



About the Fund

The Gippsreal Mortgage Investment Scheme ("the Fund") aims to deliver regular income at a pre-determined rate. The Fund offers attractive returns¹ whilst seeking capital stability through robust risk management measures combined with prudent lending standards.

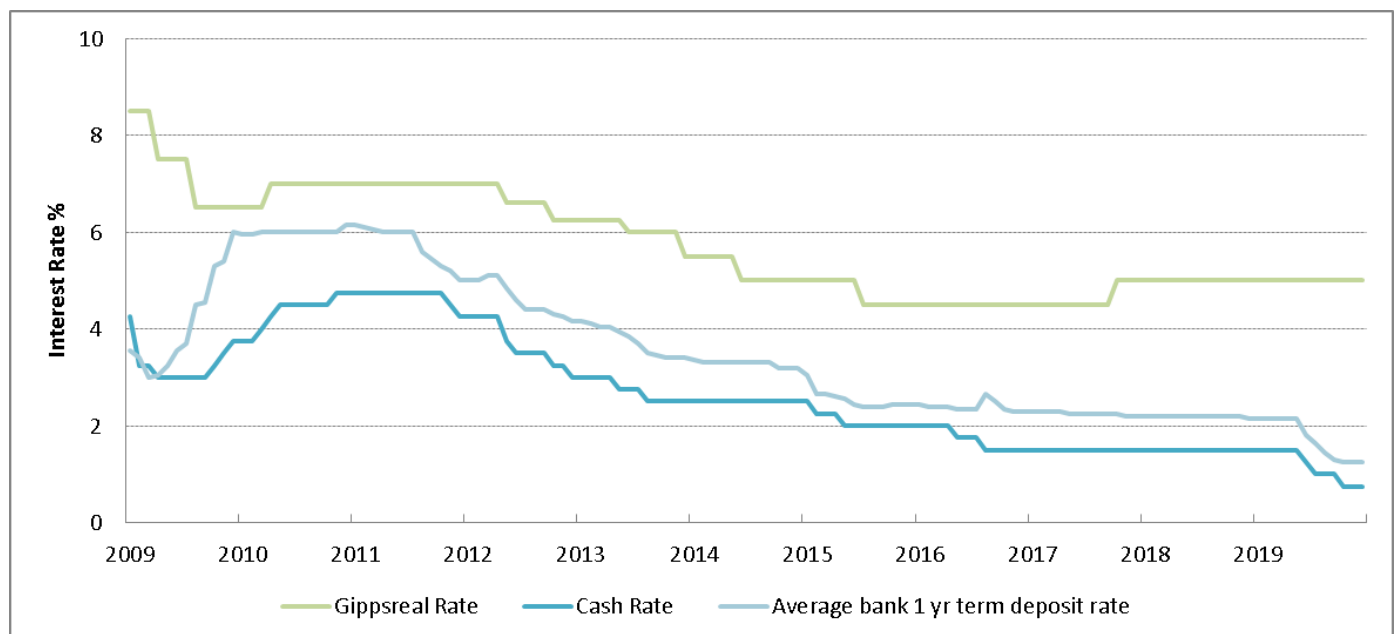
The Fund provides for investments in loans secured by registered first mortgages over real estate property including residential, commercial, rural and vacant land. Loans are approved in accordance with Gippsreal's lending policy principles and loan to value ratios that do not exceed a maximum 66.66% of the security property value.

The Fund is actively managed and provides an alternative option for the fixed income asset allocation of a defensive portfolio.

This fund may be suitable for investors who are looking:

- ♦ to diversify their Australian sourced income and diversify within the Fund through separate loans;
- ♦ for a predetermined rate and fixed investment term;
- ♦ for a less volatile income solution;
- ♦ for a passive income to replace or supplement their salary and or pensions;
- ♦ for transparency and choice with their investments.

Fund Performance



*Source: RBA, Gippsreal Limited. As at 31 December 2019

¹To comparable investments

Key Facts

Fund Manager	Gippsreal Limited
Inception date	30 March 2000
Who can invest	Individuals, SMSFs, Trusts, Companies, Partnerships, NFP Organisations
Initial Minimum Investment	\$5,000.00
Investment Term ¹	Fixed - typically between 1 to 3 years
Investment Return ¹	Variable or Fixed rate - currently between 4.50% and 6.00%
Income Distribution	Monthly in arrears (on or before the 27th day of the month)
Entry, Exit and Management Fees ²	Nil - there are no entry, ongoing or exits fees payable by the investor
Indirect Cost Ratio (ICR) ³	2.04% is the anticipated ICR for the 2019/20 financial year
Maximum Loan to Value Ratio	66.66% (two thirds) of the value of the security property
Average Loan to Value Ratio	53.36% as at 31 December 2019
Average Loan Size	\$913,344.74 as at 31 December 2019
Insurance	Property insurance protection over buildings and improvements of all security properties as well as professional indemnity insurance for the Fund Manager and Valuers
Regulator	A Constitution protecting scheme member rights is registered with Australian Securities and Investments Commission (ASIC) together with a registered Compliance Plan and Product Disclosure Statement (PDS)
Compliance	Bi-annual financial audits by independent auditor Burke Bond Partners Audit Annual compliance audit by independent auditor LD Audit
Licence	Australian Financial Services Licence 219612 Australian Credit Licence 219612 Australian Registered Scheme Number 091 849 482

¹As disclosed in Certificate of Investment

²All management fees and administrative fees of the Scheme are paid by the Borrower.

³The ICR is the ratio of the management costs (that are not deducted from the member's funds) to the Fund's total assets as at the 30 of June 2019

Important note: Investors should consider the current Generic Form Product Disclosure Statement ("PDS") together with the Certificate of Investment and Offer to Invest available from Gippsreal Limited (ACN 005 443 292, AFSL 219612) before making any decision regarding the Gippsreal Mortgage Investment Scheme (ARSN 081 849 482) ("the Fund"). The PDS contains important information about investing in the Fund and it is important investors read the PDS before making a decision about whether to invest, and continue to invest, in the Fund. Gippsreal Limited is the responsible entity and custodian of the Fund. Returns on investments are not guaranteed and there is a risk that the investment may achieve lower than expected returns. Gippsreal is not a Bank and Investments in the Fund are not bank deposits. Past performance is not a reliable indicator of future performance. Gippsreal Limited does not guarantee the repayment of capital and investors risk losing some or all of their money. An investment in the Fund is not a bank deposit. Various considerations and risk factors related to an investment in the Fund are described in the PDS. This document has been prepared for the purpose of providing general factual information only, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information in this document and the PDS, and seek professional advice, having regard to their objectives, financial situation and needs.