

Trilogy Industrial Property Trust

Monthly distribution annualised
8.00 CPU, P.A.^{1,2}
Current yield annualised
7.10% P.A.³

Investment report: March 2024

Fund Overview

Key Metrics	
Inception	May 2017
Gross asset value	\$253.73m ⁶
Occupancy rate	100%
Trust LVR	45.0% ⁷
WALE	5.82 years (by income) ⁸
Number of properties	15
% of inflation-linked income	51%
Fund Information	
Unit price	\$1.1251 ²
Minimum initial investment	\$20,000
Minimum additional investment	\$5,000
Distribution frequency	Monthly
Withdrawal notice period	
Target offer date	Four years from most recent offer. See PDS.
Most recent offer	March 2022.
Interim withdrawal offers	
Target offer date	Annually commencing 1 February and closing 28 February. See PDS for details.
Responsible entity management fee	0.50% p.a. (including GST) of gross asset value. Additional fees are charged to the Trust relating to the assets. See PDS for details.
APIR	TGY1928AU

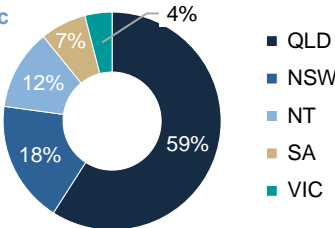
Investment Objective

The Trilogy Industrial Property Trust (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.

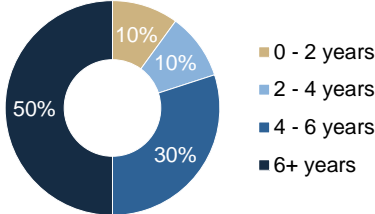
Historical Performance ^{2,4,5}							
	1 month	3 month	6 month	1 year	3 year	5 year	Inception
Income	0.59%	1.77%	3.57%	7.13%	7.11%	7.48%	7.63%
Growth	(0.20%)	(0.83%)	0.86%	0.39%	3.48%	2.40%	2.03%
Total	0.39%	0.94%	4.43%	7.52%	10.59%	9.88%	9.66%

Fund Snapshot⁶

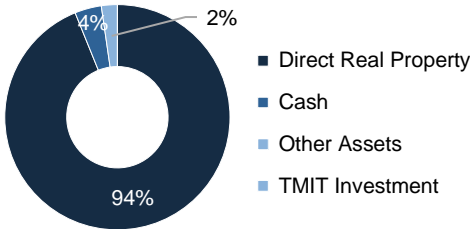
Geographic spread



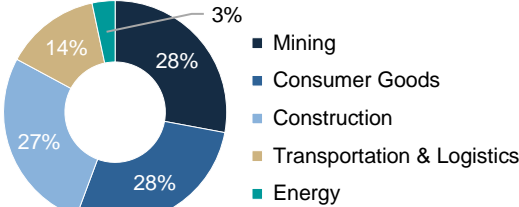
Lease expiry



Asset exposure



Income by tenant sector



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 11 September 2023 issued by Trilogy Funds Management Limited (Trilogy Funds) ABN 59 080 383 679 AFSL 261425 and available from www.trilogyfunds.com.au. Please also consider the Target Market Determination (TMD) dated 11 September 2023 which is available at www.trilogyfunds.com.au. Information included in this communication about investment yield and returns should be considered only as part of a balanced review of all the features, benefits and risks associated with the product. Please read the PDS and the TMD in full. All investments, including those with Trilogy Funds, involve risk which can lead to no or lower than expected returns, or a loss of part or all of your capital. Investments in Trilogy Funds products are not bank deposits and are not government guaranteed. Past performance is not a reliable indicator of future performance.

Fund and Market Update

The Trust delivered a total return of 7.52% over the 12 months to 31 March 2024 and 9.66% on an annualised basis, since inception in May 2017. We are pleased to announce the execution of a new six-year lease with an existing tenant of the Trust, Plasdene Glasspak Pty Ltd. This tenant has occupied approximately 2,500sqm of floor space in the Trust's asset at 113-117 Bedford Street, Gillman, SA, since the development of the asset in 2018-2019. Plasdene held 3 x two-year lease options, however we were able to negotiate a new six-year lease which is favourable to the Trust. This is a reflection of the strength of the leasing market, and the tenant-appeal of this asset.

During the month, practical completion was achieved on the capital works upgrade project for Bega Dairy & Drinks (Bega) at 16 Galleghan Street, Hexham (NSW). The project, which was approximately \$1 million in value, included upgrades to loading docks and refrigeration equipment for the cold storage facility, improving this tenant's operational capacity. The works were associated with the new 9-year lease recently executed by Bega.

Last month we announced that contracts had been exchanged on a new acquisition in Brendale, QLD. We continue to progress towards settlement around May / June 2024. Further details are provided below.

In market news, this month ISPT and Greystar announced new developments in Western Sydney, totaling approximately \$500m in cost. The announcements reflect investor confidence in the ongoing demand for additional warehouse space.

Asset Highlight



Acquisition of Brendale Asset

Purchase price	\$29,000,000
Location	45-53 South Pine Road Brendale
Details	<ul style="list-style-type: none">100% occupancy rate20-year initial lease with 5.5 years remaining lease tenure⁶Leased to Modern Star, one of Australia's leading suppliers of educational resources and toys

Outlook

The Australian industrial & logistics sector is now the largest commercial property sector by value, according to Cushman & Wakefield's capital markets logistics & industrial March insights. Cushman & Wakefield forecast that the value of the sector is set to grow by a further 22% over the next two years, due to an increase in new stock and an increase in value of existing stock. Cushman & Wakefield's forecasts regarding value growth of existing stock are particularly interesting. They are based on both rental growth, which is widely anticipated to continue, but also from yield compression from early 2025 – Cushman & Wakefield is the first major commentator to start forecasting yield compression in the sector since interest rates flattened out⁹.

Awards



WINNER
Direct Property
FINANCIAL
NEWSWIRE
S&P
500



FINALIST
Direct Property
FINANCIAL
NEWSWIRE
S&P
500

Product Disclosure Statement (PDS) is available on the Fund webpage [here](#)
The Target Market Determination (TMD) for Units in the Fund is available free of charge on the Fund webpage [here](#)

1. Monthly distribution annualised. Distributions are variable. All distribution rates quoted are variable, net of fees, costs and taxes and assume no distribution reinvestment.
2. Past performance is not a reliable indicator of future performance. As at 31 March 2024.
3. Monthly distribution yield, annualised. Based on 1 April 2024 unit price.
4. Past performance is not a reliable indicator of future performance. Total returns measured from first distribution payment - May 2018. Unit price displayed from 1 July 2021. Prior to July 2021, the fund was only open intermittently for capital raises, and unit prices were calculated on a non-regular basis, making historical data prior to this point less meaningful.
5. 3-year, 5-year and inception data are reported on a per annum basis.
6. Data updated as at 31 March 2024.
7. LVR is defined as loan to valuation ratio. Data updated as at 31 March 2024.
8. WALE is defined as weighted average lease expiry. Calculated based on income of the properties as at 31 March 2024.
9. <https://www.cushmanwakefield.com/en/australia/insights/capital-markets-outlook>