

MDC Trilogy Wholesale Yield Fund I

INVESTMENT REPORT | JUNE 2025



NET DISTRIBUTION RATE¹

10.00% P.A. PAID QUARTERLY

¹June 2025 net distribution rate annualised. Past performance is not a reliable indicator of future performance. Rates are variable.

HISTORICAL PERFORMANCE⁷

1 QUARTER	2 QUARTERS	3 QUARTERS	PAST YEAR	INCEPTION
2.5%	5.0%	7.5%	10.0%	10.0%

Fund Overview

The **investment strategy** of the Fund will subscribe for Secured Loan Notes issued by MDC Trilogy Holdings I Pty Ltd (MDC Trilogy Holdings). MDC Trilogy Holdings will in turn use that money to acquire property management assets through subsidiaries, predominantly consisting of residential management assets (e.g., tenancy management agreements, rent-rolls) (Assets) in Australia.

FUND DETAILS²

Investment Type	Wholesale Unit Trust
APIR	APIR SPC8913AU
Launch	Sept 2022
Distribution Frequency ³	Quarterly - See Information Memorandum (IM) for details
Minimum Initial Investment	\$250,000
Unit Price ⁴	\$1.00
Withdrawals	See IM for details
Management Fee	Nil. Additional fees are charged to the Trust relating to the assets; see IM for details
Performance Fee	Nil
Entry and Exit Fees	Ordinary Units - Nil. Other fees and costs apply and you should read the IM for details
Risks	This product carries capital, distribution and other risks

PORTFOLIO OWNER DETAILS

Portfolio Owner	MDC Trilogy Property Management I Pty Ltd
Properties Under Management (PUM) ⁵	~5,800 (as at 30 June 25)
Geographical Spread NSW	Inner West Sydney Northern Beaches Sydney
Geographical Spread QLD	Rockhampton Toowoomba
Investment Manager	MDC Trilogy Investment Management I Pty Ltd

PLATFORM AVAILABILITY

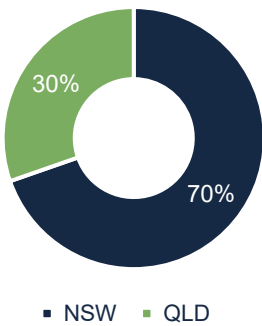
Netwealth Premium
Wholesale Menu

INDEPENDENT RESEARCH RATINGS⁶

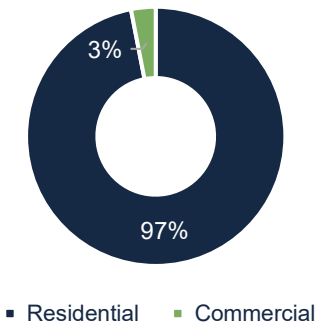


UNDERLYING PORTFOLIO SNAPSHOT

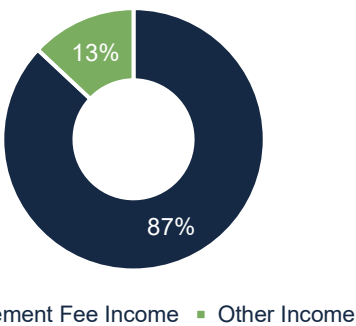
Geographic Spread



Loan Maturity - Raw data



Income Source



2. This summary has been provided for illustrative purposes only. All terms and conditions contained herein are subject to the MDC Trilogy Wholesale Yield Fund I's (Fund) Information Memorandum which should be referred to for further details. This summary is not an offer or solicitation to purchase interests in the Fund. Such interests are only offered to investors who meet the definition of a wholesale investor as defined in the Corporations Act 2001 (Cth), pursuant to the terms of the Information Memorandum, which should be reviewed carefully prior to investing.

3. See IM for details. Whilst distributions are intended to be quarterly, neither the amount or timing is guaranteed by the Portfolio Owner or Investment Manager.

4. While the unit price is expected to remain unchanged, capital losses can occur in circumstances where an asset of the Fund incurs a capital loss. Past performance is not a reliable indicator of future performance.

5. These properties are managed by MDC Trilogy Property Management I Pty Ltd and do not comprise assets of the Fund. There is an interposed entity between the Fund and MDC Trilogy Property Management I Pty Ltd, MDC Trilogy Holdings I Pty Ltd, who is the equity note issuer.

6. The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Investment Manager for the research and rating of the managed investment scheme.

7. Historical performance reflects most recent periods stated. Past performance is not a reliable indicator of future performance.

FUND COMMENTARY

In July, consistent with all quarterly distributions since inception*, the Fund paid the June quarter distribution of 2.5 cents per unit. During the quarter, the Fund raised additional capital with the intention of deploying it against identified opportunities in the near term. The recent rent-roll asset acquisitions by the Portfolio Owner in New South Wales and Queensland have now been integrated into the broader portfolio. The additional scale in these areas has allowed for the leveraging of overheads and resources previously deployed, to the benefit of economics of scale.

PORFOLIO OWNER COMMENTARY

During the quarter, the MDC Trilogy investment team (investment team) and business partners integrated assets associated with recent acquisitions in New South Wales and Queensland into the broader existing portfolio, involving office relocations, information technology simplification and rebranding. Collectively the acquisitions added over 2,000 property managements to the portfolio and included the transition of supporting property management staff and sales agents.

The investment team is in discussions with several parties that have expressed an interest in selling their rent-roll portfolios. This follows the recent execution of deeds of confidentiality and exchange of data relating to the underlying assets. Due diligence is underway on these portfolios to assess the suitability of underlying assets for inclusion in the broader portfolio with respect to returns, geographical location and composition. The Portfolio Owner will also consider the transition of supporting staff and sales agents to accompany a potential acquisition.

The total portfolio includes approximately 5,800 rent-roll assets and has an average management fee, represented as the percentage of rent charged as a fee for managing the property, of c.6.3% p.a.

VACANCY TRENDS

According to SQM Research¹, Australia's rental market experienced a modest increase in vacancy rates in June 2025, rising from 1.2% to 1.3% nationwide during the month. Although this slight uptick could indicate early signs of market stabilisation, several capital cities are still facing significant supply shortages, ensuring that rental conditions remain heavily tilted in favour of landlords.

Vacancy rates across most capital cities still reflect demand-driven pressure, with landlords in tighter markets retaining pricing power. However, cities like Melbourne and Canberra may see gradual shifts toward balance as vacancy rates rise slightly.

Sydney's vacancy rate remains stable at 1.6%, with a small year-on-year decrease of 0.1%. Melbourne's rate has climbed to 1.8%, a year-on-year increase of 0.3%, suggesting either lower demand or more supply that may ease rental pressure for tenants. Brisbane, Perth, Adelaide, Darwin, and Hobart all remain at historically tight level with vacancy rates under 1%. Canberra has stabilised after a sharp decline, likely due to renewed leasing activity or modest supply growth^{1,2}.

GOVERNMENT POLICY UPDATES

The Federal Government reaffirmed its 1.2 million-home target under the National Housing Accord, though recent figures show Australia remains behind pace, with approximately 94,000 dwelling commencements in the year to June 2025—well below the ~240,000 homes required annually to meet the target^{3,4}. It is cited that shortages in qualified builders and supporting trades, overseas migration and slower timeframes from planning authorities will continue to place pressure on the government targets.

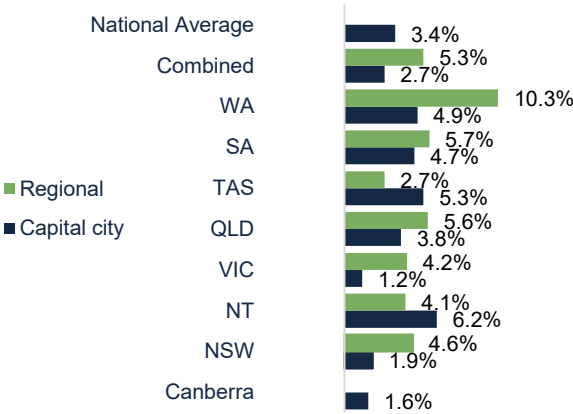
In June, the NSW Government launched a \$1 architectural "Pattern Book" to fast-track approvals for low- and mid-rise housing, aiming to reduce design and planning delays⁵. The Commonwealth also expanded tax incentives for build-to-rent developments, including accelerated depreciation and a reduced 15% withholding tax rate for eligible foreign investors⁶. The 'Help to Buy' shared-equity scheme opened nationally in May, with over 10,000 applications lodged by late June⁷. Meanwhile, the Coalition reiterated its proposal to cut net migration by 25%, while the federal government implemented tighter student visa requirements to ease housing demand⁸. Persistent delivery risks including labour shortages, elevated construction costs, and local-level planning delays continue to constrain new supply³.

RENTAL RATES

According to Cotality², rental growth showed signs of slowing during the June quarter, with the national rental index posting its smallest Q2 increase, of 1.3%, since 2020. On an annual basis, national rents rose by 3.4%, marking a significant deceleration from the 7.8% growth observed in the 2023-24 financial year. However, this growth remains 1.4% percentage higher than the pre-COVID decade average of 2.0%.

In the most recent quarter, rental growth in regional areas has continued to outpace that of capital cities, although the pace of growth is accelerating in both markets. Exceptions to this being Hobart and Darwin where rents continue to outpace regional areas with the states. Western Australia continues to see strongest growth in median rents of any of the states and territories with regional Western Australia having recorded a strong rental growth of 10.3% particularly those near the coast or with strong lifestyle appeal⁹.

Annual change in rental rates to June 2025



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The MDC Trilogy Wholesale Yield Fund I's Information Memorandum (IM) dated 7 September 2023 issued by the Specialised Investment and Lending Corporation Ltd ACN 149 520 918 (AFS license number 407100) (Trustee) is available. Prospective investors should carefully consider the contents in the IM in full and seek professional advice prior to making any decision regarding an investment in the Fund. The Trustee, the Investment Manager and its affiliates expressly disclaim any responsibility and shall not be liable for any loss, damage, claim, liability, proceeding, cost or expense arising directly or indirectly and whether in tort (including negligence), contract, equity or otherwise out of or in connection with or from the use of the information in this document.

1. SQM Research (Winter Lull Sees Slight Rise in Rental Vacancies), July 2025
2. Cotality Monthly Housing Chart Pack, July 2025
3. Housing Industry Association (HIA), Summary of HIA Forecasts – June 2025
4. <https://www.abs.gov.au/statistics/industry/building-and-construction/building-activity-australia/latest-release>
5. <https://www.theguardian.com/australia-news/2025/jul/16/architectural-home-designs-for-1-nsw-releases-housing-pattern-book-aimed-at-boosting-construction>
6. <https://budget.gov.au/content/03-housing.htm>
7. <https://grattan.edu.au/news/election-2025-evaluating-the-housing-policies/>
8. <https://www.theguardian.com/australia-news/2025/apr/20/who-actually-benefits-from-the-coalition-and-labors-housing-policies>
9. API Magazine (Regional WA locals struggle to compete with interstate investors), June 2025

* Past performance is not a reliable indicator of future performance.
The Information Memorandum (IM) and reports issued by SQM Research is available on the Fund webpage [here](#).
For more information, please speak to the Trilogy Investor Relations Team at: E: investorrelations@trilogyfunds.com.au T: +61 7 3039 2828