STIRLING
PROPERTY FUNDS

INFORMATION MEMORANDUM
Stirling McGraths Hill LFR Fund

Prime Bunnings anchored LFR Centre located in Sydney's high growth north-west

Target Net IRR of 14.1% p.a., 7.1% p.a. average cash distribution and 18.7% p.a. Gross Tax Equivalent IRR

Key highlights

Stirling McGraths Hill LFR Fund

- **Prime Bunnings anchored Large Format Retail (LFR) Centre located in Sydney's high growth north-west:** McGraths Hills Home is a prime 100% leased LFR Centre on 3.78ha of land, with national tenants including Bunnings, Harvey Norman, BCF, Repco, Beacon Lighting and Good Price Pharmacy. WALE of 4.8-years and fixed annual rent increases of 3.0%.
- **Target returns:** Net IRR of 14.1% p.a., 7.1% p.a. average cash yield and a 18.7% p.a. Gross Tax Equivalent IRR (47% income tax bracket) and an equity multiple of 1.8 times.
- **Attractive investment metrics:**
  - 38% discount to replacement cost
  - 32% discount to the peer group average yield
  - 45% discount to the peer group average rate per sqm of lettable area
- **Rental growth supported by a 2.5% sector vacancy rate and growing tenant demand:** Sector vacancy of 2.5% being compounded by historic and future undersupply of new LFR floorspace. Prime LFR assets such as McGraths Hill Home are typically 100% leased with national tenants having limited options to expand in a tight market.
- **Capital value growth supported by a lack of investment opportunities and increased institutional capital allocations to the sector:** Within metropolitan Sydney, there are 30 LFR centres in excess of 10,000 sqm, only six of which have transacted since 2020. The broadening of demand from tenants is leading to institutional investors increasing allocations to LFR.
- **Attractive yield spread and resilient investment returns provide a buffer against further interest rate rises:** Prime LFR yields offer an attractive spread to other commercial real estate sectors which provides a buffer against further interest rate increases. Compared to other sectors, LFR capital values have proven the most resilient to the RBA's 425 basis point (bps) interest rate increases.
- **Hedge against inflation:** Weighted average annual rent increases of 3.0% p.a., strong tenant credit quality with no rent arrears, low depreciation given the site coverage ratio of 43% and higher component of net income distributed as cash flow to investors.
- **Main Trade Area key metrics far exceed Sydney metropolitan averages:** McGraths Hill Home is located in one of the largest and fastest growing residential corridors in metropolitan Sydney. Key Main Trade Area (MTA) wealth and demographic metrics far exceed Sydney metropolitan averages with average household income 8% higher, average population growth 7x greater and home ownership 9% higher.

“Stirling, with its unique blend of commercial and retail real estate experience, aims to provide its Unitholders superior, growth-oriented returns through the acquisition and active management of strategically located properties.”

McGraths Hill Home, Vineyard

McGraths Hill Home

01. Key Features

The following is a summary of the key information for prospective Unitholders of the Fund and where further details within this Information Memorandum can be located.

KEY FUND FEATURES	DETAIL	SECTION
Investment Opportunity	The Fund targets to provide Unitholders an IRR of **14.1% p.a.**, including an average cash distribution of **7.1% p.a.**, over a 4.5-year Fund term, by investing in a prime, fully leased Large Format Retail Centre in Sydney's north-west growth corridor. The Fund's cash distribution and total returns carry tax deferred benefits to Unitholders, resulting in higher Gross Tax Equivalent (GTE) returns as follows:	6
Property Purchase Price	McGraths Hill Home: 10 Industry Road, Vineyard – $55.0 million	2
Valuation	The Property has been independently valued at $55.0 million by Cushman and Wakefield.	2 & 3
Property description	McGraths Hill Home is a prime single-level LFR centre, which is 100% leased, with a 4.8-year WALE (by income), anchored by Bunnings Warehouse and Harvey Norman plus seven Large Format and Neighbourhood Retail stores. The Centre occupies 16,478 sqm of gross floor area on a 3.78 hectare site. On grade car parking is provided for 350 vehicles.	4
Tenants	McGraths Hill Home is 100% leased to Bunnings, Harvey Norman, BCF, Beacon Lighting, Good Price Pharmacy, Petbarn, Repco, Homeland Rugs and Flooring and Subway.	4

Income tax bracket	Target GTE Average Cash Distribution	Target GTE Total Return
47%	10.0% p.a.	18.7% p.a.
15%	7.6% p.a.	14.8% p.a

KEY FUND FEATURES	DETAIL	SECTION
Location	McGraths Hill Home is located in Vineyard, approximately 50 kilometres north-west of Sydney CBD within one of Sydney's largest residential growth corridors. The MTA has a household income 8% higher, average population growth 7 x greater and home ownership 9% higher than the Sydney Metropolitan average.	4
Offer	The offer made under this IM is for Unitholders to subscribe for 31.5 million Units in the Fund, with the proceeds of Unitholders equity, plus Fund debt, used to acquire McGraths Hill Home.	5
Director Investment	Stirling, or its directors personally, will be investing $500,000 in the Fund.	7
Minimum Investment	$100,000 (the Manager may accept lesser amounts at its discretion) The minimum additional investment is $25,000.	7
Capital Call	Investors will be required to transfer their Investment Amount upon completing their application.	7
Unit Price	The commencing Unit Price is $1.00 per Unit.	7
Fund Term	The target period for the Fund as outlined in this IM is for 4.5-years.	7
Taxation	The Manager has engaged a quantity surveyor and taxation adviser to assist in determining the depreciation allowances for the Property and other tax deductible items, that provide tax deferred benefits to the Fund's Unitholders. The taxation consequences of any investment in a fund are dependent on each individual investor's circumstances. Individual investors are responsible for seeking advice from their accountant or professional adviser.	6 & 10

Key Features

KEY FUND FEATURES	DETAIL	SECTION
How to make an investment	Prospective Unitholders need to ensure they have read this IM before considering an investment in the Fund. To become a Unitholder, the Application Form included in this IM or via the Fund's registry site must be completed correctly. **https://apply.automic.com.au/stirling.lfr** To make an application to invest in the Fund, please either complete the Application Form and identification material in this IM or alternatively go to the online application on the Stirling website **www.stirlingpropertyfunds.com.au**	**Application**
Wholesale Client	Investors must generally qualify as a Wholesale Client investor or Sophisticated Investor, as defined under the Corporations Act, to invest in the Fund.	**7**
Retail Client	The Trustee is permitted to accept up to $2.0 million from Retail Clients. A Retail Client Investor is an investor who does not qualify as a Wholesale Client investor, and who accepts a personal offer to invest.	**7**
Distribution frequency	The Fund will pay distributions monthly in arrears.	**6**
Fund Debt	The Fund's commencing borrowings will be $27.5 million, and will reflect a LVR of 50%. The Manager has secured a 3-year debt facility with St. George Bank at a margin of 1.25% p.a. over BBSY. The debt funding will be non-recourse to the Fund's Unitholders and secured over the McGraths Hill Home property and assets of the Fund generally.	**6**

KEY FUND FEATURES	DETAIL	SECTION
Fees and Costs	The Manager is entitled to receive fees in consideration for the management of the Fund. In accordance with the Fund Constitution, the main fees are summarised as follows: ▪ Proponent fee: equivalent to 1.25% of the purchase price of the Fund's property. ▪ Management fee: equivalent to 0.55% p.a. of the Fund's Property value. ▪ Performance fee: 20% in excess of an IRR of 10% p.a. measured at the termination of the Fund and after all fees. ▪ Sale fee: 1% of the Property gross selling price, from which the Manager is to pay external agents. Each of the above fees are GST exclusive.	8
Experienced Retail Sector Manager	Stirling is an experienced manager of both Large Format Retail and Neighbourhood Shopping Centre assets, with existing retail assets in its portfolio as well as the Directors' extensive industry experience in this sector.	5
Stirling	Stirling Property Funds comprises a team of highly experienced executives with a proven track record, at senior levels, in property investment, asset management, divestment, town planning and finance. The Fund is Stirling's seventh investment offering, with Stirling's previous offerings all being oversubscribed.	5
Risks	Unitholders should be aware of the risks associated with investing in property, including those outlined within this IM.	10
Manager	Stirling Property Funds Limited ABN 19 617 836 736 and AFSL 497783	5
Fund Trustee	Stirling McGraths Hill LFR Pty Ltd A.C.N. 678 349 829, a wholly owned subsidiary of Stirling Property Funds Ltd	7
Fund Custodian	The Fund's assets will be held in the name of an external Independent Custodian, being Perpetual Corporate Trust Limited ABN 99 000 341 533, appointed by the Fund's Trustee.	9
Cooling off	There will be no cooling off period in respect to investments in the Fund.	10

02. The Opportunity

An investment in the Stirling McGraths Hill LFR Fund provides investors with the opportunity to invest in a fully leased, dominant Large Format Retail Centre located in Sydney's high growth, north-west corridor, which outperforms metropolitan Sydney on key demographic metrics.

Market fundamentals within the LFR sector present the opportunity to deliver high risk adjusted returns through investment in best of class properties such as McGraths Hill Home. Sector vacancy of 2.5%, four consecutive years of undersupply, strong population and household formation growth and a broadening of tenant demand in response to LFR's active role in bridging online and bricks and mortar retail present the basis for strong medium-term rental growth. Coupled with the scarcity of investment opportunities and the re-emergence of institutional investors increasing allocations to the LFR sector, the fundamentals are in place for robust medium-term capital value growth.

The Fund provides an active hedge against inflation with high quality tenants producing stable, growing net income which is an important component of investment returns in periods of elevated inflation. 97% of the Funds income is derived from national tenants, with 3.0% fixed annual increases and a 4.8-year WALE, attributes which are an attractive hedge against inflation.

McGraths Hill Home, Vineyard

2.1. ATTRACTIVE INVESTMENT METRICS

The investment offers attractive metrics, with:

- Purchase price reflects a 38% discount to replacement cost.
- Commencing Property yield of 6.25% representing a 32% discount to the average initial yield at which LFR assets have sold within metropolitan Sydney over the past four years.
- Rate per sqm of Gross Lettable Area of $3,338 per sqm metre representing a 45% discount to the average rate per square metre at which LFR assets have sold within metropolitan Sydney over the past four years.
- Average Fund cash distribution of 7.1% p.a., target IRR of 14.1% p.a. and GTE IRR of 18.7% p.a. for the highest income tax bracket investor.
- National tenants comprise 97% of the income with Bunnings and Harvey Norman contributing 51% of the income.
- 100% occupancy with 4.8-year WALE.
- Main Trade Area average household income is 8% higher, average population growth 7 times greater and home ownership 9% higher than the Sydney Metropolitan averages.

2.2. INVESTMENT RATIONALE

Dominant, established LFR Centre generating robust and defensive cash flow

McGraths Hill Home is the dominant Bunnings anchored LFR centre in Sydney's north-west growth corridor. The Centre has a 20-year track record of delivering robust and defensive cash flow which is reflected in the average length of tenant occupancy of 15-years. National tenants comprise 97% of the Centre income, underpinned by best in category retailers including Bunnings, Harvey Norman, Repco, BCF and Petbarn.

Bunnings has been a tenant within the Centre for 20-years and recently exercised a further 5-year lease option to 2029. In a sign of strength of the operating performance of the Centre, Harvey Norman recently agreed to an early extension of their lease for a further 5-years to 2030 which will bring their occupation in the Centre to 15-years.

The defensive nature of McGraths Hill Home is further enhanced by the significant weighting to neighbourhood retail which is considered non-discretionary. 64% of the Centre income comprises neighbourhood retail including best in category tenants such as Bunnings, Petbarn, Repco and Good Price Pharmacy.

Traditional Large Format retailers within the Centre represent 36% of the income and comprise ASX-listed, category leading tenants, such as Harvey Norman, Beacon Lighting and BCF. Exposure to the more discretionary furniture category is limited to Harvey Norman which comprises 20% of the Centre income.

The Opportunity

METRO SYDNEY LARGE FORMAT RETAIL SALES >10,000M²

CENTRE NAME	DATE	SALES PRICE MILLION	PASSING YIELD	FULLY LEASED YIELD	GLA (M²)	SALE PRICE ($/M²)	VENDOR	PURCHASER
300 Parramatta Road, Auburn	Mar 20	$46.0	5.46%	5.46%	9,647	$4,768	Altis Property Partners	Dahua Group
Homebase Campbelltown	Aug 21	$48.3	4.99%	4.99%	10,738	$4,498	Campbelltown City Council	Goodwin & Kenyon Group
Minchinbury Large Format Centre	Jun 21	$68.0	5.15%	5.49%	10,813	$6,289	Private Developer	IOOF
Homemaker Prospect	Nov 22	$78.9	5.57%	6.32%	25,767	$3,062	Dexus	Ashe Morgan
Crossroads Homemaker Centre	Oct 22	$282.0	4.57%	4.57%	52,138	$5,409	Ashe Morgan	LaSalle
Alexandria Homemaker Centre	May 22	$200.0	4.00%	4.00%	22,416	$8,922	Arkadia	Goodman Australia
Bayview Centre (Wollongong)	May 24	$57.0	5.50%	5.50%	10,729	$5,313	Griffith Capital	MLC
Weighted Average	**–**	**$176.9**	**4.72%**	**4.83%**	**–**	**$6,048**	**–**	**–**
McGraths Hill Home	**Nov 24**	**$55.0**	**6.25%**	**6.25%**	**16,478**	**$3,338**	**HomeCo**	**Stirling**

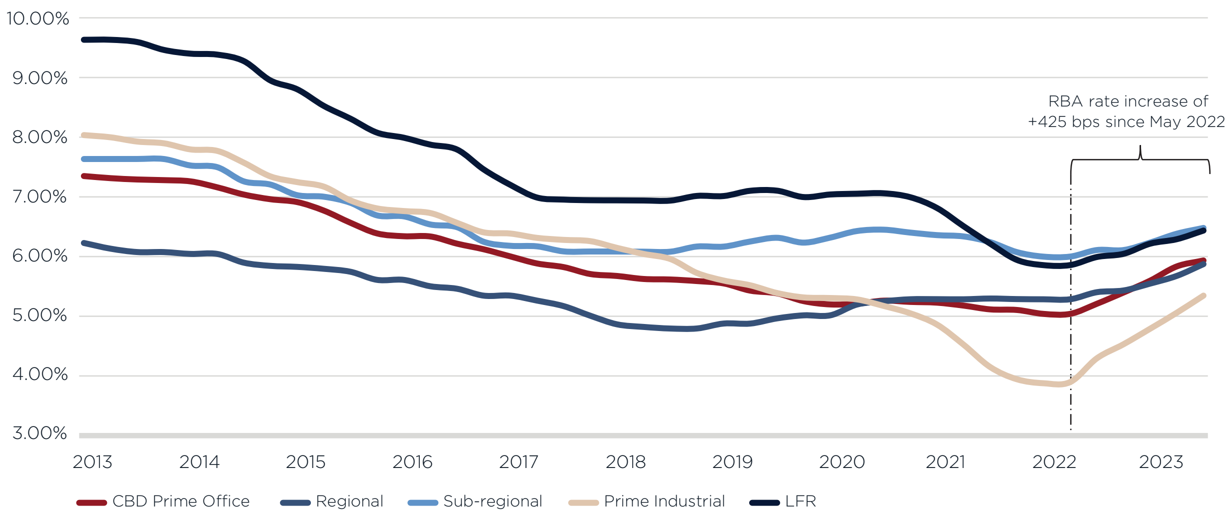
McGraths Hill Home is being acquired at a 32% discount to the peer group yield and a 45% discount to the peer group on a rate per sqm basis.

Resilient investment returns provide a hedge against inflation

LFR yields offer an attractive spread to other commercial real estate sectors which coupled with the attractive sector fundamentals provides a buffer against increased interest rates.

Since the commencement of the RBA's 425 basis point tightening cycle in May 2022 capital values with in the LFR sector have proven to be the most resilient as evident in the graph below. Yields for LFR assets have expanded by between 50-75 bps vs. 100 bps for prime offices and 175 bps for industrial.

AUSTRALIAN COMMERCIAL REAL ESTATE EQUIVALENT YIELD



Source: JLL Research.

The Centre provides return attributes which are an active hedge against inflation. In a period of elevated inflation the ability to generate stable, growing net income is an important component of investment returns.

- Annual fixed rent reviews comprise CPI linked (20% of Centre income) and fixed annual percentage increases ranging from 3.0-5.0% (80% of Centre income). All components of the Centres cash flow are growing annually at a rate which over the medium term will exceed inflation. This compares to other segments of the retail sector where leases to large occupiers such as supermarkets do not provide for guaranteed fixed annual rent increases.
- The Centre has no common areas to service with minimal substantial plant and equipment resulting in less capital expenditure (CAPEX) than is required to be invested in assets in other retail and office sectors. This results in a higher component of net income being distributed as cash flow to owners and a higher cash yield over medium-term i.e. there is less income leakage.
- With a site coverage ratio of 43%, the Centre has lower depreciation compared to other sectors with a higher proportion of the overall value ascribed to the land.

The Opportunity

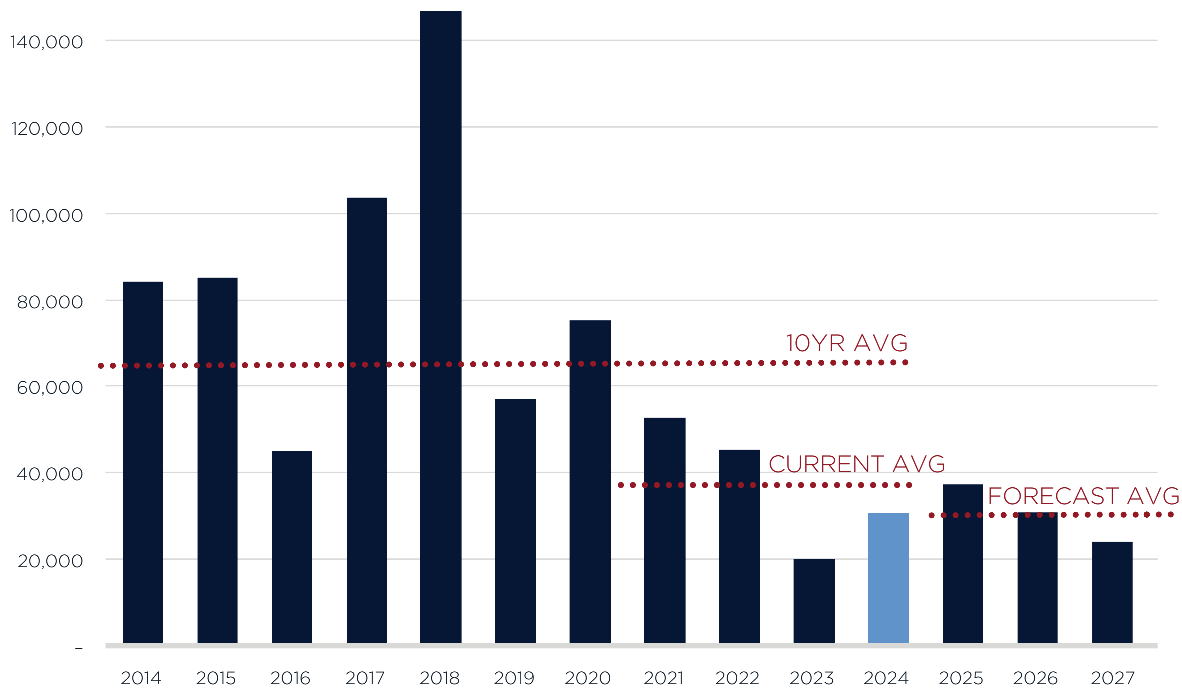
- The income stream is dependable with 51% of the Centre's income coming from ASX listed tenants and 97% of income from national tenants. Releasing rates are high resulting in limited vacancy as national tenants are reluctant to give up space in LFR centres in high growth metropolitan markets resulting in limited vacancy.

Low vacancy coupled with undersupply of LFR floor space

Over the past four years, new floorspace within the LFR sector has been 45% below the 10-year average. This undersupply is expected to compound over the next three years with new floorspace forecast to be 55% below the 10-year average. This undersupply has been the result of the rapid rise in construction costs and acute lack of supply of available development land. Economic rents, which are the basis on which new development is assessed as being feasible, are significantly higher than current market rents in metropolitan Sydney, making it challenging to develop new LFR floorspace.

Coupled with a sector vacancy rate of 2.5%, undersupply supports the outlook for positive rental growth with national tenants having limited options to expand in a very tight market. National LFR and neighbourhood retailers face limited opportunities to access high growth retail markets within residential growth corridors in metropolitan Sydney. Quality LFR centres such as McGraths Hill Home are typically 100% occupied with limited tenant turnover as retailers are reluctant to forego floorspace in these properties. This is evident by the long history the major tenants have within the Centre which averages 15-years.

NSW LFR HISTORIC & FORECAST SUPPLY



Source: CBRE Research

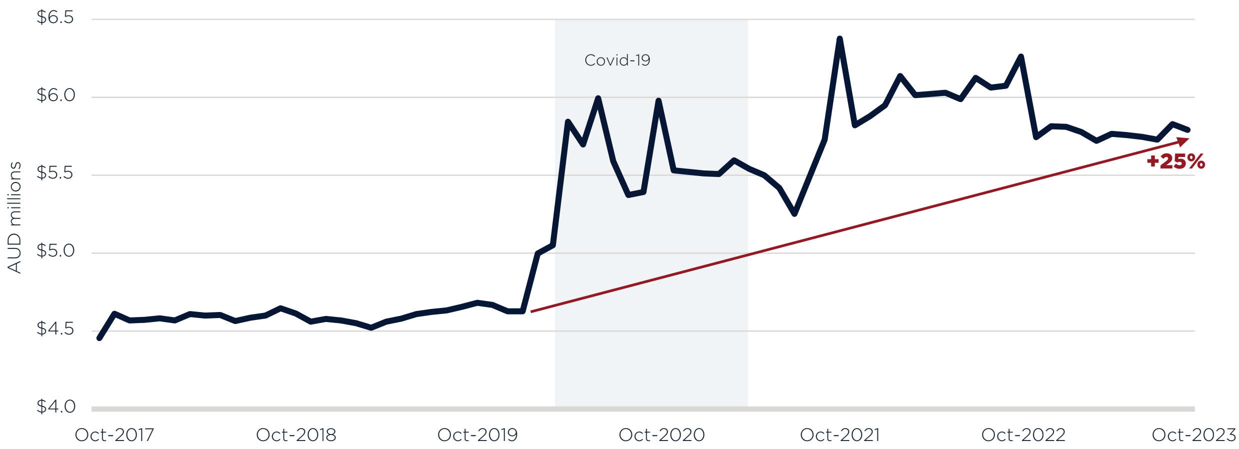
The increase in LFR sector spending to be driven by population growth and household formation

Consumer spending within the LFR sector topped $106 billion in 2023, comprising 25% of total retail spending. Population growth forecasts to 2033 is expected to generate an additional $17.3 billion in spending within the LFR sector. Sales volumes within the household goods sector, an important component of the broader LFR sector, are at levels which are 25% greater than pre-Covid.

Demand fundamentals support continued strong sales growth within the LFR sector driven by population growth and household formation increases over the medium-term.

Spending growth within the Centre's Main Trade Area (MTA) will benefit from the continuation of strong population growth and household formation. This in turn will support future rent growth within the Centre. The Centre is located within one of Sydney's largest growth corridors. Population growth within the Centre MTA grew at 7 times the Sydney Metropolitan average over the five years to 2021 and is forecast to grow at 2.2% p.a over the next 20-years.

NATIONAL HOUSEHOLD GOODS SPEND PER MONTH



Source: JLL Research.

The Opportunity

LFR sector transitioning from discretionary to daily needs

The LFR sector has traditionally been associated with discretionary retailing, anchored by furniture and electronics retail categories. A transition has taken place within the sector over the past five years with the best performing centres offering a mix of day-to-day retail, retail services and larger format retail anchored by pets, recreation, hardware, furniture and electrical retail categories.

This is evident within the tenant mix of the Centre with Good Price Pharmacy, Bunnings, Petbarn, Repco and Subway being classified as Neighbourhood Retail tenants as opposed to traditional LFR tenants. These retail categories are more non-discretionary than traditional LFR tenants and benefit from locating in LFR centres vs. shopping centres where they can have larger stores, extended trading hours, ease and convenience of access and lower rents.

Centre provides a key service within the online retail ecosystem

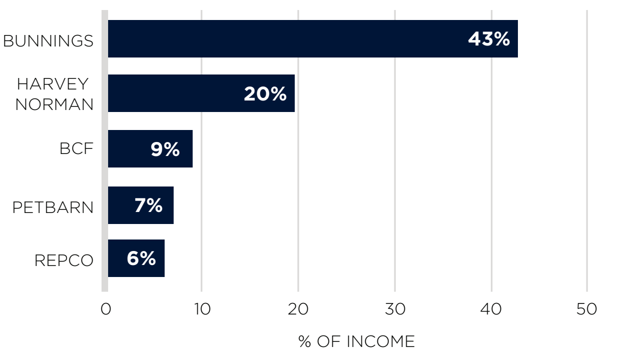
The Centre with its efficient layout with on-grade car parking, ease of access and convenient location within a growing metropolitan market combats friction associated with the traditional shopping centre experience. The Centre's flexibility in providing an in-store experience and the ability to operate as a base for click and collect and last-mile delivery has resulted in strong leasing demand from national retailers, evident by the average length of occupation within the Centre of 15-years.

The cost effectiveness of having larger retail stores with distribution capabilities in metropolitan locations, in close proximity to areas of high population growth such as the Centre provides national tenants with the ability to optimise their physical and on-line distribution strategies across in-store, click and collect and last-mile delivery.

McGRATHS HILL HOME

100%	4.8YR	97%	3.0%	64%	15YR
LEASED	WALE BY INCOME	NATIONAL TENANTS	AVG. FIXED RENTAL INCREASES	NEIGHBOURHOOD RETAIL	AVG. TENANT OCCUPANCY

TOP 5 TENANTS BY INCOME (85% of net income)



64% NEIGHBOURHOOD RETAIL^

Bunnings, Subway, Repco, Petbarn, Good Price Pharmacy Warehouse

36% LARGE FORMAT RETAIL

Harvey Norman, BCF, Beacon Lighting, HRF

^ Neighbourhood retail comprises largely non-discretionary spending with regular repeat customer visitation.

The attractiveness of the Centre is enhanced by the retailers ability to reduce reverse logistics costs and processing times for online transactions which are key comparative advantages for on-line retailers. The Centre offers an accessible, cost effective physical store presence to reduce both reverse logistics costs and processing times for consumers to return products and offers the retailer the opportunity to build engagement with the customer.

Customers' preference for omnichannel is evidenced in the trading performance with "Bricks and Clicks" retailers winning online market share at the expense of purely online retailers* with multichannel customers spending 2-3x more than single channel customers**. Omnichannel is important to customers and retailers, with LFR's characteristics making it an important component in the omnichannel ecosystem.

Scarcity of investment opportunities and increased institutional capital flows will place upward pressure on capital values

Despite strong levels of investment demand for LFR assets, the sector experienced limited trading activity throughout 2023 and YTD 2024, resulting in a 65% decline in transaction volumes compared to the 10-year average. This scarcity of investment opportunities is challenging for investors seeking to capitalise on the transition of the sector from discretionary to daily needs retailing and the growing recognition of LFR's role within the omnichannel retail ecosystem.

The broadening demand from tenants, including tenants looking at implementing a last mile delivery strategy, is driving rental growth and leading to the re-emergence of institutional investors seeking to increase allocations to the LFR sector. Capital is competing for a small number of institutional grade LFR assets. Within metropolitan Sydney there are 30 LFR centres in excess of 10,000 sqm with only six transactions recorded in the sector since 2020. This scarcity of stock positioned against an increasing level of capital seeking to increase exposure to the sector is expected to continue over the medium-term placing downward pressure on yields.

* Inside Australia online shopping, Australia Post (2023).
** MYER (Sept 2023): Coles (Feb 2021): Accent Group (Aug 2018): Pallant el al (2020): KPMG (Dec 2022).

03. Investment Strategy

Stirling has identified an active asset management strategy to successfully deliver on the investment opportunity. Stirling's investment objective is to provide investors with a target net IRR of 14.1% and an average cash yield of 7.1% p.a. over the investment period from an investment in a 100% leased LFR Centre with 97% national retailers located within the Sydney north-west growth corridor. Growth in income will be the predominate contributor to the target IRR with Stirling identifying the following opportunities to increase Centre income:

3.1. EXTENSION OF THE BUNNINGS LEASE TO 2029

Bunnings, representing 43% of the Centre income, has exercised their option to extend their lease for a further 5-years effective from December 2024. As part of the option to extend the lease, Bunning's commencing rent in the first year of the further lease term is to be either mutually agreed between Stirling and Bunnings or failing agreement, determined by a valuer acting independently. Under the lease the new rent must not be 10% higher than the passing rent at the time the option is exercised.

Cushman & Wakefield's valuation includes rental evidence of Bunnings Warehouse locations over the past two years throughout metropolitan Sydney. The rents have ranged from $162 to $317 per sqm with an average of $225 per sqm.

Bunnings passing rent of $163 per sqm is 38% lower than the average. Cushman & Wakefield has assessed the market rent for Bunnings to be 8% higher than the passing rent and Stirling considers there is the opportunity to increase the Bunnings rent toward the upper end of the 10% rental cap. An 8% increase, as per the assessed market rent by Cushman & Wakefield, provides for an additional $122,839 in annual income from Bunnings which capitalised at 6.25% results in $2.0 million of additional capital value.

Stirling will engage with Bunnings to seek agreement on a revised rent as part of the lease extension, failing which a valuer will be appointed to determine the rent. During the investment period Stirling will seek to reach agreement with Bunnings to exercise their further 5-year option to take effect in 2029. The rent determination mechanism for the further 5-year option is the same as that outlined above.

BUNNINGS COMPARABLE MARKET RENT REVIEWS

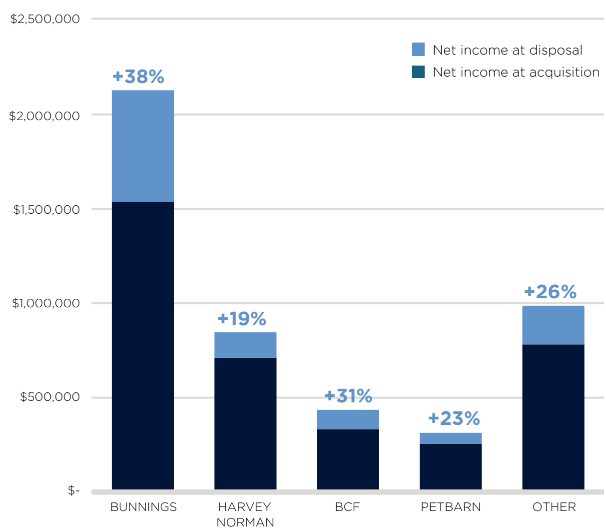
BUNNINGS LOCATION	GREENACRE	BELROSE	ARTARMON	VILLAWOOD	WEIGHTED AVERAGE	McGRATHS HILL
GLA (sqm)	14,149	8,888	5,764	13,250	-	9,397
RENT REVIEW DATE	Apr 2022	Feb 2023	Feb 2023	May 2023	-	Dec 2024
TERM	5yrs	5yrs	5yrs	5yrs	-	5yrs
MARKET REVIEWED RENT	$2,872,247	$2,222,000	$1,827,188	$2,146,100	-	$1,535,489 (passing)
MARKET REVIEWED RENT $/sqm	$203	$250	$317	$162	$216	$163 (passing)

3.2. ACTIVELY MANAGE LEASE EXPIRIES

Over the 4.5-year investment period, three leases representing 14% of the Centre income expire. These leases do not have options which provides Stirling the opportunity to maximise rents from these tenancies. Of the three tenants BCF is the most material representing 8% of the Centre income. The Valuer has assessed that BCF's passing rent is 9% below the market rent with strong prospects to achieve a significant increase in the BCF rent at lease expiry.

Should acceptable terms for the releasing of the tenancy to BCF at lease expiry not be reached, there is the opportunity to sub-divide the BCF tenancy into two smaller tenancies to maximise income. The tenancy is readily subdividable into two tenancies with the potential to realise approx. $133,000 p.a. in additional rent which, capitalised at 6.25%, equates to $2.1 million in additional capital value.

NOI INCREASE OVER INVESTMENT PERIOD



BCF TENANCY SPLIT SCENARIO

	EXISTING BCF LEASE	NEW TENANCY 1	NEW TENANCY 2
GLA (m^2)	1,100	792	308
LEASE EXPIRY	Oct 2027	–	–
PASSING RENT (gross)	$329,600	–	–
VALUER ASSESSED MARKET RENT (gross)	$357,695	**$319,176**	**$143,528**
INCREASE TO CURRENT BCF RENT	+9%	**+35%**	**+55%**

ADDITIONAL VALUE:
$133,104 p.a. capitalised at 6.25% = $2.1 million

- The rents adopted for New Tenancy 1 and 2 above are based off existing rents achieved in the Centre and are supported by the Valuer.
- BCF is the most material lease expiry over the fund term, representing 8% of the Centre income.
- BCF does not have an option in their lease presenting the opportunity to maximise income at lease expiry.
- Either BCF will re-lease at rents forecast to be 9% higher, or Stirling will split the tenancy and re-lease at rents 40% higher, resulting in approximately $2.1M in capital value.

Note: The above scenario of splitting the BCF tenancy has not been factored into Stirling's underwriting. It is considered an upside scenario should BCF vacate the property.

NTA GROWTH ATTRIBUTABLE TO IDENTIFIABLE RENT GROWTH

Achieving the targeted total return of 14.1% p.a. over the Fund term, and a Net Tangible Asset (NTA) value per unit of $1.45 at termination of the Fund, is attributable to two factors; growth in a property's Net Operating Income (NOI) and sector capitalisation rate compression.

Rental growth

Adopting the Valuer's commentary with respect to current passing rents versus market rents, as well as adopting the Valuers market growth rates over the Fund's term, Stirling has assumed the net passing rent at McGraths Hill Home increases from the current $3.4 million p.a. to $4.4 million p.a. This increase in net income of approximately $1.0 million p.a., when applied against the current capitalisation rate of 6.25%, accounts for a targeted $16.7 million increase in capital value (ignoring capitalisation rate compression). This should reflect an increase of $0.44 per unit of the terminal value driven by rental growth. The most significant component of the growth in the Property's value, is from the targeted rental increase is derived from the Bunnings lease, which accounts for $0.25 per unit of the Property's $0.57 per unit.

Capitalisation rate

Capitalisation rates are a function of the risk free rate (10-year Australian Government Bond), risk premium over the risk free rate, supply and demand of capital and outlook for rental growth. Historically, yields within the LFR sector have traded at wide ranges of 0.5% and 4.1% over the risk free rate with an average of 2.0%.

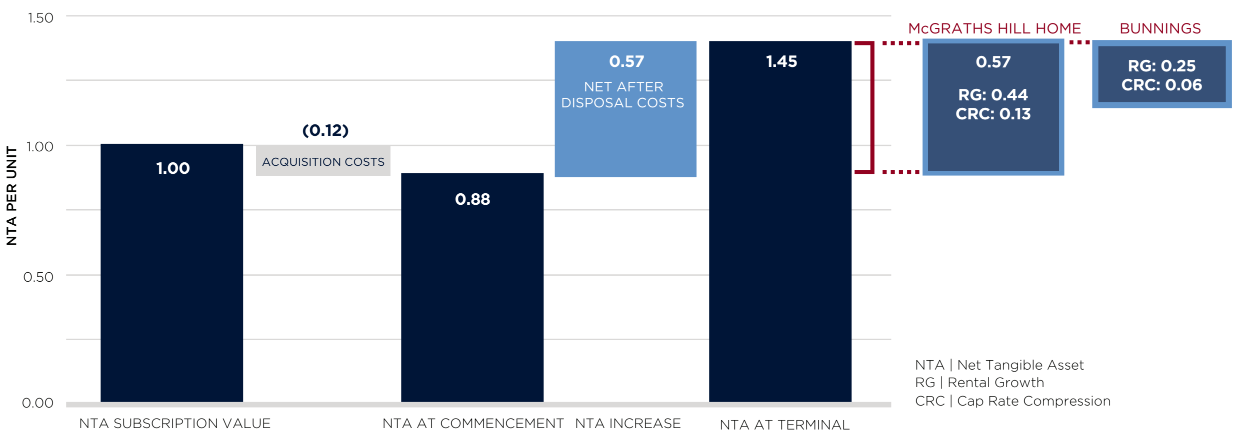
The market forecasts that the 10-year Australian Government Bond will remain broadly stable over the medium-term at levels generally in line with recent yields. As outlined above, Stirling considers that demand for LFR assets will increase over the medium-term given their secure return attributes and significant under supply of new floorspace which will place upward pressure on rents.

Stirling has assumed a terminal passing yield at disposal of 5.80% versus the initial passing yield of 6.25% at acquisition i.e. 45bps of yield compression.

Terminal Value

The terminal value reflects a rate per sqm of GLA of $4,687, which represents a 29% discount to the average rate per sqm at which LFR assets have transacted within metropolitan Sydney over the past 4-years.

MOVEMENT IN NTA PER UNIT



04. Property Information

4.1. KEY FEATURES OF THE PROPERTY

Location

McGraths Hill Home is located in Vineyard, approximately 50 Kilometres north-west of the Sydney CBD, within one of Sydney's largest residential growth corridors. The Centre's Main Trade Area (MTA) has a household income 8% higher, average population growth 7 x greater and home ownership 9% higher than the Sydney Metropolitan average.

Property description

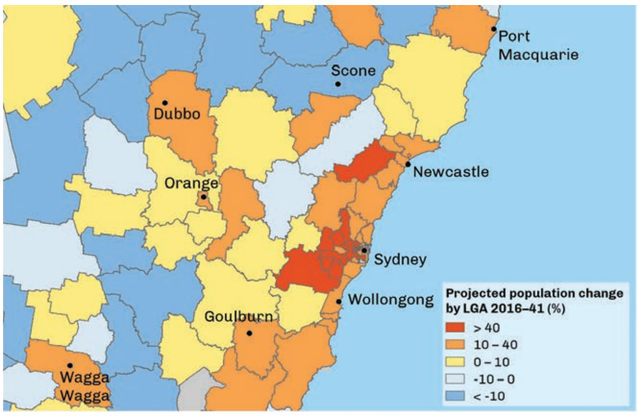
McGraths Hill Home is a prime single-level Large Format Retail Centre, which is 100% leased, with a 4.8-year WALE (by income) anchored by Bunnings and Harvey Norman plus seven Large Format and Neighbourhood Retail stores. The Centre occupies 16,478 sqm of gross floor area on a 3.78 hectare site. On grade car parking is provided on site for 350 vehicles.

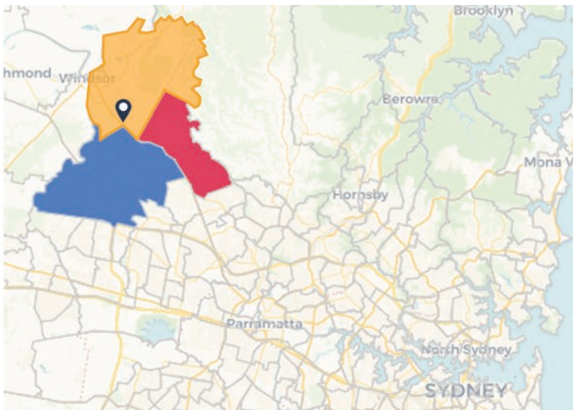
Tenancy details

McGraths Hill Home is 100% leased to nine tenants – all tenants having been in occupation in the Property for the past 10 years. Bunnings is the major tenant, comprising 57% of the gross lettable area and contributing 42% of the Property income.

A detailed tenancy schedule and Financial Summary for McGraths Hill Home is provided below (sections 4.2 and 4.3).

PROJECTED POPULATION CHANGE 2016–2041





Source: Planning NSW

MCGRATHS HILL HOME
PITT TOWN – MCGRATHS HILL ↑ 2.5% p.a.
ROUSE HILL – BEAUMONT HILLS ↑ 4.13% p.a.
RIVERSTONE – MARSDEN PARK ↑ 5.36% p.a.

4.2. TENANCY SCHEDULE

McGraths Hill Home

TENANCY	TENANT	GROSS LETTABLE AREA (SQM)	REMAINING LEASE TERM LEASE TERM (YEARS)	COMMENCEMENT DATE	EXPIRY DATE	OPTIONS YEARS
M01A	Bunnings[1]	9,397	5.2	6-Dec-04	5-Dec-29	2 x 5 years
1A	Subway	88	0.6	20-Apr-20	19-Apr-25	
2A	Petbarn	775	4.6	23-Apr-22	22-Apr-29	
2B & 3A	BCF	1,101	3.1	1-Nov-17	31-Oct-27	
4A	Good Price Pharmacy	691	4.4	1-Mar-19	28-Feb-29	
5A	Repco[2]	644	5.2	1-Dec-19	30-Nov-29	
6A	Harvey Norman[2]	2,994	5.7	1-Jul-20	30-Jun-30	
7A	HRF Rugs And Flooring	305	3.5	1-Apr-20	31-Mar-28	
8A	Beacon Lighting	488	4.4	27-Feb-21	26-Feb-29	
	Other income					
		16,478				

[1] Bunnings has exercised its option to renew its lease as at 6 December 2024 to 5 December 2029. Beyond December 2029, Bunnings has 2 further 5 year options remaining.

[2] The commercial terms of leases to Repco and Harvey Norman reflect the completion of the conditions precedent within the Contract.

NEXT REVIEW		BASE RENT P.A.	OUTGOINGS RECOVERIES	PASSING GROSS RENT P.A.
DATE	TYPE			
6-Dec-24	Market	1,535,489	155,516	1,691,005
–	–	62,506	6,574	69,080
23-Apr-25	3.0%	254,781	57,680	312,461
1-Nov-24	3.0%	329,600	–	329,600
1-Mar-25	3.0%	218,715	51,411	270,126
1-Dec-24	$246,075 (CPI thereafter)	234,358	47,963	282,321
1-Jul-25	$745,609 (3.0% thereafter)	706,690	140,353	847,043
1-Apr-25	5.0%	119,332	22,716	142,048
27-Feb-25	3.5%	142,789	36,021	178,810
		48,225		48,225
	Total	**3,652,485**	**518,234**	**4,170,719**

4.3. PROPERTY FINANCIAL SUMMARY

SUMMARY AS AT OCTOBER 2024

McGraths Hill Home

TENANT/CATEGORY	LETTABLE AREA SQM	BASE RENT $ P.A.	OUTGOING RECOVERIES $ P.A.	TOTAL $ P.A.
Bunnings	9,397	1,535,489	155,516	1,691,005
Harvey Norman	2,994	706,690	140,353	847,043
Petbarn	775	254,781	57,680	312,461
BCF	1,101	329,600	–	329,600
Good Price Pharmacy	691	218,715	51,411	270,126
Repco	644	234,358	47,963	282,321
HRF Rugs And Flooring	305	119,332	22,716	142,048
Beacon Lighting	484	142,789	36,021	178,810
Subway	88	62,506	6,574	69,080
Other income		48,225		48,225
Gross Passing Rent	**16,478**	**3,652,485**	**518,234**	**4,170,719**
Less Budgeted Outgoings				
Statutory Outgoings				198,229
Operating Expenses				561,103
Total Expenditure				**759,332**
Total Passing Net Operating Income				**3,411,387**

05. Manager

STIRLING PROPERTY FUNDS

Stirling is a boutique funds management company focused on achieving outstanding returns for its Investors.

MacGregor Home, Brisbane

STRATEGY

Stirling seeks early identification of property acquisition opportunities in Capital and Regional Cities, which are undergoing strong growth as a result of population growth, decentralisation, infrastructure investment and improved amenity. The objective is to buy mispriced assets and through active management grow income delivering attractive risk adjusted total returns.

POINT OF DIFFERENCE

Stirling's unique competitive advantage is its active involvement by the senior management team in the sourcing and managing of commercial, industrial and retail property. Collectively, Stirling's senior management team has in excess of 50-years experience in the property funds management industry.

EXECUTIVE TEAM

Stirling's executive team comprises a team of highly involved business executives with extensive experience, at senior levels, in property, finance and town planning professions. Together they draw on the asset management, funds management, town planning and development skills and success of former Centuria Property Funds and M & G Real Estate senior executives in collaboration with the Legacy Property team.

Manager

EXPERIENCE

- Completed $5 billion of commercial real estate investments over the past 10 years
- Led rezoning and residential development projects valued at $4.25 billion, comprising 4,250 dwellings across Greater Sydney

ALIGNED INVESTMENT STRUCTURE

- Alignment of interest with senior management investing personal capital alongside investors
- Privately owned with key executives integral to deal flow, due diligence and exit

INVESTING ALONGSIDE STIRLING

Stirling's key point of difference is its vertically integrated platform combining fund management and development expertise. This enables Stirling to generate enduring value for its clients through the active repositioning of properties.

MAXIMISE INVESTMENT RETURNS

- Actively managing assets
- Identifying opportunities to apply Stirling's in house town planning and development expertise
- Acquiring assets off market from private investors who often do not have the expertise or capital to maximise value

ACQUIRE MISPRICED ASSETS

- Research and identify areas benefiting from population growth, infrastructure investment and high growth industries
- Acquire assets at a discount to replacement cost

OUTCOME

- Total return strategy with a target IRR of 12%+ p.a.
- Yield focused strategy delivering cash yields of 6%+ p.a. with 2–3% p.a. growth in cash flow
- Principal driver of capital appreciation is active asset management and income growth

COMPLETED FUNDS

STIRLING 203 NORTHUMBERLAND STREET FUND

Acquisition Date
September 2019

Disposal Date
January 2023

Acquisition Price
$46.8 million

Disposal Price
$62.4 million

Equity IRR (Net)
10.3% p.a.

Equity Multiple
1.35x

Three years after acquiring 203 Northumberland Street, Liverpool, a Grade B office building with an adjoining development site located within the Liverpool CBD, Stirling completed its defined repositioning strategy and sold the asset a year ahead of its planned investment schedule.

Liverpool was identified as a target investment market set to benefit from significant infrastructure investment and above Sydney average economic, population and employment growth over the next decade.

Stirling's asset strategy included an extensive capital expenditure program to significantly enhance amenity and re-lease vacant space, subsequently increasing passing rents in the building by 20%.

The selling price of 203 Northumberland Street of $54.5 million represented a capitalisation rate of 5.95% and $7,381 per sqm of NLA – returning investors a total return of 10.3% p.a. 64 Bathurst Street, the adjoining lot, was sold earlier in 2022 for $7.9 million. The combined properties were originally acquired by the Fund, as one lot, for $46.76 million in September 2019, and sold for $62.4 million.

The positive sale result during a time of significantly subdued investment activity driven by RBA's 300bps cash rate increase (to December 2022), reinforced Stirling's ability to identify markets and assets which will deliver investors differentiated returns through active asset management.

Offer closed oversubscribed

Manager

STIRLING 2 BYFIELD STREET FUND

Acquisition Date
September 2018

Acquisition Price
$15.0 million

Target IRR
Mixed use: 24.8% p.a.
Commercial: 11.8% p.a.

Latest Valuation
$15.0 million (March 2022)

Source: Department of Planning and Environment

Macquarie Park was identified as a key investment market which satisfied Stirling's value-add growth investment philosophy given the precinct's significant public amenity, transport infrastructure, and identification as an urban renewal precinct by the Greater Sydney Commission Region Plan.

The acquisition of 2 Byfield Street Macquarie Park provided Stirling the opportunity to advance a rezoning of the precinct to mixed-use with higher density unlocking potential for significant growth in capital value. Stirling's strategy was proven successful in November 2023 with the release of the Macquarie Park Stage 1 Draft Rezoning Proposal by the Department of Planning and Environment.

The rezoning proposal reflected a designation from Business Park to Mixed Use, which allows for the following –

- Increase in height limit from 2 to 58-storeys (190 metres);
- Increase in FSR from 1:1 to 3.3:1; and
- Use mix of 95% residential and 5% commercial.

In parallel, Stirling successfully facilitated the signing of the Shrimptons Creek Landowners Deed which ensures that four adjoining landowners will work together to maximise development outcomes as the Rezoning Proposal reaches finalisation. This has enhanced the town planning outcome and will improve the marketability of 2 Byfield Street.

The rezoning under the Draft Proposal exceeds that of which the Fund's investment strategy was based, and at 58-storeys, 2 Byfield Street will have one of the greatest residential height limits within Sydney.

Stirling has successfully leased the property, generating robust cash flow for investors.

Offer closed oversubscribed

STIRLING ENHANCED YIELD FUND

Acquisition Dates
May 2021 – July 2021

Total Acquisition
$52.1 million

Target IRR
9.6% p.a. including 7.9% p.a. average cash distribution

Latest Valuation
$55.8 million (June 2023)

The Stirling Enhanced Yield Fund (SEYF) comprises three investment grade, quality commercial assets within the highly sought after Industrial and Large Format Retail sectors. The assets are located in the high growth cities of Brisbane and Newcastle.

Brisbane and Newcastle are benefiting from decentralisation, population growth and improved infrastructure generating strong tenant demand and rental growth.

MacGregor Home, located 11km south of the Brisbane CBD, is the dominant Large Format Retail Centre within the established MacGregor retail precinct. Stirling has been successful in fully leasing the centre which includes a number of national tenants including The Good Guys, Focus On Furniture, James Lane, and Sleeping Giant.

9 & 11 Channel Road, Mayfield West comprises two adjoining warehouses leased to Port Hunter Conveyors for 7 years with 2x7 year options. The properties have excellent connectivity to two national highways, Port of Newcastle, freight rail and Newcastle Airport.

Offer closed oversubscribed during the COVID-19 pandemic

Manager

STIRLING RIVERSIDE DRIVE FUND

Acquisition Date
April 2022

Acquisition Price
$15.8 million

Target IRR
14.5% p.a. including 5.4% p.a. average cash distribution

Latest Valuation
$17.7 million (June 2023)

The Stirling Riverside Drive Fund features two newly developed, adjoining industrial properties – 52 and 54 Riverside Drive Mayfield West – in Newcastle's premier and highly sought after Steel River Business Park. The two assets comprise six warehouse units. Stirling has a definitive leasing and disposal strategy for the two assets, with a target total return of 14.5% p.a. over a 3-year investment period.

The leasing strategy has been successfully delivered with the six units being leased at net rents 10% above underwriting. Both assets are well positioned to benefit from long term demand drivers taking place within the industrial market coupled with the strong growth dynamics of the Newcastle economy. High rates of population growth and infrastructure investment are generating strong tenant demand for industrial space, particularly for infill industrial locations.

Institutional capital continues to increase allocations to the industrial sector. Stirling expects institutional investors to increase investment within regional cities, given the favourable market fundamentals and positive returns in comparison to capital cities.

Offer closed oversubscribed

STIRLING JUNCTION FAIR SHOPPING CENTRE FUND

Acquisition Date
June 2020

Acquisition Price
$46.7 million

Target IRR
15.7% p.a. including 9.1% p.a. average cash distribution

Latest Valuation
$58.5 million (June 2023)

Junction Fair Shopping Centre is a dominant non-discretionary neighbourhood centre, anchored by Coles supermarket with 21 specialty retailers located in The Junction, 1.5 kms south of the Newcastle CBD and adjacent to the affluent suburb of Merewether. The catchment features median income and population growth 18% and 14% higher respectively than metro Sydney.

Stirling employed a top-down strategy in identifying the asset with Junction Fair meeting all four key criteria: 50%+ of income from a major supermarket, 75%+ of lettable area non-discretionary, high socioeconomic demographic in an area with government infrastructure investment.

In order to maximise value, Stirling sought and received development approval for a for a (95 place multi level) childcare facility on the surplus vacant land within the property which is currently under construction. On completion, the childcare will be leased to a long-established operator on a 15-year lease.

Offer closed oversubscribed during the COVID-19 pandemic

Manager

STIRLING BOWEN HILLS FUND

Acquisition Date
April 2022

Acquisition Price
$10.2 million

Target IRR
13.5% p.a. including 7.5% p.a. average cash distribution

Latest Valuation
$10.8 million (March 2024)

40 Thompson Street is a Grade A commercial office building in Brisbane's inner north-eastern suburb of Bowen Hills, fully leased to multinational corporate Ricoh, and an established financial services firm Infinity. Just 3kms north of the Brisbane CBD with immediate access to the Inner-City Bypass, M3 and M7 Motorways, the Property is located within the Bowen Hills Priority Development Area (PDA).

The PDA facilitates the gentrification of inner-city industrial areas with vibrant mixed-use commercial and residential development and has been accompanied by a significant increase in permissible density for properties within Bowen Hills. With a permissible 8 level height limit versus current two levels, the property has attractive long term redevelopment potential which should support future growth in the underlying land value.

Stirling has successfully implemented its asset management strategy by negotiating a 3-year lease to Ricoh Australia at a 30% higher rent than that adopted in underwriting, and overseeing the upgrade of the building facade.

Offer closed oversubscribed

SENIOR MANAGEMENT TEAM

Matthew Hyder

CHIEF EXECUTIVE OFFICER/DIRECTOR
BA Princeton; Member of Urban Taskforce; Member of UDIA.

Matthew has built a reputation for delivering strong returns to investors over more than 15 years in property development and investment. In 2009, he founded Legacy Property and is the driving force behind its $4.25 billion of development projects across greater Sydney. As CEO of Legacy Property and Stirling Property Funds, he focuses on people, performance and culture to build strong stable businesses with enduring value.

Matthew Coy

CHIEF FINANCIAL OFFICER/DIRECTOR
B Bus; CPA

Matthew (Matt) fulfils the role of Chief Financial Officer whilst closely working alongside the specialist property team. Matt has over 35 years' experience in the property industry including Finance Director at Colliers plus Group CFO and Company Secretary for ASX listed Centuria Capital Limited. Matt enjoys a close relationship with long standing investors and financial planners, whilst over viewing the group's financial reporting, regulatory compliance, investment structuring, debt and equity raisings, plus Unitholder reporting.

Scott Girard

HEAD OF PROPERTY/DIRECTOR
B.Com, Master Applied Fin

Scott has over 25 years property experience across fund management, capital markets, corporate finance and valuation. Prior to joining Stirling, Scott worked at M&G Real Estate where he was the Chief Executive Office and Chief Investment Officer for Asia Pacific. He has experience in all facets of property fund management including oversight of assets in excess of $5.0 billion, investment strategy, acquisition and asset and portfolio management.

Manager

James Rowlandson

ASSET MANAGER
B Com, Pg Dip Estate Management (Dist)

James has almost 20 years property experience across valuation, property management and asset management in both Australia and the United Kingdom. With extensive experience across all facets of asset management, James is responsible for the management, leasing and investment performance of Stirling's assets including implementation of ESG policies. James focuses on actively managing tenant relationships, enabling Stirling to position assets to meet tenant needs thereby maximising income and value. Prior to joining Stirling, James was responsible for managing a large scale industrial portfolio at Leda Holdings.

Soo Pak

SENIOR INVESTMENT ANALYST
B Bus Man/B Com

Soo provides support across the entire investment life cycle including acquisitions, fund management, and disposals. Prior to joining Stirling Property Funds, Soo was in the Real Estate Advisory division at Deloitte. While at Deloitte, Soo was involved in projects across a variety of asset classes and was integral in the completion of detailed market research, valuations, financial analyses, and transaction management.

NON-EXECUTIVE DIRECTORS

Andrew Mutton

NON-EXECUTIVE DIRECTOR/CHAIRMAN
BA, LLB (Sydney)

Andrew is a corporate and funds management lawyer with over 30 year's experience, including as a partner of Phillips Fox (now DLA Piper) and general counsel for a property development company. Now a director-solicitor at Cowell Clarke Lawyers, where he maintains a focus on managed investment schemes, capital raisings and property law, which enables him to provide invaluable legal counsel to the board of the Stirling Property Funds Limited. Andrew is a director of the Manager in his personal capacity, and not as a representative of Cowell Clarke Lawyers.

06. Financial Information

6.1. SOURCE AND APPLICATION OF FUNDS

The forecast source and application of funds has been prepared to present the Fund's net asset position at settlement of the Property.

SOURCE OF FUNDS	NOTES	$000'S
Total cash subscribed by Investors		31,546
Debt facility from Lender	2	27,500
TOTAL FUNDS RAISED		**59,046**

APPLICATION OF FUNDS		
Property	3	55,000
Stamp Duty		3,025
Due diligence and Legal costs	4	165
Proponent fee	5	688
Bank facility Fee		69
Working Capital		100
Total Application of Funds		**59,047**

Notes to Source and Application of funds

1. The forecast source and application of funds has been prepared on the basis that the required equity has been raised.
2. Assumes drawn debt at an LVR of 50.0%.
3. The Property purchase price is $55 million, and supported by independent valuation at $55 million.
4. Includes legal fees, property due diligence, valuation and other property related expenses.
5. The Manager is entitled to charge a Proponent Fee of $687,500, being 1.25% (plus GST) of the Property purchase price of $55 million.

6.2. PRO FORMA BALANCE SHEET

The pro forma balance sheet has been prepared to present the Fund's net asset position at settlement of the Property.

	NOTES	$000'S
Assets		
Cash on hand		100
Property at Val	1	55,000
		55,100
Liabilities		
Borrowings	2	27,500
less: Borrowing Costs		69
		27,431
Net Assets		**27,669**
Units on issue		**31,546**
NTA per unit		**0.88**
Debt to total assets ratio	3	**49.8%**

Notes to Balance sheet

1. The Property Value is recorded at the independent valuation of $55.0 million.
2. The LVR at acquisition date is 50.0%.
3. The debt to total assets ratio will commence at 49.8%

6.3. TARGET INCOME AND DISTRIBUTION STATEMENT

Set out below is the target income and distribution statement for the Fund for the first 3 years.

TARGET INCOME STATEMENT	NOTES	8 months to 30 June 2025 $000'S	Year ended 30 June 2026 $000'S	Year ended 30 June 2027 $000'S	Year ended 30 June 2028 $000'S
Property Net Operating Income	1	**2,356**	**3,655**	**3,770**	**3,811**
Expenses					
Management Fees		106	159	159	159
Administrative costs		22	33	33	33
Financing costs	3 and 4	1,015	1,382	1,341	1,307
Total Expenses		**1,143**	**1,574**	**1,533**	**1,499**
Net Profit		**1,212**	**2,081**	**2,238**	**2,313**

TARGET DISTRIBUTION STATEMENT	NOTES	8 months to 30 June 2025 $000'S	Year ended 30 June 2026 $000'S	Year ended 30 June 2027 $000'S	Year ended 30 June 2028 $000'S
Net Profit		**1,212**	**2,081**	**2,238**	**2,313**
Adjustment					
Amortisation of Borrowing costs	4	15	23	23	23
Adjusted net profit available for distribution		**1,228**	**2,104**	**2,260**	**2,335**
Net Distribution per Unit (cents)	2	**3.9**	**6.7**	**7.2**	**7.4**
Annualised distribution yield		**5.8%**	**6.7%**	**7.2%**	**7.4%**
Equity	5	**31,546**	**31,546**	**31,546**	**31,546**

Notes:

1. The Property Net Operating Income is from all tenant rent and outgoings recoveries.
2. It is assumed that the McGraths Hill Property is acquired 4 November 2024. The first period will therefore be for a period of 8 months to 30 June 2025.
3. The Finance costs assumes a commencing all up interest cost of 5.65% p.a., and averaging 4.71% p.a. over the targeted term of the Fund.
4. Borrowing costs relating to the Debt Facility are amortised over the 3 year term of the facility.
5. Equity will be drawn in September 2024.

Other Assumptions on Financial Targets:

- Rental increases are in accordance with the lease terms.
- Building outgoings are recovered in accordance with Section 4.2.
- The Fund is registered for GST and as such the impact of GST receipts and payments should be neutral for the Fund.
- The Fund is treated as a trust for Australian taxation purposes and under current legislation is not liable for Australian income tax, including capital gains. Therefore, no allowance has been made for income tax.
- The Fund will incur operating expenses including Custodian, registry, legal, accounting, audit, taxation and valuation fees
- For the purposes of this IM, funds available for distribution have been noted in the income and distribution forecast. The Manager may however use its discretion at any time and withhold distributions to enhance working capital to ensure the Fund is adequately capitalised for future needs.
- For the purposes of calculating tax deferred distributions, and the GTE cash distribution and total return rates, Stirling's consultants have compiled the required depreciation and building allowance reports for the Fund.

Gross Tax Equivalent (GTE) Return:

As a result of Fund distributions carrying tax deferred benefits that flow through to Fund Unitholders, for items relating to plant depreciation, building allowance, and fund tax deductions on establishment, a component of the cash distribution in a given financial year is classified as non-assessable for income tax purposes.

- Additionally, when the investment is held on "Capital Account" for tax purposes, and there is a capital gain on disposal of the Fund's asset, there is a component of the capital gain that is discounted for the purposes of deriving assessable income from the capital gain. The discount depends on the holding entity, but can be 50% for say a family trust or 33.3% for a superannuation fund that is in "accumulation phase". This component of non-assessable capital gain is factored into the calculation of total return or, the investment's GTE IRR.
- The GTE calculation demonstrates what an investor, on a particular tax rate, would have to derive from a fully taxable investment product to attain the same after-tax return as the Fund offering.
- This calculation is used to compare the returns between a tax free or deferred investment with a fully taxable alternative, for example an investment in a private credit fund. An investor's tax rate plays a significant role in the resulting tax-equivalent yields. The higher the tax rate, the higher the GTE return.
- In the instance of Stirling's McGraths Hill LFR Fund, the cash distribution in the first year is 64% tax deferred, hence the GTE return of 9.1% p.a. for a 47% taxpayer. Meaning, in that first year, an investor on a 47% tax rate would have to generate a return of 9.1% p.a. from a fully assessable investment product, say a credit fund product, to derive the same after-tax return as what the Fund produces. Moreover, the target total GTE return, for the same investor on the 47% tax rate, means that an investor needs to derive a total return (IRR) of 18.7% p.a. from an alternative investment to derive the same after-tax total return as an investment in the Fund.

- Similarly, in the instance where the investor is a 15% income taxpayer, eg SMSF in accumulation phase, the first distribution year's GTE cash distribution return means that the investor would have to generate a return of 6.5 % p.a., and average 7.6% p.a. over the Fund term, from a fully assessable investment product to derive the same after-tax return as what the Fund produces and a total return GTE of 14.8% p.a.

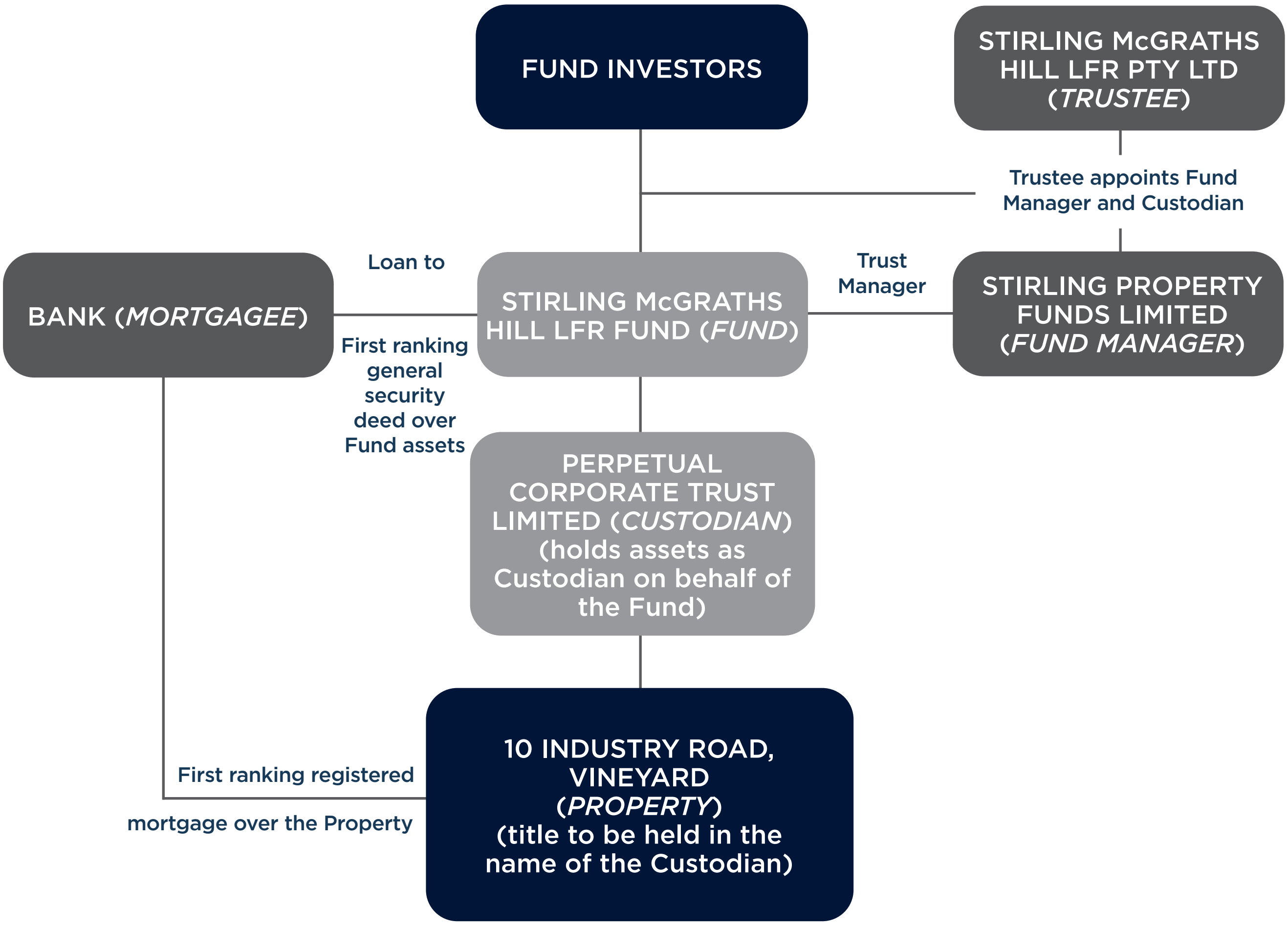
- These target metrics are summarised as follows:

GROSS TAX EQUIVALENT RETURNS

Marginal Income tax rate	Average Cash Distribution Yield	Year 1	Year 2	Year 3	Year 4	Year 5	Total Return
				Cash Yield			
47.0%	**10.0%**	9.1%	10.2%	10.3%	10.4%	9.8%	**18.7%**
15.0%	**7.6%**	6.5%	7.4%	7.8%	8.0%	8.2%	**14.8%**

07. Investment Structure

The Fund is an unregistered managed investment scheme, managed by Stirling Property Funds Limited, licensed manager unlisted property funds, AFSL number 497783. The Fund will acquire McGraths Hill Home.



7.1. OFFER OF UNITS IN THE FUND

The Offering of Units in the Fund is via this IM. Eligible Investors, and recipients of this IM, should note that this IM relates to an unregistered managed investment scheme and therefore neither this IM, nor the Fund, require lodgement or registration with the Australian Securities and Investments Commission (ASIC).

The Fund will open for investment on 5 August 2024 and close on 16 September 2024 (unless closed earlier or extended).

Capital Call

Investors will be required to transfer their entire Investment Amount at the time of completing their Application.

Categories of Investors

The following categories of investors are eligible to invest in the Fund (Eligible Investors). Applications for investment in the Fund will only be accepted from investors that qualify for one of the following:

(i) Retail Client Investor

The Trustee can accept applications to invest up to $2.0 million worth of "personal offer" investors that do not qualify as Wholesale Client Investors or Professional Investors, as defined below.

(ii) Wholesale Clients

To qualify as a Wholesale Client, your application must be accompanied with an Accountants Certificate (a blank Certificate is contained behind the Application Form in this IM), confirming the prospective Investors' status as a Wholesale Client. The Certificate must be signed by a qualified accountant (as defined in section 9 of the Corporations Act 2001) that states a prospective Investor has either:

- Net assets of at least $2.5 million; or
- A gross income for each of the last two financial years of at least $250,000 per annum.

A Wholesale Client investor is also one who invests at least $500,000 in the Fund. In such an instance, a Qualifying Accountant's Certificate is not required to accompany the prospective Investors Application Form.

(iii) Professional Investor

To qualify as a Professional Investor, as defined in the Corporations Act, by default you are also a Wholesale Investor and therefore able to invest in the Fund. Categories of Professional Investors include:

- Holder of a financial services licence
- A person who controls at least $10 million; or
- A superannuation fund of at least $10 million.

7.2. MINIMUM INVESTMENT AMOUNT

The minimum investment amount from investors is $100,000 and, thereafter, in multiples of $25,000. The Manager may accept lesser amounts at its sole discretion.

7.3. MINIMUM OFFER AMOUNT

The minimum offer amount is $31.5 million. Application Monies will be initially paid into an Applications account managed by the Fund's Registry until such time as the minimum offer amount has been raised, at which point the Application Monies will be transferred to the Fund and Fund Units will be issued by the Manager to Applicants at the Unit issue price of $1.00 per Unit.

If the minimum offer amount is not raised by the Offer close date, or any such other date determined by the Manager at its discretion, then all Application Monies received by the Fund's Registry will be returned plus any interest earnt on invested funds, less any bank fees and taxes paid.

7.4. DIRECTOR INVESTMENT

Stirling and/or its directors and their related entities will be making an investment of at least $500,000 in the Fund.

7.5. FUND TERM

Unit holders may not withdraw from the Fund during the Fund Term. The initial term of the Fund will be up to five years, and this may be extended by way of a Unit holder vote for up to 2 x 1 year extensions by a Special Resolution of Unit holders (more than 75% of votes cast are in favour of the Fund's extension).

Beyond seven years, the term of the Fund may only be extended for up to a further two years at a time where a Unanimous Resolution is passed by Unit holders (100% of votes cast are in favour of the extension of the Fund), or where a Unanimous Resolution is not passed but all Unit holders who vote against the Resolution are given an opportunity to have their Units sold or redeemed at the prevailing NTA less the provision for sales transaction costs, as well as the consent of the Manager.

08. Fees and Expenses

The Manager is entitled to receive fees in consideration for the management of the Fund. In accordance with the Trust Deed and the Investment Management Agreement, these fees are summarised as follows:

8.1. PROPONENT FEE

In consideration for the Manager identifying, negotiating and conducting necessary due diligence to purchase the Property as well as arranging the required equity and debt to capitalise the Fund, a fee of 1.25% (plus GST) of the Property purchase price will be payable at settlement of the contract of sale.

8.2. ASSET MANAGEMENT FEE

The Manager will be paid an annual asset management fee equivalent to 0.55% p.a. (plus GST) of the Fund's Property value. The fee is to provide the Fund advisory, investment and other services in respect of the assets of the Fund.

8.3. PERFORMANCE FEE

At the end of the ownership period, which may be triggered by either the sale of the Property or a change in the mandate of the Fund, thereby resulting in a liquidity event, the Manager will be entitled to receive a performance fee equivalent to 20% (plus GST) of the excess profit after Unitholders have received an Internal Rate of Return on equity invested of 10% p.a. (pretax, after fees excluding performance fees).

8.4. SALES FEE

The Manager is entitled to a sales fee of 1.0% (plus GST) on the sale price of the Property which is payable to the Manager on the completion of the sale in consideration for the services provided by the Manager in relation to the sale. From the sales fee, the Manager is to account for any third parties that also provided sales agency related services for the disposal of the Property.

8.5. PROPERTY MANAGEMENT AND LEASING FEES

The Manager will be entitled to charge property management and leasing fees in accordance with usual industry standards. Where possible, management fee charges will be passed onto the Property tenant(s) through Property outgoings.

Any property management fees charged by the Manager will offset against the total Asset Management fee entitlement in a given year.

8.6. ACCOUNTING FEES AND OTHER FEES AND EXPENSES

The Manager is entitled to a standard accounting fee of $500 (plus GST) per month in relation to accounting services, totalling to $6,000 (plus GST) per annum. The Manager will also be entitled to be reimbursed for expenses incurred in the normal operation of the Fund.

09. Additional Information

9.1. TRUST DEED

The Trust Deed of the Fund (also known as the Fund constitution), which may be amended from time to time in accordance with the provisions of the Trust Deed, is the principal governing document for the operation of the Fund and the relationship between the Trustee and the Manager. Together with general applicable law and legislation, the Trust Deed governs the manner in which the Fund operates and sets out many of the Investors' rights, liabilities and responsibilities of Investors and the Trustee in its capacity as trustee of the Fund. The Trust Deed for the Fund is available upon request from Stirling Property Funds.

9.2. MANAGEMENT AGREEMENT

The Manager is appointed by the Trustee in accordance with the provisions of the Investment Management Agreement. The Manager's main responsibilities are to operate and manage the Fund in accordance with the Trust Deed, and the Corporations Act and general law. In carrying out its duties the Manager must:

- Act honestly and in the best interests of all Unit holders, and
- Exercise care and diligence.

9.3. CUSTODIAN

The Trustee has appointed an independent Custodian, Perpetual Corporate Trustee Limited ("Custodian"), to hold the assets of the Fund.

The Trustee has appointed the Custodian under a Custodian Agreement. The Custodian's role is to hold the assets in its name and act on the direction of the Trustee to effect cash and investment transactions. The Custodian has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to a unit holder for any act done or omission made in accordance with the Custodian Agreement.

Disclaimer of Custodian

Perpetual Corporate Trust has not withdrawn its consent to be named in this Information Memorandum as Custodian of the Fund in the form and context in which it is named. Perpetual Corporate Trust does not make, or purport to make, any statement that is included in this Information Memorandum and there is no statement in this Information Memorandum which is based on any statement by Perpetual Corporate Trust. To the maximum extent permitted by law, Perpetual Corporate Trust expressly disclaims and takes no responsibility for any part of this Information Memorandum other than the references to its name.

Perpetual Corporate Trust does not guarantee the repayment of capital or any particular rate of capital or income return.

9.4. INVESTOR REPORTING

Unitholders shall receive reports on a quarterly basis from the Manager advising on financial, Property and general matters for the Fund. Annually the Manager will provide audited financial statements and annual taxation statement.

9.5. COOLING OFF

No cooling off rights apply to an investment in the Fund.

9.6. PERSONAL INFORMATION

The Manager respects Investor's privacy. Any personal details provided to Stirling when Investors invest, or at any other time in relation to an Investor's investment, will be used to administer and report on the Investor's investment with Stirling, and for purposes related to that. For example, Investors' details may be used to establish the initial investment, process ongoing transactions, respond to any queries, provide Investors with transaction, distribution, tax and annual statements, and to provide information on the performance of the investment, change in product features, Fund commentary and other topical information. In certain circumstances, the Fund may be required by law to collect certain personal information about Investors.

As well as internally using personal details, Stirling may disclose it to other persons to enable it to provide services to investors. Such people include:

- Third parties Stirling appoint as advisers, agents or service providers such as auditors, Custodians, administrators or legal advisers or any of their affiliates; and investment consultants, financial advisers, brokers or solicitors or any of their affiliate.
- Other persons and entities as permitted under the Privacy Act 1998. Stirling may also use and disclose the personal information investors provide for the purposes of complying with obligations under the AML/CTF law.

9.7. MANAGER'S DISCRETION ON APPLICATIONS

The Manager may, in its absolute discretion, decide not to accept an investor's application for investment in the Fund.

9.8. CONFLICTS OF INTEREST AND RELATED PARTY POLICY

The Manager has established internal policies and procedures to ensure that any conflicts of interest arising in relation to the Fund are adequately identified and appropriately managed. Where Stirling considers that a particular conflict of interest is likely to have a materially adverse effect on Unitholders, it will seek to implement adequate arrangements to mitigate, prevent and/or minimise (where practicable) adverse effects on Unitholders.

9.9. UNIT REGISTRY

The Fund's unit registry is managed by Automic Group Pty Limited (Automic). Online applications for units in the Fund can be made from the link on Stirling's website, being www.stirlingpropertyfunds.com.au

Once Unitholders have been issued Units in the Fund, they will receive a unique access to their Unitholder profile on the register whereby Unitholders can view all current information on their investment as well as prior information provided to Unitholders, such as quarterly newsletters, distribution and taxation statements.

9.10. COMPLAINTS HANDLING AND AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY (AFCA) MEMBERSHIP

The Manager has procedures in place to properly consider and deal with any complaints received from Unitholders.

If you have a complaint or query in relation to the administration or management of the Fund, please contact Manager on:

(02) 9232 3090, or

write to:

Stirling Property Funds Limited

MLC Centre, Level 45
25 Martin Place
Sydney NSW 2000

Stirling's compliance manager will ensure a Unitholder's complaint is acknowledged immediately and will ensure that it receives proper consideration.

If you are a Retail Client Unitholder, then within 45 days of receiving the complaint, the Manager is required to communicate its decision in relation to the complaint.

The Manager is also a member of Australian Financial Complaints Authority Limited (AFCA), an external complaints resolution service that has been approved by ASIC. If you are a Retail Client Unitholder and are dissatisfied with our response, you may raise the matter with AFCA. Its contact details are:

Australian Financial Complaints Authority

GPO Box 3
Melbourne Vic 3001

T: 1800 931 678

F: (03) 9613 6399

E: info@afca.org.au

W: www.afca.org.au

10. Investment Considerations and Risks

Unitholders should be aware that the value of the Fund's asset, the income to Unitholders and the value of Units could be adversely affected by a number of factors, including those which are outside the control of the Manager. Investment considerations and risks include those set out below.

10.1. KEY RISKS AS IDENTIFIED BY THE MANAGER

Property values and sale prices

The ongoing value of a property is influenced by many factors including supply, demand, capitalisation rates, rentals, lease terms, property markets and economic conditions. There is no guarantee that the Property of this Fund will realise a capital gain on disposal, or that sale price will exceed valuation at the date of this acquisition, or that the value of the property will not fall as a result of the assumptions on which the relevant valuations are based proving to be incorrect.

Property revenue

The Fund's income is largely dependent upon the tenants paying rent in accordance with the lease terms. There is a risk that a tenant may default on the terms of its lease which may result in a reduction in rental income for the Fund, and additional expenses associated with re-leasing the tenancy or enforcement action. Tenant default or vacancy periods may have an adverse impact on the Fund's net income and distributions, the Fund's ability to comply with its debt covenants, the Property's capital value and potentially the NTA per Unit.

Property leasing

The Manager has made specific assumptions concerning the lease up period and rental rate per square metre achieved across the Fund's Property. These assumptions are based off current market conditions and are consistent with those adopted by the Fund's independent Valuer.

There is no guarantee that these lease up periods and rental rates will be achieved. If over the forecast period the lease up period takes longer and /or the rental rate per square metre is not achieved at the same level as those forecasted, this may have a detrimental impact on distributions and the overall IRR.

Commencing working capital

The Manager has made provision for a $100,000 working capital pool, largely to facilitate timing differences in cash flow associated with GST and other minor capital expenditure.

Movement in Terminal Value

For the target IRR in this IM, the Manager has assumed the Property is sold at a capital value that are reflective of current market conditions. The future movement in capital values is partly market related but also, to a degree, asset related.

There is no guarantee that these assumed values will be achieved on the sale of the Fund Property, and a realisation rate lower than the assumed rate may have a detrimental impact on the Target IRR under this IM.

Future capital requirements of the Fund

The Manager has sought advice from independent consultants when determining the level of appropriate capital required to undertake any required capital works. In the event that unforeseen capital is required for the Fund, the Manager may choose to either seek further debt finance from the existing or new financier or reduce distributions to accumulate further working capital or a combination of both measures. In such scenarios, the Manager will provide very early advice to Fund investors of this action.

Property liquidity

Direct property investments are by their nature illiquid investments. If it becomes necessary for the Fund to dispose of the Fund's assets for whatever reason, including to lower gearing, there is a risk that the Fund may not be able to realise sufficient property assets in a timely manner to meet obligations or at an optimal sale price. This may affect the Manager's ability to return capital to Unitholders and may reduce the NTA per Unit.

10.2. SPECIFIC PROPERTY RISKS

Decrease in Fund property value

A downturn in the property market and/or a fall in property values in general will have a negative impact of the Fund's Property and return to Fund Unitholders.

Force majeure

Natural unpredictable phenomena may negatively affect the Fund Property. Such events including force majeure events and acts of terror for which insurance coverage is not available. This could result in a loss of Fund capital and Unitholder returns.

Property contamination

The Fund's Property is exposed to risks of environmental laws imposed by Federal, State and Local Governments and, as such, may be liable for the cost of removal or remediation of hazardous or toxic substances on, under, in or emanating from a property. Furthermore, should a regulatory authority impose more stringent environmental laws in the future, that may have a materially adverse effect on the Fund's Property.

Capital expenditure

Whilst the Manager takes all due and proper care and makes appropriate enquiries about the Fund's Property, and engages with its consultants and respective authorities throughout due diligence, unforeseen capital expenditure may also adversely impact the financial forecast and/or reduce available working capital of the Fund.

10.3. SPECIFIC FUND RISKS

Interest rate exposure and Fund gearing

The Fund has secured debt finance to acquire the Fund Property. The all up interest cost assumed at the Fund commencement is 5.40% p.a., and averaging 4.71% p.a. over the initial 5 years of the Fund. The Manager has adopted the Debt Financier's in-house interest rate forecasts, in its underwriting, for BBSY (BBSY) over the term of the Fund. The Manager will seek to employ a prudent hedging strategy to protect the Fund against adverse interest rate movements. In the event of an increase in interest rates during an unhedged period of the Fund's life, this will have a negative impact on the distributable income of the Fund.

If the Fund Property is sold prior to the expiry of an interest rate hedge, the Fund may incur a hedge termination or break cost, particularly if the interest rate of the hedge is higher than prevailing hedge rates at the time of terminating.

An increase in interest rates may impact the Fund's bank debt financial ratios, such as the interest cover ratio, resulting in a reduction in distributable income or even a breach of debt facility covenants. A breach of a debt facility may trigger the Fund's loan to be in default enabling the financier to enforce its security against the Fund asset(s) and, amongst other things, sell Fund Property.

Based upon the commencing estimated Net Operating Income and Property value, the Fund has the following tolerance levels to the Bank's financial covenants being breached:

- ICR: interest rates would need to increase by 3.13% p.a., or Property NOI would need to decline by $861,000, to trigger a default of the ICR covenant of 1.5 times.

- the Property's value would need to decline by $5.0 million, or 9%, to trigger a breach of the LVR covenant of 55%.

Upon expiry of the initial 3-year term, the financier has no obligation to refinance the facility. Therefore, in the event that the Fund requires refinancing, there is no certainty that the debt funding to replace the debt facility at the end of the term will be obtained or will be obtained on comparable terms. In such an event, the Fund Property may be sold at short notice, and in a market that may not be conducive to a sale, resulting in a realisation less than current valuation and thereby negatively impacting on the Fund NTA.

As a result of the Fund's debt finance, any rise or fall in Fund Property value can have a greater leverage effect on the Fund's net asset value and hence impact Unitholders' invested capital.

Gearing a property investment with debt funding also has the effect that acquisition costs, charges and fees represent a higher percentage of the equity in the investment than they would if there were no borrowings and the property was purchased only with equity funding.

Liquidity

An investment in the Fund should be considered as a medium to long term investment and should also be considered an illiquid investment as there is no typical secondary market to trade Units. Whilst the Manager will offer assistance to an Investor to offer their Units to other Investors of the Fund, there is no guarantee by the Manager that Units will be acquired. There are no Units in the Fund that have redemption rights or have the ability to be withdrawn from the Fund.

Distribution risk

As a result of the inherent risks in any property investment, there is no guarantee that the Fund will pay distributions at the rate targeted in the financial information or at all.

Taxation and stamp duty

The impact of taxation on Investors can be complex. Prospective Investors should consult their taxation advisor on their own circumstances before making an investment in this Fund.

As is the case with all property trusts, where the property is acquired with an expectation that it be sold, there is a risk that the property is held on income account, which would adversely affect an Investor's capacity to access the capital gains tax discount.

As with all taxation legislation, the relevant laws may change in the future which may adversely impact Investors of the Fund.

Taxation and stamp duty considerations taken into account by the Manager when preparing this IM are based upon current legislation, regulation, court decisions and rulings and pronouncements of relevant taxation and authorities now in effect. All these determinants are subject to change or varying interpretations.

Prospective Investors should note that any such change could have a retroactive application so as to result in taxation and stamp duty consequences different from those taken into account by the Manager. No rulings have been sought by the Manager from any authority with respect to these considerations by the Manager and no assurance can be provided by the Manager that any future governing authority will not assert, or that a court will not sustain, a contrary position.

Legal and counterparty risk

The Fund may be involved, in the ordinary course of business, in litigation and/or disputes. This may include with Property tenants, industrial disputes, environment or occupational health and safety claims and any legal claims or third-party claims.

Any litigation or dispute may result in the Fund incurring significant costs which may impact on the value of the Fund's assets or its distributable income. It is highly probable that the Fund will enter into future legally binding arrangements with parties in respect to the Fund's operations and in order to execute on its intended strategy. These agreements may include property management agreements, custody agreements and service providers to the Fund. The Fund may be adversely affected where a service provider fails to deliver its contract service under these agreements.

Expert reports

The Manager has prepared this Information Memorandum and derived its future strategy for the Fund based upon the input of independent expert reports. Whilst the Manager believes it is appropriate to rely on these reports, it cannot guarantee that these expert reports are accurate.

10.4. GENERAL INVESTMENT RISKS

As with any investment, there are general investment risks. These include:

- A general downturn in the Australian and/or global economy in general
- Legislative changes (which may or may not have a retrospective effect) including taxation changes
- Unfavourable movements in interest rates
- Unfavourable movements in inflation
- Natural disasters, including earthquakes, social unrest, Australian or international war and terrorism attacks.

Note – there is no guarantee of investment returns from an investment in the Fund. Neither the performance of this investment nor the repayment of Investors' capital is guaranteed by the Trustee, the Manager, the Custodian or any other party.

10.5. COVID-19

The risk always exists around tenants' financial health and ability to pay rent in line with their lease. Covid has potentially accentuated this risk. Stirling believes this risk is partially mitigated by acquiring a Property comprising multiple national and ASX listed tenants that employ appropriate strategies to enable continuity of business in such circumstances.

Glossary

Unless the context otherwise requires, in this Information Memorandum the following terms have the meanings shown below:

DEFINED TERM	MEANING
ABN	Australian Business Number.
ACN	Australian Company Number.
Accounting Standard	The Australian Accounting Standard issued by the Accounting Standards Board.
AFCA	Australian Financial Complaints Authority.
AFSL	Australian Financial Services Licence.
AML Legislation	Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth).
Application	An Application to subscribe Units in the Fund pursuant to this IM.
Application Form	The form attached to and accompanying this IM which can be used to apply for Units in the Fund pursuant to this IM. Alternatively, Unitholders may apply online via the Stirling website at www.stirlingpropertyfunds.com.au.
Application Monies	The price or the amount paid by a prospective Investor for Units in the Fund.
ASIC	Australian Securities and Investments Commission.
ATO	Australian Taxation Office.
Board	Board of Directors of Stirling Property Funds Limited.
Business Day	A day in the week that is not Saturday, Sunday or a public holiday in Sydney, NSW.
CBD	Central Business District.
CGT	Capital Gains Tax.

Glossary

DEFINED TERM	MEANING
COVID-19	Coronavirus disease (COVID-19) is an infectious disease caused by a newly discovered coronavirus. The World Health Organization has announced that COVID-19 is a pandemic.
CTF	Counter Terrorism Financing.
Corporations Act	Corporations Act 2001 (Cth).
Custodian	The external independent Custodian, Perpetual Corporate Trustee Limited ABN 99 000 341 533 or nominee, appointed by the Trustee, to hold the assets for the Fund and to perform other duties and obligations on behalf of the Fund and as agreed with the Trustee.
EBITDA	Earnings Before Interest, Taxation, Depreciation and Amortisation.
FATCA	U.S. Foreign Account Tax Compliance Act.
Forecast Period	The period from November 2024 to October 2029.
FSR	Floor Space Ratio.
Fund	Stirling McGraths Hill LFR Fund (ABN 16 271 946 985).
FUM	Funds under management.
GBA	Gross building area.
GFA	Gross floor area.
GST	Goods and Services Act (Australia).
ICR	Interest cover ratio, being a measure of Fund income versus interest cost.
IM or Information Memorandum	This information memorandum.

Glossary

DEFINED TERM	MEANING
Internal Rate of Return or IRR	The Internal Rate of Return is the annualised, effective compound return rate on Investor's equity invested into the Fund.
Investment Amount	The amount subscribed for by an Investor in the Fund.
Investment Management Agreement	The agreement under which the Manager will operate as manager of the Fund.
Investor	A person/entity holding Units in the Fund.
ITAA 1997	Income Tax Assessment Act 1997 (Cth).
LFR	Large format retail.
Loan	The loan provided by St George Bank secured against the assets, including the Property, of the Fund.
LVR	Loan to value ratio, being the value of outstanding borrowings to the value of the Property.
Manager	Stirling Property Funds Limited ABN 19 617 836 736, AFSL 497783.
MTA or Main Trade Area	Catchment area with a radius of up to 10km around McGraths Hill Home.
NLA or Net Lettable Area	Net lettable area of the property.
NOI	Net operating income from the Property.
NTA	Net tangible assets. Calculated as the gross assets of the Fund less liabilities of the Fund.
Offer	The offer by the Manager to subscribe for Units in the Fund pursuant to this IM.
p.a.	Per annum.
psm	Per square metre.
Property	10 Industry Road, Vineyard, NSW.

Glossary

DEFINED TERM	MEANING
Property Outgoings	The statutory and operating outgoings of the Property.
Special Resolution	A resolution which is passed by more than 75% of the votes cast by Investors that vote on the resolution.
St George	St George Bank, who will be providing debt finance for the Fund.
Stirling	Stirling Property Funds Limited ABN 19 617 836 736 – AFSL 497783.
TFN	Tax File Number.
Trust Deed	The trust deed which has established and governs both the Fund.
Trustee	Stirling McGraths Hill LFR Pty Ltd (A.C.N. 678 349 829), being a special purpose entity with the sole purpose of acting in the capacity as trustee of the Fund.
Unanimous Resolution	A resolution which is passed by 100% of the votes cast by Investors that vote on a resolution.
Unit	Units in the Fund that Investors make an application to acquire.
Unit Issue Price	The price paid per Unit when applying for Units in the Fund, being $1.00.
WALE	Weighted average lease expiry.
Wholesale Client Investor	An Investor who is a wholesale client for the purposes of section 761G of the Corporations Act.

Accountants Certificate

(This form must be completed by those applicants who come under the category of "**Wholesale Client Investor**" and forwarded to the Manager with their Application Form)

Issued pursuant to Section 761G(7)(c) and Regulation 7.1.28 of the Corporations Act 2001

I certify that ____ and associated entities has: -

(a) Net assets of at least $2.5 million; or

(b) A gross income in each of the last two financial years of at least $250,000 a year.

I have provided this certificate based on an examination of the tax returns and/or the financial records provided to me or within my control.

Declaration

I am a qualified accountant, as defined under the Corporations Act issuing this certificate, and certify that the client has net assets of at least $2.5 million or a gross income of $250,000- per year for at least the last two years.

I understand in calculating the $2.5 million of net assets or $250,000 of gross income (as relevant) of any company trust the client "controls", where I have included the assets or income of a controlled company or trust I confirm the client has instructed me to do so, and I have no reason to doubt the company or trust is controlled by the client.

____

Name of qualified accountant

______________________________________ ________________

Signature of qualified accountant **Date**

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APPLICATION FORM

Stirling McGraths Hill LFR Fund

STIRLING
PROPERTY FUNDS

How to Invest

The Application Form is part of the Information Memorandum (**IM**) issued by Stirling Property Funds Limited (ABN 19 617 836 736) (AFSL 497783) for the Stirling McGraths Hill LFR Fund (**Fund**) dated 31 July 2024. You should read the IM and the Application Form together in full before applying to invest as it provides important information about investing in the Fund.

Unless the context requires otherwise, capitalised terms used in this Application Form have the meaning given to them in the IM. Stirling Property Funds reserves the right to accept or refuse any Application for investment in the Fund.

CHECKLIST - COMPLETING YOUR APPLICATION FORM

- ☐ **Step 1:** Complete the **Investment Entity Form** (on page 2).
- ☐ **Step 2:** Complete the **Application Form** relevant to your investment entity type.
- ☐ **Step 3:** Complete the **Investment Details Form** (on page 14).
- ☐ **Step 4:** Complete the **Signatories Form** (on page 15).
- ☐ **Step 5:** Refer to the **Identification Documents Guide** (on page 17) and, if required, provide certified copies of your supporting identification documents.
- ☐ **Step 6:** Complete the **FATCA Declaration Form** (on page 19).

MINIMUM INVESTMENT

The minimum Investment Amount is $100,000 and in multiples of $25,000 thereafter. Stirling Property Funds reserves the right to accept lesser amounts in its discretion.

PAYMENT METHOD

Upon completing the Application process, Investors will receive an email containing a unique investor reference, as well as Bpay or EFT instructions, facilitating remittance.

WHERE TO SEND YOUR APPLICATION FORM

Stirling Property Funds
Level 45, MLC Centre
25 Martin Place
Sydney NSW 2000

Please Note: *Your Application cannot be processed until both your cheque payment or Electronic Funds Transfer and the required identification have been received by Stirling Property Funds.*

Investment Entity Form

TYPE OF INVESTMENT ENTITY

☐	**Individual(s)**	→	Go to the **Individual(s) Application Form** at pages 3-4.
☐	**Company**	→	Go to the **Company Application Form** at pages 5-9.
☐	**Trust**	→	Go to the **Trust Application Form** at pages 10-13.

Individual(s) Application Form

APPLICANT 1

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Date of Birth / /

Residential Address
(Not a PO Box)

State Postcode

Country

Postal Address
(if different to
residential address)

State Postcode

Country

Phone Numbers
Home ( ) Work ( )

Mobile

1.2. APPLICANT 2

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Date of Birth / /

Residential Address
(Not a PO Box)

State Postcode

Country

Postal Address
(if different to
residential address)

State Postcode

Country

Phone Numbers
Home ( ) Work ( )

Mobile

Individual(s) Application Form

1.3. EMAIL ADDRESS

Email - Applicant 1

Email - Applicant 2

1.4. BANKING INSTRUCTIONS (The bank account where your distribution payments should be directed)

Bank

Account Name

BSB (if applicable) -

Account Number

Suffix (if applicable)

Swift Code
(for banks outside

1.5. TAX FILE NUMBER (TFN)

Collection of Tax File Numbers is authorised by law. Quotation is not compulsory, but tax will be taken out of your distribution at the highest marginal tax rate plus the Medicare Levy, if you do not quote your TFN or ABN number or provide details of your exemption claimed.

- ☐ **I wish to quote a TFN**
- ☐ **I wish to quote an ABN**
- ☐ **I do not wish to quote a TFN or ABN**
- ☐ **I claim an exemption from quoting a TFN or ABN.** (Please provide details of the exemption claimed)

Company Application Form

1.1. COMPANY DETAILS

Company Name

ARBN / ACN

ABN

If company is a foreign company, country in which the company was formed, incorporated or registered

1.2. COMPANY ADDRESS DETAILS

Address of Registered Office (Not a PO Box)

Unit/Street Number

Street Name

Suburb

State

Postcode

Country

1.3. ADDRESS OF PRINCIPAL PLACE OF BUSINESS (if different to registered address)

Unit/Street Number

Street Name

Suburb

State

Postcode

Country

Company Application Form

1.4. POSTAL ADDRESS DETAILS (If different to registered address)

Unit/Street Number

Street Name

Suburb

State Postcode

Country

1.5. CONTACT DETAILS

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Phone Numbers Home ( ) Work ( )

Mobile

Email

1.6. COMPANY'S BUSINESS TYPE

Please state Company's Business Type e.g. trustee of a superannuation fund, financial services, charity

Is the Company a public company?

☐ **Yes** → Please proceed to **section 1.7** of this Application Form (page 7)

☐ **No** → If a proprietary/private company (i.e. Pty Ltd) please provide the full name of all directors

Director 1

Director 2

Director 3

Director 4

Director 5

If there are more than 5 directors, please attach a separate sheet.

Company Application Form

1.7. BENEFICIAL OWNERS

Please provide the details for those beneficial owners of the company with a 25% or more ownership stake. If the beneficial owner is a company please contact Stirling to request a separate form.

BENEFICIAL OWNER 1

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Date of Birth / /

Residential Address (Not a PO Box)

Unit/Street Number

Street Name

Suburb

State Postcode

Country

BENEFICIAL OWNER 2

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Date of Birth / /

Residential Address (Not a PO Box)

Unit/Street Number

Street Name

Suburb

State Postcode

Country

Company Application Form

BENEFICIAL OWNER 3

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Date of Birth / /

Residential Address (Not a PO Box)

Unit/Street Number

Street Name

Suburb

State Postcode

Country

BENEFICIAL OWNER 4

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Date of Birth / /

Residential Address (Not a PO Box)

Unit/Street Number

Street Name

Suburb

State Postcode

Country

Company Application Form

1.8. BANKING INSTRUCTIONS (The bank account where your distribution payments should be directed)

Bank

Account Name

BSB (if applicable) -

Account Number

Suffix (if applicable)

Swift Code (for banks outside Australia)

1.9. TAX FILE NUMBER (TFN)

Collection of Tax File Numbers is authorised by law. Quotation is not compulsory, but tax will be taken out of your distribution at the highest marginal tax rate plus the Medicare Levy, if you do not quote your TFN or ABN number or provide details of your exemption claimed.

☐ **I wish to quote a TFN**

☐ **I wish to quote an ABN**

☐ **I do not wish to quote a TFN or ABN**

☐ **I claim an exemption from quoting a TFN or ABN.** (Please provide details of the exemption claimed)

Trust Application Form

TYPE OF TRUST **(Please indicate the type of trust that is investing)**

☐ **Regulated** (including self-managed super funds)
➔ Go to **section 1.4** of this Application Form (page 12)

☐ **Unregulated** (including family trusts, unit trusts & testamentary trusts)
➔ Go to **section 1.2** below

1.2. UNREGULATED TRUSTS

Type of Unregulated Trust

☐ **Family Trust**

☐ **Unit Trust**

☐ **Testamentary Trust**

☐ **Other, please specify**

Type of Trustee

☐ **Company**
Note: Please also complete the Company Application Form (**Sections 1.1 - 1.7**)

☐ **Individual(s)**
Note: Please also complete the Individual(s) Application Form (**Sections 1.1 - 1.3**)

Trust Name

Appointer Name
(Individual who hold the power to appoint or remove the trustee)

Settlor Name
(not required if the settlor is deceased or the material asset contribution to the trust by the settlor at the time the trust was established was less than $10,000)

Full Business Name (if any) **of the trustee in respect of the trust**

Was this trust established in Australia?

☐ **Yes**

☐ **No** ➔ Country

Foreign Registration Number

Is the trust an Australian resident for tax purposes?

☐ **Yes**

☐ **No** ➔ Country of Tax Residence

Trust Application Form

1.3. BENEFICIARIES

If the trust deed identifies beneficiaries by reference to membership of a class, please provide details of the class
(e.g. family members of named person)

If the trust deed names beneficiaries, please provide details of the beneficiaries below. If there are more than two beneficiaries, please attach a separate sheet.

BENEFICIARY 1

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Date of Birth / /

Residential Address
(Not a PO Box)

Unit/Street Number

Street Name

Suburb

State **Postcode**

Country

BENEFICIARY 2

Title ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr

Surname

First Name(s)

Date of Birth / /

Residential Address
(Not a PO Box)

Unit/Street Number

Street Name

Suburb

State **Postcode**

Country

Next Step: Proceed to Section 1.5 of this Application Form (page 13)

Trust Application Form

1.4. REGULATED TRUSTS

Type of Regulated Trust

- ☐ **Superannuation fund** (including self-managed)
- ☐ **Other, please specify**

Type of Trustee

- ☐ **Company**
  Note: Please also complete the Company Application Form (**Sections 1.1 - 1.7**)
- ☐ **Individual(s)**
  Note: Please also complete the Individual(s) Application Form (**Sections 1.1 - 1.3**)

Full Legal Name of Trust

ARSN/ABN

Country in which trust was established

Full business name (if any) **of the trustee in respect of the trust**

Trust Application Form

1.5. BANKING INSTRUCTIONS (The bank account where your distribution payments should be directed)

Bank

Account Name

BSB (if applicable) -

Account Number

Suffix (if applicable)

Swift Code
(for banks outside Australia)

1.6. TAX FILE NUMBER (TFN)

Collection of Tax File Numbers is authorised by law. Quotation is not compulsory, but tax will be taken out of your distribution at the highest marginal tax rate plus the Medicare Levy, if you do not quote your TFN or ABN number or provide details of your exemption claimed.

☐ **I wish to quote a TFN**

☐ **I wish to quote an ABN**

☐ **I do not wish to quote a TFN or ABN**

☐ **I claim an exemption from quoting a TFN or ABN.**
(Please provide details of the exemption claimed)

Investment Details Form

1.1. INVESTMENT ENTITY

Full name of Investment Entity

1.2. APPLICATION AMOUNT

I/We lodge the following Application and apply for Units $, , .

(Minimum Investment of $100,000 and in intervals of $25,000 thereafter. Stirling Property Funds reserves the right to accept lesser amounts as its own discretion).

Signatories Form

- I/We have read the IM and I/we agree to be bound by the terms and conditions contained in the IM dated 31 July 2024.
- I/We agree to be bound by the Constitution of the Stirling McGraths Hill LFR Fund as amended from time to time.
- I/We understand that my Application Monies will be treated in the manner set out in the IM,
- I/We acknowledge that an investment in the Fund is subject to investment and other risks, including possible delays in repayment and the loss of income and the loss of capital invested.
- I/We acknowledge that Stirling Property Funds Limited does not guarantee the performance of the Fund or the return or repayment of capital or income.
- I/We represent that all details contained in this Application Form are complete and accurate.
- I am/We are not, as a result of the law of any place, a person to whom this IM should not be given.
- I/We represent and warrant that, except as agreed with Stirling Property Funds Limited, I am/we are in Australia or New Zealand and am/are not acting for the account or benefit of another person outside Australia or New Zealand.
- I/We are not a "politically exposed" person/people/organisation for the purposes of the AML Legislation.

Please note: Applications received from companies or corporate trustees must be signed in accordance with their constitution.

PRIVACY

By signing this Application Form you acknowledge that you have read, understood and agree to the collection, use and disclosure of your personal information as set out under the heading of "Personal Information" in Section 8.6 of the IM or otherwise as required by law.

EXECUTION

Applicant 1

Signature

Date __ __ / __ __ / __ __ __ __

Applicant 2

Signature

Date __ __ / __ __ / __ __ __ __

Next Step: **This Signatories Form is now complete. Please proceed to the Identification Documents Guide (page 17)**

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Identification Documents Guide

The *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (AML Legislation) is aimed at addressing money laundering in Australia and the threat to national security caused by terrorism. This legislation requires us to collect identification information from you and to verify your identity from original or certified copies of specified documents.

If you do not complete the relevant verification sections of the Application Form, this may delay the processing of your Application or result in your Application being returned.

ARE YOU INVESTING AS AN EXISTING STIRLING INVESTOR THAT HAS PREVIOUSLY PROVIDED CERTIFIED AML LEGISLATION DOCUMENTS?

☐ **Yes** → No further identification documents are required. Please proceed to the FATCA Declaration Form (page 19).

☐ **No** → Please refer below for details of the identification documents required for each type of Application Form.

INDIVIDUAL(S) APPLICATION FORM

Attach a certified copy of:

☐ The driver's licence **OR** passport for each applicant.

COMPANY APPLICATION FORM

Attach a certified copy of:

☐ The driver's licence **OR** passport for each beneficial owner of the company with a 25% or more ownership stake.

TRUST APPLICATION FORM - UNREGULATED TRUST

☐ Attach a certified copy of the complete trust deed.

If you have a corporate trustee attach certified copies of:

☐ The driver's licence **OR** passport for each beneficial owner of the company with a 25% or more ownership stake.

If you have an individual(s) trustee attach certified copies of:

☐ The driver's licence **OR** passport for **ONLY ONE** trustee.

TRUST APPLICATION FORM - REGULATED TRUST

If you have a corporate trustee attach certified copies of:

☐ Attach a certified copy of the complete trust deed.

☐ The driver's licence **OR** passport for each beneficial owner of the corporate trustee with a 25% or more ownership stake.

If you have an individual(s) trustee attach certified copies of:

☐ The driver's licence **OR** passport for **ONLY ONE** trustee.

Identification Documents Guide

WHO CAN CERTIFY COPIES OF YOUR IDENTIFICATION DOCUMENTS?

- A member of the Stirling Team. Please call ahead to ensure a member of the team is available to certify your documents. Original documents need to be brought into our offices:

  Level 45, MLC Centre
  25 Martin Place
  Sydney NSW 2000
- A solicitor, barrister or justice of the peace.
- A police officer.
- A pharmacist.
- An agent of the Australian Post Office with two or more years continuous service.
- A chartered accountant or fully licensed financial adviser.
- Full time teacher at a school or tertiary institution.

FURTHER INFORMATION

If you have any questions about providing the appropriate identification documents please contact a member of Stirling Property Funds on +61 2 9232 3090.

Next Step: **This Identification Documents Guide is now complete. Please proceed to the FATCA Declaration Form (page 19)**

FATCA Declaration Form

The Australian Government has entered into an Inter-Governmental Agreement with the Government of the United States of America for the reciprocal exchange of taxpayer information. As part of this agreement Stirling is required to obtain 'self-certification' from all Investors under the US Foreign Account Tax Compliance Act (**FATCA**).

The form is used to self-certify your US connection for tax purposes.

This FATCA Declaration Form must be completed and signed.

Please complete the section below that relates to your investing entity:

☐ **Individual(s)** ➔ Go to **Section 1**

☐ **Trust** ➔ Go to **Section 2**

☐ **Company** ➔ Go to **Section 3**

FATCA Declaration Form

SECTION 1: INDIVIDUAL(S)

Are one or more individuals a US citizen or a resident of the US for tax purposes?

☐ **Yes** → Investor 1 US Tax Payer Identification Number (**TIN**) ☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Investor 1 US Tax Payer Identification Number (**TIN**) ☐☐☐☐☐☐☐☐☐☐☐☐☐☐

☐ **No** → Go to **Section 6**

SECTION 2: TRUSTS

Please select one of the categories below that identifies the trust that you are investing through:

☐ **2.1. Australian Regulated Trust** → Go to **Section 6**

☐ **2.2. US Trust**

→ Provide the Entity's TIN ☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Is this entity an Exempt Payee for US tax purposes? ☐ Yes ☐ No

Go to **Section 6**

☐ **2.3. Financial Institution or a Trust with a Trustee that is a Financial Institution**
A trust may be a Financial Institution if it is an investment entity that trades in financial assets or invests, administers, manages funds, money or certain financial assets on behalf of other persons, or if it has a trustee that is a Financial Institution in its own right.

→ Go to **Section 5**

☐ **2.4. Deceased Estate** (excluding US deceased estates) → Go to **Section 6**

☐ **2.5. Family Trust / Unit Trust / Other Trusts**

2.5.1 Does the Trust derive more than 50% of its gross income from investment activities (for example rent, capital gains, interest & dividends)?

☐ **Yes** → Go to **Section 2.5.2**

☐ **No** → Go to **Section 6**

2.5.2 Are there any Beneficial Owners, beneficiaries, trustees or settlors that are also US Persons for tax persons?

☐ **Yes** → Go to **Section 4**

☐ **No** → Go to **Section 6**

FATCA Declaration Form

SECTION 3: COMPANIES

Please select one of the categories below that identifies the company that you are investing through:

☐ **3.1. US Company**

➔ Provide the Entity's TIN ☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Is this entity an Exempt Payee for US tax purposes? ☐ Yes ☐ No

➔ Go to **Section 6**

☐ **3.2 Australian company that is a Financial Institution**
(A company may be a Financial Institution if it is an investment entity that trades in financial assets or invests, administers, manages funds, money or certain financial assets on behalf of other persons.)

➔ Go to **Section 6**

☐ **3.3. Australian company that is not a Financial Institution**

3.3.1 Does the company derive more than 50% of its gross income from passive investment activities (for example rent, capital gains, interest & dividends), or do more than 50% of the entities assets produce, or are held for production, of passive investment income?

☐ Yes ➔ Go to **Section 3.3.2**

☐ No ➔ Go to **Section 6**

3.3.2 Are any of the Beneficial Owners, through one or more shareholdings of more than 25% of the company's issued capital, US Persons for tax persons?

☐ Yes ➔ Go to **Section 4**

☐ No ➔ Go to **Section 6**

SECTION 4: INFORMATION ON US OWNERS / BENEFICIARIES

You must complete this section if you have answered Yes to questions 2.5.2 or 3.3.2. Please provide below the name, address and TIN of each US Person*. If you need more space please continue the table on another page and attach it to this form.

Name	Address	Tax ID (TIN)

*This is required as we have deemed you a Passive Non-Financial Foreign Entity (**NFFE**) (refer to Stirling's FATCA Guide). If you believe you fit any other definition for an Active NFFE, please contact Stirling Property Funds.

➔ Go to **Section 6**

FATCA Declaration Form

SECTION 5: COMPANIES

If you are a Financial Institution and have a Global Intermediary Identification Number (GIIN) please provide that here:

If you do not have a GIIN, please provide your FATCA Status as one of the following:

☐ **Deemed Compliant Foreign Financial Institution (FFI)**

☐ **Excepted FFI**

☐ **Exempt beneficial owner**

☐ **Non-participating FFI**

☐ **Other FATCA status**

Insert FATCA status

➔ Go to **Section 6**

SECTION 6: SIGNATORIES

I hereby certify that the above information is true and correct.

- I/We declare that the information provided by me/us in the FATCA Declaration Form, which forms part of my/our Application for Units in the Fund to enable Stirling Property Funds to comply with FATCA, its supporting regulations and any related laws designed to implement those laws in Australia, is correct and where relevant reflects my/our tax status for the purposes of FATCA.
- I/We will promptly notify Stirling Property Funds with any changes to the information provided by me/us in connection with FATCA and on request with any further information which is necessary or desirable for Stirling Property Funds to comply with any obligations it may have in connection with FATCA.

Please note only one signatory is required.

Name

Capacity*

Signature

Date / /

*Please provide the details of the capacity of the signatory if signing on behalf of a Trust, Company or a Financial Institution.

Definitions - FATCA Declaration Form

Australian Regulated Trust - ASIC registered managed investment schemes or other trusts which are registered with the ATO or ASIC but excluding self-managed superannuation funds, APRA regulated superannuation funds, Australian Government or Semi-Government Superannuation Funds and pooled super trusts (together Super Entities), unless such Super entities have a GIIN.

Active Non-Financial Entity - As defined in Annexure 1, Paragraph VI.B. 4 of the Inter Government Agreement. Examples include an entity with less than 50% of income from passive investment or that holds more than 50% of the assets of the trust for that purpose, non-financial publicly listed companies, charitable organisations and government bodies and that are not a US Person.

Beneficial Owner - An individual who directly or indirectly owns 25% or more of an entity and/or exercises control over that entity by way of determining decisions about the financial and operating policy.

Exempt Payee - US entities that are exempt in the US from tax reporting, including US banks, listed and regularly traded US corporations, or US retirement plans. If the Investor is not aware of an exemption, then it is likely they are not an Exempt Payee.

Financial Institution - A custodial or depository institution, an investment entity, a specified insurance company (including where formed as a partnership).

Fund - Stirling McGraths Hill LFR Fund

Passive Non-Financial Entity - Any entity that is a Non-Financial Entity and does not meet the definition of an Active NFFE that is not a US Person.

US Company - A company created in the US, established under the laws of the US or a US taxpayer.

US Partnership - A partnership organised or incorporated under any laws of or in the US or of any jurisdiction if formed by a US Person.

US Person is:

(a) Anyone born in the US (who has not renounced their citizenship), living in the US, a green card holder or US passport holder;

(b) US Companies, US Trusts or US Partnerships; or

(c) A trustee, settlor, partner, or beneficial owner of a trust, company or partnership (as applicable) who is a US citizen, resident or green card holder.

US Trust - A trust that is established under the laws of the US or a US taxpayer or a trust that has any of its trustees, beneficiaries or settlors as a US citizen, resident or green card holder.

Important information about Stirling McGraths Hill LFR Fund

This Information Memorandum (IM) is dated 31 July 2024 and contains an offer of Units in the Stirling McGraths Hill LFR Fund (Fund). The offer of Units made under this IM is by Stirling Property Funds limited ACN 617 836 736 AFSL 497783 (the Manager of the Fund). Stirling McGraths Hill LFR Pty Ltd is the trustee of the Fund and has been appointed as the authorised representative of Stirling Property Funds Limited (A.C.N. 617 836 736 and AFSL 497783). Units in the Fund are issued by the Trustee under an intermediary authorisation from the Manager.

Prospective Investors seeking to make an investment in the Fund, as outlined in this IM, should conduct their own independent assessment and analysis as to the Fund's merits and risks and therefore its suitability to Prospective Investors' purposes or needs. The Trustee and the Manager have not considered individual investors own purposes or needs when preparing this IM. Nothing in this IM constitutes any financial product advice by the Trustee or Manager or a recommendation to subscribe for Units in the Fund. Prospective Investors must read this IM and seek individual professional investment advice in relation to any proposed investment in the Fund.

The Trustee, Manager, their Directors, officers and associated parties, may hold Units in the Fund. Any Units acquired by these parties will be done on the same terms and conditions as prospective Investors.

This IM supersedes all preliminary information, communications or promotional material in relation to this Fund. Any such prior information, communication or promotional material must be disregarded and cannot be relied upon as having been authorised by the Trustee or Manager in relation to this Fund.

If, after reading this IM, prospective Investors would like to apply for Units in the Fund, this can only be done by completing the Application Form which accompanies this IM. Information contained in this IM may be updated from time to time. Any updates that are required to this IM will therefore be contained on the Manager's website, www.stirlingpropertyfunds.com.au. Prospective investors are recommended to review any further updates to this IM, listed on the Manager's website, before they finalise their application for Units in the Fund.

This offer to acquire Units in the Fund is open to Australian and New Zealand residents. The relevant laws, including taxation, which govern this offer document are Australian.

Certain information contained in this IM constitutes "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "target", "forecast", "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology.

Furthermore, any projections or other estimates in this IM, including estimates of returns or performance, are "forward-looking statements" and are based upon certain assumptions that may change.

Due to various risks and uncertainties, including those set forth under "Risks" in this IM, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

The forward looking statements included in this IM involve subjective judgment and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, the Trustee and Manager. Actual future events may vary materially from the forward looking statements and the assumptions on which those statements are based. Given these uncertainties, prospective Investors are cautioned to not place undue reliance on such forward looking statements.

Any estimate, forecast, projection, feasibility, cash flow or words of a similar nature or meaning in this IM are forward looking statements and subject to this disclaimer.

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Directory

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