

Trilogy Industrial Property Trust

An industrial property trust designed to provide investors with stable and regular income, and the opportunity for long-term capital growth.

Open for investment

Issuer: Trilogy Funds Management Limited

ABN 59 080 383 679

AFSL 261425



The Trilogy Industrial Property Trust

Investment overview

Investment objective

The Trust is designed to build a diverse portfolio of industrial properties located in established regional and metropolitan precincts. The Trust's primary objective is to maximise potential investor returns diversified by both geographical location and the industries in which the tenants operate.

Property type

Industrial assets such as warehouses and manufacturing, logistics and distribution centres.

Property location

Australian industrial precincts in established regional cities and metropolitan areas of capital cities.

Leases

Leases expected to provide a stable income stream.

Management

Active management style encompassing the opportunity for renegotiation of lease terms and facilitating potential tenant-led expansion.

Expansion opportunities

Where possible, the Trust intends to invest in properties that provide the potential for value-add. This could include tenant-led expansion, refurbishment, or improvement works.

The Trust will also consider development opportunities, bringing fresh stock to the portfolio and enabling the Trust to secure long-term leases with new tenants.

Why invest ?

- > Monthly distribution*
- > Competitive income returns
- > Sought after asset class
- > Long leases with tenants of good covenant
- > Opportunity for capital growth over the long term
- > Tax-effective income opportunity

* Subject to terms of the PDS this relates to the monthly distributions.



Property portfolio

The **Trilogy Industrial Property Trust (Trust)** currently holds 13 industrial properties in Australian regional and metropolitan industrial areas. The Trust seeks industrial properties that offer opportunities of value-add.



LATEST ACQUISITION

CARRINGTON ROAD, TORRINGTON, QLD

The property consists of eight buildings including a street front showroom and seven metal-clad buildings for sales and repairs.

The site is well-positioned to benefit from the growing Toowoomba region which boasts quality infrastructure including the Toowoomba Wellcamp Airport, Toowoomba Bypass, and future Inland Rail initiative.

With approximately 16% site coverage currently, the asset is land rich and presents a redevelopment opportunity at the end of the lease term.

LOCATION: 21-27 Carrington Road, QLD 4350

SITE AREA: 49,175sqm

GROSS LETTABLE AREA (GLA): 8,090 sqm (approx.)

LESSEE: RDO Equipment Pty Ltd



Magnesium Street, Narangba, QLD

LOCATION: 16-22 Magnesium Street, Narangba, QLD 4504

SITE AREA: 17,980sqm

GROSS LETTABLE AREA (GLA): 9,100 sqm (approx.)

LESSEE: Pantex Pty Ltd



Galleghan Street, Hexham, NSW

LOCATION: 16 Galleghan Street, Hexham NSW 2322

SITE AREA: 29,800sqm

GROSS LETTABLE AREA (GLA): 15,100 sqm (approx.)

TENANT: 1. Bega Cheese Limited |
2. Downer EDI Engineering Power Pty Ltd



Dacmar Road, Coolum Beach, QLD

LOCATION: 15 & 17 Dacmar Road, Coolum Beach, QLD 4573

SITE AREA: 21,330 sqm

GROSS LETTABLE AREA (GLA): 7,351 sqm (approx.)

TENANT: Weir Minerals Australia Limited



Moorebank Road, Wellcamp, QLD

LOCATION: 8-14 Moorebank Road, Wellcamp, QLD 4350

SITE AREA: 19,550 sqm

GROSS LETTABLE AREA (GLA): 2,432 sqm (approx.)

TENANT: Australian Coil Services Pty Ltd



Diesel Drive, Mackay, QLD

LOCATION: 33-41 Diesel Drive, Paget, QLD 4740
SITE AREA: 9,813 sqm
GROSS LETTABLE AREA (GLA): 3,050 sqm (approx.)
TENANT: Independent Mining Services QLD Pty Ltd



Elysium Road, Carrara, QLD

LOCATION: 11 Elysium Road, Carrara, QLD 4211
SITE AREA: 16,380 sqm
GROSS LETTABLE AREA (GLA): 6,180 sqm (approx.)
TENANT: Mineral Technologies Pty Ltd (a wholly owned subsidiary of Downer EDI Limited)



Gravel Pit Road, Darra, QLD

LOCATION: 37 Gravel Pit Road, Darra, QLD 4076
SITE AREA: 15,310 sqm
GROSS LETTABLE AREA (GLA): 5,952 sqm (approx.)
TENANT: Stoddart Group Pty Ltd



Crichtons Road, Mackay, QLD

LOCATION: 11-21 Crichtons Road, Paget, QLD 4740
SITE AREA: 6,513 sqm
GROSS LETTABLE AREA (GLA): 2,929 sqm (approx.)
TENANT: Alfagomma Australia Pty Ltd



Bosso Street, Mackay, QLD

LOCATION: 19-29 Bosso Street, Paget, QLD 4740
SITE AREA: 12,510 sqm
GROSS LETTABLE AREA (GLA): 3,610 sqm (approx.)
TENANT: Komatsu Australia Pty Ltd



Colemans Road, Carrum Downs, VIC

LOCATION: 118 Colemans Road, Carrum Downs, VIC 3201
SITE AREA: 13,199 sqm
GROSS LETTABLE AREA (GLA): 5,260 sqm (approx.)
TENANT: Tempur Australia Pty Ltd



Bosso Street, Mackay, QLD

LOCATION: 15-17 Bosso Street, Paget, QLD 4740
SITE AREA: Lot 70, 4,336 sqm. Lot 71, 2,065 sqm (approx.)
TENANT: Komatsu Australia Pty Ltd



Bedford Street, Gillman, SA

LOCATION: 113-117 Bedford Street, Gillman, SA 5013
SITE AREA: 15,020 sqm
GROSS LETTABLE AREA (GLA): 8,856 sqm (approx.)
TENANT 1: Tyremax Pty Ltd, 6,400 sqm (approx.) of lettable area
TENANT 2: Plasdene Glass-Pak Pty Ltd, 2,456 sqm (approx.) of lettable area

Trilogy Industrial Property Trust



Investment report: April 2022

Investment at a glance

Investment type:

Unlisted industrial property trust

Inception:

January 2018

Minimum investment:

\$50,000

Preferred method of payment:

Direct debit, BPAY (Please contact us if intended payment method is not listed)

Fund size

\$175.59 million**

Number of properties:

13**

Weighted Average Lease Expiry (WALE):

4.47 years (by income)***

Occupancy rate

100%

Trust loan to valuation ratio (LVR):

45.47%**

Withdrawals:

Withdrawal offers are intended every four years from Initial Settlement Date (being 12 April 2018)

Risks:

All investments in unlisted property trusts carry risk. As this product invests in industrial property, it carries the market, property, and leasing risks associated with investing in property. Please refer to section 5 of the PDS before making an investment decision.

** As at 30 April 2022

*** Weighted average lease expiry (WALE) is calculated based on GLA income of the properties as at 30 April 2022.

Investments in the Trilogy Industrial Property Trust ARSN 623 096 944 can only be made on the application form accompanying the Product Disclosure Statement (PDS) dated 1 July 2021 and considering the Target Market Determination (TMD) dated 1 October 2021 for the Trilogy Industrial Property Trust ARSN 623 096 944 available at www.trilogyfunds.com.au. The PDS and the TMD contain full details of the terms and conditions of investment and should be read in full, particularly the risk section, prior to lodging any application or making a further investment. All investments, including those with Trilogy Funds, involve risk which can lead to loss of part or all of your capital or diminished returns. Trilogy Funds is licensed to provide only general financial product advice about its products and therefore recommends you seek personal advice on the suitability of this investment to your objectives, financial situation and needs from a licensed financial adviser. Investments with Trilogy Funds are not bank deposits and are not government guaranteed. Past performance is not a reliable indicator of future performance.

Current yield 6.98% PA*

*For April 2022, the Trilogy Industrial Property Trust paid investors 7.60 CPU p.a.[^] annualised. This is equivalent to a yield of 6.98% p.a. annualised based on the unit price of \$1.0886 as at 1 April 2022.

Distribution amount

7.60 CPU PA[^]

[^]Distribution amount for the month ended 30 April 2022. Net distributions are variable each month and are net of management fees, costs and assume no reinvestment. Distributions are paid monthly in arrears. Please note, past performance is not a reliable indicator of future performance.

Performance

The Industrial Trust continues to perform in line with expectations and generate healthy rental income from a 100% occupancy rate of quality tenants across its portfolio.

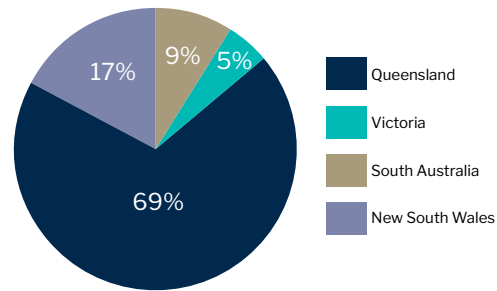
Colliers released their Q1 2022 Industrial & Logistics Snapshot report in April. According to the report, industrial rents nationwide increased an average of 9.8% year-on-year, which is reflective of current record low vacancy rates. This may have a positive impact on property returns across the sector if market rent reviews occur at lease renewals and expiries. Another notable trend was the slowing of capitalisation rate compression across the sector.

We are currently in discussions with tenants regarding leasing agreement updates and look forward to sharing further details once available.

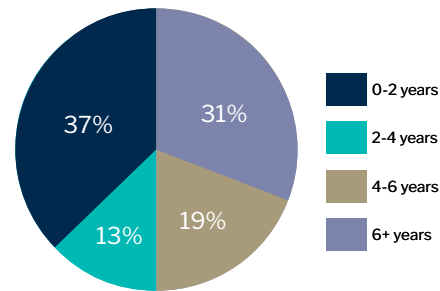


Fund data

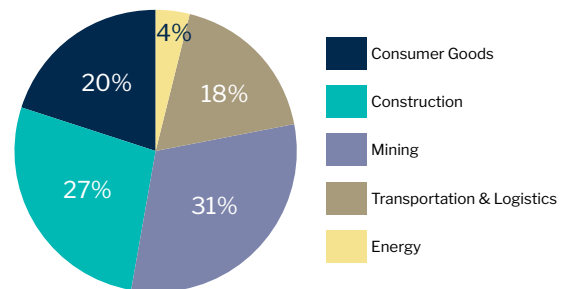
Geographic spread**



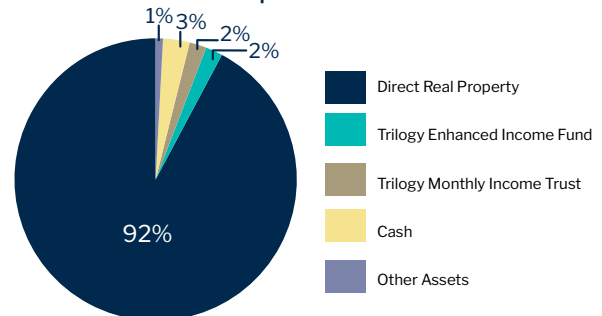
Lease expiry**



Income by tenant sector**



Trust asset composition**



The Industrial Trust has secured a new industrial acquisition in Toowoomba, located on Carrington Road, Torrington.

The acquisition will deliver a competitive yield to the Trust and has a strong tenant covenant, leased to RDO Equipment Pty Ltd, one of the world's largest John Deere and Vermeer equipment dealers. It also presents future development opportunity.

Settlement of the property occurred on 11 April 2022.

Outlook

The early May cash rate increase to 0.35% is not expected to impact the Industrial Trust's acquisition pipeline directly. It may, however, affect the resilience of businesses or tenants and overall cost of acquiring new properties. The impact of these trends and the recent increase in rates on the sector going forward will be closely monitored.

Our team are also taking this into consideration when assessing potential acquisitions. They continue to seek assets with high quality tenants, appropriate pricing relative to the broader market, and characteristics, such as long leases and ratchet clauses within lease agreements, which will be beneficial in protecting the real value of an asset from emerging inflationary pressures.

** As at 30 April 2022

Investments in the Trilogly Industrial Property Trust ARSN 623 096 944 can only be made on the application form accompanying the Product Disclosure Statement (PDS) dated 1 July 2021 and considering the Target Market Determination (TMD) dated 1 October 2021 for the Trilogly Industrial Property Trust ARSN 623 096 944 available at www.triloglyfunds.com.au. The PDS and the TMD contain full details of the terms and conditions of investment and should be read in full, particularly the risk section, prior to lodging any application or making a further investment. All investments, including those with Trilogly Funds, involve risk which can lead to loss of part or all of your capital or diminished returns. Trilogly Funds is licensed to provide only general financial product advice about its products and therefore recommends you seek personal advice on the suitability of this investment to your objectives, financial situation and needs from a licensed financial adviser. Investments with Trilogly Funds are not bank deposits and are not government guaranteed. Past performance is not a reliable indicator of future performance.



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TSU

Mackay
Customer
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- Track Repairs
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- Parts

2A

HAZCHEM
In case of emergency call
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Find out more.

Start a conversation with us today.
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