased by 26.3% from \$0.57 to \$0.72 per Unit.

The properties contained in the Trust are 98% occupied with a 7.48 year weighted average lease expiry and is expected to meet its forecast 6.50 cent per unit distribution target for the year ending 30 June 2016.



MPG HARDWARE TRUST 2

This Trust which was available to Wholesale investors contains a 9,512 sqm (GLA) Bunnings Warehouse property located in Kingston (TAS) which is due for completion in June 2016.

The new twelve year lease will commence on completion in June 2016.

The Trust is on track to deliver on the forecast return of 7.25% for the year ending 30 June 2017



MPG SEAFORD MEADOWS PROPERTY TRUST

This Trust which was available to Wholesale investors contains a 5,307 sqm (GLA) neighbourhood shopping centre located in Seaford Meadows, South Australia, which was constructed in March 2014.

The Centre consists of a full line supermarket (Woolworths) and 14 specialty tenants.

The properties contained in the Trust are 95% occupied with a 12.52 year weighted average lease expiry and is expected to meet its 8.10% pa distribution target for the year ending 30 June 2016.



VILLAGE TRAVEL CENTRE TRUST

This Trust which was available to Wholesale investors contains a 2,033 sqm (GLA) petrol and fast food convenience service centre located in Chinchilla, Queensland which was completed in June 2014.

The Centre consists of nine tenancies and is anchored by a Caltex petrol station and other retail and fast food tenants such as: KFC, Subway, The Coffee Club, Sunshine Kebabs and Bottlemart amongst others.

The properties contained in the Trust are 95% occupied with a 7.29 year weighted average lease expiry and is expected to meet its 9.00% pa distribution target for the year ending 30 June 2016.



MPG HARDWARE TRUST

This Trust which was available to Wholesale investors, contains a 4,983 sqm (GLA) Bunnings Warehouse property located in Wonthaggi (Vic) which was constructed in August 2012.

Bunnings Group Ltd (a subsidiary of Top 10 ASX listed Wesfarmers Group Ltd) was signed to a nine year lease term in June 2012 which provides security over long term rental cashflows.

The Trust is on track to deliver on the forecast return of 8.00% for the year ending 30 June 2016.



MPG BW TRUST

This Trust which was available to Wholesale investors contains two Bunnings Warehouse properties located in Huntingwood (NSW) and Kensington (QLD).

The 17,167 sqm (GLA) Huntingwood property was completed in February 2015 and the 18,252 sqm (GLA) Kensington property was completed in December 2014. Both Bunnings properties have commenced their twelve year leases.

The Trust is on track to deliver on the forecast return of 7.40% for the year ending 30 June 2016.

BUILDING A STRONG TRACK RECORD



MPG KM TRUST

This Trust which was available to Wholesale investors, will on practical completion contain a 7,037 sqm (GLA) Kmart store and 1,089 sqm of complimentary retail space.

The property which is located in Port Macquarie (NSW) is currently under construction and is due for completion in December 2016.

It is anticipated that the Trust will pay a forecast distribution at the rate of 5.50% pa pro-rata until practical completion of the property and 8.10% thereafter.



STAFF PROFILE

We are pleased to introduce you to our new Accountant, Cathy Zhang.

Cathy is a qualified Certified Practising Accountant and has gained relevant industry experience in accounting and taxation roles with United Petroleum and the Agricultural Bank of China. Cathy is fluent in Mandarin.

Cathy holds a Masters of Professional Accounting, Masters of International Finance and a Bachelor of International Business from Deakin University.

Cathy is responsible for the preparation of monthly reporting and year end statutory compliance matters for various entities in the MPG Group.

We welcome Cathy into her new role.



MPG SIV FUND

The MPG SIV Fund is available to Wholesale Investors and is targeted towards Significant Investment Visa Applications and high net worth Investors seeking investment in Australia, who typically don't have the expertise or time to undertake such investments themselves.

It provides access to a professionally managed fund focused on complying Australian investments.

- MPG handles all of the administration, taxation and reporting for the Fund in accordance with Australian Taxation laws, Australian Accounting Standards and Australian Corporations Act requirements;
- Eligible Fund for Significant Investors Visa application purposes;
- Four year plus investment horizon; and
- Aims to outperform the 30 day Bank Bill Swap rate by 3%

Please call Brett Gorman on 03 9831 8900 for further information in relation to this offer.



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