MinterEllison

7 August 2018

BY ELECTRONIC LODGEMENT

Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Off-market bid by A.C.N. 626 522 085 Pty Ltd for Gateway Lifestyle Group (ASX:GTY)

We act for A.C.N. 626 522 085 Pty Ltd (ACN 626 522 085), Hometown Australia Management Pty Ltd (ACN 614 529 538) and Hometown Australia Nominees Pty Ltd (ACN 616 047 084) atf Hometown Australia Property Trust (**Hometown**).

On 23 July 2018, in accordance with item 5 of section 633(1) of the Corporations Act 2001 (Cth) (Act), we lodged with the ASX a copy of Hometown's Bidder's Statement dated 23 July 2018 in relation to Hometown's off-market takeover bid for all the stapled securities in Gateway Lifestyle Group (ASX:GTY) comprising Gateway Lifestyle Operations Limited (ABN 63 605 543 968) and Residential Parks No.2 Trust (ARSN 605 803 414) (**Gateway**).

In accordance with section 633A(2)(c) of the Act, we now enclose a copy of the Replacement Bidder's Statement.

A copy of the Replacement Bidder's Statement has today been lodged with ASIC and sent to Gateway.

Yours faithfully
MinterEllison

MinterEllison

Ron Forster
Partner

Michael Scarf
Senior Associate

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OUR REF: 1202027

Enclosure

BIDDER'S STATEMENT

ACCEPT

CASH OFFER

by

Hometown

to acquire all your stapled securities in

Gateway Lifestyle Group

(comprising Gateway Lifestyle Operations Limited ABN 63 605 543 968 and Residential Parks No. 2 Trust ARSN 605 803 414 and their controlled entities)

for

$2.25 cash for each stapled security

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to how to deal with this document, please contact your legal, financial, taxation or other professional adviser.

If you have any questions about the Offer, this document or how to accept the Offer, please contact the Offer Information Line on 1300 153 327 (toll free within Australia) or +61 3 9415 4127 (not toll free from outside Australia) between 8.30am and 5.00pm (Sydney time) Monday to Friday.

Financial adviser

Morgan Stanley

Legal adviser

MinterEllison

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KEY DATES

Key Dates:

Announcement Date	2 July 2018
Lodgement date of original Bidder's Statement	23 July 2018
Lodgement date of this replacement Bidder's Statement	7 August 2018
Offer opens	[insert] 2018
Offer closes (unless extended or withdrawn in accordance with the Corporations Act*)	7.00pm (Sydney time) on [insert] 2018

* This date is indicative only and may be changed as permitted by the Corporations Act.

How to accept the Offer:

You may only accept the Offer in respect of all your Securities. To accept the Offer, you should proceed as follows:

1	**Read**	Read this document in full. You should also read the Target's Statement prepared by Gateway Lifestyle Group.
2	**Consult**	Consult your legal, financial, taxation or other professional adviser if you are in any doubt as to what action to take or how to accept the Offer.
3	**Complete or instruct**	*Issuer Sponsored Holdings* If your Securities are held in an Issuer Sponsored Holding (in which case your Securityholder Reference Number is prefixed with 'I'), to accept the Offer in respect of those Securities you must complete and sign the enclosed Acceptance Form in accordance with the instructions on it and return it (using the enclosed pre-addressed envelope if you wish) together with all documents required by the instructions on it, so that they are received at the address given on the Acceptance Form before 7pm (Sydney time) on the last day of the Offer Period. *CHESS Holdings* If your Securities are held in a CHESS Holding (in which case your Holder Identification Number is prefixed with 'X'), to accept the Offer in respect of those Securities you must do one of the following: i. instruct your Controlling Participant (usually your stockbroker) to initiate acceptance of the Offer on your behalf, so as to be effective before the end of the Offer Period. However, if you are the Controlling Participant in respect of your Securities, you must initiate acceptance of the Offer before the end of the Offer Period; or ii. complete and sign the enclosed Acceptance Form in accordance with the instructions on it and return it (using the enclosed pre-addressed envelope if you wish) together with all other documents required by those instructions on it, so that they are received at the address given on the Acceptance Form in sufficient time for your Controlling Participant to act on your instruction before the end of the Offer Period.
4	**Post**	Post your completed Acceptance Form in the enclosed pre-addressed envelope to: Hometown Takeover Offer C/- Computershare Investor Services Pty Limited GPO Box 52 Melbourne VIC 3001 Australia **Acceptance Forms must be received in sufficient time for your instruction to be processed by 7.00pm (Sydney time) on [insert] 2018, unless the Offer is extended or withdrawn as permitted by the Corporations Act.** **Standard delivery may take up to six Business Days, or longer from regional areas. Gateway Securityholders should bear this in mind when returning Acceptance Forms using Australia Post.**

IMPORTANT NOTICES

Replacement Bidder's Statement

This replacement Bidder's Statement is given by A.C.N. 626 522 085 Pty. Ltd. (ACN 626 522 085) (**Bidder**) as trustee for Hometown Australia Management Pty Ltd (ACN 614 529 538) (**Hometown Management**) and Bidder as trustee for Hometown Australia Nominees Pty Ltd (ACN 616 047 084) as trustee for the Hometown Australia Property Trust ABN 30 320 986 289 (**Hometown Nominees**), (Bidder, Hometown Management and Hometown Nominees collectively, **Hometown**) to Gateway Lifestyle Group under Part 6.5 of the Corporations Act (as modified by ASIC Class Order [CO 13/528]) and relates to the Offer to acquire your Gateway Securities (**Offer**).

You should read this replacement Bidder's Statement in its entirety. This replacement Bidder's Statement is dated 7 August 2018 and includes an offer dated [***insert***] 2018 to acquire your Gateway Securities. You should also read the Target's Statement.

This replacement Bidder's Statement replaces the original Bidder's Statement dated 23 July 2018 and lodged with ASIC on that date.

No account of personal circumstances

This replacement Bidder's Statement does not take into account your individual investment objectives, financial situation, taxation situation or particular needs. It does not contain personal advice. This replacement Bidder's Statement should not be relied on as the sole basis for any investment decision in relation to Gateway Securities or the Offer generally. You should obtain independent legal, financial, taxation or other professional advice before deciding whether to accept the Offer.

ASIC and ASX disclaimer

A copy of this replacement Bidder's Statement was lodged with ASIC and provided to ASX on 7 August 2018. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this replacement Bidder's Statement or the merits of the Offer.

Disclaimer as to forward looking statements

This replacement Bidder's Statement contains forward-looking statements within the meaning of financial services and securities laws. These statements are based, among other things, on information available to Hometown at the date of this replacement Bidder's Statement, and Hometown's assumptions, expectations, estimates, objectives, plans and intentions at the date of this replacement Bidder's Statement regarding the Offer, its success, expected benefits, the number of Securities that Hometown will actually be able to purchase and any change to the Offer Consideration or conditions.

Forward-looking statements are based on Hometown's current estimates, expectations and assumptions, which Hometown believes are reasonable as at the date of this replacement Bidder's Statement, and, accordingly, are subject to changes after that date. You should not place undue importance on forward-looking statements and should not rely on this information in respect of any other date.

Except as required under applicable legislation, Hometown does not undertake to update or revise these forward-looking statements, whether written or verbal, that may be made from time to time by it or on its behalf, whether as a result of new information, future events or otherwise.

None of Hometown or any of its officers, or any other person named in this replacement Bidder's Statement with their consent, or any person involved in the preparation of this replacement Bidder's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, except to the extent required by law.

Privacy

Hometown has collected your information from the Gateway security registry for the purpose of providing you with this replacement Bidder's Statement, making the Offer and, if accepted, administering your holding of Securities. The type of information Hometown has collected about you includes your name, contact details and information in respect of your securityholding in Gateway.

The Corporations Act requires the name and address of securityholders to be held in a public register. Your information may be disclosed on a confidential basis to Hometown's related bodies corporate and external service providers and may be required to be disclosed to regulators such as ASIC. The registered office of Hometown is Level 19, 1 O'Connell Street, Sydney, New South Wales 2000, Australia.

Notice to Foreign Securityholders

The distribution of this replacement Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this replacement Bidder's Statement should inform themselves of, and observe, those restrictions. This replacement Bidder's Statement does not constitute an offer in any jurisdiction in which, or to any person to which, it would not be lawful to make such an offer.

Important notice to US Securityholders

The Offer is made for the stapled securities of an Australian group comprising an Australian registered company and an Australian managed investment scheme. It is important US Securityholders understand the Offer is subject to disclosure requirements in Australia that are quite different from those in the US.

You should be aware that, subject to the Corporations Act, Hometown may purchase Gateway stapled securities otherwise than under the Offer, such as in open market or privately negotiated purchases after the end of the Offer Period.

Information on Gateway

All information in this replacement Bidder's Statement relating to Gateway, Gateway Securities and Gateway Group has been prepared by Hometown using publicly available information and limited information made available to Hometown by Gateway. None of the information in this replacement Bidder's Statement relating to Gateway has been commented on or verified by Gateway or independently verified by Hometown for the purposes of this replacement Bidder's Statement.

Subject to the Corporations Act, Hometown does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information. The information on Gateway in this replacement Bidder's Statement should not be considered comprehensive. In addition, the Corporations Act requires the directors of Gateway to provide a Target's Statement to Gateway Securityholders in response to this replacement Bidder's Statement, setting out certain material information concerning Gateway.

Defined terms

Certain terms used in this replacement Bidder's Statement have defined meanings, as set out in Section 9 of this replacement Bidder's Statement.

Unless the context otherwise requires, all subsequent references in this document to "Bidder's Statement" are references to this replacement Bidder's Statement dated 7 August 2018.

No internet site is part of this Bidder's Statement

References in this Bidder's Statement to Hometown America and Hometown Australia's websites (http://www.hometownamerica.com/ and http://www.hometownaustralia.com.au/) and to Gateway's website http://www.gatewaylifestyle.com.au/) are for your reference only. Information contained in or otherwise accessible from those websites are not part of this Bidder's Statement.

Security registry for the Offer

Computershare Investor Services Pty Limited ABN 48 078 279 277
GPO Box 52
Melbourne VIC 3001

CHAIRMAN'S LETTER

Dear Gateway Securityholder

On behalf of the Hometown Group, I am pleased to present you with an all cash offer to acquire all your stapled securities in Gateway Lifestyle Group (**Gateway**).

Hometown is offering you $2.25 cash for each stapled security in Gateway (**Gateway Security**) you own (**Offer**).

Gateway Securityholders who were registered holders of Gateway Securities on the record date of 29 June 2018 for the 5.35 cents distribution announced by Gateway on 22 June 2018 and accept the Offer, will be entitled to retain the $0.0535 per Gateway Security distribution in addition to receiving the $2.25 per Gateway Security consideration under the Offer.

A compelling offer for Gateway Securityholders

The Offer represents a compelling opportunity for Gateway Securityholders to realise liquidity at a highly attractive acquisition premium, as well as achieve certainty of value via the 100% cash consideration.

The Offer Consideration of $2.25 cash for each Gateway Security represents:

- 28.5% premium to the Gateway Distribution Adjusted Undisturbed Price of $1.752 per Gateway Security[1];
- 31.7% premium to the Gateway Distribution Adjusted One Month VWAP of $1.708 per Gateway Security[2]; and
- 48.0% premium to Gateway's last reported net tangible assets (**NTA**) of $1.52 per Gateway Security as at 31 December 2017.

The Offer is subject to a 50% minimum acceptance condition and other conditions set out in Appendix 2 to this Bidder's Statement.

If the Offer becomes unconditional, Gateway Securityholders who accept the Offer will be paid on the earlier of:

- within one month after the Offer is accepted or one month after the Offer becomes or is declared unconditional (whichever is the later); and
- 21 days after the end of the Offer Period.

The Offer will extend to Gateway Securities that are issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the vesting of, or exercise of rights conferred by, Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date and remain on issue at the Register Date.

Hometown's relevant interest in Gateway

At the date of this Bidder's Statement, Hometown has a relevant interest in 55,283,893 Gateway Securities representing approximately 18.2% of Gateway Securities which comprises:

- approximately 9.5% held directly by Hometown Australia, making Hometown Australia the largest Gateway Securityholder;[3] and
- Hometown having a Relevant Interest in 8.7% of Gateway Securities as a result of Hometown's entry into Pre Bid Agreements with major Gateway Securityholders. Refer to Section 8.3 of this Bidder's Statement for further details.

Hometown and its intentions

Hometown America was founded in 1997 and operates over 60 residential land lease communities (**RLLC**) across eleven states in the United States. Hometown America is one of the largest and most respected owners and operators of premier RLLCs in the United States and acquired its first RLLC in Australia in March 2017.

Hometown is majority owned by Calzada Capital Partners, LLC (**Calzada**), a global real estate private equity firm with over US$9 billion in assets under management. With the support of Calzada, Hometown is attracted to Gateway's portfolio of quality land lease assets and views Gateway as a platform for future investment growth and value creation in Australia.

Next Steps

Details of the Offer, including its terms, are set out in this Bidder's Statement. I encourage you to read this Bidder's Statement carefully and in its entirety, and then accept the Offer as soon as possible.

The Offer is open for your acceptance until [***insert***] (Sydney time) on [***insert***] 2018, unless extended in accordance with the Corporations Act.

To accept the Offer, please follow the instructions in this Bidder's Statement and on the accompanying Acceptance Form.

1 Being the closing price of $1.805 per Gateway Security on Friday 8 June 2018, reduced for the 5.35 cents Distribution.
2 Being the one month VWAP of $1.762 per Gateway Security up to Friday 8 June 2018, reduced for the 5.35 cents Distribution.
3 Based on documents lodged with ASX in relation to Gateway up to the date of this Bidder's Statement.

If you have any questions about the Offer, or how to accept it, please contact the Offer Information Line on 1300 153 327 (toll free within Australia) or +61 3 9415 4127 (not toll free from outside Australia).

Thank you for your consideration of the Hometown Offer and we look forward to receiving your acceptance.

Yours sincerely

Patrick Zilis
Chairman

SUMMARY OF THE OFFER

Set out below is a summary of the Offer. This information is a summary only and should be read together with all sections of this Bidder's Statement and Gateway's Target's Statement.

Capitalised terms not otherwise defined have the meanings given in Section 9 of this Bidder's Statement.

The Offer	Hometown is offering to acquire all your Gateway Securities. The Offer extends to all Gateway Securities that are issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the vesting of, or exercise of rights conferred by, Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date and remain on issue at the Register Date.
Offer Consideration	The Offer Consideration is $2.25 cash for each Gateway Security you hold.
Offer closing date	The Offer is scheduled to close at 7.00pm (Sydney time) on [***insert***] 2018 unless the Offer is extended or withdrawn.
Conditions to the Offer	The Offer remains subject to the following conditions: ▪ Hometown acquiring a relevant interest in more than 50% of the Securities on a Fully Diluted Basis; ▪ receipt of FIRB approval by Hometown; ▪ all Regulatory Approvals required by law or a Regulatory Authority are obtained; ▪ Gateway's business and the business of its Subsidiaries is carried on in the ordinary course with any transactions on an arms' length basis; ▪ no Material Adverse Change; ▪ no securities (other than securities issued on vesting of a Gateway Security Appreciation Right) and no Security Appreciation Rights or other incentives are granted or issued; ▪ no material change to personnel expenses outside the ordinary course; ▪ no Prescribed Occurrences; ▪ other than certain permitted actions, no material acquisitions, disposals, new commitments or other events; ▪ no unremedied breach of covenants, event of default, potential event of default or other events in respect of financing arrangements; ▪ no change in laws, policy or administrative practice that would materially increase Hometown's costs of the Offer; ▪ no change in Gateway's accounting policies (except where required by law or relevant accounting standards); ▪ no change in the investment management, administration or related services to Gateway or other changes relating to responsible entities, trustees, managed investment schemes and trusts; ▪ no statements in documents filed with ASX found to be materially false or misleading; ▪ no regulatory action; ▪ non-existence or exercise of certain rights; and ▪ no agreement to pay or provide any benefit in connection with any competing proposal, except certain permitted payments. These conditions are set out in full in Appendix 2 to this Bidder's Statement. The status of these conditions as at the date of this Bidder's Statement is set out in Section 8.13.

No transaction costs	If your Gateway Securities are registered in an Issuer Sponsored Holding (your SRN starts with an "I") in your name and you deliver them directly to Hometown, you will not incur any brokerage fees or pay stamp duty in connection with your acceptance of the Offer. If your Gateway Securities are registered in a CHESS Holding (your HIN starts with an "X"), or if you are a beneficial owner whose Securities are registered in the name of a broker, bank, custodian or other nominee, you will not pay stamp duty by accepting the Offer. However, you should ask your Controlling Participant (usually your broker) or nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer. You may incur brokerage costs if you choose to sell your Gateway Securities on ASX.

WHY YOU SHOULD ACCEPT THE OFFER

Why You Should Accept the Offer

- The Offer represents a significant premium to both Gateway's last undisturbed trading price (on Friday 8 June 2018) and Gateway's net tangible assets.
- The Offer delivers compelling value in a context of the Gateway Security price underperformance.
- All cash offer provides certainty of value for your Gateway Securities.
- The Offer is the only offer currently available to Gateway Securityholders and is superior to the Brookfield Non-Binding Proposal.
- Hometown has demonstrated support from major Gateway Securityholders.
- If the Offer is not accepted, there is a risk that the Gateway Security price may fall after the Offer closes.

Further details on each of these reasons for ACCEPTING the Offer are set out in Section 1 of this Bidder's Statement. You should read this entire Bidder's Statement and Gateway's Target's Statement before deciding whether to accept the Offer.

1. REASONS WHY YOU SHOULD ACCEPT THE OFFER

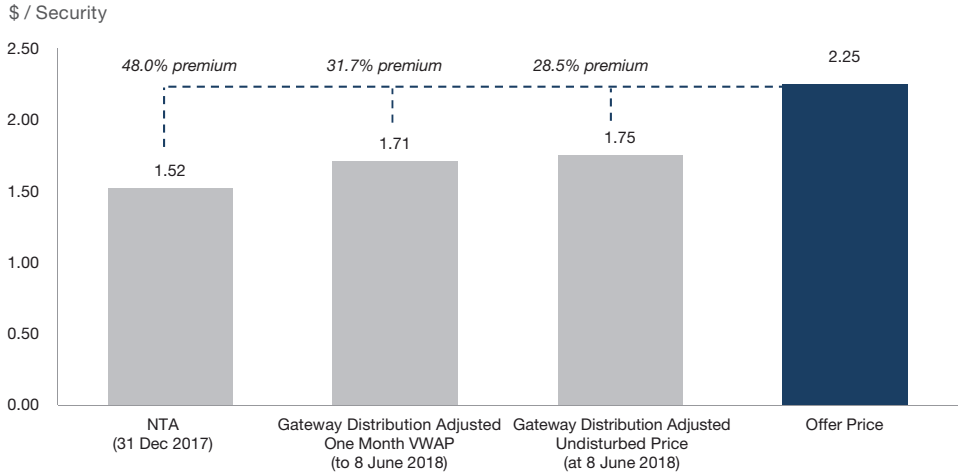
1.1 The Offer represents a significant premium to both Gateway's last undisturbed trading price on Friday 8 June 2018 and Gateway's net tangible assets

Gateway Securityholders who were registered holders of Gateway Securities on the record date of 29 June 2018 for the 5.35 cents Distribution per Gateway Security will remain entitled to receive that distribution announced by Gateway on 22 June 2018 if they accept the Offer. For these Gateway Securityholders, the Offer Consideration of $2.25 cash for each Gateway Security represents a total value of $2.3035.

The Offer Consideration of $2.25 per Gateway Security represents a:

- 28.5% premium to the Gateway Distribution Adjusted Undisturbed Price of $1.752 per Gateway Security[4];
- 31.7% premium to the Gateway Distribution Adjusted One Month VWAP of $1.708 per Gateway Security[5]; and
- 48.0% premium to Gateway's last reported net tangible assets of $1.52 per Gateway Security as at 31 December 2017.

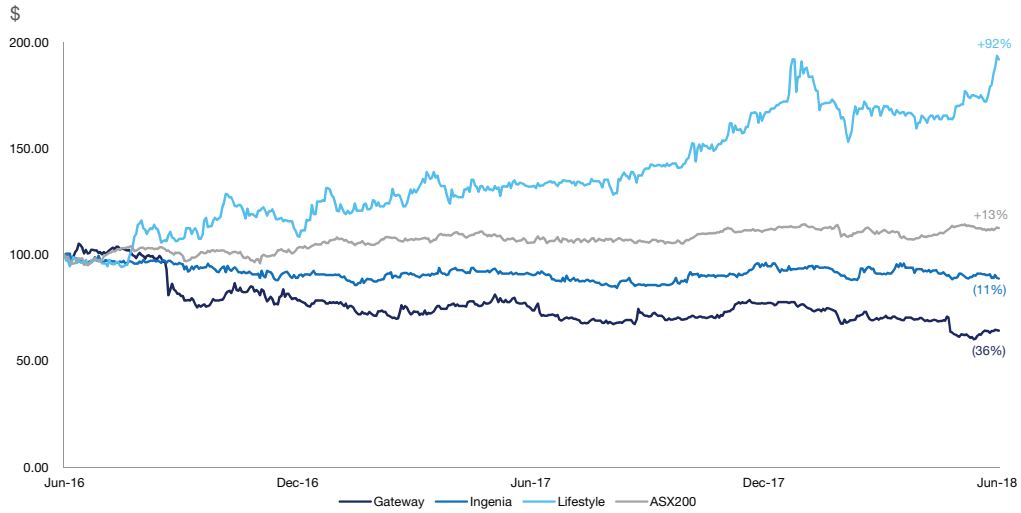
The chart below illustrates the implied premiums reflected by the Offer.



1.2 The Offer delivers compelling value in a context of Gateway Security price underperformance

The Hometown Offer provides an opportunity for Gateway Securityholders to realise liquidity at a significant premium, particularly in the context of recent Gateway Security price underperformance. In the 24 months to 8 June 2018, Gateway's Security price has fallen in value by approximately 36%, underperforming its listed peers Ingenia Communities and Lifestyle Communities, as well as the S&P/ASX 200 index, and trading below its original IPO price of $2.00 in 2015.

The following chart shows the Gateway Security relative price performance on ASX over a period of 24 months to 8 June 2018 in relation to Gateway's listed peers and the S&P/ASX200 index.



Source: IRESS. Data as at 8 June 2018.

Note: Trading prices for Gateway, Ingenia and Lifestyle, and the S&P/ASX200 index, have each been rebased to 100 as at 9 June 2016.

4 Being the closing price of $1.805 per Security on Friday 8 June 2018, reduced for the 5.35 cents Distribution.

5 Being the one month VWAP of $1.762 per Security up to Friday 8 June 2018, reduced for the 5.35 cents Distribution.

1.3 All cash offer provides certainty of value for your Gateway Securities

The Hometown Offer of $2.25 per Gateway Security is payable in cash and provides Gateway Securityholders with an opportunity to realise the full and certain value of the consideration being offered, with no transaction costs.

If you accept the Offer and the Offer becomes unconditional, you will:

- receive $2.25 cash per Gateway Security; and
- receive your cash payment on the earlier of:
  - within one month after the Offer is accepted or one month after the Offer becomes or is declared unconditional (whichever is the later); and
  - 21 days after the end of the Offer Period.

Gateway Securityholders who were registered holders of Gateway Securities on the record date of 29 June 2018 will remain entitled to receive the 5.35 cents Distribution per Gateway Security announced by Gateway on 22 June 2018 if they accept the Offer. The 5.35 cents Distribution will remain payable on 28 September 2018.

If you accept the Offer (and the Offer becomes unconditional), you will eliminate your exposure to the risks and uncertainties inherent in owning Gateway Securities. By contrast, if the Offer is not accepted, the amount which you will be able to realise for your Gateway Securities is uncertain and subject to a number of risks.

1.4 The Offer is the only offer currently available to Gateway Securityholders and is superior to the Brookfield Non-Binding Proposal

On 21 June 2018, Gateway announced to ASX that it had received an indicative, non-binding and conditional proposal by Brookfield Property Group (**Brookfield**) to acquire 100% of the stapled securities of Gateway (**Brookfield Non-Binding Proposal**).

No further announcement has been made by Gateway or Brookfield in connection with the Brookfield Non-Binding Proposal.

Hometown's Offer is the only offer currently available to Gateway Securityholders.

The Hometown Offer presents a superior proposal to Gateway Securityholders in comparison to the Brookfield Non-Binding Proposal. The Hometown Offer provides Gateway Securityholders with a higher Offer Consideration and greater certainty of completion given the Brookfield Non-Binding Proposal is a non-binding and indicative proposal, subject to 6 weeks of satisfactory due diligence[6] and, if implemented by way of a scheme of arrangement, subject to a Gateway Securityholder vote, in which Hometown Australia is able to participate as Gateway's largest Securityholder[7].

	Hometown Offer	Brookfield Non-Binding Proposal
Implied Offer Consideration	$2.25 per Gateway Security (representing $2.3035 before being adjusted for the 5.35 cents Distribution)	$2.2465 per Gateway Security, (representing $2.30 before being adjusted for the 5.35 cents Distribution)
Conditional On Due Diligence	Not subject to the completion of due diligence	Subject to the completion of at least 6 weeks of satisfactory due diligence from the date on which the Brookfield Non-Binding Proposal was announced (on 21 June 2018)
Completion Risk	Significantly lower than Brookfield Non-Binding Proposal, given: ▪ Hometown's current Relevant Interest of 18.2% in Gateway Securities; and ▪ Takeover Offer is subject to a 50% minimum acceptance condition (compared with the Brookfield Non-Binding Proposal which, should it become binding, will require a 75% vote)	Material current uncertainty given the Brookfield Non-Binding Proposal is subject to: ▪ The completion of at least 6 weeks of satisfactory due diligence from the date on which the Brookfield Non-Binding Proposal was announced; ▪ Negotiating a binding Scheme or takeover bid implementation agreement; and ▪ If implemented by way of scheme of arrangement, a Gateway Securityholder vote in which Hometown Australia is able to participate (as the largest Gateway Securityholder[8])
Existing Relevant Interest	Relevant Interest in approximately 18.2% of all Gateway Securities[9]	None known[10]

6 From the date on which the Brookfield Non-Binding Proposal was announced on 21 June 2018.
7 Based on documents lodged with ASX in relation to Gateway up to the date of this Bidder's Statement.
8 Based on documents lodged with ASX in relation to Gateway up to the date of this Bidder's Statement.
9 Based on 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.
10 Based on information publicly available.

1.5 Hometown has demonstrated support from major Gateway Securityholders

Hometown has the demonstrated support of current and previous major Gateway Securityholders, including Perennial Value Management Limited (**Perennial**), Colonial First State Asset Management (Australia) Ltd[11], Wavestone Capital Pty Limited and Maso Capital Investments Limited, by way of Pre Bid Agreements and, in the case of Perennial, the outright acquisition by the Bidder of Gateway Securities from Perennial[12].

At the date of this Bidder's Statement, Hometown has a Relevant Interest in 55,283,893 Gateway Securities representing approximately 18.2% of all Gateway Securities[13], of which:

- approximately 9.5% is directly held and owned by Hometown Australia, making Hometown Australia the largest Gateway Securityholder[14]; and
- the balance comprising Hometown's Relevant Interest as a result of the Pre Bid Agreements.

Further details in relation to the Pre Bid Agreements, the Share Sale Agreement and Hometown's on-market acquisitions are set out in Sections 8.3, 8.4 and 8.8 of this Bidder's Statement.

1.6 If the Offer is not accepted, there is risk that the Gateway Security price may fall after the Offer closes

If the Hometown Offer proceeds and no alternative transaction is proposed or, in the case of the Brookfield Non-Binding Proposal, implemented:

- **The price of your Gateway Securities may fall**

  Following the close of the Offer, the price at which Gateway Securities are traded on the ASX may fall and trade at a material discount to the consideration offered under the Offer.

If you do not accept the Hometown Offer and Hometown acquires more than 50% of Gateway Securities on a Fully Diluted Basis but does not achieve compulsory acquisition:

- **You will become a minority Gateway Securityholder**

  Being a minority Gateway Securityholder will have the following implications:

  - the market for Gateway Securities may become less liquid;
  - Gateway's ASX index weighting may reduce;
  - Hometown intends to replace Gateway directors with its own nominees;
  - Hometown may seek to have Gateway removed from the official list of the ASX: and
  - Hometown will review the capital structure and distribution policy of Gateway.

  If you do not accept the Offer and remain a minority Gateway Securityholder, these factors may make it more difficult for you to sell your Gateway Securities outside the Offer at prevailing price levels.

  Please see Section 5 of this Bidder's Statement for further details regarding Hometown's intentions in relation to Gateway.

- **Your Gateway Securityholding may continue to be subject to market volatility**

  The recent volatility in Australian and international markets may continue to impact on:

  - movements in the demand for, and price of, securities traded on securities exchanges;
  - Gateway's ability to access debt and equity capital; and
  - general economic conditions including inflation and interest rates that may impact on Gateway's business operations.

  If you accept the Offer and the Offer becomes unconditional, you will be paid cash for your Gateway Securities and will no longer be exposed to risks inherent in holding Gateway Securities.

- **If Hometown becomes entitled to compulsory acquisition, you will receive the consideration at a later date than if you accept the Offer**

  If Hometown becomes entitled to compulsorily acquire your Gateway Securities, it intends to proceed with compulsory acquisition.

11 Colonial First State Asset Management (Australia) Ltd has entered into two Pre Bid Agreements with Hometown, one in its capacity as manager of the Colonial First State Future Leaders Fund, and the other in its capacity as manager of the CSF Wholesale Small Companies Fund Growth.

12 On 19 July 2018, the Bidder transferred the Gateway Securities it acquired from Perennial to Hometown Australia Holdings.

13 Based on 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.

14 Based on Gateway Securities held and owned by Hometown Australia and a total of 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.

If your Gateway Securities are compulsorily acquired by Hometown, you will still receive the same consideration for each Gateway Security as the Offer Consideration. However, you will receive the consideration at a later date than you would have received it if you had accepted the Offer, potentially having a negative impact from a time value of money perspective.

2. THE OFFER – YOUR QUESTIONS ANSWERED

Set out below are summary answers to some key questions that Gateway Securityholders may have in relation to the Offer. This information is a summary only and qualified by the detailed information in this Bidder's Statement.

You should read the entire Bidder's Statement and Gateway's Target's Statement before deciding whether to accept the Offer.

What is the Offer	Hometown is offering to acquire all your Gateway Securities, including Gateway Securities that are issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the vesting of, or exercise of rights conferred by, Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date and remain on issue at the Register Date, on the terms set out in this Bidder's Statement. You may only accept this Offer in respect of all the Gateway Securities held by you.
Who is making the Offer?	Hometown. Further information about Hometown is provided in Section 3 of this Bidder's Statement and on Hometown Australia's websites at www.hometownaustralia.com.au and Hometown America's website at www.hometownamerica.com
What is the Offer Consideration?	The Offer Consideration is $2.25 cash for each Gateway Security held, on the terms and conditions set out in Appendices 1 and 2 to this Bidder's Statement.
What choices do I have?	As a Gateway Securityholder, you have the following choices: ▪ accept the Offer for all of your Gateway Securities and receive cash consideration; ▪ sell your Gateway Securities (unless you have previously accepted the Offer); or ▪ do nothing.
When will I be paid?	Generally, Hometown will pay the cash consideration under the Offer on or before the earlier of: ▪ one month after this Offer is accepted or within one month after the Offer becomes (or is declared) unconditional (whichever is the later); and ▪ 21 days after the end of the Offer Period. Full details of when payments will be made are set out in paragraph 13 of Appendix 1 to this Bidder's Statement.
How do I accept the Offer?	To accept the Offer, complete the enclosed Acceptance Form in accordance with the instructions on it and return it in the enclosed pre-addressed envelope so that it is received before the end of the Offer Period. If your Gateway Securities are held in CHESS (Holder Identification Number prefixed with 'X'), you can also accept the Offer by either: ▪ directly instructing your Controlling Participant (usually your stockbroker) to accept the Offer on your behalf; or ▪ completing and signing the enclosed Acceptance Form in accordance with the instructions on it and returning it together with all other documents required by those instructions on it, so that they are received at the address given on the Acceptance Form in sufficient time for your Controlling Participant to act on your instruction before the end of the Offer Period. You may only accept the Offer for all of your Gateway Securities. Acceptances must be received before the end of the Offer Period at 7.00pm (Sydney time) on [***insert***] 2018, unless the Offer is extended or withdrawn. **Standard delivery may take up to six Business Days, or longer from regional areas. Gateway Securityholders should bear this in mind when returning Acceptance Forms using Australia Post.** See paragraph 3 of Appendix 1 to this Bidder's Statement and the Acceptance Form for further details on how to accept the Offer.
Can I accept the Offer for only some of my Gateway Securities?	No, you can only accept the Offer in relation to all your Gateway Securities. You can only withdraw your acceptance of the Offer in limited circumstances. See paragraph 11 of Appendix 1 for further details.

What happens if I do not accept the Offer?	If Hometown becomes entitled to compulsorily acquire your Gateway Securities, it intends to do so. If your Gateway Securities are compulsorily acquired, it will be on the same terms (including the same Offer Price for each Gateway Security acquired) as the Offer. However, you will receive payment later than Gateway Securityholders who choose to accept the Offer. If you do not accept the Offer and Hometown does not acquire a relevant interest in at least 90% of Gateway Securities or not all of the conditions of the Offer are satisfied or waived, you will remain a Gateway Securityholder and will not receive the Offer Price offered by Hometown. Hometown's intentions if it gains effective control of Gateway, but does not acquire a relevant interest in at least 90% of Gateway Securities, are described in Section 5.4 of this Bidder's Statement.
When does the Offer close?	The Offer will open for acceptance on [***insert***] 2018 and is scheduled to close at 7.00pm (Sydney time) on [***insert***] 2018, unless the Offer is extended or withdrawn. This is the current deadline for your acceptance of the Offer. Your completed Acceptance Form or an acceptance through your Controlling Participant must be received by the Security Registry by this deadline. However, the Offer Period may be extended as permitted by the Corporations Act.
Can Hometown extend the Offer Period?	Yes, the Offer Period can be extended at the discretion of Hometown in accordance with the Corporations Act. If the Offer remains conditional after Hometown gives its notice of the status of the conditions (see paragraph 8 in Appendix 1), the Offer can then only be extended in limited circumstances. In addition, if, within the last seven days of the Offer Period, either of the following events occur: ▪ the Offer is varied to improve the consideration offered; or ▪ Hometown's voting power in Gateway increases to more than 50%, the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act. If the Offer is extended, an announcement will be made to ASX.
Can I sell my Gateway Securities on market?	Yes, you can sell your Gateway Securities on market, however, you may incur brokerage costs in doing so. If you have already accepted the Offer, you will be unable to settle any subsequent sale of your Gateway Securities, subject to you being entitled to withdraw your acceptance.
What are the conditions to the Offer?	The Offer is subject to the following conditions: ▪ Hometown acquiring a relevant interest in more than 50% of Gateway Securities on a Fully Diluted Basis; ▪ receipt of FIRB approval by Hometown; ▪ all Regulatory Approvals required by law or a Regulatory Authority being obtained; ▪ Gateway's business and the business of its Subsidiaries is carried on in the ordinary course with any transactions on an arms' length basis; ▪ no Material Adverse Change; ▪ no securities (other than Securities issued on vesting of a Gateway Security Appreciation Right) and no security appreciation rights or other incentives are granted or issued; ▪ no material change to personnel expenses outside the ordinary course; ▪ no Prescribed Occurrences; ▪ other than certain permitted actions, no material acquisitions, disposals, new commitments or other events; ▪ no unremedied breach of covenants, event of default, potential event of default or other events in respect of financing arrangements; ▪ no change in laws, policy or administrative practice that would materially increase Hometown's costs of the Offer;

What are the conditions to the Offer? (Cont'd)	▪ no change in Gateway's accounting policies (except where required by law or relevant accounting standards); ▪ no change in the investment management, administration or related services to Gateway or other changes relating to responsible entities, trustees, managed investment schemes and trusts; ▪ no statements in documents filed with ASX found to be materially false or misleading; ▪ no regulatory action; ▪ non-existence or exercise of certain rights; and ▪ no agreement to pay or provide any benefit in connection with any competing proposal, except certain permitted payments. These conditions are set out in full in Appendix 2 to this Bidder's Statement. The status of these conditions as at the date of this Bidder's Statement is set out in Section 8.13.
What happens if the conditions are not satisfied or waived?	If you accept the Offer, you will be able to revoke your acceptance at any time while the FIRB Condition is not fulfilled or waived. When the FIRB Condition is fulfilled or waived, you will not be able to withdraw your acceptance of the Offer except as follows: ▪ If the Conditions are not satisfied or waived before the end of the Offer Period, the Offer will lapse and any acceptances of the Offer will be void. In those circumstances, Gateway Securityholders who have accepted the Offer will continue to hold their Gateway Securities and be free to deal with them as if the Offer had not been made. or ▪ if the Offer Period is extended by more than one month and the Offer is still subject to one or more Conditions at that time. A Notice will be sent to you at the time explaining your withdrawal rights in this regard.
How will the Gateway Security Appreciation Rights be treated?	The Offer does not extend to Gateway Security Appreciation Rights. However, as set out in Section 8.6, the Offer will extend to any new Gateway Securities that are issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the vesting of, or exercise of rights conferred by, the Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date and remain on issue at the Register Date.
Do I pay brokerage or stamp duty if I accept?	No brokerage or stamp duty will be payable by you on acceptance of the Offer. If your Gateway Securities are registered in a CHESS Holding or you hold your Gateway Securities through a bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker), or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer.
What if I am a foreign Securityholder?	Foreign Securityholders will be paid the same cash consideration as set out in the Offer, subject to any applicable withholding obligation. The tax implications of the Offer for those foreign Securityholders may be different from those relating to Australian resident Securityholders. Further details are set out in Sections 7.3 and 7.4 of this Bidder's Statement.
What are the tax implications of accepting the Offer?	Section 7 contains a general summary of the likely Australian tax implications of accepting the Offer. The tax implications of accepting the Offer will vary for each Gateway Securityholder. Therefore, you should consult your legal, financial, taxation or other professional adviser on the tax implications of accepting the Offer in light of your specific circumstances.
What if I would like further information?	For queries on how to accept the Offer, see paragraph 3 of Appendix 1 to this Bidder's Statement and the Acceptance Form. If you have any queries in relation to the Offer, please call the Offer Information Line on: 1300 153 327 (toll free for callers within Australia) or +61 3 9415 4127 (not toll free) for callers outside Australia.

3. PROFILE OF HOMETOWN

3.1 Hometown

Hometown is comprised of Bidder in its own capacity and its capacity as:

- trustee for Hometown Management; and
- trustee for Hometown Nominees, in its capacity as trustee for the Hometown Property Trust.

Bidder

Bidder is an Australian proprietary company registered in Victoria.

Bidder is a wholly owned subsidiary of Hometown Management.

Hometown Management

Hometown Management is an Australian proprietary company registered in Victoria.

Hometown Management is a wholly owned subsidiary of Hometown Australia Holdings.

Hometown Nominees

Hometown Nominees is an Australian proprietary company registered in Victoria and acts in its capacity as trustee for the Hometown Property Trust.

Hometown Nominees is a wholly owned subsidiary of Hometown Management.

Hometown Property Trust

Hometown Property Trust is a unit trust constituted by Hometown Nominees as trustee of the trust by a trust deed dated 22 November 2016, as varied by deed of variation dated 22 March 2017 executed by Hometown Nominees as trustee.

3.2 Hometown ownership structure

Hometown Australia

Hometown Australia Holdings is an Australian proprietary company registered in Victoria.

Hometown Australia Holdings is a holding company for the Hometown operations in Australia.

Hometown U.S.

Hometown Australia Holdings is owned by the U.S. based Hometown Australia Limited Partnership, a Delaware limited partnership (**Hometown LP**).

Hometown LP is owned by:

- in respect of 98%, Hometown LP Australia L.L.C., a Delaware limited liability company as limited partner; and
- in respect of 2%, Hometown Communities Limited Partnership, a Maryland limited partnership as general partner.

Hometown LP Australia, L.L.C. is owned by Hometown Communities Limited Partnership.

Hometown Communities, LLC, a Maryland limited liability company, holds a 97% partnership interest as general partner in the Hometown Communities Limited Partnership.

Hometown Communities, LLC is owned by Hometown America, L.L.C., a Delaware limited liability company.

Hometown America, L.L.C. is more than 99% owned by Hometown America Holdings, L.L.C., a Delaware limited liability company (**Hometown America Holdings**).

Hometown America Holdings is owned by:

- in respect of 98%, Calzada Capital Partners, LLC, a Delaware limited liability company (**Calzada**);
- in respect of 2%, Hometown Residential Manager, L.L.C., a Delaware limited liability company (**Hometown Manager**).

Hometown America Holdings is managed by Hometown Manager which is responsible for managing the day-to-day operations of the business. Hometown Manager is owned by members of Hometown America Holdings' management team. Certain material decisions (eg. a material acquisition) require the consent of Calzada.

Calzada is 98% owned by the Washington State Investment Board (**WSIB**), a major institutional investor with over US$125 billion in assets under management, and 2% owned by members of Calzada's management team. Created in 1981, WSIB is a Washington state agency that performs all duties prescribed by law with respect to the investment of public trust and retirement funds. WSIB manages investments for 17 retirement plans for public employees, teachers, school employees, law enforcement officers, firefighters, and judges, as well as for 18 other public funds that support or benefit industrial insurance, colleges and universities, and developmental disability programs.[15]

15 Based on information publicly available at http://www.sib.wa.gov/

3.3 Directors

Bidder

As at the date of this Bidder's Statement, the directors of the Bidder are:

Name	Position
Mr Stephen Harold Braun	Director
Mr Douglas Wells Minahan	Director
Mr Stuart Charles Strong	Director
Mr Kevin John Tucker	Director
Mr Patrick Christopher Zilis	Director

Hometown Management

The directors of Hometown Management are the same as the directors of the Bidder named above.

Hometown Nominees

The directors of Hometown Nominees are the same as the directors of the Bidder named above.

3.4 Hometown Registered Offices

Bidder

The registered office of Bidder is Level 19, 1 O'Connell Street, Sydney, New South Wales 2000.

Hometown Management

The registered office of Hometown Management is Level 19, 1 O'Connell Street, Sydney, New South Wales 2000.

Hometown Nominees

The registered office of Hometown Nominees is Level 19, 1 O'Connell Street, Sydney, New South Wales 2000.

3.5 Principal Activities of Hometown

Bidder

This entity does not carry out any activities other than:

- act as the bidder entity for the purposes of this Offer, including to act on behalf of Hometown Management in respect of the offer to acquire all the GLOL Shares and on behalf of Hometown Nominees (as trustee for the Hometown Property Trust) in respect of the offer to acquire all the RPT2 Units; and
- to hold the component of Gateway Securities acquired by it pursuant to the Offer:
  - comprising GLOL Shares, on trust for Hometown Management; and
  - comprising RPT2 Units, on trust for Hometown Nominees (as trustee for the Hometown Property Trust).

Hometown Management

Hometown Management is the main Australian operating entity which employs staff and is the Australian parent company of each of the various operating entities in the Hometown Group.

Hometown Nominees

Hometown Nominees is a trustee company, acting as the trustee for the Hometown Property Trust.

Hometown Property Trust

Hometown Property Trust is the head trust for all of Hometown Australia's land owning sub-trusts.

Hometown Australia

Hometown Australia comprises Hometown Australia Holdings and each of its Related Entities.

Hometown Australia Holdings is the ultimate Australian holding company for all Australian based Hometown entities, including Bidder, Hometown Management and Hometown Nominees.

Hometown Australia owns and operates five residential land lease communities (**RLLC**) in Australia which comprise:

- four RLLCs in NSW, located in Port Macquarie, Port Stephens and two on the Central Coast; and
- one RLLC in Burpengary, Queensland.

Hometown Australia's RLLCs provide affordable over 50's living without the costs associated with moving into a traditional retirement village.

Further information can be found at: http://www.hometownaustralia.com.au/

Hometown America

Hometown Australia is proud to build on the reputation that Hometown America has earned over more than two decades as one of the largest and most respected owners and operators of land lease communities in the United States of America. Hometown America currently owns over 60 communities with more than 24,000 homes across the United States of America.

Further information can be found at: http://www.hometownamerica.com/

Calzada

Calzada is a global real estate private equity company with over US$9 billion in assets under management. With a long-term investment horizon, Calzada invests in real estate operating companies on a global basis, and its diverse portfolio spans multiple property sectors including residential, industrial, retail, hospitality and self-storage.

3.6 Rationale for the Offer

Hometown Group wishes to acquire Gateway as part of its Australian expansion strategy, and is attracted to Gateway's portfolio of quality land lease assets and views Gateway as a platform for future investment, growth and value creation in Australia. Hometown Group's experience and access to capital will allow significant ongoing growth of the Gateway operations.

3.7 Publicly available information about Hometown Australia

A substantial amount of information about Hometown Australia and Hometown America is available at their respective websites at: http://www.hometownaustralia.com.au and http://www.hometownamerica.com

On 2 July 2018, Hometown made a public announcement in relation to the Offer. Hometown made a further announcement in relation the Offer on 10 July 2018. A copy of the announcements can be obtained from ASX.

4. PROFILE OF GATEWAY

4.1 Disclaimer

The information in this Section 4 in relation to Gateway has been prepared based on a review of publicly available information which has not been independently verified. Hometown does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on Gateway in this Bidder's Statement should not be considered comprehensive.

Further information relating to Gateway's business and its securities will be included in Gateway's Target's Statement.

4.2 Profile of Gateway

Gateway Lifestyle Operations Limited ABN 63 605 543 968 (**GLOL**) is incorporated in Australia. Residential Parks No. 2 Trust ARSN 605 803 414 (**RPT2**) is domiciled in Australia. RPT2 is a managed investment scheme. One Managed Investment Funds Limited ABN 47 117 400 987 (**OMIFL**) is the responsible entity of RPT2.

Each fully paid unit in the RPT2 is stapled to one fully paid share in GLOL and can only be dealt with as a stapled security.

Gateway is listed on the ASX with the ASX code 'GTY'.

4.3 Gateway Directors

As at the date of this Bidder's Statement, the directors of GLOL are set out below.

Name	Position
Mr Andrew Love	Independent Chairman
Mr Stephen Newton	Independent Non-Executive Director
Ms Rachel Launders	Independent Non-Executive Director
Mr Andrew Fay	Independent Non-Executive Director
Mr Trent Ottawa	Executive Director and Chief Executive Officer
Ms Sally Evans	Independent Non-Executive Director

As at the date of this Bidder's Statement, the directors of OMIFL are set out below.

Name	Position
Mr Frank Tearle	Executive Director
Mr Justin Epstein	Executive Director
Ms Elizabeth Reddy	Non-Executive Director

4.4 Principal activities of Gateway

Gateway owns and operates residential land lease communities in Australia, inspiring a better lifestyle for independent active over 50s. In 2015 GTY was listed on the ASX, and in the following years it has continued to grow as demand grows for over 50's independent living land lease communities.

As at 30 June 2017, Gateway comprised 56 residential land lease communities predominately located on the Australian eastern seaboard, with 37 in New South Wales, 14 in Queensland, 4 in Victoria and 1 in the Australian Capital Territory.

4.5 Gateway securities on issue

According to documents lodged by Gateway with ASX, as at the date of this Bidder's Statement the total number of Gateway Securities on issue is:

- 303,726,580 Gateway Securities;
- 1,366,465 Gateway Security Appreciation Rights issued under the EIP for the FY16 LTI Grant;
- 1,554,292 Gateway Security Appreciation Rights issued under the EIP for the FY17 LTI Grant; and
- 866,469 Gateway Security Appreciation Rights (described by Gateway as "Security Rights") issued under the EIP for the FY18 LTI Grant.

The Offer does not extend to Gateway Security Appreciation Rights. However, as set out in Section 8.6, the Offer will extend to any new Gateway Securities issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the conversion of, exercise of rights conferred by, or vesting of, Gateway Security Appreciation Rights which are on issue at the Register Date.

4.6 Substantial holders in Gateway Securities

According to substantial holder notices lodged with ASX in relation to Gateway, as at the date of this Bidder's Statement, the following persons have substantial holdings in Gateway Securities:

Holder	Number of Gateway Securities in which holder has a Relevant Interest	% of issued capital[16]
Hometown and its Associates	55,283,893[17]	18.2%[18]
Massachusetts Financial Services Company and on behalf of Sun Life Financial Inc.	21,413,280	7.1%
UBS Group AG and its related bodies corporate	18,128,688	6.0%
Commonwealth Bank of Australia and its related bodies corporate	17,553,835	5.8%
SAS Trustee Corporation	16,316,948	5.4%
Challenger Limited and other entities	15,978,526	5.3%
Wavestone Capital Pty Limited (**WC**)[19]	15,927,575	5.3%
Morgan Stanley and its subsidiaries	15,570,442	5.1%
Mitsubishi UFJ Financial Group, Inc. (**MUFJ**)[20]	15,570,442	5.1%

4.7 Publicly available information

As a company listed on ASX, Gateway is subject to regular reporting and continuous disclosure obligations. Among other things, Gateway is required to immediately notify ASX of any information of which it becomes aware which a reasonable person would expect to have a material effect on the price or value of Gateway Securities, subject to certain exceptions. Announcements made by Gateway to ASX are available from the ASX website at www.asx.com.au.

Further publicly available information about Gateway is available on its website at https://www.gatewaylifestyle.com.au/

4.8 Announcements by Gateway

The ASX announcements made in relation to Gateway between the financial year ended 30 June 2017 and the date of this Bidder's Statement are listed in Appendix 3 to this Bidder's Statement.

16 Rounded to one decimal place.

17 Of this total, 26,348,607 Gateway Securities representing 8.7% of all Gateway Securities are subject to the terms of the Pre Bid Agreements. Refer to Section 8.3.

18 This percentage includes the 8.7% of Gateway Securities which are subject to the terms of the Pre Bid Agreements. Refer to Section 8.3.

19 WC's substantial holding notice of 9 November 2017 discloses a relevant interest in securities that appear included in Challenger Limited's substantial holding notice of the same date (which also discloses WC as a holder of a relevant interest).

20 MUFJ's substantial holding notice discloses a relevant interest in securities that Morgan Stanley has a relevant interest as MUFJ has voting power of over 20% in Morgan Stanley.

5. HOMETOWN'S INTENTIONS IN RELATION TO GATEWAY

5.1 Introduction

As at the date of this Bidder's Statement, Hometown has a relevant interest in 18.2% of Gateway Securities.

Hometown's intention is to obtain control of Gateway as a result of the Offer.

This Section sets out Hometown's current intentions, on the basis of the facts and information concerning Gateway which are known to Hometown and the existing circumstances affecting the business of Gateway, in relation to:

- the continuation of the business of Gateway;
- any major changes to be made to the business of Gateway;
- changes to the Gateway Board; and
- the future employment of the present employees of Gateway.

5.2 Pre-Offer review

Hometown has reviewed information that has been publicly released by Gateway concerning its current activities and its plans for the future.

In addition, Hometown has only had limited access to certain other non-public information concerning Gateway and its affairs. As such, Hometown does not currently possess all material information necessary to assess the operational, commercial, taxation and financial implications of different integration and operating possibilities.

Following the close of the Offer, Hometown will conduct a full review of the operations, assets, structure, dividend policy and capital structure of Gateway in light of the further information concerning the operations, assets, structure and employees of Gateway that it expects will then be available to it.

Final decisions will only be reached after that review and in light of all material facts and circumstances. Accordingly, statements set out in this Section are statements of current intention only and may vary as new information becomes available or circumstances change. The statements in this Section 5 should be read in this context.

5.3 Intentions for Gateway as a wholly owned controlled entity

This Section describes Hometown's current intentions if Hometown and its Associates acquire a relevant interest in 90% or more of Gateway Securities, and Hometown becomes entitled to proceed to compulsory acquisition of outstanding Gateway Securities in accordance with Part 6A.1 of the Corporations Act.

In these circumstances, Hometown's current intentions are as follows.

A. Corporate matters

- Hometown intends to proceed with compulsory acquisition of the outstanding Gateway Securities in accordance with the provisions of Part 6A.1 of the Corporations Act, including any Gateway Securities which are issued as a result of the conversion of, exercise of rights conferred by, or vesting of, Gateway Security Appreciation Rights after the end of the Offer Period and in the six weeks after Hometown gives the compulsory acquisition notices;
- Hometown will procure the removal of Gateway from the official list of ASX;
- Hometown intends to reconstitute the Gateway Board with nominees of Hometown. While a final decision on the selection of Hometown's nominees has not yet been made, Hometown has identified the following candidates who are likely to be considered by Hometown for appointment to the Gateway Board:

  Patrick Christopher Zilis

  Patrick Zilis is a director with Hometown Australia where he oversees all aspects of the company's operations. Patrick is also Co-President and Chief Financial Officer of Hometown America. He joined Hometown America in 1999 and has been a principal with the company since 2002. Patrick has been in the real estate industry for more than 25 years, with prior experience in debt / equity originations and asset management at CIBC, Heller Financial and The Balcor Company. Patrick received his undergraduate degree from the University of Notre Dame.

  Kevin John Tucker

  Kevin Tucker is a director with Hometown Australia with responsibility for sourcing acquisition and development opportunities, home sales and development activities, debt raisings, and corporate responsibilities such as legal / tax compliance. Prior to Hometown, Kevin spent 16 years at GE Capital. During his tenure with GE, he was responsible for sourcing lending opportunities, and served as an asset manager overseeing a large portfolio of diverse assets. Kevin received his undergraduate degree from the University of California – Berkeley, and his MBA from the University of Southern California.

Stuart Charles Strong

Stuart Strong is a director with Hometown Australia with responsibility for overseeing day-to-day management of all of Hometown's Australian operations, including supervision of onsite staff, resident relations, and council relations / regulatory matters. Stuart is also responsible for sourcing acquisition and development opportunities. Prior to Hometown, Stuart was a director of retirement living with Colliers International, overseeing the company's land lease consulting and valuation practices. Stuart attended Sydney Technical Institute and received his Masters of Commerce degree from University of Western Sydney.

Douglas Wells Minahan

Douglas Minahan is a director with Hometown Australia where he is on the company's investment committee and assists with the firm's long-term growth initiatives. Douglas is also Vice President at Hometown America where he is focused on acquisitions, capital markets and corporate responsibilities. Prior to Hometown America, Douglas worked at M3 Capital Partners, an investment bank focused on raising private equity for real estate operating companies. Douglas attended the Kellogg School of Management where he received an MBA with a concentration in real estate and management & strategy, and the University of Wisconsin-Madison where he received a Bachelor of Business Administration with a concentration in finance.

- Hometown intends to conduct the strategic review referred to in paragraph (B) below; and
- Hometown intends to seek to remove or replace OMIFL in its current capacity as responsible entity of RPT2 and following its review, make an assessment of the appropriate ongoing structure of RPT2 as RPT2 will cease to be a "managed investment scheme" (as defined in the Corporations Act) following completion of the compulsory acquisition of the outstanding Gateway Securities.

B. Strategic review of Gateway

Hometown is attracted to Gateway's portfolio of quality land lease assets and views Gateway as a platform for future investment, growth and value creation in Australia. If Hometown acquires all of the Gateway Securities, Hometown intends to:

i. conduct a thorough and broad-based strategic review of Gateway's corporate structure, assets, businesses, personnel and operations;

ii. identify performance improvement opportunities; and

iii. develop a business plan for the ongoing operation and growth of the Gateway businesses and assets.

This review will apply quantitative and qualitative factors to measure performance and areas for improvement, and may result in changes to the structure of Gateway's operating businesses.

C. Impact on employees

Hometown recognises the outstanding value of Gateway's workforce, brand and operations and expects there to be significant value and knowledge in the existing Gateway staff.

It is Hometown's present intention to conduct the strategic review referred to in paragraph (B) above before determining the optimal organisational structure for Gateway in the context of the Hometown Group.

Following the outcome of the review and with the benefit of further information concerning the operations, assets, structure and employees of Gateway that Hometown expects will be available to it, Hometown intends to make an assessment as to whether it will retain the services of all Gateway employees. Hometown has a total of 5 employees at its Australian corporate head office and may require a larger workforce in order to ensure a smooth transition of ownership and continuation of operations following its acquisition of Gateway.

It is possible that Hometown may consider engaging certain Gateway employees to support the Australian corporate head office. It is also possible that certain operational functions or positions, such as those relating to head office or corporate functions will become redundant. The extent and timing of any redundancies is not known at this point, however will be in compliance with applicable legislative or contractual requirements. Gateway employees in roles which are made redundant will be paid any redundancy amounts in accordance with their legal entitlements as at the date of this Bidder's Statement.

Hometown has not made any determination at this time regarding such matters. Further, it is not practical to make any such determination until after conclusion of the Offer and the strategic review.

5.4 Intentions for Gateway as a part owned entity

Set out below are Hometown's current intentions if Hometown acquires a relevant interest in 50% or more, but less than 90%, of Gateway Securities and is therefore not entitled to compulsorily acquire the remaining Gateway Securities.

A. Corporate matters

After the end of the Offer Period, Hometown intends:

- (subject to the Corporations Act and the constituent documents of Gateway) to seek to reconstitute the Gateway Board so that it is appropriately sized and composed having regard to the size and scale of Gateway's business and to reflect Hometown's ownership of Gateway. The new board members to be appointed have not yet been finally determined by Hometown and their identity will depend on the circumstances at the relevant time. Hometown has identified potential candidates listed in Section 5.3(a)(iii) as likely to be considered by Hometown for appointment to the Gateway Board;
- Hometown intends to continue the operation of RPT2 and retain OMIFL in its current capacity as responsible entity of RPT2 pending Hometown's assessment of the suitability of the current structure following the conclusion of the Offer and its strategic review. Depending on Hometown's ownership of Gateway and the circumstances at the time, Hometown may potentially seek to remove or replace OMIFL as the responsible entity of RPT2;
- to consider whether it is appropriate to maintain Gateway's listing on ASX, having regard to considerations such as the costs associated with maintaining that listing, Hometown's final level of ownership, the number of remaining Securityholders in Gateway and the level of trading in Gateway Securities. Hometown expects that a final decision as to Gateway's removal from the Official List of ASX will ultimately be made by ASX in accordance with published ASX guidance. If Hometown acquires a relevant interest in at least 75% of Gateway Securities but less than 90%, Hometown intends to cause Gateway to apply to ASX for Gateway's removal from the official list of the ASX;
- review the distribution policy of Gateway having regard to any capital funding requirements of Gateway identified in its strategic review; and
- to the fullest extent possible, and having regard to its holding, implement the intentions set out in Section 5.3 above.

Hometown may, at some later time, acquire further Gateway Securities in any manner permitted by the Corporations Act, including by making creeping acquisitions in reliance on the '3% creep' rule in item 9 of section 611 of the Corporations Act, or it may divest some or all of its securityholding.

It is possible that, even if Hometown is not entitled to proceed to compulsory acquisition of minority holdings after the end of the Offer Period under Part 6A.1 of the Corporations Act, it may subsequently become entitled to exercise rights of general compulsory acquisition under Part 6A.2 of the Corporations Act, for example, as a result of further acquisitions of Gateway Securities. Hometown will make an assessment at the relevant time based on the then current circumstances as to whether or not it will exercise those compulsory acquisition rights in respect of any Gateway Securities that it does not hold.

If Hometown does not obtain a relevant interest in 90% or more of the Gateway Securities under the Offer, it may determine that its holding of Gateway Securities is not a long term investment and accordingly may seek to explore options in relation to its holding including a divestment of some or all of its Gateway Securities. Any decisions in relation to these matters will have regard to all relevant considerations at that time.

B. Limitations on giving effect to intentions

To the extent that Gateway is not wholly owned by Hometown and there are minority Securityholders of Gateway, Hometown intends that the directors of Gateway appointed by it will act at all times in accordance with their fiduciary duties and that all requisite Securityholder approvals and other legal requirements are complied with in pursuing any of the intentions outlined above.

For example, the ability of Hometown to implement the intentions set out in this Section may be subject to the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties. Those and other applicable requirements may require the approval of minority Securityholders to the implementation of any particular objective.

The requirement of Hometown to have regard to those fiduciary duties in the context of Gateway as a partially owned subsidiary and the possible requirement of approval by minority Gateway Securityholders may prevent the achievement of any particular objective in this Section.

5.5 Intentions generally

Subject to the matters described above in this Section 5 and elsewhere in this Bidder's Statement and, in particular, the completion of the strategic review of Gateway's operations, it is the intention of Hometown at the date of this Bidder's Statement to:

- not make any major changes to Gateway's existing business or redeploy any of the fixed assets of Gateway;
- continue the business of Gateway; and
- continue the employment of the present employees of Gateway.

6. SOURCES OF CONSIDERATION

6.1 Total consideration

The consideration for the acquisition of the Gateway Securities to which the Offer relates will be satisfied by the payment by Hometown of cash (in Australian dollars).

The maximum cash amount which may be required by Hometown to settle acceptances under the Offer is approximately $691,906,064 (**Maximum Cash Consideration**).

The Maximum Cash Consideration is calculated on the basis:

- acceptances are received in respect of 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement[21]; and
- all 3,787,226 Gateway Security Appreciation Rights in existence at the Register Date vest and result in the issue of Gateway Securities on a 1 to 1 basis such that holders of Security Appreciation Rights are issued 3,787,226 Gateway Securities[22] and all those additional Gateway Securities are accepted into the Offer.

While the above calculation of the Maximum Cash Consideration is based on Gateway Securities being issued in respect of all Security Appreciation Rights, Hometown has no reason to believe that all the Security Appreciation Rights would vest or result in the issue of Securities or result in the issue of Securities on a 1 to 1 basis, as a result of the Offer, based on publicly available information.

6.2 Sources of cash consideration

Hometown will fund the Maximum Cash Consideration through the funding arrangements set out below, which in aggregate will meet the Maximum Cash Consideration and Hometown's transaction costs.

A. Hometown funding arrangements

Calzada and Hometown America Holdings are parties to a binding equity commitment letter dated 18 July 2018 (**Equity Commitment Letter**). Hometown comprises indirect wholly owned subsidiaries of Hometown America Holdings through Hometown Australia Holdings.

Under the Equity Commitment Letter, Calzada has agreed to provide by way of equity funding all amounts that Hometown requires to pay the Maximum Cash Consideration (to the extent necessary) as well as any associated transaction fees and expenses incurred by Hometown (**Calzada Equity Commitment**).

Calzada will fund the Calzada Equity Commitment by way of an equity subscription in Hometown America Holdings and may do so directly or indirectly through one or more direct or indirect subsidiaries of Calzada or any other investment fund advised or managed by an affiliate of Calzada or any other investment fund that is a limited partner of Calzada or of an affiliate of Calzada.

Calzada's obligation is limited to contributing the Calzada Equity Commitment to Hometown America Holdings to be used by Hometown solely to pay the Offer Consideration and related fees and expenses of the Offer.

The Calzada Equity Commitment is not subject to any conditions other than the satisfaction (or waiver) of the conditions to the Offer.

Hometown America Holdings is entitled to enforce the Equity Commitment Letter against Calzada.

Under a Loan Agreement dated 20 July 2018 between Hometown and Hometown America Holdings (**Hometown Loan Agreement**), Hometown America Holdings has agreed to provide the Calzada Equity Commitment it receives from Calzada under the Calzada Equity Commitment Letter by way of loan to be used by Hometown solely for the purpose of funding the Maximum Cash Consideration and the related fees and expenses.

Under the Hometown Loan Agreement, Hometown can require the Maximum Cash Consideration to be made available to it by way of drawdowns on the loan after the Offer becomes unconditional and within 2 Business Days of its drawdown request.

Hometown America Holdings' provision of the loan will be subject only to the Offer becoming unconditional. The repayment of the loan cannot occur earlier than 6 months after the end of the Offer Period.

B. Calzada's funding arrangements

Calzada has the requisite funds available to it to satisfy its obligations under the Equity Commitment Letter. Calzada's aggregate capital commitments from WSIB are materially in excess of the Maximum Cash Consideration and associated transaction costs and expenses, and such funds may be called from time to time in the ordinary course of its business including as necessary to enable Calzada to fund the Maximum Cash Consideration under the Equity Commitment Letter.

21 This is the total number of Gateway Securities on issue at the date of this Bidder's Statement based on documents lodged by Gateway with ASX.

22 This calculation is based on publicly available information in relation to Gateway at the date of this Bidder's Statement. Hometown does not have access to the full terms of the Equity Incentive Plan pursuant to which the Gateway Security Appreciation Rights were issued or otherwise applicable to the Gateway Security Appreciation Rights. Accordingly, for the purposes of determining the Maximum Cash Consideration, Hometown has assumed that all the Gateway Security Appreciation Rights disclosed to the ASX will vest and result in the issue of Gateway Securities on a 1 for 1 basis. Refer to Gateway's Target Statement for further information.

As of 31 March 2018, WSIB had total assets under management valued at US$129.1 billion, including approximately US$99.0 billion in its commingled trust fund which pools together retirement fund assets.

As of 31 March 2018, WSIB's commingled trust fund had cash and cash equivalents of approximately US$871.2 million, which are utilised to fund capital calls from alternative asset managers, including Calzada. In addition, WSIB may transfer funds from other asset classes, such as fixed income and public equity. As at 31 March 2018, WSIB's commingled trust fund had assets of approximately US$22.0 billion in fixed income and US$34.6 billion in public equity.

The financial information in the two paragraphs above comes from WSIB's most recent quarterly report for the quarter ending March 31, 2018.[23]

6.3 Payment of cash consideration

On the basis of the arrangements described in this Section 6, Hometown considers that it has a reasonable basis to form, and holds, the view that Hometown will be able to pay the Maximum Cash Consideration required for acquisition of the Gateway Securities in sufficient time to enable Hometown to discharge its obligations to Gateway Securityholders who have accepted the Offer.

The Offer is not subject to any financing conditions.

23 Publicly available at http://www.sib.wa.gov/financial/pdfs/quarterly/qr033118.pdf

7. TAXATION CONSIDERATIONS

7.1 Introduction

This Section provides a summary of the Australian income tax, goods and services tax (**GST**) and stamp duty implications for Gateway Securityholders on disposing of their Gateway Securities (through acceptance of the Offer) in return for cash consideration.

The Gateway Securities comprise of shares in Gateway Lifestyle Operations Limited and units in Residential Parks No.2 Trust being stapled and only able to be dealt with as a single security for legal purposes. However, the shares and units will be treated as separate assets for capital gains tax (**CGT**) purposes. Accordingly, references to the "Gateway Securities" in this section refer to the shares in Gateway Lifestyle Operations Limited and units in Residential Parks No.2 Trust separately.

This Section is relevant for Australian resident and foreign resident Gateway Securityholders who hold their Gateway Securities on capital account. This Section does not consider the Australian tax consequences for Gateway Securityholders:

- who hold their Gateway Securities as trading stock or as revenue assets;
- who hold their Gateway Securities as assets used in carrying on a business or as part of a profit making undertaking or scheme;
- who acquired their Gateway Securities through an employee security scheme;
- who are Australian tax residents but who hold their Gateway Securities as part of an enterprise carried on, at or through a permanent establishment in a foreign country;
- that are financial institutions, insurance companies, partnerships, tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents; or
- who are subject to the taxation of financial arrangements rules in relation to gains and losses on their Gateway Securities.

The information in this Section is based on the Australian taxation law and practice in effect as at the date of this Bidder's Statement. It is not intended to be an authoritative or complete statement or analysis of the taxation laws applicable to the particular circumstances of every Gateway Securityholder.

Gateway Securityholders should seek independent professional advice regarding the taxation consequences of accepting the Offer and disposing of their Gateway Securities.

7.2 Taxation consequences of disposal of Gateway Securities by Australian residents

A summary of the income tax consequences relevant for Gateway Securityholders who dispose of their Gateway Securities by way of transfer to Hometown and that are Australian residents for tax purposes is outlined below.

Under the Offer, the Gateway Securityholders will dispose of their Gateway Securities to Hometown in exchange for the Offer Consideration.

The disposal of Gateway Securities to Hometown under the Offer will constitute a CGT event for the Gateway Securityholders. The CGT event will happen in relation to a Gateway Securityholder:

- at the time the Gateway Securityholder accepts the Offer; or
- if the Gateway Securityholder does not accept the Offer and the Gateway Securities are compulsorily acquired by Hometown, the time at which the Gateway Securities are acquired.

Gateway Securityholders who accept the Offer will:

- make a capital gain if the capital proceeds received on the disposal of their Gateway Securities are more than the cost base of those Gateway Securities; or
- make a capital loss if the capital proceeds received on the disposal of their Gateway Securities are less than the reduced cost base of those Gateway Securities.

The capital proceeds on the disposal of the Gateway Securities will be the Offer Consideration.

The Offer Consideration will need to be apportioned by the Gateway Securityholders based on the value split between Gateway Lifestyle Operations Limited and Residential Parks No.2 Trust as at the time the Offer is accepted. The value split information should be provided by Gateway at the time the Offer is accepted.

The cost base (or reduced cost base) of Gateway Securities in the hands of the Gateway Securityholders for income tax purposes will be broadly:

- the sum of the original amount paid to acquire their Gateway Securities and any non-deductable incidental costs associated with the acquisition of the Gateway Securities and the disposal to Hometown;
- minus any return of capital and tax deferred distributions received in connection with the Gateway Securities.

The original amount paid to acquire the Gateway Securities should have been appropriately apportioned to the securities in the securities Gateway Lifestyle Operations Limited and the units in Residential Parks No.2 Trust at the time of the acquisition. One reasonable basis of apportionment indicated by the ATO is to base the apportionment on the portion of the value the stapled entity represented at the time of the acquisition.

Gateway Securityholders may be entitled to reduce any capital gain on the disposal of their Gateway Securities by applying the CGT discount (discussed below).

CGT Discount

The CGT discount should be available to Gateway Securityholders who are individuals, trusts or complying superannuation funds and have held their Gateway Securities for at least 12 months before the time of the CGT event resulting in the disposal of the Gateway Securities by accepting the Offer.

Broadly, the CGT discount rules enable the Gateway Securityholders to reduce their capital gain (after the application of any current year or prior year capital losses of the Gateway Securityholders) by 50% for individuals and trusts and 33 1/3% for complying superannuation funds.

The CGT discount is not available to Gateway Securityholders that are companies.

The application of the CGT discount rules to a Gateway Securityholder that is a trustee of a trust is complex, particularly where distributions to beneficiaries of the trust are attributable to discounted capital gains. Gateway Securityholders that are trustees of trusts should obtain specific tax advice.

Capital losses

A capital loss will arise where the capital proceeds received by the Gateway Securityholders on the disposal of their Gateway Securities are less than the reduced cost base of those Securities.

A capital loss may be used to offset any other capital gains made by the Gateway Securityholders for the relevant year of income or may be carried forward to offset capital gains in future income years. Specific loss recoupment rules apply to companies to restrict their ability to utilise capital losses in future years in some circumstances. Gateway Securityholders should obtain their own tax advice in relation to the operation of these rules.

7.3 Taxation consequences of disposal of Gateway Securities by foreign residents

A summary of the Australian income tax consequences relevant for Gateway Securityholders who dispose of their Gateway Securities by accepting the Offer and who are foreign residents for tax purposes is outlined below.

Generally, a Gateway Securityholder who is a foreign resident for Australian income tax purposes and who does not carry on business in Australia at or through a permanent establishment should be exempt from CGT on the disposal of their Gateway Securities, unless, broadly:

- the foreign resident Gateway Securityholder (together with its Tax Associates) hold 10% or more of the issued Securities in the relevant Gateway entity (note that the shares in Gateway Lifestyle Operations Limited and units in Residential Parks No. 2 Trust will be treated separately for these purposes) at the time of the CGT event resulting from the disposal of the Gateway Securities or for any continuous twelve month period within two years preceding the time of the CGT event; and
- more than 50% of the market value of the Gateway entity is derived from real property in Australia (broadly, land (and assets affixed to the land) situated in Australia).

A Securityholding that meets these conditions is referred to as an *indirect Australian real property interest.* Importantly, foreign resident Gateway Securityholders must assess whether they are subject to CGT at the time of the CGT event resulting from the disposal of their Gateway Securities. Foreign resident Gateway Securityholders who are subject to CGT on the disposal of their Gateway Securities will not be entitled to the CGT discount in relation to that portion of the capital gain which arises after 8 May 2012.

Gateway Securityholders who are not resident in Australia for income tax purposes should note that the Australian tax consequences from the disposal of Gateway Securities may be affected by any double tax agreement between Australia and their country of residence. Foreign resident Gateway Securityholders should obtain specific tax advice.

7.4 CGT payment obligations

A bidder in an off-market takeover bid has an obligation, subject to certain exceptions, to pay an amount equal to 12.5% of the offer consideration to the ATO if the securities acquired from a target securityholder qualify as indirect Australian real property interests and the bidder either:

- knows that the target securityholder is a foreign resident; or
- reasonably believes that the target securityholder is a foreign resident; or
- does not reasonably believe that the target securityholder is an Australian resident and either:
  - i. the target securityholder has an address outside Australia; or

ii. the bidder is authorised to make payment of the offer consideration to a place outside Australia (whether to the target securityholder or to anyone else).

If the bidder considers that it has an obligation to make the above payment to the ATO, it may withhold the applicable amount from the Offer Consideration paid to the relevant target securityholder. Where the bidder pays the withheld amount to the ATO, the bidder will be discharged of any liability to pay that amount of the offer consideration to the target Securityholder.

Despite any other provision of this section 7 or the terms of the Offer in Appendix 1 to this Bidder's Statement, if Hometown reasonably believes that there is, or is reasonably likely to be, a liability to withhold and pay an amount to the ATO in respect of the disposal of Gateway Securities by a Gateway Securityholder, Hometown will withhold the applicable amount from the payment of Offer Consideration to the Gateway Securityholder and pay the amount withheld to the ATO. The Gateway Securityholder will then only receive the net proceeds after deduction of this withheld amount and the payment of the net proceeds will be taken to be full payment for the purposes of this Offer.

If Hometown considers that a withholding will be required, Hometown will notify the relevant Gateway Securityholder at their registered address. A Gateway Securityholder who believes the disposal of their Gateway Securities may trigger a foreign resident CGT withholding tax liability should obtain their own independent advice and consider contacting Hometown.

Hometown may request the Gateway Securityholder to complete, sign and return a Relevant Foreign Resident Declaration Form in order to ensure the Gateway Securities held by the Gateway Securityholder are not indirect Australian real property and therefore not subject to withholding tax being deducted from the Offer Consideration.

7.5 Stamp duty

Hometown will pay the stamp duty (if any) and foreign surcharge duty (if any) payable in Australia on the transfers of Gateway Securities under the Offer.

7.6 GST

The disposal of Gateway Securities to Hometown under the Offer should either be an input taxed financial supply (if the Gateway Securityholder is registered for GST), or an out-of-scope supply (if the Gateway Securityholder is not registered for GST). In either case, no GST should be payable.

Gateway Securityholders may be charged GST on costs (such as brokerage and advisor fees) that relate to their participation in the Offer. Gateway Securityholders may not be entitled to claim full input tax credits for the GST included in such costs that relate to the disposal of the Gateway Securities. Gateway Securityholders should obtain independent advice in relation to the impact of GST in their individual circumstances.

8. ADDITIONAL INFORMATION

8.1 Offer Structure

Hometown's Offer comprises:

- on behalf of Hometown Management, an offer to acquire all your GLOL Shares; and
- on behalf of Hometown Nominees (as trustee for the Hometown Property Trust), an offer to acquire all your RPT2 Units,

each on the terms of the Offer.

Bidder is making the Offer on behalf of Hometown Management and Hometown Nominees (as trustee for the Hometown Property Trust).

Each of Bidder, Hometown Management and Hometown Nominees (as trustee for the Hometown Property Trust) are parties to a trust deed dated 20 July 2018 pursuant to which:

1. All Gateway Securities acquired by Bidder pursuant to the Offer will be held on trust as follows:
   - the component comprising GLOL Shares, and any GLOL Share Rights, will be held on bare trust for Hometown Management; and
   - the component comprising RPT2 Units, and any RPT2 Unit Rights, will be held on bare trust for Hometown Nominees in its capacity as trustee for the Hometown Property Trust,

   in accordance with the terms of the Trust Deed.
2. The Bidder's interests in and entitlements to all rights, powers and privileges conferred by or arising from the GLOL Shares (including but not limited to the GLOL Share Rights) is solely as bare trustee for Hometown Management. The Bidder has no powers to act except to act as directed by Hometown Management.
3. The Bidder's interests in and entitlements to all rights, powers and privileges conferred by or arising from the RPT2 Units (including but not limited to the RPT2 Unit Rights) is solely as bare trustee for Hometown Nominees as trustee for the Hometown Property Trust. The Bidder has no powers to act except to act as directed by Hometown Nominees (as trustee for the Hometown Property Trust).
4. Each of the Bidder, Hometown Management and Hometown Nominees (as trustee for the Hometown Property Trust) have agreed to make the bid jointly and ensure that the Bidder is able to satisfy all its obligations under the Offer, including in respect of payment of the Offer Consideration to accepting Gateway Securityholders.

Section 6.2 sets out details of the funding arrangements.

8.2 Date for determining holders of Gateway Securities

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of Section 633(1) of the Corporations Act is the Register Date (being 7pm on 30 July 2018).

The Offer extends to persons who become registered, or entitled to be registered, as the holder of Gateway Securities that are issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the vesting of, or exercise of rights conferred by, Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date and remain on issue at the Register Date.

8.3 Pre-Bid Agreements

On or about 10 June 2018, Bidder entered into Pre Bid Agreements with a number of Gateway Securityholders in respect of 53,480,234 Gateway Securities representing 17.6% of Gateway Securities.

As at the date of this Bidder's Statement, Hometown holds a Relevant Interest in respect of a total of 26,348,607 Gateway Securities representing 8.7% of Gateway Securities[24] as a result of the existing Pre Bid Agreements, following termination of two such agreements.

Two Pre Bid Agreements were terminated as a result of Bidder's direct acquisition of 27,131,627 Gateway Securities (representing approximately 8.9% of Gateway Securities[25]) the subject of those Pre Bid Agreements.

Key terms of the existing Pre Bid Agreements are set out below:

A. Pre Bid Agreement with Colonial First State Asset Management (Australia) Limited as manager of the CFS Wholesale Small Companies Fund Growth (CFSWSCF)

This Pre Bid Agreement relates to 2,950,221 Gateway Securities representing approximately 1% of Gateway Securities on issue[26] (**CFSWSCF Securities**) under which, subject to the fulfilment or waiver of a FIRB condition[27]:

- CFSWSCF grants Hometown an option to acquire in certain circumstances[28] all CFSWSCF Securities for $2.10 per security, subject to certain adjustments;

24 Based on 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.

25 Based on 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.

26 Based on 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.

27 Key terms of the Pre Bid Agreement are subject to satisfaction of a FIRB condition similar to the FIRB Condition.

28 Hometown is entitled to exercise the option granted by CFSWSCF, subject to fulfilment or waiver of the FIRB condition.

- CFSWSCF may be required to accept a takeover bid by Hometown at a price per security no less than the exercise price in respect of the CFSWSCF Securities (Hometown is entitled to require CFSWSCF to accept the Offer);
- subject to certain exceptions, CFSWSCF must not sell or otherwise deal with the CFSWSCF Securities for a period of 12 months from the date of the Pre Bid Agreement; and
- CFSWSCF retains the ability to exercise votes attached to CFSWSCF Securities in its absolute discretion (before the option is exercised).

B. Pre Bid Agreement with Colonial First State Asset Management (Australia) Limited as manager of the Colonial First State Future Leaders Fund (CFSFLF)

This Pre Bid Agreement relates to 6,422,347 Gateway Securities representing approximately 2.1% of Gateway Securities on issue[29] and has similar terms to those relating to the CFSWSCF Securities set out above.

Hometown is entitled to exercise the option granted by CFSFLF, subject to fulfilment or waiver of the FIRB condition.

C. Pre Bid Agreement with Wavestone Capital Pty Limited (Wavestone)

This Pre Bid Agreement relates to 7,500,000 Gateway Securities representing approximately 2.5% of Gateway Securities on issue[30] (**WC Securities**) and has similar terms to those relating to the CFSWSCF Securities set out above.

Hometown is entitled to exercise the option granted by Wavestone, subject to fulfilment or waiver of the FIRB condition, and subject to Wavestone not electing to accept the Offer in respect of the WC Securities (in which case Wavestone is not required to transfer the WC Securities under the terms of the Pre Bid Agreement).

D. Pre Bid Agreement with Maso Capital Investments Limited, Blackwell Partners LLC – Series A and Star V Partners L.L.C. (collectively MC)

This Pre Bid Agreement relates to 9,476,039 Gateway Securities representing approximately 3.12% of Gateway Securities on issue[31] (**MC Securities**) and has similar terms as those relating to the CFSWSCF Securities set out above.

Hometown is entitled to exercise the option granted by MC, subject to fulfilment or waiver of the FIRB condition. However, MC is not required to accept a takeover bid by Hometown in respect of the MC Securities.

A copy of each of the Pre Bid Agreements (including those with Perennial which have been terminated) was attached to the ASIC Form 603 Notice of Substantial Holding by Hometown given to Gateway and released to ASX on 13 June 2018.

At the date of this Bidder's Statement, Hometown has a Relevant Interest in 55,283,893 Gateway Securities representing approximately 18.2% of Gateway Securities, which includes the 8.7% of Gateway Securities the subject of the Pre Bid Agreements.

8.4 Share Sale Agreement

On 23 June 2018, Bidder entered into a share sale agreement with Perennial to acquire 27,131,627 Gateway Securities (representing approximately 8.9% of Gateway Securities) from Perennial at a price of $2.30 per Gateway Security[32].

The implied acquisition price of these Gateway Securities was $2.2465 (representing $2.30 before being adjusted for the 5.35 cents Distribution).

Hometown acquired those Gateway Securities on 25 June 2018, with the resulting termination of the Pre Bid Agreements with Perennial.

8.5 Confidentiality Agreement

GLOL, OMIFL in its capacity as responsible entity of RPT2 and Hometown Management have entered into a Confidentiality Deed dated 4 July 2018 pursuant to which Hometown was given access to an electronic data room for the period between 4 July 2018 and 10 July 2018. The electronic data room had incomplete information in relation to Gateway and its operations.

8.6 Gateway Security Appreciation Rights

A. Security Appreciation Rights

According to Gateway's corrected Appendix 3B lodged with ASX on 26 June 2018, Gateway has the following Security Appreciation Rights on issue:

- 1,366,465 SARs issued under the Equity Incentive Plan for the FY16 LTI Grant;

29 Based on 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.

30 Based on 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.

31 Based on 303,726,580 Gateway Securities on issue at the date of this Bidder's Statement.

32 The Offer Price differs from the price paid by Hometown of $2.30 per Gateway Security to Perennial in reliance on ASIC Corporations (Minimum Bid Price) Instrument 2015/1068 as a result of the 5.35 cents Distribution.

- 1,554,292 SARs issued under the Equity Incentive Plan for the FY17 LTI Grant; and
- 866,469 SARs (described by Gateway as "Security Rights") issued under the Equity Incentive Plan for the FY18 LTI Grant.

The Offer does not extend to Gateway Security Appreciation Rights.

B. Vesting of or exercise of rights conferred by, Security Appreciation Rights

The Offer will extend to Gateway Securities that are issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the vesting of, or exercise of rights conferred by, Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date and remain on issue at the Register Date.

8.7 Interest in Gateway Securities

At the date of this Bidder's Statement and the date of the Offer:

- Hometown's voting power in Gateway was 18.2%; and
- Hometown has a Relevant Interest in 55,283,893 Gateway Securities representing 18.2% of Gateway Securities on issue.

Hometown's voting power is comprised of:

- 28,739,204 Gateway Securities held directly by Hometown Australia, pursuant to the acquisitions detailed in Section 8.8;
- 196,082 Gateway Securities held by WSIB, an Associate of Hometown (as WSIB Controls Hometown); and
- 26,348,607 Gateway Securities held by those Gateway Securityholders who are parties to the Pre Bid Agreements, and in which Hometown has a Relevant Interest.

A copy of each of the Pre Bid Agreements (including those two agreements which have been terminated) was attached to the ASIC Form 603 Notice of Substantial Holding by Hometown given to Gateway and released to ASX on 13 June 2018.

Hometown has confirmed to ASIC that it will not, at any time, take any action that triggers a "top up" payment to a Gateway Securityholder under a Pre-Bid Agreement in relation to a Competing Proposal as a result of having acquired Gateway Securities during the Offer Period under a Pre-Bid Agreement. This means for example, that whilst the Pre-Bid Agreements remain on foot, Hometown will not deal in any Gateway Securities that Hometown may acquire during the Offer Period under the Pre-Bid Agreements with a person making a Competing Proposal by way of scheme of arrangement or takeover offer. Hometown may also be unable to exercise the call option under the Pre-Bid Agreements during the Offer Period if doing so would provide a benefit to a security holder that is not offered to all holders of securities in the bid class under the Offer.

8.8 Hometown's dealings in Gateway Securities

During the four months before each of:

- the date of this Bidder's Statement; and
- the Offer Date,

neither Hometown nor any of its Associates provided or agreed to provide consideration for Gateway Securities except for:

Date	Holder of Relevant Interest	Description of dealing
8/06/2018	Hometown	Hometown acquired 252,923 stapled securities on market at a price of $1.8069 cash per stapled security
10/06/2018	Hometown	Hometown acquired a relevant interest in 53,480,234 stapled securities as a result of Bidder entering into the Pre Bid Agreements (for nil cash consideration)*
12/06/2018	Hometown	Hometown acquired 53,304 stapled securities on market at a price of $1.8122 cash per stapled security
13/06/2018	Hometown	Hometown acquired 1,301,350 stapled securities on market at a price of $2.0996 per stapled security
25/06/2018	Hometown	Bidder acquired 27,131,627 stapled securities from Perennial Value Management Limited ABN 22 090 879 904 (**Perennial**) at a price of $2.30 per stapled security (cum distribution) pursuant to the Share Sale Agreement**
19/07/2018	Hometown	Bidder transferred 28,739,213 stapled securities to Hometown Australia Holdings for a consideration of $2.25 per stapled security in an off-market transfer.

* The two Pre Bid Agreements between Bidder and Perennial, a copy of which were attached as Annexure D and Annexure E to the ASIC Form 603 Notice of Substantial Holding by Hometown given to Gateway and released to ASX on 13 June 2018, were terminated on completion of the sale/purchase of the relevant securities in accordance with the terms of a share sale agreement between the parties (refer to the dealing on 25 June 2018 in the above table).

** The acquisition of these stapled securities occurred following the termination of the two Pre Bid Agreements between Bidder and Perennial, a copy of which were attached as Annexure D and Annexure E to the ASIC Form 603 Notice of Substantial Holding by Hometown given to Gateway and released to ASX on 13 June 2018.

8.9 No agreements with Gateway Directors

There is no agreement between Hometown or its Associates and a Gateway Director or another officer of Gateway in connection with or conditional on the outcome of the Offer.

8.10 No escalation agreements

Neither Hometown nor any of its Associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

8.11 No collateral benefits

Except as set out in Section 8.3, during the four months before each of:

- the date of this Bidder's Statement; and
- the Offer Date,

neither Hometown nor an Associate gave, offered to give or agreed to give a benefit to another person that was likely to induce the other person or an associate to:

- accept an offer under the Takeover Bid; or
- dispose of securities in the bid class,

that was not offered to all holders of securities in the bid class.

8.12 Other Non Public Information

As part of its discussions with Gateway, Hometown was given access by Gateway to certain limited and incomplete information concerning Gateway which has not been disclosed generally. This access was granted between 4 July 2018 and 10 July 2018.

None of the information to which Hometown was given access is, in the opinion of Hometown, of such a nature and quality which, if the information was generally available, a reasonable person would expect it to have a material effect on the price or value of Gateway Securities or, in the opinion of Hometown and except as disclosed in this Bidder's Statement, would otherwise be material to a decision by a Gateway Securityholder whether or not to accept the Offer.

8.13 Conditions

The Offer is subject to a number of conditions set out in Appendix 2 to this Bidder's Statement, including the FIRB Condition and a 50% minimum acceptance condition on a Fully Diluted Basis. Under the terms of the Offer and the Corporations Act, any, some or all of those conditions may be waived by Hometown, except in the case of the FIRB Condition which may only be waived if not in breach of the FATA.

If at the end of the Offer Period, Hometown has not declared the Offer to be unconditional and there are any conditions (other than no Prescribed Occurrences) that have not been fulfilled, then any contract resulting from acceptance of the Offer will be void with effect from the end of the Offer Period, and the relevant Gateway Securities will be returned to the holder. The no Prescribed Occurrences condition may be waived or fulfilled up to three Business Days after the end of the Offer Period.

At the date of this Bidder's Statement, Hometown is not aware of any events which would result in a breach or inability to satisfy any of the conditions.

Hometown will give a notice of the status of the Conditions in accordance with the Corporations Act, as contemplated in paragraph 8 in Appendix 1 to this Bidder's Statement.

8.14 Consents

The following persons have given and have not, prior to the lodgement of this Bidder's Statement with ASIC, withdrawn their consent to the following statements and references in this Bidder's Statement, in the form and context in which they appear:

- Hometown Australia Holdings Pty Ltd ACN 614 528 746;
- Hometown America Holdings, L.L.C.;
- Calzada Capital Partners, LLC;
- Morgan Stanley Australia Limited to be named as financial adviser to Hometown;
- MinterEllison to be named as legal adviser to Hometown; and
- Computershare Investor Services Pty Limited ABN 48 078 279 277 to be named as Hometown's securities registry for the Offer.

Each person named in this Section as having given its consent to the inclusion of a statement or to being named in this Bidder's Statement:

- does not make, or purport to make, any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based other than, in the case of a person referred to above as having given their consent to the inclusion of a statement, a statement included in this Bidder's Statement with the consent of that person; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than a reference to its name and, in the case of a person referred to above as having given their consent to the inclusion of a statement, any statement or report which has been included in this Bidder's Statement with the consent of that party.

This Bidder's Statement includes statements which are made in, or based on statements in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement.

If you would like to receive a copy, free of charge, of any of those documents, or the relevant extracts of the documents containing the statements, during the Offer Period, please contact the Offer Information Line on 1300 153 327 (toll free for callers within Australia) or +61 3 9415 4127 (not toll free) for callers outside Australia.

8.15 ASIC modifications and exemptions

Hometown has obtained from ASIC the necessary relief from the Corporations Act in relation to the extension of the Offer to all Gateway Securities that are issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the vesting of, or the exercise of rights conferred by, Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date and remain on issue at the Register Date.

ASIC has also published various 'Class Order' and other legislative instruments providing for modifications and exemptions that apply generally to all persons, including Hometown, in relation to the operation of Chapters 6 and 6A of the Corporations Act.

Among others, Hometown has relied on the modification to section 636(3) of the Corporations Act set out in paragraph 5(d) of ASIC Class Order 13/521 'Takeover bids' to include references to certain statements by Gateway and the Gateway Directors in this Bidder's Statement without obtaining the consent of those persons. The relevant statements were taken from the announcements by Gateway released to ASX on 21 June 2018 titled 'Receipt of Indicative, Non-Binding Proposal from Brookfield Property Group' and released to ASX on 26 June 2018 titled "Revised Appendix 3B'.

As required by Class Order 13/521, Hometown will make available a copy of these documents (or relevant extracts of these documents), free of charge, to Gateway Securityholders who request them during the Offer Period. To obtain a copy of these documents (or the relevant extracts), Gateway Securityholders may telephone the Offer Information Line on 1300 153 327 (toll free for callers within Australia) or +61 3 9415 4127 (not toll free) for callers outside Australia.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Bidder's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- a correct and fair copy of , or extract from, a public official document or a published book, journal or comparable publication,

where the statement was not made, or published, in connection with the Takeover Bid or Hometown or Gateway or any business, property or person the subject of this Bidder's Statement or the Target's Statement.

8.16 Other material information

Except as disclosed in this Bidder's Statement, there is no other information that:

- is material to the making of the decision by Gateway Securityholders whether or not to accept the Offer; and
- is known to Hometown,

which has not previously been disclosed to Gateway Securityholders.

9. DEFINITIONS AND INTERPRETATION

9.1 Definitions

The following definitions apply in this Bidder's Statement (including its Appendices) and in the Acceptance Form, unless the context requires otherwise.

Definitions	Meaning
5.35 cents Distribution	the distribution of 5.35 cents per stapled security announced by Gateway on 22 June 2018 with a record date of 29 June 2018, scheduled to be paid on Friday, 28 September 2018.
Acceptance Form	the acceptance and transfer form enclosed with this Bidder's Statement.
Announcement Date	the date on which the Offer was announced, being 2 July 2018.
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning given in Division 2 of Part 1.2 of the Corporations Act as if section 12(1) included a reference to this Bidder's Statement and Gateway was the designated body.
ASX	ASX Limited ABN 98 008 624 691 or, where the context requires, the financial market operated by it.
ASX Listing Rules	the official listing rules of ASX as amended or replaced.
ASX Settlement	ASX Settlement Pty Ltd ABN 49 008 504 532 or, where the context requires, the clearing and settlement facility operated by it.
ASX Settlement Operating Rules	the operating rules of the settlement facility provided by ASX Settlement.
Australian Accounting Standards	▪ the accounting standards approved under the Corporations Act and its requirements about the preparation and contents of accounts; and ▪ generally accepted accounting principles, policies, practices and procedures in Australia.
Bidder	A.C.N. 626 522 085 Pty. Ltd. (ACN 626 522 085).
Bidder's Statement	this document, being the replacement statement of Hometown under Part 6.5 Division 2 of the Corporations Act relating to the Offer.
Broker	a person who is a security broker and a Participant.
Brookfield	Brookfield Property Group.
Brookfield Non-Binding Proposal	the indicative, non-binding and conditional proposal by Brookfield to acquire 100% of the stapled securities of Gateway, as announced by Gateway to ASX on 21 June 2018.
Business Day	a day that is not a Saturday, Sunday, bank holiday or public holiday in Sydney, Australia.
Calzada	Calzada Capital Partners, LLC, a Delaware limited liability company.
CGT	capital gains tax.
CHESS	the Clearing House Electronic Sub-register System, defined in the ASX Settlement Operating Rules.
CHESS Holding	a holding of Gateway Securities on the CHESS subregister of Gateway (usually a CHESS Holding will be through a Controlling Participant).

Definitions	Meaning
Competing Proposal	means any proposal, offer or transaction by a third party (other than Hometown or its Related Entities) that, if completed, would mean: a. a person would acquire a relevant interest or voting power in 15% or more of Gateway Stapled Securities or the securities of any member of Gateway Group; b. a person would enter into, buy, dispose of, terminate or otherwise deal with any cash settled equity swap or other synthetic, economic or derivative transaction connected with or related to 15% or more of Gateway Stapled Securities or of the securities of any member of the Gateway Group; c. a person would directly or indirectly acquire or obtain an interest (including an economic interest) in all or a substantial part or material part of the business conducted by, or assets or property of, Gateway or any member of the Gateway Group; d. a person would acquire Control of Gateway or any member of the Gateway Group; e. a person may otherwise acquire, or merge with, Gateway or any member of the Gateway Group (including by way of takeover bid, scheme of arrangement, capital reduction, sale of assets, sale of securities, strategic alliance, dual listed company structure, joint venture or partnership); or f. Gateway will issue, on a fully diluted basis, 10% or more of its capital as consideration for the assets or share capital of another person, or any proposal by Gateway to implement any reorganisation of capital or dissolution. Each successive material modification or variation of any proposal, offer or transaction in relation to a Competing Proposal will constitute a new Competing Proposal.
Control	has the meaning given in section 50AA of the Corporations Act. **Controlled** has the same meaning.
Condition	where used in the context of the Offer, each defeating condition to which the Offer is subject, as set out in Appendix 2 to this Bidder's Statement.
Controlling Participant	in relation to your Gateway Securities, has the same meaning as in the ASX Settlement Operating Rules. Usually your Controlling Participant is a person, such as a broker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Operating Rules).
Corporations Act	the Corporations Act 2001 (Cth).
EBITDA	earnings before interest tax depreciation and amortisation.
Equity Incentive Plan or **EIP**	the equity incentive plan designed to reward executives and eligible employees for performance as referred to in the Gateway 2016 notice of annual general meeting.
FATA	the Foreign Acquisitions and Takeovers Act 1975 (Cth).
FIRB	the Foreign Investment Review Board.
FIRB Condition	condition 2 set out in Appendix 2.
Fully Diluted Basis	all Gateway Securities to which the Offer relates including: a. any new Gateway Securities issued during the Offer Period on the vesting of, or exercise of rights conferred by, Gateway Security Appreciation Rights on issue at the Register Date; or b. any new Gateway Security that are able to be issued (whether subject to vesting or satisfaction of a condition or otherwise) during the Offer Period on the conversion, exercise or vesting of Gateway Security Appreciation Rights on issue at the Register Date.
Gateway or **Gateway Lifestyle Group**	Gateway Lifestyle Group, being a stapled group comprising GLOL and RPT2 (or where applicable, OMIFL, acting in its capacity as responsible entity of RPT2), whose shares and units are stapled.
Gateway Board	the board of directors of GLOL.

Definitions	Meaning
Gateway Directors	the directors of GLOL and OMIFL.
Gateway Distribution Adjusted One Month VWAP	Gateway's one month VWAP of $1.762 per Security up to Friday 8 June 2018, reduced for the 5.35 cents Distribution.
Gateway Distribution Adjusted Undisturbed Price	Gateway's closing price of $1.805 per Security on Friday 8 June 2018, reduced for the 5.35 cents Distribution.
Gateway Group	GLOL and RPT2 and their controlled entities, and RPT2 and its controlled entities, and each of their Related Entities collectively, and **Gateway Group Member** means any member of the Gateway Group. For these purposes: a. OMIFL is only a member of the Gateway Group in its capacity as responsible entity of RPT2; b. Related Entities of OMIFL are not Gateway Group Members; and c. trusts that are Related Entities of RPT2 are Gateway Group Members.
Gateway Security, Security or **Gateway Stapled Security**	one ASX listed fully paid stapled security consisting of one share in GLOL and one unit in RPT2 and for the avoidance of doubt does not include the Gateway Security Appreciation Rights.
Gateway Security Appreciation Rights or **Security Appreciation Rights**	SARs comprising: a. 1,366,465 SARs issued under the Equity Incentive Plan for the FY16 LTI Grant; b. 1,554,292 SARs issued under the Equity Incentive Plan for the FY17 LTI Grant; and c. 866,469 SARS (described by Gateway as "Security Rights") issued under the Equity Incentive Plan for the FY18 LTI Grant, as disclosed by Gateway to ASX prior to the Announcement Date.
Gateway Securityholder	a holder of one or more of Gateway Securities as at the date of the Offer during the Offer Period.
Gateway Unitholder	a holder of one or more Gateway Units as at the date of the Offer or a person who is issued Gateway Units as a result of the vesting of Gateway Security Appreciation Rights.
GLOL	Gateway Lifestyle Operations Limited ABN 63 605 543 968.
GLOL Share	a fully paid ordinary share in the capital of GLOL.
GLOL Share Rights	all accretions, rights or benefits of whatever kind referable to the GLOL Shares on or after the Announcement Date including all rights to receive or subscribe for shares, notes or other securities and all distributions or entitlements declared, paid, made or issued in respect of the GLOL Shares after that date, but excluding any franking credits or tax deferral rights attached to a distribution, and excluding any rights to receive the 5.35 cents Distribution (in whole or part).
GST	goods and services tax.
Government Agency	any government, any department, office or minister of any government and any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial agency, authority, board, commission, tribunal or entity and includes ASX and ASIC.
Holder Identification Number	the number used to identify a Gateway Securityholder on the CHESS subregister of Gateway.

Definitions	Meaning
Hometown	the entities comprising: a. Bidder; b. Hometown Management; and c. Hometown Nominees in its capacity as trustee for Hometown Property Trust.
Hometown America or **Hometown America Holdings**	Hometown America Holdings, L.L.C., a Delaware limited liability company and each of its Related Entities at the date of this Bidder's Statement.
Hometown Australia	the entities comprising Hometown Australia Holdings and each of its Related Entities at the date of this Bidder's Statement.
Hometown Australia Holdings	Hometown Australia Holdings Pty Ltd ACN 614 528 746.
Hometown Management	Hometown Australia Management Pty Ltd ACN 614 529 538.
Hometown Nominees	Hometown Australia Nominees Pty Ltd ACN 616 047 084 in its capacity as trustee for the Hometown Australia Property Trust.
Hometown Property Trust	a unit trust called Hometown Australia Property Trust constituted by Hometown Nominees as trustee of the trust by a trust deed dated 22 November 2016, as varied by deed of variation dated 22 March 2017 executed by Hometown Nominees as trustee.
Hometown Group	the entities comprising: a. Bidder; b. Hometown Management; c. Hometown Nominees in its capacity as trustee for Hometown Property Trust; d. Hometown Property Trust, and e. their subsidiary companies or trusts at the date of this Bidder's Statement.
IRESS	IRESS Limited.
Issuer Sponsored Holdings	a holding of Gateway Securities on Gateway's issuer sponsored subregister.
Law	any law, whether state or federal, and includes tax and stamp duty laws.
Material Adverse Change	an event of the kind referred to in paragraph 5 in Appendix 2.
Minimum Acceptance Condition	condition 1 in Appendix 2.
Offer or **Hometown Offer**	the offer by Hometown to acquire your Gateway Securities under the terms and conditions of this Bidder's Statement, comprising: a. the offer by Bidder on behalf of Hometown Management to acquire your GLOL Shares; and b. the offer by Bidder on behalf of Hometown Nominees as trustee for the Hometown Property Trust to acquire your RPT2 Units.
Offer Price or **Offer Consideration**	$2.25 cash per Gateway Security.

Definitions	Meaning
Offer Date	[*insert*] 2018, being the date on which the first of the Offers was sent to each holder of Gateway Securities registered in the Gateway Security register at the Register Date.
Offer Period	the period during which the Offer will remain open for acceptance in accordance with paragraph 2 of Appendix 1 to this Bidder's Statement.
OMIFL	One Managed Investment Funds Limited ABN 47 117 400 987.
Participant	an entity admitted to participate in CHESS.
Perennial	Perennial Value Management Limited ABN 22 090 879 904.
PPSA	the Personal Property Securities Act 2009 (Cth).
PPS Security Interest	a security interest that is subject to the PPSA.
Pre Bid Agreements	the pre bid agreements entered into by the Bidder on or about 10 June 2018, a copy of which were attached as Annexures B to G to the ASIC Form 603 Notice of Substantial Holding given by Hometown to Gateway and released to ASX on 13 June 2018.
Prescribed Occurrence	the occurrence of any of the following events: a. Gateway converts all or any of the Gateway Stapled Securities into a larger or smaller number of Gateway Stapled Securities; b. Gateway or a Subsidiary resolves to reduce its capital in any way (other than a return of up to the 5.35 cents Distribution); c. Gateway or a Subsidiary: i. enters into a buy-back agreement; or ii. resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act; d. Gateway or a Subsidiary issues securities (including without limitation Gateway Stapled Securities or grants an option over securities (including without limitation Gateway Stapled Securities), or agrees to make such an issue or grant such an option, except for the issue of Gateway Stapled Securities as a result of the vesting of, or exercise of rights conferred by, the Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date in accordance with their terms of issue; e. Gateway or a Subsidiary issues, or agrees to issue, convertible notes; f. Gateway or a Subsidiary disposes or agrees to dispose, of the whole, or a substantial part, of its business or property; g. Gateway or a Subsidiary grants, or agrees to grant, a security interest in the whole, or a substantial part, of the business or property; h. Gateway or a Subsidiary resolves to be wound up; i. the appointment of a liquidator or provisional liquidator of Gateway or of a Subsidiary; j. a court makes an order for the winding up of Gateway or a Subsidiary; k. an administrator of Gateway or a Subsidiary is appointed under section 436A, 436B or 436C of the Corporations Act; l. Gateway or a Subsidiary executes a deed of company arrangement; or m. the appointment of a receiver or a receiver and manager in relation to the whole, or a substantial part, of the property of Gateway or of a Subsidiary.
Register Date	the date set by Hometown under subsections 633(2) to (4) inclusive of the Corporations Act.
Regulatory Approvals	such consents, approvals, instruments or other acts made or given by a Regulatory Authority required for the Offer.

Definitions	Meaning
Regulatory Authority	includes: a. a government or governmental, semi-governmental, administrative, fiscal or judicial entity or authority; b. a minister, department, office, commission, delegate, instrumentality, tribunal, agency, board, authority or organisation of any government; c. any regulatory organisation established under a statute; d. in particular, ASX, ASIC and the Foreign Investment Review Board.
Related Entity	in relation to an entity, any entity that is related to that entity within the meaning of section 50 of the Corporations Act or which is an entity under the Control of that entity.
Relevant Interest	has the meaning given in the Corporations Act as if sections 609(6) and 609(7) were omitted.
Relevant Foreign Resident Declaration Form	the form which Hometown may send to each Gateway Securityholder which Hometown has determined is a 'relevant foreign resident' for the purposes of Division 14-D of Schedule 1 of the Tax Administration Act 1953 (Cth).
Rights	all accretions, rights or benefits of whatever kind that accrue to or arise, directly or indirectly from Gateway Securities on or after the Announcement Date including all rights to receive dividends, to receive or subscribe for shares, notes or other securities and all other distributions or entitlements declared, paid, made or issued by Gateway after that date, but excluding any franking credits or tax deferral rights attached to a distribution or dividend, and excluding any rights to receive the 5.35 cents distribution per Gateway Security with the record of 29 June 2018.
RLLC	residential land lease community.
RPT2	Residential Parks No. 2 Trust ARSN 605 803 414.
RPT2 Unit	a fully paid ordinary unit in RPT2.
RPT2 Unit Rights	all accretions, rights or benefits of whatever kind referable to the RPT2 Units on or after the Announcement Date including all rights to receive or subscribe for shares, notes or other securities and all distributions or entitlements declared, paid, made or issued in respect of the RPT2 Units after that date, but excluding any franking credits or tax deferral rights attached to a distribution, and excluding any rights to receive the 5.35 cents Distribution (in whole or part).
SARS	security appreciation rights and security rights issued under the Equity Incentive Plan and publicly disclosed to ASX prior to the Announcement Date.
Security Registry	the Security registry appointed by Hometown for the purposes of performing securityholder registration functions in connection with the Offer.
Securityholder Reference Number	the number allocated by Gateway to identify a Gateway Securityholder on Gateway's issuer sponsored subregister.
Services Agreement	the services agreement between GLOL and OMIFL as responsible entity of RPT2 under which certain services are provided by GLOL to OMIFL in respect of the management of RPT2.
Share Sale Agreement	the share sale agreement dated 23 June 2018 between Hometown and Perennial for Hometown to acquire 27,131,627 Gateway Securities from Perennial.
Subsidiary	has the meaning given in the Corporations Act and includes any sub trust of any trust.
Takeover Bid	the off-market takeover bid constituted by the despatch of the Offers in accordance with the Corporations Act.
Takeovers Panel	the Takeovers Panel established under section 171 of the Australian Securities and Investments Commission Act.

Definitions	Meaning
Target's Statement	the target's statement prepared by Gateway and sent to Gateway Securityholders in response to the Offer, in accordance with section 638 of the Corporations Act.
Tax Associate	has the meaning given to 'associate' in section 318 of the Income Tax Assessment Act 1936 (Cth).
Treasurer	the Treasurer of the Commonwealth of Australia or his delegate.
unconditional	that the Offers and any contracts resulting from acceptance of the Offers are no longer subject to fulfilment of any of the conditions to which the Offer is subject, as set out in Appendix 2 to this Bidder's Statement.
Trust Subsidiary	each Subsidiary which is a trust.
VWAP	the volume weighted average trading price of Gateway Securities on ASX.

9.2 Interpretation

a. Unless otherwise defined, words and phrases which are defined by the Corporations Act have the same meaning in this Bidder's Statement and the Acceptance Form and, if a special meaning is given for the purposes of Chapter 6 or 6A or a provision of Chapter 6 or 6A of the Corporations Act, have that special meaning.

b. Headings are for convenience only, and do not affect interpretation.

c. The following rules also apply in interpreting this Bidder's Statement and the Acceptance Form, except where the context makes it clear that a rule is not intended to apply:

   i. a singular word includes the plural, and vice versa;

   ii. a word which suggests one gender includes the other genders;

   iii. unless otherwise stated references in this Bidder's Statement to sections, paragraphs and sub-paragraphs are to sections, paragraphs and subparagraphs of this Bidder's Statement;

   iv. a reference to a person includes a body corporate, partnership, joint venture, associate or other entity;

   v. a reference to time is a reference to time in Sydney, Australia, unless otherwise specifically indicated;

   vi. a reference to any legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

   vii. a reference to a document or instrument includes the document or instrument as novated, altered, amended, supplemented or replaced from time to time; and

   viii. a reference to $ is to Australian dollars.

10. APPROVAL OF BIDDER'S STATEMENT

This Bidder's Statement has been approved by a resolution passed by the directors of the Bidder, the directors of Hometown Management and the directors of Hometown Nominees (as trustee for the Hometown Australia Property Trust) in accordance with section 637(1)(a)(i) of the Corporations Act.

Dated 7 August 2018

Signed for and on behalf of

the Bidder, Hometown Management and Hometown Nominees as trustee for the Hometown Property Trust

by:

_____

Patrick Zilis
Director

APPENDIX 1 – TERMS OF THE OFFER

1. The Offer

a. Bidder's Offers to acquire all of your Gateway Securities comprise:

   i. on behalf of Hometown Management, offers to acquire all your GLOL Shares; and

   ii. on behalf of Hometown Nominees (as trustee for the Hometown Property Trust), offers to acquire all your RPT2 Units,

   on and subject to the terms and conditions set out in this Appendix 1.

b. Bidder's Offer:

   i. on behalf of Hometown Management, relates solely to your GLOL Shares; and

   ii. on behalf of Hometown Nominees (as trustee for the Hometown Property Trust), relates solely to your RPT2 Units.

c. The total consideration under the Offer is $2.25 cash per Gateway Security, subject to the operation of paragraph 1(f).

d. By accepting the Offer, you undertake to transfer to Bidder not only the Gateway Securities to which the Offer relates but also all Rights attached to those Gateway Securities (see paragraphs 11(c)(v), 11(c)(vi) and 12).

e. Bidder will be entitled to all dividends and other distributions or entitlements declared, paid, made or issued by Gateway, or which arise or accrue, after the Announcement Date in respect of the Gateway Securities that Bidder acquires pursuant to this Offer, except the distribution announced by Gateway on 22 June 2018 to Gateway Securityholders on the Gateway register at the record date of 29 June 2018 which is scheduled to be paid on 28 September 2018. Bidder's entitlements will be held on trust for each of Hometown Management and Hometown Nominees (as trustee for the Hometown Property Trust).

f. Except for the 5.35 cents Distribution, Bidder will reduce the Offer Consideration of $2.25 cash per Gateway Security by the per Gateway Security amount or value of any dividends or other distributions or entitlements declared, paid, made or issued by Gateway after the Announcement Date or which accrue to or arise in respect of your Gateway Securities.

g. The Offer is dated [***insert***] 2018.

2. Offer Period

a. Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date the first Offer is made and ending at 7.00pm (Sydney time) on the later of:

   i. [insert] 2018; and

   ii. any date to which the Offer Period is extended.

b. Bidder reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.

c. If, within the last seven days of the Offer Period, either of the following events occur:

   i. the Offer is varied to improve the consideration offered; or

   ii. Hometown's voting power in Gateway increases to more than 50%,

   the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

3. How to accept the Offer

a. General

   i. Subject to paragraphs 4(b) and 4(c), you may accept the Offer only for all of your Gateway Securities.

   ii. You may accept the Offer at any time during the Offer Period.

   iii. When accepting this Offer, you should also forward for inspection:

      A. if the Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and

      B. if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Gateway Securityholder, the relevant grant of probate or letters of administration.

b. Issuer sponsored holdings

To accept the Offer for Gateway Securities held in your name on Gateway's issuer sponsored sub register (in which case your Securityholder Reference Number will commence with an 'I'), you must:

i. complete and sign the Acceptance Form in accordance with the terms of the Offer and the instructions on the Acceptance Form; and

ii. ensure that the Acceptance Form (including any documents required by the terms of the Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form.

c. CHESS Holdings

If your Gateway Securities are held in a CHESS Holding (in which case your Holder Identification Number will commence with an 'X'), to accept the Offer you must do one of the following:

i. instruct your Controlling Participant (usually your stockbroker) to initiate acceptance of the Offer on your behalf, so as to be effective before the end of the Offer Period. However, if you are the Controlling Participant in respect of your Gateway Securities, to accept the Offer you must initiate acceptance of the Offer before the end of the Offer Period; or

ii. complete and sign the enclosed Acceptance Form in accordance with the instructions on it and return it together with all other documents required by those instructions on it, so that they are received at the address given on the Acceptance Form in sufficient time for your Controlling Participant to act on your instruction before the end of the Offer Period.

4. Offerees

a. Registered holders

The Offer is being made to each person registered as the holder of Gateway Securities in the register of Gateway Securityholders at 7.00pm (Sydney time) on the Register Date.

The Offer also extends to any person who becomes registered, or entitled to be registered, as the holder of Gateway Securities:

i. during the Offer Period; or

ii. following ASIC having granted the necessary relief from the Corporations Act, issued during the period from the Register Date to the end of the Offer Period (inclusive) as a result of the vesting of, or exercise of rights conferred by, Gateway Security Appreciation Rights that have been publicly disclosed to ASX prior to the Announcement Date and remain on issue at the Register Date.

b. Transferees

If at any time during the Offer Period another person is able to give good title to some or all of your Gateway Securities and you have not already accepted the Offer for those Gateway Securities, then that person may accept the Offer as though the Offer had been made to them in respect of those Gateway Securities.

c. Trust and nominees

i. If, at any time during the Offer Period, you are registered or entitled to be registered as the holder of one or more parcels of Gateway Securities as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate Offer on the same terms and conditions as this Offer had been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the offer for each parcel, you must comply with the procedure in subsection 653B(3) of the Corporations Act.

ii. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please call the Offer Information Line on 1300 153 327 (toll free for callers within Australia) or +61 3 9415 4127 (not toll free) for callers outside Australia, Monday to Friday between 8.30am and 5.00pm (Sydney time).

iii. If your Gateway Securities are registered in the name of a Broker, investment dealer, bank, trust company or other nominee, you should contact that party for assistance in accepting the Offer.

d. Gateway Securities subject to Gateway transfer restrictions

If at any time during the Offer Period some of your Gateway Securities are subject to transfer restrictions imposed by Gateway (for example, because you hold some of your Gateway Securities under an employee incentive plan), then you may accept as if a separate offer in the form of this Offer had been made in relation to the balance of your Gateway Securities. Acceptance for the balance of your Gateway Securities is ineffective unless you give Bidder notice stating the number of your Gateway Securities that are the subject to a transfer restriction and explaining the nature of this restriction, and your acceptance specifies the balance of your Gateway Securities.

5. Conditions of the Offer

The Offer and any contract that results from an acceptance of the Offer, are subject to the conditions in Appendix 2.

6. Nature and benefit of conditions

a. Any contract arising from your acceptance of the Offer does not become binding unless and until the FIRB Condition is fulfilled or waived. Despite your acceptance of the Offer, unless and until this condition is fulfilled or waived:

   i. no contract for the sale of your Gateway Securities will come into force or be binding on you or on Bidder;

   ii. Bidder will have no rights (conditional or otherwise) in relation to your Gateway Securities;

   iii. if your Gateway Securities are held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those Gateway Securities by having your Controlling Participant transmit a valid originating message to ASX specifying the Gateway Securities to be released from the sub-position, in accordance with Rule 14.16 of the ASX Settlement Operating Rules; and

   iv. if your Gateway Securities are not held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those Gateway Securities by sending a notice to that effect signed by you (or on your behalf, in which case documentation proving that the person or persons signing the notice are authorised to do so must accompany the notice) to any of the addresses specified on the Acceptance Form so that it is received at the relevant address at any time prior to the fulfillment or waiver of the FIRB Condition.

b. The conditions in Appendix 2 other than the FIRB Condition (**Remaining Conditions**) are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period (or in the case of the condition 8 in Appendix 2 until the end of the third Business Day after the end of the Offer Period), prevent a contract to sell your Gateway Securities from arising, but entitles Bidder by written notice to you to rescind the contract resulting from your acceptance of the Offer.

c. Subject to the Corporations Act, Bidder alone is entitled to the benefit of the Remaining Conditions or to rely on any non-fulfilment of any of them.

d. Each condition in Appendix 2 is a separate, several and distinct condition. No condition will be taken to limit the meaning or effect of any other condition.

7. Freeing the Offer of conditions

Bidder may waive the FIRB Condition, but it will only do so if such waiver would not be in breach of the FATA.

Bidder may free the Offer, and any contract resulting from its acceptance, from all or any of the conditions in Appendix 2, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to Gateway declaring the Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. By Bidder giving such a notice in relation to a condition, Bidder waives the condition.

This notice may be given:

a. in the case of condition 8 in Appendix 2, not later than 3 Business Days after the end of the Offer Period; and

b. in the case of all the other conditions in Appendix 2, not less than 7 days before the end of the Offer Period.

If, at the end of the Offer Period (or in the case of condition 8 in Appendix 2, at the end of the third Business Day after the end of the Offer Period), the conditions in Appendix 2 have not been fulfilled and Bidder has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

8. Notice on status of conditions

The date for giving the notice on the status of the conditions required by subsection 630(1) of the Corporations Act is [***insert***] 2018 being not more than 14 days and not less than 7 days before the end of the Offer Period (subject to extension in accordance with subsection 630(2) if the Offer Period is extended).

9. Contract void if conditions not fulfilled

Your acceptance of the Offer, and any contract resulting from your acceptance of the Offer, will be automatically void if:

a. at the end of the Offer Period, any of the conditions in Appendix 2 is not fulfilled; and

b. Bidder has not declared the Offer free from the conditions in Appendix 1 as provided in paragraph 7.

10. Validity of acceptances

a. Subject to this paragraph 10, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in paragraph 3.

b. Bidder will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Bidder is not required to communicate with you prior to making this determination. The determination of Bidder will be final and binding on all parties.

c. Despite paragraphs 3(b) and 3(c), Bidder may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of your Gateway Securities, even if a requirement for acceptance has not been complied with. However, the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Bidder.

d. Bidder will provide the consideration to you in accordance with paragraph 13 in respect of any part of an acceptance determined by Bidder to be valid.

e. If any Gateway Securities delivered by you are not exchanged for cash for any reason under the terms and conditions of the Offer, they will be returned to you (at your risk) as promptly as practicable following the expiration or withdrawal of the Offer. In such case, Bidder will return, at your risk, your Acceptance Form together with any other documents forwarded by you, to your address as shown on the Acceptance Form or such other address as you may notify Bidder in writing.

f. The transmission by you of the Acceptance Form and any documents in accordance with paragraph 3 is at your own risk. No acknowledgement of receipt of any such documents will be given to you by or on behalf of Bidder.

11. The effect of acceptance

a. Once you have accepted the Offer, you will be able to revoke your acceptance at any time while the FIRB Condition has not been fulfilled or waived. When the FIRB Condition has been fulfilled or waived, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you. You will consequentially be unable to withdraw your Gateway Securities from the Offer or otherwise dispose of your Gateway Securities, except as follows:

   i. if, by the relevant times specified in paragraph 11(b), the conditions in Appendix 2 have not all been fulfilled or waived, the Offer will automatically terminate and your Gateway Securities will be returned to you; or

   ii. if the Offer Period is extended for more than one month and, at the time, the Offer is subject to one or more of the conditions in Appendix 2, you may be able to withdraw your acceptance in respect of your Gateway Securities in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.

b. The relevant times for the purposes of paragraph 11(a)(i) are:

   i. in relation to condition 8 in Appendix 2, the end of the third Business Day after the end of the Offer Period; and

   ii. in relation to all other conditions in Appendix 2, the end of the Offer Period.

c. By signing and returning the Acceptance Form, or otherwise accepting the Offer under paragraph 3, you will be deemed to have:

   i. accepted the Offer (and any variation of it) in respect of all of your Gateway Securities and, subject to all of the conditions to the Offer in Appendix 2 being fulfilled or waived, assigned all of your beneficial interest in your Gateway Securities to Bidder, conveyed beneficial title to your Gateway Securities to Bidder and agreed to transfer to Bidder your Gateway Securities (even if the number of Gateway Securities specified on the Acceptance Form differs from the number of your Gateway Securities), subject to paragraphs 4;

   ii. represented and warranted to Bidder, as a fundamental condition going to the essence of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of your Gateway Securities (including any Rights) to Bidder is registered, that all your Gateway Securities are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership in your Gateway Securities (including any Rights) to Bidder, and that you have paid to Gateway all amounts which at the time of acceptance have fallen due for payment to Gateway in respect of your Gateway Securities;

   iii. irrevocably authorised Bidder (and any director, secretary, agent or nominee of Bidder) to alter the Acceptance Form on your behalf by inserting correct details of your Gateway Securities, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Bidder to make it an effective acceptance of the Offer or to enable registration of your Gateway Securities in the name of Bidder;

iv. if you signed the Acceptance Form in respect of Gateway Securities which are held in a CHESS Holding, irrevocably authorised Bidder (or any director, secretary, agent or nominee of Bidder) to:

A. instruct your Controlling Participant to initiate acceptance of the Offer in respect of your Gateway Securities; and

B. give any other instructions in relation to your Gateway Securities to your Controlling Participant, as determined by Bidder acting in its own interests as a beneficial owner and intended registered holder of those Gateway Securities;

v. irrevocably authorised and directed Gateway to pay to Bidder, or to account to Bidder for, all Rights in respect of your Gateway Securities, subject to, if the Offer is withdrawn, Bidder accounting to you for any such Rights received by Bidder;

vi. except where Rights have been paid or accounted for in accordance with paragraph 11(c)(v), irrevocably authorised Bidder to deduct from the consideration payable in accordance with the terms of the Offer the amount of all Rights referred to in paragraph 11(c)(v) or any amount equal to the value of those Rights as reasonably assessed by Bidder;

vii. irrevocably authorised Bidder to notify Gateway on your behalf that your place of address for the purpose of serving notices on you in respect of your Gateway Securities is the address specified by Bidder in the notification;

viii. with effect from the date on which all the conditions to the Offer in Appendix 2 have been fulfilled or waived:

A. irrevocably appointed Bidder (and any director, secretary or nominee of Bidder) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to your Gateway Securities, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general meetings of Gateway and to request Gateway to register, in the name of Bidder or its nominee, your Gateway Securities, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable); and

B. agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting of Gateway or to exercise or purport to exercise any of the powers and rights conferred on Bidder (and its directors, secretaries and nominees) in paragraph 11(c)(viii)(A);

ix. agreed that in exercising the powers and rights conferred by the powers of attorney granted under paragraph 11(c)(viii)(A), the attorney will be entitled to act in the interests of Bidder as intended registered holder of your Gateway Securities;

x. agreed to do all such acts, matters and things that Bidder may require to give effect to the matters the subject of this paragraph 11(c) (including the execution of a written form of proxy to the same effect as this Section 11(c) which complies in all respects with the requirements of the constitution of Gateway if requested by Bidder);

xi. agreed to indemnify and to keep indemnified Bidder in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or Securityholder Reference Number or in consequence of the transfer of your Gateway Securities to Bidder being registered by Gateway without production of your Holder Identification Number or your Securityholder Reference Number for your Gateway Securities;

xii. represented and warranted to Bidder that, unless you have notified it in accordance with paragraph 4(c), your Gateway Securities do not consist of separate parcels of Gateway Securities;

xiii. irrevocably authorised Bidder (and any nominee) to transmit a message in accordance with the ASX Settlement Operating Rules to transfer your Gateway Securities to Bidder's takeover transferee holding, regardless of whether it has paid the consideration due to you under the Offer; and

xiv. agreed, subject to the conditions of the Offer in Appendix 2 being fulfilled or waived, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Bidder may consider necessary or desirable to convey your Gateway Securities registered in your name and Rights to Bidder.

d. The undertakings and authorities referred to in paragraph 11(c) will remain in force after you receive the consideration for your Gateway Securities and after Bidder becomes registered as the holder of your Gateway Securities.

12. Rights and other entitlements

a. If you accept the Offer, Bidder is entitled to all Rights in respect of your Gateway Securities. Rights do not include any franking credits attached to any dividend.

b. Bidder may require you to provide all documents necessary to vest title to those Rights in it, or otherwise to give it the benefit or value of those Rights.

c. If you do not give those documents to Bidder, or if you have received the benefit of those Rights, Bidder will deduct from the Offer Consideration otherwise due to you the amount (or value, as reasonably assessed by Bidder) of those Rights.

d. If any non cash Rights are issued, made, arise or accrue to you as the holder of your Gateway Securities, Bidder may reduce the Offer Consideration by the value (as reasonably determined by Bidder) of the non cash Rights, unless the benefit of the Rights is otherwise passed on to Bidder.

13. Provision of consideration

a. Subject to paragraph 10(b), this paragraph 13, and the Corporations Act, Bidder will provide the consideration due to you for your Gateway Securities on or before the earlier of:

   i. one month after the date of your acceptance or, if the Offer is subject to a condition when you accept the Offer, within one month after the Offer becomes unconditional; and

   ii. if the Offer becomes unconditional, 21 days after the end of the Offer Period.

b. Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):

   i. if that document is given with your Acceptance Form, Bidder will provide the consideration in accordance with paragraph 13(a);

   ii. if that document is given after your Acceptance Form and before the end of the Offer Period while the Offer is subject to a condition, Bidder will provide the consideration due to you on or before the earlier of:

      A. one month after the Offer becomes unconditional; and

      B. 21 days after the end of the Offer Period;

   iii. if that document is given after your Acceptance Form and before the end of the Offer Period while the Offer is not subject to a condition, Bidder will provide the consideration due to you on or before the earlier of:

      A. one month after that document is given; and

      B. 21 days after the end of the Offer Period; and

   iv. if that document is given after the end of the Offer Period, and the Offer is not subject to a condition, Bidder will provide the consideration within 21 days after that document is delivered.

c. Payment of any cash amount to which you are entitled under the Offer will be made by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or, in the case of overseas Securityholders, by airmail) to the address as shown on your Acceptance Form. For the purpose of compliance with any timing requirement of the Offer or the Corporations Act, payment of any cash amount to which you are entitled under the Offer will be deemed to be made once the cheque is posted to the address as shown on your Acceptance Form.

d. If at the time you accept the Offer, any consent, authority or clearance is required for you to receive any consideration under the Offer including, but not limited to consent, authority or clearance of:

   i. the Minister for Foreign Affairs (whether under the *Charter of the United Nations Act 1945* (Cth), the *Charter of United Nations (Dealing with Assets) Regulations 2002* (Cth) or any other regulations made under the above legislation, or otherwise);

   ii. the Reserve Bank of Australia (whether under the *Banking (Foreign Exchange) Regulations 1959* (Cth) or otherwise); or

   iii. the Australian Taxation Office,

   then acceptance of the Offer will not create or transfer to you any right (contractual or contingent) to receive (and you will not be entitled to receive) any consideration for your Gateway Securities until all requisite authorities, clearances or approvals have been received by Bidder.

e. If any amount (**Withholding Amount**) is required under any Australian law or by any Government Agency, to be:

   i. withheld from any consideration otherwise payable to you under this Offer and paid to a Government Agency; or

   ii. retained by Bidder out of any consideration otherwise payable to you under this Offer,

   the payment or retention by Bidder of the Withholding Amount (as applicable) will constitute full discharge of Bidder's obligations to pay the consideration to you to the extent of the Withholding Amount.

14. Withdrawal of the Offer

a. The Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Bidder will give notice of the withdrawal to ASX and to Gateway and will comply with any other conditions imposed by ASIC.

b. If, at the time the Offer is withdrawn, all the conditions in Appendix 2 have been fulfilled or waived, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.

c. If, at the time the Offer is withdrawn, the Offer remains subject to one or more of the conditions in Appendix 2, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).

d. A withdrawal under this paragraph 14 will be deemed to take effect:

   i. if the withdrawal is not subject to conditions imposed by ASIC, on and after the date that consent in writing is given by ASIC; or

   ii. if the withdrawal is subject to conditions imposed by ASIC, on and after the date those conditions are satisfied.

15. Variation of the Offer

Bidder may at any time before the end of the Offer Period vary the Offer in accordance with the Corporations Act:

a. by extending the Offer Period;

b. by increasing the consideration payable under the Offer; or

c. with the written consent of ASIC, and subject to any conditions specified by ASIC in that consent, in the manner that ASIC permits.

If Bidder extends the Offer Period, you will receive notice of the extension, unless, at the date of the extension, you have already accepted the Offer and the Offer has become free from the conditions in Appendix 2 or those conditions have been fulfilled.

16. No stamp duty or brokerage

Bidder will pay any stamp duty (and any foreign surcharge duty) on the transfer of your Gateway Securities to it. As long as your Gateway Securities are registered in your name and you deliver them directly to Bidder, you will not incur any brokerage in connection with your acceptance of the Offer. If your Gateway Securities are registered in a CHESS Holding or you hold your Gateway Securities through a bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker), or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer.

17. Governing law

The Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Sydney, Australia. In relation to them and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

18. Notices

a. Service on Gateway

Bidder may give a notice to Gateway under the Takeover Bid by leaving it at, or sending it by prepaid ordinary post to, the registered office of Gateway.

b. Service on Bidder

You or Gateway may give a notice to Bidder under the Takeover Bid by leaving it at or sending it by prepaid ordinary post to Bidder at the address set out on the Acceptance Form.

c. Service on you

Bidder may give a notice to you under the Takeover Bid by leaving it at or sending it by prepaid ordinary post or by airmail (if your address is outside Australia), to your address given to Bidder by Gateway under section 641 of the Corporations Act.

APPENDIX 2 – CONDITIONS OF THE OFFER

The Offer and any contracts resulting from acceptance of the Offer are subject to the following conditions.

1. Minimum acceptance

During, or at the end of, the Offer Period, the number of Gateway Stapled Securities in which Hometown and its Related Entities together have Relevant Interests is more than 50% of all the Gateway's Stapled Securities on a Fully Diluted Basis.

2. FIRB Approval

One of the following occurs before the end of the Offer Period:

a. Hometown receives a no objection notification under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (as amended) (**FATA**) from the Treasurer of the Commonwealth of Australia (**Treasurer**) or his or her delegate to the effect that there is no objection to the acquisition of the Gateway Securities by Hometown or one of its Related Entities (by any means permitted by the Corporations Act), such notification being unconditional or subject to conditions acceptable to Hometown (in Hometown's absolute discretion); or

b. the Treasurer is, by reason of lapse of time, no longer empowered to make an order under FATA in respect of the acquisition of Gateway Stapled Securities by Hometown or one of its Related Entities (by any means permitted under the Corporations Act).

3. Other Regulatory Approvals

During the Offer Period all Regulatory Approvals which are required by law or by a Regulatory Authority in order to permit the Offer to be made to and accepted by the Gateway Securityholders and the lawful completion of the Offer if it is accepted and becomes unconditional (other than the approval referred to in paragraph 2 (**FIRB approval**)), are obtained.

4. Conduct of business

During the period from the Announcement Date to the end of the Offer Period (each inclusive), Gateway's business and the business of Gateway's Subsidiaries (considered in aggregate) is carried on in the ordinary course with any transactions occurring on an arms' length basis, except as approved in writing by the Bidder.

5. No material adverse event

Except as publicly announced to ASX prior to the Announcement Date or to the extent the information is generally available (within the meaning of section 1042C of the Corporations Act) prior to the Announcement Date, none of the following has happened on or after the Announcement Date or happens, is announced, disclosed or otherwise becomes known to Hometown (whether it becomes public or not) during the period from and including the Announcement Date to the end of the Offer Period:

a. any event, action, proceeding, circumstance or change in circumstance that (individually or with others) has or is reasonably likely to have a material adverse effect on the business, assets, liabilities, financial or trading position, profitability, future prospects of Gateway and its subsidiaries taken as a whole, including but not limited to any one or more of the following effects:

   i. when considered together with any related events, occurrences or matters, but disregarding the effects of any unrelated events, occurrences or matters, a diminution in the net tangible assets of the consolidated Gateway Group by an amount equal to 10% or more of the value of the net tangible assets of the consolidated Gateway Group as shown in Gateway's 2018 Interim Financial Report for the half year ended 31 December 2017 as disclosed to ASX on 23 February 2018; or

   ii. whether individually or when aggregated with all such other events, a negative impact on recurring EBITDA of Gateway Group of at least $3 million.

6. No issue of Securities or Security Appreciation Rights

Between the Announcement Date and the end of the Offer Period (each inclusive):

a. no securities are issued (including without limitation, Gateway Stapled Securities) other than an issue of Gateway Stapled Securities on the vesting of a Gateway Security Appreciation Right in accordance with the disclosed terms of the relevant Gateway Security Appreciation Right as at the Announcement Date; and

b. no security appreciation rights or other incentives are granted or issued under Gateway's equity incentive plan or any other incentive plan.

7. No material change to personnel expenses outside the ordinary course

Between the Announcement Date and the end of the Offer Period Gateway makes no change to the fees, costs, expenses or benefits (of any kind) that are payable or granted to its personnel except in the ordinary course of business.

8. No Prescribed Occurrences

Between the Announcement Date and the end of the Offer Period (each inclusive), no Prescribed Occurrence occurs.

9. No material acquisitions, disposals, commitments etc.

a. Between the Announcement Date and the end of the Offer Period (each inclusive), neither Gateway nor any of its Subsidiaries, without the prior written consent of Hometown:

   i. enters into or announces an intention or proposal to enter into or offers to enter into;

   ii. discloses the existence of; or

   iii. incurs, becomes subject to, or brings forward the time for performance of (or is reasonably likely to incur, become subject to or bring forward the time for performance of),

   an obligation or arrangement (other than pursuant to and in the proper discharge of a legally binding obligation fully disclosed to the ASX prior to the Announcement Date) or a decision by it, whether conditional or otherwise:

   iv. to acquire an interest in property or other assets for an amount or having a market value in aggregate greater than $30 million; or

   v. to dispose of an interest in any property or other assets for an amount, or in respect of which the book value is, in aggregate, greater than $30 million;

   vi. to perform or acquire the benefit of any services or supplies of goods or services in relation to any asset, business or interest where the aggregate financial liability of Gateway Group in respect of those services exceeds or may exceed $4 million or the term of the arrangement exceeds and cannot be terminated within 12 months;

   vii. to enter into or terminate, or, in any material respect, amend or waive, any of the terms applicable to, or rights (including any rights of pre-emption or first or last refusal) under, any supply contract, arrangement, understanding, shareholders agreement, joint-venture, asset or profit sharing agreement, partnership or joint-selling agreement, merger of business or of corporate entities, or dual listed company structure, pursuant to which Gateway is, or is reasonably likely to incur, a liability of more than $4 million in any one year, other than:

      A. in the ordinary course of Gateway's business; and

      B. provided that the contract, undertaking or arrangement or understanding may be terminated by Gateway on no more than 30 days' notice without any penalty or payment required as a result of such termination.

b. This paragraph 9 shall apply notwithstanding that the prospect of such an arrangement or obligation may have been disclosed to the ASX prior to the Announcement Date, it being the intent that any additional obligation or liability incurred by a member of Gateway Group, even if contemplated in a prior document such as a memorandum of understanding, will be covered by this paragraph 9 unless there has been full disclosure to the ASX prior to the Announcement Date of the incurrence of that additional liability or obligation.

10. Financing

Between the Announcement Date and the end of the Offer Period, in respect of any financing arrangement, agreement or instrument which Gateway has with any other person, Gateway does not:

a. breach any covenants or make any misrepresentations which are not remedied in accordance with the cure rights under the arrangement, agreement or instrument;

b. rely on any waiver or amendment to avoid the potential breach of any covenant or to avoid the making of any misrepresentation or to avoid an event of default or potential event of default occurring;

c. allow an event of default or potential event of default to occur which is not remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument; or

d. allow an obligation to pay any amount to be accelerated; or

e. permanently reduce the amount of debt ahead of a maturity date.

11. No change in laws

None of the following occur after the Announcement Date that would materially increase the costs for Hometown of the Offer, such material increase being an amount more than $5 million:

a. any legislation not in force or in effect on the Announcement Date comes into force or effect; or

b. a change occurs after the Announcement Date to any:

   i. Law or interpretation of Law; or

   ii. policy or administrative practice of any Regulatory Authority.

12. No change in accounting policies

There is no change to the accounting policies of Gateway existing as of the Announcement Date other than required by the Law or the relevant Australian Accounting Standards.

13. No change in management arrangements

a. Between the Announcement Date and the end of the Offer Period, Gateway or a Subsidiary of Gateway enters into or amends any contract or commitment (or any series of related contracts or commitments) which relates to the provision of investment management, administration or related services to Gateway or any Subsidiary of Gateway (including, without limitation, the Services Agreement);

b. Between the Announcement Date and the end of the Offer Period (each inclusive), none of the following occur:

   i. OMIFL ceases to be the responsible entity of RPT2;

   ii. the trustee of any Trust Subsidiary as at the Announcement Date ceases to be the trustee of that Trust Subsidiary;

   iii. the Gateway Unitholders resolve to remove or replace OMIFL as responsible entity of RPT2;

   iv. a meeting is convened to consider a resolution for the removal, retirement or replacement of OMIFL as the responsible entity of RPT2;

   v. any application is made in any court for the appointment of a temporary responsible entity of RPT2 in accordance with the Corporations Act;

   vi. OMIFL (or any of its representatives) doing, or failing to do, anything that could restrict OMIFL's right to indemnity from the assets of RPT2;

   vii. OMIFL (or any of its representatives) effects or facilitates the termination or winding up of RPT2;

   viii. OMIFL (or any of its representatives) effects or facilitates the resettlement of RPT2;

   ix. OMIFL (or any of its representatives) effects or facilitates, or takes any steps to effect or facilitate, the deregistration of RPT2 as a managed investment scheme; and

   x. the trustee of any Trust Subsidiary that is, as at the Announcement Date, a registered managed investment scheme, effects or facilitates, or takes any steps to effect or facilitate, the deregistration of that Trust Subsidiary as a managed investment scheme.

14 No untrue statements

Between the Announcement Date and the end of the Offer Period (each inclusive), Hometown does not become aware of:

a. any statement that is untrue or misleading in any material respect; or

b. any fact that is required to be stated to make a statement not misleading in any material respect.

in any document filed by or on behalf of Gateway with ASX, other than changes, events or conditions fully and publicly announced or fully and publicly disclosed by Gateway prior to the Announcement Date.

15 No regulatory action

Between the Announcement Date and the end of the Offer Period (each inclusive):

a. there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority;

b. no action or investigation is announced, commenced or threatened by any Regulatory Authority with respect to Gateway or the Gateway Group; and

c. no application is made to any Regulatory Authority (other than by Hometown or any associate of Hometown),

in consequence of or otherwise relating to the Offer (other than an application or determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act or if the regulatory action results from action or inaction of Hometown or its associates) which is reasonably likely to or purports or threatens to:

d. restrain, prohibit or impede, or otherwise materially adversely impact on, the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement (including the acquisition of Gateway Stapled Securities) or the continued ownership and operation of the business of Gateway and its subsidiaries or any project; or

e. require the variation of the terms of the Offer; or

f. require or approve the divestiture of any Gateway Stapled Securities or the divestiture of any assets of any member of the Gateway Group or the Bidder Group.

16. Non-existence or exercise of certain rights

Between the Announcement Date and the end of the Offer Period, there is no person (other than a member of the Hometown Group) having any rights, being entitled to or exercising any rights, alleging an entitlement, or expressing or announcing an intention (whether or not that intention is stated to be a final or determined decision of that person) and in all cases whether subject to conditions or not, as a result of any change of control event in respect of Gateway (including Hometown acquiring Gateway Stapled Securities) or any of its Subsidiaries or assets, to:

a. terminate, alter or demand payment of an amount no less than $10 million under any material contract to which Gateway or any of its Subsidiaries is a party;

b. require the termination, modification or disposal or offer to dispose of any material interest or asset, corporate body, other entity, partnership or joint venture (incorporated or unincorporated); or

c. accelerate or adversely modify the nature or performance of any material obligations of Gateway or any of its Subsidiaries under any material contract (other than any contract between a financial institution and a member of the Gateway Group for the provision of financial accommodation to Gateway Group Members).

17. No break fees

a. That, subject to paragraph 17(b) below, from the Announcement Date until the end of the Offer Period, neither Gateway nor any member of Gateway Group (whether conditionally or contingently) agrees to pay or provide any benefit to any person, or to forego or otherwise reduce any payment or benefit to which it would otherwise be entitled, in connection with any person other than Hometown making or agreeing to participate in, or enter into negotiations concerning a Competing Proposal.

b. Paragraph 17(a) above does not apply to a payment:

   i. for providing professional advisory services to Gateway;

   ii. which is approved in writing by Hometown;

   iii. lawfully made to any Gateway directors, officers or employees (subject to paragraph 7; or

   iv. which is approved by a resolution passed at a general meeting of Gateway.

APPENDIX 3 – ASX ANNOUNCEMENTS FOR THE PERIOD SINCE 30 JUNE 2017

Announcement Date	Announcement Title
7 July 2017	Commonwealth Bank of Australia (CBA) as a substantial holder changes its interest holding in GTY securities(Form 604).
26 July 2017	GTY announces allocation price ($1.9290 per security) for securities to be allocated under GTY's Group Distribution Reinvestment Plan.
2 August 2017	GTY releases its 30 June 2017 full year financial results.
16 August 2017	GTY advises 6,675,440 ordinary fully paid stapled securities held under escrow will be released from escrow from 31 August 2017.
30 August 2017	GTY provides Appendix 4E – Result for announcement to market for the year ended 30 June 2017.
30 August 2017	GTY provides Financial Year 2017 Results.
30 August 2017	GTY provides Financial Year 2017 Results Presentation.
30 August 2017	GTY provides Appendix 4G – Key to Disclosures, Corporate Governance Council Principles and Recommendations statement.
30 August 2017	GTY provides Remuneration and Nomination Committee Charter, adopted by the Board on 29 August 2017.
30 August 2017	GTY provides notification of dividend / distribution.
7 September 2017	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Justin Epstein shareholding.
13 September 2017	National Australia Bank ceases to be a substantial holder of GTY (Form 605).
18 September 2017	GTY provides Appendix 3B – announces new issue of fully paid stapled securities issued on the same terms as existing securities.
19 September 2017	Massachusetts Financial Services Company and its related body corporate become a substantial shareholder in GTY (Form 603).
2 October 2017	IOOF Holdings Limited (IOOF) changes its interest holding as a substantial holder of GTY (Form 604).
12 October 2017	CBA changes its interest holding as a substantial holder of GTY securities (Form 604).
23 October 2017	GTY gives notices of its 2017 Annual General Meeting.
30 October 2017	IOOF changes its interest holding as a substantial holder of GTY securities (Form 604).
9 November 2017	GTY provides Appendix 3B – announces new issue of fully paid stapled securities.
9 November 2017	Wavestone Capital Pty Limited becomes a substantial holder of GTY (Form 603).
9 November 2017	Challenger Limited becomes a substantial holder of GTY (Form 603).
13 November 2017	GTY provides 2017 UBS Australia Conference Presentation.
17 November 2017	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Trent Ottawa's shareholding.
28 November 2017	GTY provides GTY AGM Chairman and CEO Annual General Meeting address and presentation.
28 November 2017	GTY provides results of 2017 GTY Annual General Meeting.
28 November 2017	GTY provides Appendix 3B – announces issue of security rights granted under the Group's Equity Incentive Plan.
28 November 2017	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Trent Ottawa's shareholding.

Announcement Date	Announcement Title
28 November 2017	GTY adopts Gateway Lifestyle Operations Limited Constitution, amended to reflect changes relating to capital reallocation.
14 December 2017	GTY provides notification of dividend / distribution.
14 December 2017	1H18 Estimated Distribution – GTY announces estimated distribution for the six-month period 30 June 2017 – 31 December 2017.
29 January 2018	IOOF changes its interest holding as a substantial holder of GTY securities (Form 604).
2 February 2018	GTY announces divestment of two non-core assets.
7 February 2018	IOOF changes its interest holding as a substantial holder of GTY securities (Form 604).
8 February 2018	Notice of change of interests of substantial holder – Massachusetts Financial Services Company and on behalf of Sun Life Financial Inc.
19 February 2018	IOOF changes its interest holding as a substantial holder of GTY securities (Form 604).
23 February 2018	GTY announces 1H18 Appendix 4D and Interim Financial Report.
23 February 2018	GTY announces 1H18 Results Announcement.
23 February 2018	GTY announces 1H18 Results Presentation.
23 February 2018	GTY gives notification of dividend / distribution.
1 March 2018	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Trent Ottawa's shareholding.
1 March 2018	IOOF changes its interest holding as a substantial holder of GTY securities (Form 604).
1 March 2018	CBA changes its interest holding as a substantial holder of GTY securities (Form 604).
2 March 2018	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Andrew Love's shareholding.
7 March 2018	CBA provides Retraction of Substantial Shareholding Notice.
7 March 2018	CBA changes its interest holding as a substantial holder of GTY securities (Form 604).
7 March 2018	CBA changes its interest holding as a substantial holder of GTY securities (Form 604).
16 March 2018	GTY provides Appendix 3B – New issue announcement, application for quotation of additional securities and agreement.
16 March 2018	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Rachel Launder's shareholding.
16 March 2018	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Andrew Love's shareholding.
19 March 2018	GTY gives notice - acquisition of two land lease communities, South Australia.
21 March 2018	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Justin Epstein's shareholding.
29 March 2018	GTY appoints Non-Executive Director to the board of Gateway Lifestyle Operations Limited – Sally Evans.
29 March 2018	GTY provides Appendix 3X – Initial Director's Notice – Sally Evans.
11 April 2018	Massachusetts Financial Services Company and on behalf of Sun Life Financial Inc. changes its interest holding as a substantial holder of GTY.
12 April 2018	Notice of change of registered office for Gateway Lifestyle Operations Limited.
2 May 2018	GTY provides Financial Year Trading Update and Revised Guidance.

Announcement Date	Announcement Title
2 May 2018	GTY provides Macquarie Australia Conference Presentation.
2 May 2018	GTY announces – completion of Acquisition of Rosetta and Seachange Villages, South Australia and Yarrawonga, Victoria
2 May 2018	GTY provides 'cleansing notice' under sections 708A(5)(e) and 1012DA(5)(e) of the Corporations Act 2001 (Cth).
2 May 2018	GTY provides Appendix 3B – New issue announcement, application for quotation of additional securities and agreement.
3 May 2018	GTY provides Appendix 3Y – Change of Director's Interest Notice in respect of Andrew Fay's shareholding.
16 May 2018	GTY provides – Notification of Change of Compliance Plan Auditor of Residential Parks No. 2 Trust ARSN 605 803 414.
17 May 2018	GTY provides – Disclosure & Market Communication Policy.
25 May 2018	IOOF changes its interest holding as a substantial holder of GTY securities (Form 604).
6 June 2018	CBA changes its interest holding as a substantial holder of GTY securities (Form 604).
13 June 2018	GTY receives receipt of Indicative, Non-Binding Proposal from Hometown Australia Holdings Pty Ltd and Hometown American Communities (Hometown).
13 June 2018	A.C.N. 626 522 085 Pty Ltd becomes a substantial holder of GTY (Form 603).
15 June 2018	UBS Group AG and its related bodies corporate becomes a substantial holder of GTY (Form 603).
19 June 2018	CBA changes its interest holding as a substantial holder of GTY securities (Form 604).
21 June 2018	GTY receives receipt of Indicative, Non-Binding Proposal from Brookfield Property Group.
22 June 2018	GTY provides notification of dividend / distribution.
22 June 2018	GTY provides 2H18 – Estimated Distribution for the six month period from 1 January 2018 – 30 June 2018 and suspension of the GTY's Group Distribution Reinvestment Plan.
22 June 2018	CBA changes its interest holding as a substantial holder of GTY securities (Form 604).
25 June 2018	GTY receives receipt of Revised Indicative, Non-Binding Proposal from Hometown.
26 June 2018	GTY provides an amendment and reinstatement of Appendix 3B lodged on 2 May 2018.
27 June 2018	IOOF ceases to be a substantial holder of GTY (Form 605).
2 July 2018	Hometown provides GTY with indicative proposal to lift GTY stapled security to $2.30 per stapled security upon execution of Bid Implementation Agreement.
2 July 2018	GTY notes announcement from Hometown in relation to a conditional, off-market takeover bid for all the stapled securities of GTY.
10 July 2018	Discussions with Hometown
10 July 2018	Hometown confirms not proceeding with the conditional 5 cent price increase to its takeover offer for Gateway to $2.30 per stapled security
19 July 2018	Becoming a substantial holder from Morgan Stanley
19 July 2018	Change in substantial holding of GTY securities by CBA
19 July 2018	Becoming a substantial holder from Mitsubishi UFJ Financial Group, Inc.

Corporate Directory

Bidder

A.C.N. 626 522 085 Pty Ltd
ACN 626 522 085
Level 19
1 O'Connell Street
Sydney NSW 2000

Directors

Stephen Harold Braun
Douglas Wells Minahan
Stuart Charles Strong
Kevin John Tucker
Patrick Christopher Zilis

Security Registry for the Offer

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford VIC 3067
Australia

You can contact Hometown's Security registry for the Offer at the address set out below.

For Post:
Hometown Takeover Offer
c/- Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001
Australia

Legal adviser

MinterEllison
Level 40
1 Farrer Place
Sydney NSW 2000

Financial adviser

Morgan Stanley Australia Limited
Level 39
Chifley Tower
2 Chifley Square
Sydney NSW 2000

HOMETOWN AUSTRALIA
COMMUNITIES

Hometown

A.C.N. 626 522 085 Pty Ltd (ACN 626 522 085)
Hometown Australia Management Pty Ltd (ACN 614 529 538)
Hometown Australia Nominees Pty Ltd (ACN 616 047 084)

Return your Form:

By Mail:
Hometown Takeover Offer
c/- Computershare Investor Services Pty Limited
GPO Box 52 Melbourne
Victoria 3001 Australia

For all enquiries:

Phone:
(within Australia) 1300 153 327
(outside Australia) +61 3 9415 4127

GTYTKO
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

SAMPLE

Acceptance and Transfer Form

ISSUER

Your acceptance must be received by no later than the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by A.C.N. 626 522 085 Pty. Ltd. (ACN 626 522 085) as trustee for Hometown Australia Management Pty Ltd (ACN 614 529 538) and as trustee for Hometown Australia Nominees Pty Ltd (ACN 616 047 084) as trustee for Hometown Australia Property Trust, (collectively "Hometown") to acquire all of your Stapled Securities in Gateway Lifestyle Group ("Gateway") comprising Gateway Lifestyle Operations Limited ABN 63 605 543 968 and Residential Parks No. 2 Trust ARSN 605 803 414 on the terms and conditions set out in the replacement Bidder's Statement from Hometown dated 7 August 2018 as replaced or supplemented (the "Bidders Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you have any questions about the terms of the Offer or how to accept, please call the Hometown Offer Information Line on 1300 153 327 (within Australia) or +61 3 9415 4127 (outside Australia).

This is a personalised form for the sole use of the holder in relation to the securityholding recorded above and overleaf.

Step 1: Registration Name

If you sign and return this form, you will be deemed to have accepted the Offer in respect of ALL your Gateway Securities. Your form must be received by the end of the Offer Period.
Your consideration will be issued to the name(s) as they appear on the latest copy of the Gateway register, as provided to Hometown.
Please check above and overleaf to ensure your name and address are correct. If details are incorrect, please write your correct details and initial the amendments. Amendments to your name can only be processed by your Gateway security registry.
The current address recorded by Hometown is printed above and overleaf. If you have recently bought or sold Stapled Securities your holding may differ from that shown. If you have already sold all your Stapled Securities in Gateway, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Stapled Securities.
By signing this form, you represent and warrant to Hometown that your Gateway Stapled Securities are free from all mortgages, charges, liens, encumbrances and adverse interests and free from restrictions on transfer, and that you have full power and capacity to accept the Offer and sell and transfer the legal and beneficial ownership in your Gateway Stapled Securities to Hometown. Please refer to the Bidder's Statement which accompanies this Acceptance Form.

Step 3: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.
Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.
Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.
Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Company Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.
Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Lodgement instructions
Mail this completed Acceptance Form(s) and any other documents required by the above instructions to:

Mailing Address
Hometown Takeover Offer
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001 Australia

Turn over to complete the form ➔

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Acceptance and Transfer Form

For your security keep your SRN/HIN confidential.

STEP 1 Registration Name

Registration Name: MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Offer Details: Securityholding as at <Register Date>: **2000**

By accepting the Offer for ALL of your Stapled Securities, you are accepting the Offer for ALL the Gateway Stapled Securities as recorded by Hometown as being held by you at the date your acceptance is processed (even if different to the number stated above).

STEP 2 Accept the Offer

If you sign and return this form, you will be deemed to have accepted the Offer for ALL your Gateway Stapled Securities. The consideration applicable is set out in the terms of Hometown's Offer.
To accept the Offer, you may either:

- directly instruct your Controlling Participant to accept the Offer for ALL your Gateway Stapled Securities on your behalf in sufficient time before the end of the Offer Period to act on your instructions; or
- sign and return this Acceptance Form to the address show overleaf so CIS can contact your Controlling Participant on your behalf and relay your instructions.

STEP 3 Signature of Securityholder(s)

You must sign this form for your instructions in this Acceptance Form to be executed.

I/We accept the Offer made by Hometown for Stapled Securities in Gateway and I/we agree to be bound by the terms and conditions of the Offer as set out in the Bidder's Statement and transfer ALL of my/our Stapled Securities as per the above instruction.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary/ Sole Director (cross out titles as applicable)	Director	Director/Company Secretary (cross out titles as applicable)

Contact Name _____ Contact Daytime Telephone _____ Date / /

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by A.C.N. 626 522 085 Pty. Ltd. (ACN 626 522 085). You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to A.C.N. 626 522 085 Pty. Ltd. (ACN 626 522 085) or to third parties upon direction by A.C.N. 626 522 085 Pty. Ltd. (ACN 626 522 085) where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

SAMPLE

Hometown

A.C.N. 626 522 085 Pty Ltd (ACN 626 522 085)
Hometown Australia Management Pty Ltd (ACN 614 529 538)
Hometown Australia Nominees Pty Ltd (ACN 616 047 084)

Return your Form:

To Your Controlling Participant:
Return this form directly to your stockbroker

By Mail:
Hometown Takeover Offer
c/- Computershare Investor Services Pty Limited
GPO Box 52 Melbourne
Victoria 3001 Australia

GTYTKO
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

For all enquiries:

Phone:
(within Australia) 1300 153 327
(outside Australia) +61 3 9415 4127

SAMPLE

Acceptance and Transfer Form

CHESS

Your acceptance must be received with sufficient time to allow processing prior to the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by A.C.N. 626 522 085 Pty. Ltd. (ACN 626 522 085) as trustee for Hometown Australia Management Pty Ltd (ACN 614 529 538) and as trustee for Hometown Australia Nominees Pty Ltd (ACN 616 047 084) as trustee for Hometown Australia Property Trust, (collectively "Hometown") to acquire all of your Stapled Securities in Gateway Lifestyle Group ("Gateway") comprising Gateway Lifestyle Operations Limited ABN 63 605 543 968 and Residential Parks No. 2 Trust ARSN 605 803 414 on the terms and conditions set out in the replacement Bidder's Statement from Hometown dated 7 August 2018 as replaced or supplemented (the "Bidders Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you have any questions about the terms of the Offer or how to accept, please call the Hometown Offer Information Line on 1300 153 327 (within Australia) or +61 3 9415 4127 (outside Australia).

This is a personalised form for the sole use of the holder in relation to the securityholding recorded above and overleaf.

Step 1: Registration Name

If you sign and return this form, you will be deemed to have accepted the Offer in respect of ALL your Gateway Securities. Your form must be received by the end of the Offer Period.
Your consideration will be issued to the name(s) as they appear on the latest copy of the Gateway register, as provided to Hometown.
Please check above and overleaf to ensure your name and address are correct. If details are incorrect, please write your correct details and initial the amendments. Amendments to your name can only be processed by your Gateway security registry.
The current address recorded by Hometown is printed above and overleaf. If you have recently bought or sold Stapled Securities your holding may differ from that shown. If you have already sold all your Stapled Securities in Gateway, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Stapled Securities.
As your Gateway Stapled Securities are in a CHESS holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want Hometown to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Hometown and Computershare Investor Services Pty Limited ("CIS") to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you represent and warrant to Hometown that your Gateway Stapled Securities are free from all mortgages, charges, liens, encumbrances and adverse interests and free from restrictions on transfer, and that you have full power and capacity to accept the Offer and sell and transfer the legal and beneficial ownership in your Gateway Stapled Securities to Hometown. Please refer to the Bidder's Statement which accompanies this Acceptance Form.
You should allow sufficient time for your Controlling Participant or Hometown to initiate the acceptance of Hometown's Offer on your behalf. Neither Hometown or CIS will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

Step 3: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.
Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.
Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.
Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Company Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.
Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Lodgement instructions
Mail this completed Acceptance Form(s) and any other documents required by the above instructions to:

Mailing Address
Hometown Takeover Offer
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001 Australia

Turn over to complete the form ➔

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Acceptance and Transfer Form

For your security keep your SRN/HIN confidential.

STEP 1 Registration Name

Registration Name: MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Controlling Participant Identifier:

Offer Details: Securityholding as at <Register Date>: **2000**

By accepting the Offer for ALL of your Stapled Securities, you are accepting the Offer for ALL the Gateway Stapled Securities as recorded by Hometown as being held by you at the date your acceptance is processed (even if different to the number stated above).

STEP 2 Accept the Offer

If you sign and return this form, you will be deemed to have accepted the Offer for ALL your Gateway Stapled Securities. The consideration applicable is set out in the terms of Hometown's Offer.
To accept the Offer, you may either:

- directly instruct your Controlling Participant to accept the Offer for ALL your Gateway Stapled Securities on your behalf in sufficient time before the end of the Offer Period to act on your instructions; or
- sign and return this Acceptance Form to the address show overleaf so CIS can contact your Controlling Participant on your behalf and relay your instructions.

STEP 3 Signature of Securityholder(s) *You must sign this form for your instructions in this Acceptance Form to be executed.*

I/We accept the Offer made by Hometown for Stapled Securities in Gateway and I/we agree to be bound by the terms and conditions of the Offer as set out in the Bidder's Statement and transfer ALL of my/our Stapled Securities as per the above instruction.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary/ Sole Director (cross out titles as applicable)	Director	Director/Company Secretary (cross out titles as applicable)

Contact Name _____ Contact Daytime Telephone _____ Date / /

Privacy Notice

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SAMPLE