



sustainable lifestyle solutions

2016 SECURITYHOLDER REVIEW

ABOUT THIS REVIEW

This report starts by identifying who we are and what matters most to our stakeholders and the business, namely the material issues which are the basis of the Securityholder Review. Initially providing a letter from the Chairman and Chief Executive Officer we also outline the governance framework, stakeholders, risk and sustainability and introduce the Board, a review of the year, leading into a strategic summary of the Group and details on the Group performance and portfolio.

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Gateway Lifestyle Group listed on the ASX in 2015 and provide affordable and sustainable lifestyle solutions to the aging population of Australia. Gateway Lifestyle has over 8,400 residents occupying homes across 53 communities on the east coast of Australia and is committed to providing a lifestyle where the constraints and obligations of typical home ownership are exchanged for an affordable secure, maintenance free alternative.

*sustainable lifestyle
solutions.*

FY16

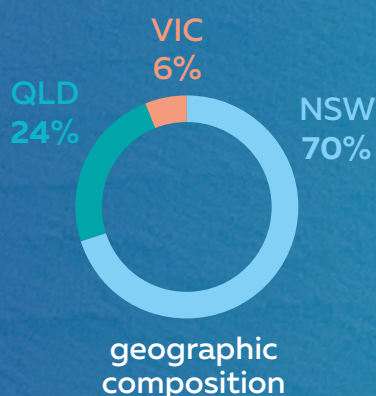
highlights

Over the course of the year, we delivered on our core strategy of managing, converting and acquiring residential land lease communities with the purpose of providing affordable and sustainable lifestyle solutions to our residents and building a defensive rental income base with strong organic growth capacity.

WESTERN
AUSTRALIA

NORTHERN
TERRITORY

OPERATIONAL HIGHLIGHTS



\$100k
gross profit per
home settled

\$141pw
average home
site rent

GROWTH HIGHLIGHTS

262
home settlements



53
communities in FY16
up 47% from FY15

FINANCIAL HIGHLIGHTS

\$44.8m
underlying net
profit after tax

17.12¢
underlying earnings
per security¹

\$29.9m
distributions paid

10.88¢
distributions per security

¹ Volume Weighted Securities (VWS) are calculated based upon the absolute number of securities on issue pre and post the equity raise.

² Calculated on a 1.5/1 ratio per occupied sites.

³ Some of the potential MHE sites may be subject to various regulatory and other approvals, including planning approvals from relevant government authorities and applicable conversion ratios.

8,400+
residents²

53
communities

3,403
sites acquired
in FY16

3,892
potential
development
sites³



CHAIRMAN'S *letter*



\$44.8m

underlying net
profit after tax

17.12¢¹

underlying earnings
per security

10.88¢

distributions per security

On behalf of the Board, I am pleased to share with you the inaugural Securityholder Review for Gateway Lifestyle Group. As we start to demonstrate and work towards the goals and objectives for financial year 2017 we take this opportunity to look back on the 2016 achievements as well as provide the outlook for 2017.

Gateway Lifestyle Group celebrated the Group's first birthday on 11 June 2016. The initial public offering occurred only two weeks prior to the close of financial year 2015 and the Group entered the first year as a listed entity with a strong portfolio of 36 well-positioned assets. Following the listing, we paid out our first distribution and completed our first capital raising in March and April 2016 respectively. In August 2016, we announced our first full year financial results for financial year 2016 and we now provide you with our first Securityholder Review.

1 VWS are calculated based upon the absolute number of securities on issue pre and post the equity raise.



ACHIEVEMENTS

The Group acquired 11 assets in the first half of financial year 2016 leading to the requirement for the Group's first capital raising. The capital raising was well-received by the market, raising \$120 million for the acquisition of a further six assets valued at \$49 million. In summary, we invested \$147 million in 17 new properties in financial year 2016. Additionally, we achieved a high level of settlements with 262 for the year and we have underpinned the portfolio for future growth opportunities.

Additionally, Gateway Lifestyle delivered 10.88 cents per security for financial year 2016 in line with expectation and reflecting a pay-out ratio of 70% demonstrating the strong cash position of the Group. In line with forecast we delivered underlying net profit of \$44.8 million or 17.12 cents per security. The Group entered financial year 2017 with gearing of 17% providing further growth through acquisition capacity. Following the post balance date settlements for the Terrigal Sands and Rockhampton acquisitions, the pro-forma gearing is 24%, slightly below the target gearing range of 25-35%.

GOVERNANCE

The establishment of Gateway Lifestyle Group as a stapled structure with an external responsible entity, One Managed Investment Funds Limited, presented the Board with an opportunity to develop a fit for purpose governance structure. The authority and responsibilities of the Board are outlined in our constitution and board charter, which are available on the website, www.gatewaylifestyle.com.au.

The Board is committed to ensuring Gateway Lifestyle operates and is managed in a sustainable manner with strong corporate governance practices fundamental to the long-term performance of the Group. We continually review our governance practices to address our regulatory objectives and the expectations of all stakeholders, while managing the risks inherent across our business.

We appreciate the ongoing support of our securityholders as we work on providing the market with a stronger understanding of the business and the market drivers within our sector. We remain confident in the underlying performance of the business which is supported by a strong brand, dedicated employees and an appropriately diverse portfolio of assets with strong growth prospects.

I would like to thank my Board colleagues and the employees of Gateway Lifestyle for their dedication over what was a pivotal year for the Group. The continued commitment of the employees and strong fundamentals of the business and sector will allow Gateway Lifestyle to continue to deliver stable returns for our securityholders in the years ahead.

I look forward to meeting with securityholders at our Annual General Meeting on 17 November 2016.

Andrew Love
CHAIRMAN



CHIEF EXECUTIVE OFFICER'S *letter*

262

manufactured home
settlements

17²

acquisitions

5,623

occupied
manufactured homes



Dear Securityholders,

Financial year 2016 has been a pivotal and exciting year for Gateway Lifestyle with the completion of our first year as a listed entity and strong progress on the execution of our business plan.

The growth achieved over the year demonstrates that with the right platform, right people and right strategy we can provide sustainable lifestyle solutions to the aging population of Australia, meeting the inherent demand within our sector. We are privileged to be able to provide a solution to the challenges facing the changing demographic of Australia and working with our board, employees, residents, local government and councils to provide quality communities and offer genuine solutions for the affordable housing sector.

OPERATIONS

Over the course of the year, we delivered on our core strategy of managing, converting and acquiring residential land lease communities with the purpose of providing affordable lifestyle solutions to our residents and building a strong defensive rental income base with strong organic growth.

We commenced the year with 36 quality manufactured home estate (MHE) assets situated across the east coast of Australia and have built the portfolio to 53 assets and over 5,500 occupied manufactured homes delivering a solid long-term income stream. The group acquired 17 assets over the financial year for \$147 million² and an additional asset, being Rockhampton North Retirement Resort in September 2016. Additionally, we completed 262 settlements, a 113% increase over financial year 2015, and grew our platform from 252 employees to expand to a total of 343 employees spread across three states of Australia servicing over 8,400 residents.

Additionally, we made a strategic decision with five of our conversion communities to advance the conversion programs at these communities, which meant ceasing the trade of ~350 short-term sites. The impact was a reduction in the rental derived from the short-term sites in return for an accelerated conversion to a fully-occupied mature community. This also brought forward additional capital expenditure to continue the sales momentum. We achieved an average development profit per home settled of \$100,400 with both the average sales price and cost of construction in line with the product disclosure statement (PDS). The average manufactured home site rent achieved in financial year 2016 was \$141 per week which was in line with the PDS and equivalent to \$144 or a 4% like-for-like increase on the prior corresponding period. We had strong sales across both our metropolitan and regional communities and entered financial year 2017 with 75 committed sales and strong levels of enquiries.

FINANCIAL

In terms of financial outcomes, we are pleased with the underlying net profit of \$44.8 million, which represents earnings per security of 17.12 cents¹. This is in line with the guidance provided at the time of undertaking the capital raise in March. Additionally, we paid \$29.9 million or 10.88 cents per security in distributions, clearly demonstrating the strong underlying operating cash flow of the business.

1 VWS are calculated based upon the absolute number of securities on issue pre and post the equity raise.

2 Excluding transaction costs and including the pose balance date settlement of Terrigal Stands.



Following the restructuring around the IPO the Group achieved a higher than forecasted tax benefit which was brought forward in financial year 2016 and will taper off for financial year 2017.

Our underlying net corporate costs for financial year 2016 were \$12.2 million. This was higher than forecast in our PDS and relates primarily to employment costs as a result of the integration of new assets and the acceleration and development of in-house capabilities as we have grown over the past 12 months.

Our activities have strategically placed this business for growth, as well as managing the potential capital risks of the business in the current economic environment. Along with the acquisition of 17 communities we also completed a successful \$120 million capital raise in March, and increased our debt facilities by \$70 million during the year. As a result, at the end of June, we had \$145 million in debt facilities available to fund further acquisitions. This represented a low gearing ratio of 17%, which is lower than the target range of 25% to 35%. Taking into account the settlement of Terrigal Sands and the acquisition of Rockhampton, our debt capacity is now \$115 million.

OUTLOOK

We have actively commenced selling across seven communities and anticipate to sell across five of the 17 newly-acquired communities over the course of financial year 2017. Additionally, master planning has commenced at several other communities and we continue to review further acquisition opportunities that support our long-term strategy.

We remain committed to the execution of this strategy and the Group is well-placed to generate business growth opportunities in financial year 2017.

I would like to personally thank the board, the management team and all of our employees for their continued hard work, our valued residents, and our securityholders for your continued support.

Sincerely,

A handwritten signature in blue ink, reading "Trent Ottawa". The signature is fluid and cursive, with a long horizontal line extending from the top of the first letter.

Trent Ottawa
CHIEF EXECUTIVE OFFICER

STRATEGIC *summary*

Gateway Lifestyle is committed to providing affordable and sustainable lifestyle solutions to the aging population of Australia and meeting the inherent demand within our sector. We are privileged to be able to provide a solution to the challenges facing the changing demographic of Australia and working with our stakeholders to deliver our objectives to acquire, develop and operate our communities to their benefit.



ACQUIRE

Strategically acquiring communities where we believe we can deliver value to the benefit of our residents and investors.

- › 17 communities acquired in FY16 for \$147 million¹ resulting in a total of 53 communities
- › Includes 3,403 additional sites at an average cost per site of \$43k with 1,367 occupied residential sites
- › Mix of mature and growth assets consistent with portfolio

RESIDENT PROFILE

- › Aged between 65 and 75 years;
- › Majority of residents receive Age Pension and Rent Assistance from the Commonwealth Government;
- › Primary motivation for moving into a MHE is to seek a release of capital from their existing residential property to support an independent lifestyle through their retirement; and
- › Looking to live independently in a community of like-minded residents.

DEVELOP

Developing and delivering strong communities through regeneration, expansion and enhancement of existing communities.

Gateway Lifestyle has successfully converted over 10 communities in the past four years delivering value uplift and a secure income stream for investors.

CONVERSION PROGRAM IN FINANCIAL YEAR 2016

Gateway Lifestyle strategically advanced the conversion plan at communities located at Aspley, Twin Cedars, Salamander Bay and Sussex Inlet.

EXPANSION PROGRAM IN FINANCIAL YEAR 2016

Planning approval was achieved for expansion with 83 additional sites at Regal Waters, Redlands and The Retreat.

Residential planning approval for full MHE conversion of five communities was achieved.

Residential conversion strategies continue to reflect the long-term business plan of Gateway Lifestyle with a focus to convert all sites to residential sites over the long-term.

HOME SALE CYCLE

- › Sale to customer becomes unconditional;
- › MHE operator places order with manufactured home supplier;
- › Home is constructed by supplier in factory;
- › Manufactured home is transported to vacant site;
- › Home is installed on vacant site and site works progressed; and
- › Sale of home to resident complete.

OPERATE

Operating communities to the benefit of our residents and investors.

COMMUNITY OPERATIONS

Gateway Lifestyle provides onsite Community Managers to operate the communities. These managers are the frontline staff of Gateway Lifestyle and provide a critical service in ensuring our communities operate to the highest standard. Our communities workforce possess a strong of cultures and backgrounds, reflective of the diversity within our communities.

GATEWAY LIFESTYLE EMPLOYEES ²

LOCATION	EMPLOYEES
Head office	61
New South Wales MHEs	190
Queensland MHEs	67
Victoria MHEs	25
TOTAL	343

A major initiative Gateway Lifestyle commenced in 2016 was the roll-out of community buses across our established communities to assist our residents to connect with the wider communities. As part of this, Gateway Lifestyle has obtained approval to operate the buses with volunteer bus drivers, providing an opportunity for our residents to be involved in setting their schedule. The Group has rolled out over five buses with 13 scheduled to be rolled out over the financial year 2017.

1 Excludes transaction costs.

2 Total number of employees as at 30 September 2016.

VALUE *creation*



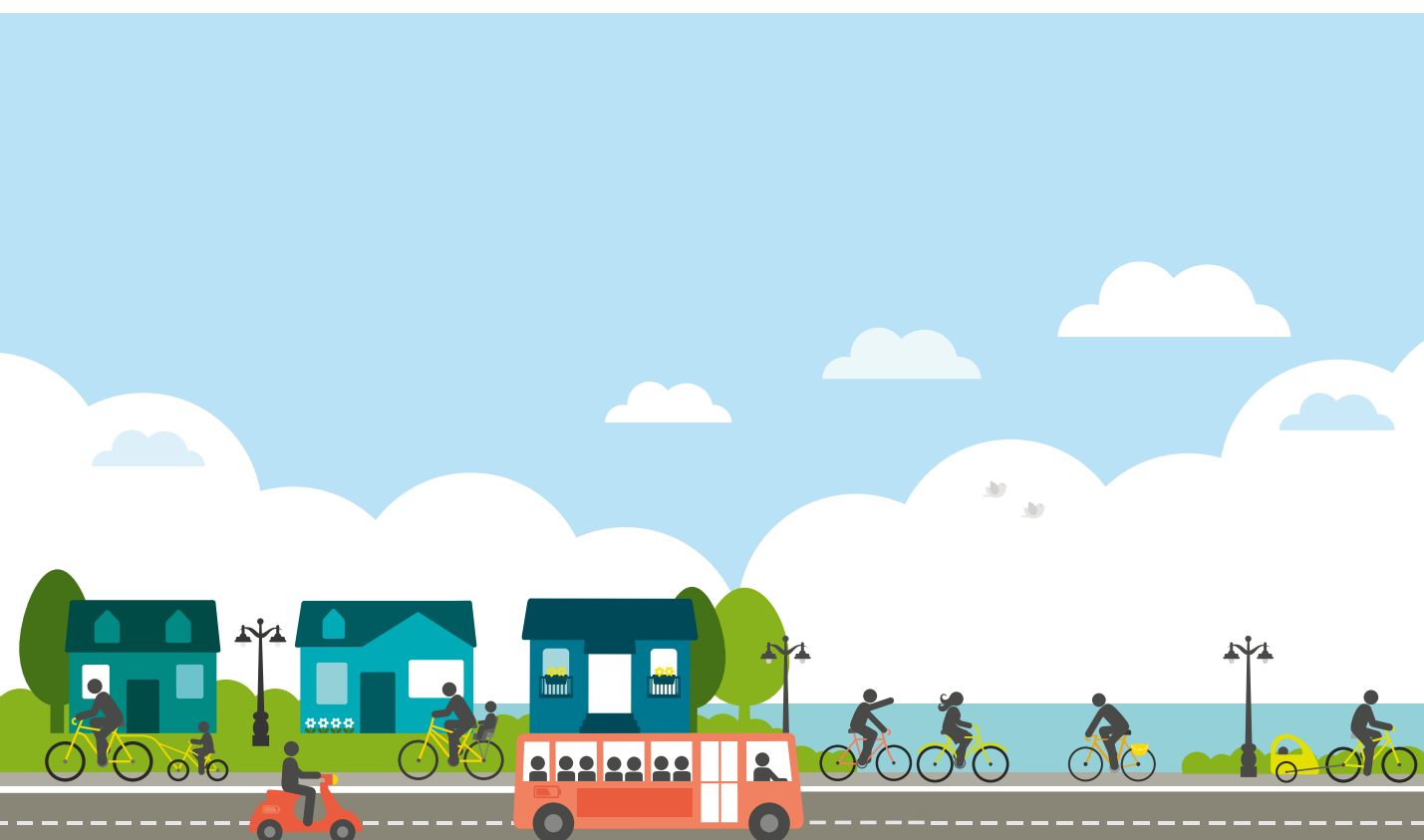
OUR VALUE CREATION PROCESS

1. OUR VISION

Our vision is to be the leading owner, manager and developer of manufactured home estates in Australia and to ensure that we continue to create communities which provide affordable lifestyle solutions to the aging Australian population.

2. CORE FOCUS

Our focus is to deliver affordable lifestyle solutions to the aging population whilst providing a stable revenue stream and operating to the benefit of all stakeholders within our value chain.



3. CORE OBJECTIVE

To deliver our vision, we conduct ourselves according to our core objectives to acquire, develop and operate strong communities through:

a. acquire

Strategically acquiring communities where we believe we can deliver value to the benefit of our residents and investors.

b. develop

Developing and delivering strong communities through regeneration, expansion and enhancement of existing communities providing quality sustainable revenue streams.

c. operate

Operating communities to the benefit of our residents and investors

i. Resident benefits:

- › Transparency and certainty
- › Security of tenure
- › Rental assistance improves affordability
- › Regenerated and enhanced communities developed

ii. Investor benefits:

- › Stable revenue base with organic growth
- › Incremental growth to the revenue base
- › Development profits
- › Consolidation growth opportunities
- › Strong demand drivers

OUR stakeholders



SECURITYHOLDERS

Gateway Lifestyle actively engages with all securityholders by regularly updating the Group's website and announcements released to the Australian Securities Exchange, including our Annual Report. The Group's website is the primary means to provide information to all stakeholders.

MATERIAL FOCUS

- › Financial performance
- › Leadership and business continuity



RESIDENTS

Gateway Lifestyle residents are the cornerstone of our business and we endeavour to ensure we act with integrity and operate collaboratively with our residents to ensure they have a peaceful and enjoyable lifestyle. Gateway Lifestyle encourages the establishment of resident committees, to provide an independent and unified voice for all residents and proactively address challenges which may arise in the communities. Additionally, the Group engages with relevant residential state based bodies to address changes in policies, regulations and resident concerns.

MATERIAL FOCUS

- › Financial performance
- › Resident relationships
- › Health and safety



SUPPLIERS

The Company has established strong working relationships with a number of key suppliers within the value chain from home manufacturing to onsite. Additionally, Gateway Lifestyle focuses on utilising local suppliers for smaller requirements in our communities to support the local region and enhance the sense of community. Gateway Lifestyle actively engages in sector related events to promote relationships and ensure a high level of visibility.

MATERIAL FOCUS

- › Leadership and business continuity
- › Financial performance
- › Health and safety

Gateway Lifestyle engages with a diverse range of stakeholders. We define stakeholders as those individuals or groups who are potentially affected by our operations or who have an influence in, or influence on what we do.



EMPLOYEES

Gateway Lifestyle's employees are our most valuable asset in helping the Group deliver the vision to our residents. With over 300 employees located across the east coast of Australia we encourage direct, regular and consistent communication, providing a monthly internal staff newsletter and internal Facebook page in order to maintain a motivated workforce.

MATERIAL FOCUS

- › Leadership and business continuity
- › Health and safety
- › Employee development



COMMUNITY

Gateway Lifestyle is centred around community. The creation, development and establishment of thriving communities is central to our success as a business. We recognise that our communities actively engage with local fundraisers and activities, and provide a number of support groups for our residents. During financial year 2016 a number of communities successfully implemented Men's Shed initiatives.

MATERIAL FOCUS

- › Leadership and business continuity
- › Health and safety
- › Employee development



ENVIRONMENT

Gateway Lifestyle manages its operations in a way which is compliant with requirements of applicable operating laws. During financial year 2016, we began to install solar lighting at our communities to provide enhanced safety in a sustainable and cost effective manner.

MATERIAL FOCUS

- › Environmental sustainability
- › Compliance

CORPORATE

Overview

Gateway Lifestyle Group's Securityholder Review provides an integrated overview of the year covering strategy, performance and our approach to sustainability.

ABOUT GATEWAY LIFESTYLE

Established in 2009, Gateway Lifestyle started as a small syndicate of investors established around the acquisition of Gateway Lifestyle Bayside in Queensland. Operating in the MHE sector within the broader aged accommodation industry, the Group provides affordable and sustainable living solutions to over 50's. Gateway Lifestyle expanded rapidly over the following years with the acquisition of numerous communities and now owns and operates over 50 communities with more than 5,500 occupied manufactured home sites accommodating over 8,400 residents. Listed on the Australian Securities Exchange in June 2015 the Group is currently part of the ASX200. Gateway Lifestyle is strategically positioned to leverage the demand fundamentals in the emerging sector of manufactured home estates in Australia.

SECTOR OVERVIEW

Evolving from the caravan parks of old and originally established in 1930 to provide low cost housing options, MHEs often occupy large parcels of well-positioned land in both metro, regional and strategic coastal locations.

Exhibiting the characteristics of a cottage industry the sector is quickly evolving as an institutional grade investment. The sector is driven by product enhancement and choice, increased cost of living as people age, growing understanding of the industry by retirees, acceptance of the offering as an alternative to traditional retirement living options, expectations of retirees and quality and a range of facilities being offered rivaling many traditional resort style retirement living offerings.

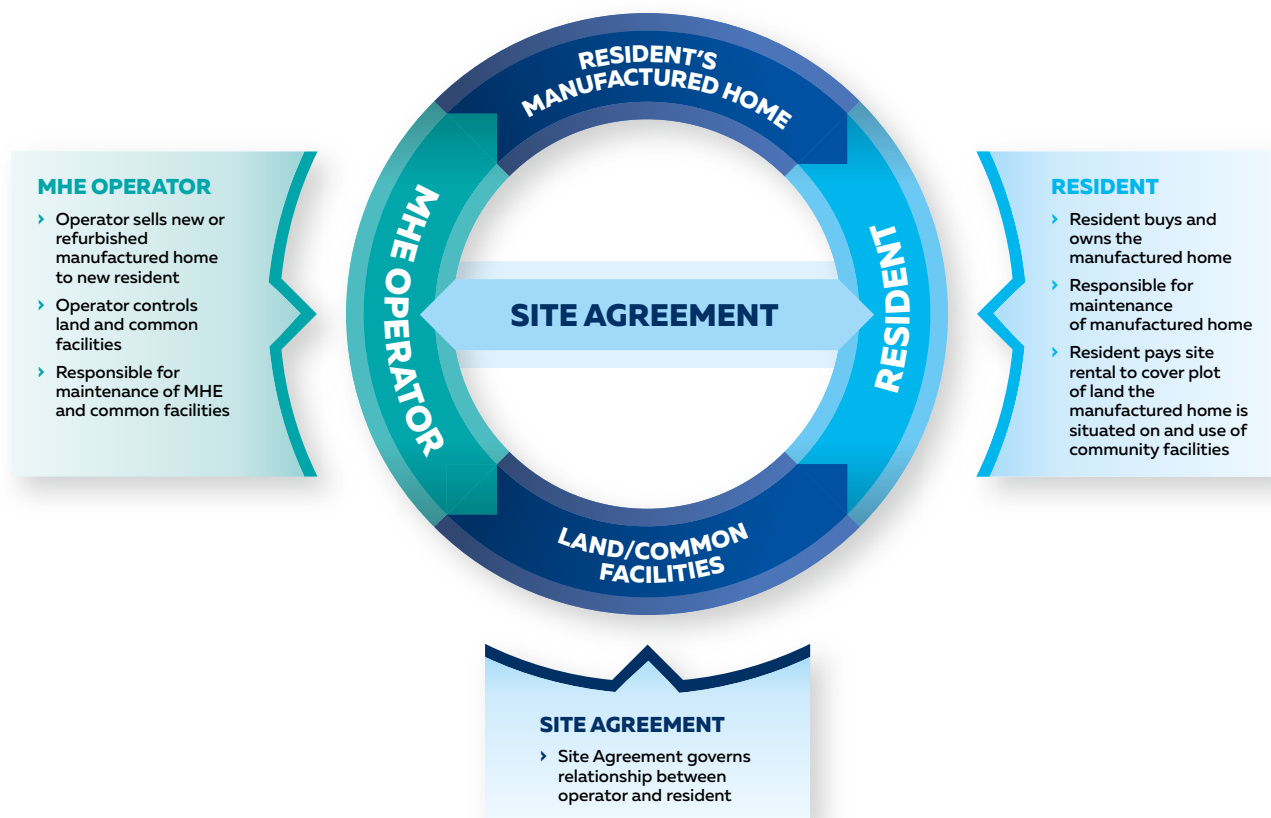
BUSINESS STRUCTURE AND STRATEGY

Gateway Lifestyle acquisitions generally sit within three asset classes: mature MHEs, expansion MHEs and conversion MHEs with the intention of transitioning all asset classes into mature MHEs. Each asset class exhibits particular characteristics but centre around the residential land lease model as outlined.

Gateway Lifestyle leases the manufactured home sites to residents as part of the purchase of a manufactured home. Gateway Lifestyle provides home owners with access to facilities, security of tenancy, no entry or exit fees, no rates and taxes and no stamp duty. The resident sells the home and the incoming resident enters a new site agreement; or the resident removes the home after the end of the initial term of the site agreement, providing a near 100% occupancy model.

Residents may qualify for Government funded rent assistance payments due to the nature of the land lease payment providing subsidised weekly rent. Residents remain responsible for the maintenance of the home and surrounding gardens whilst Gateway Lifestyle maintains all community areas and services. The sector is regulated by the state and local government, these are outlined in detail in the governance section of this review.

SITE AGREEMENT MODEL OVERVIEW



PROFILE OF MATURE MHEs

Mature MHEs provide a stable income stream through the rental of the sites in the community and may provide opportunity for regeneration of older manufactured homes. These homes which are acquired by Gateway Lifestyle and renovated or replaced with new manufactured homes are then on-sold. Gateway Lifestyle's overarching business model is to enable the transition of all communities into the category of mature MHEs over time.



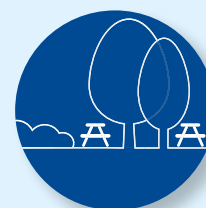
PROFILE OF CONVERSION MHEs

Existing caravan parks are enhanced and developed into manufactured home estates. Working with the local government to attain the relevant approvals and in consultation with community managers and existing residents to provide a smooth transition of the community, Gateway Lifestyle converts parks by establishing master planned communities. Providing enhanced facilities, improved safety and delivering a secure lifestyle community for residents a completed conversion community delivers a similar income profile with lower operational costs and an improved value outlook than the community prior to conversion.



PROFILE OF EXPANSION MHEs

Expansion MHEs have a component of a mature MHE with either substantial existing vacant sites or adjoining land. These sites may have existing approvals and infrastructure in place or may require further development before they can be transitioned into mature MHEs. Gateway Lifestyle also classifies greenfield and brownfield development into this category as they exhibit similar properties. Expansion MHEs may be income neutral until a sufficient number of sites are occupied.

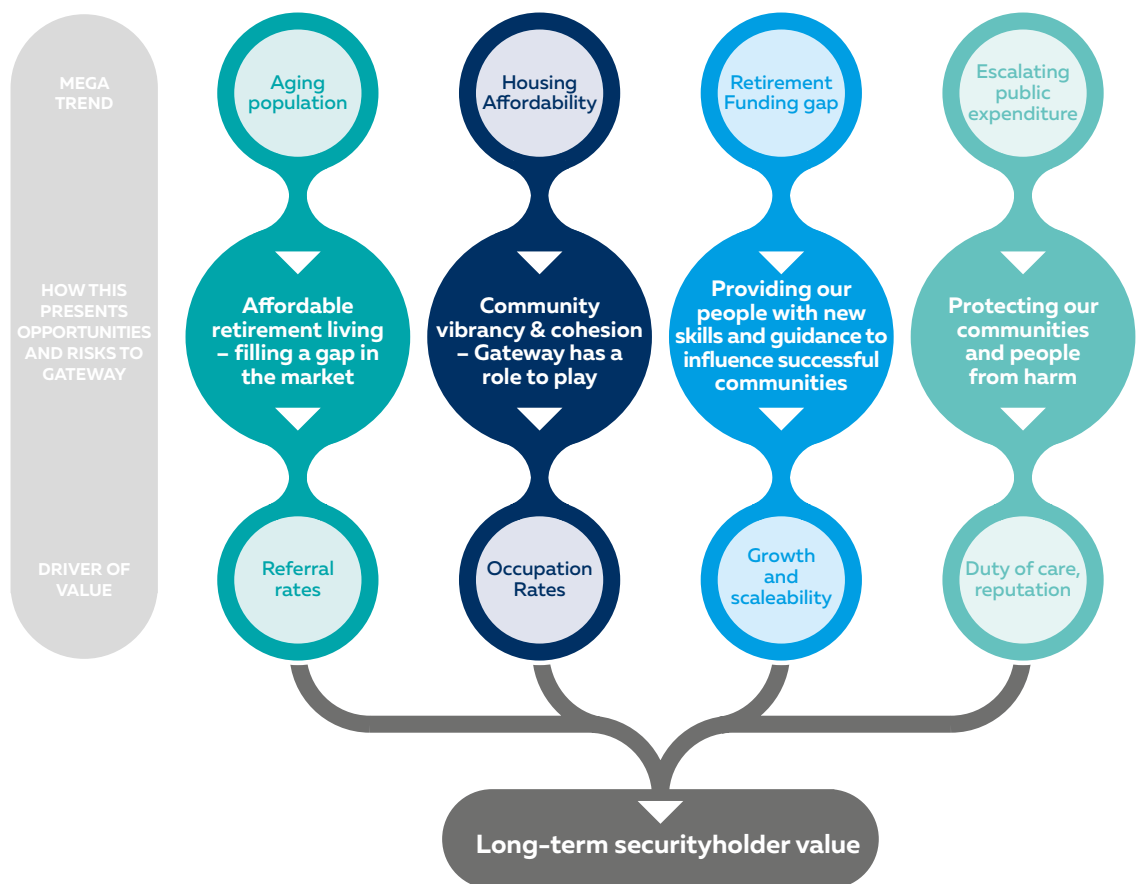


RISK & SUSTAINABILITY

Gateway Lifestyle believes its operating model is inherently sustainable as we create value for stakeholders through meeting key societal trends. During the year, the Group's management team carried out a materiality assessment exercise to identify key economic, environmental and social risks and opportunities associated with the key societal trends that the Group is exposed to.

The key sustainability risks and opportunities identified during this process included:

- Health and Safety
- Community Management
- Home Sales and Settlements
- Acquisition Risk



The Group has exposure to economic and social sustainability risks and seeks to mitigate these exposures as set out on page 13 of the Annual Report.

The table below identifies which of these identified issues are considered to be an economic and/or social sustainability risk. The Group has not identified any exposure to environmental sustainability risks that it considers material, but manages its operations at sites (such as waste management) in a way which is compliant with requirements of its operating licences and applicable laws.

RISK TYPE	IDENTIFIED RISK	POTENTIAL IMPACT
Economic risk	Housing affordability – providing affordable living for our residents	<ul style="list-style-type: none"> • Reduction in rental assistance will reduce demand • Financial stress for residents • Stressful environments for employees
Economic risk	Regulatory risks and increased competition	<ul style="list-style-type: none"> • Impact on our business model and operating or financial performance • Impact home sales and/or demand
Environmental risk	National disaster	<ul style="list-style-type: none"> • Severe damage or destruction of coastal facilities • Reduction in homes sales • Cost of repairs
Social risk	Community management quality, health and vibrancy of communities	<ul style="list-style-type: none"> • Demand for sales • Success of growth/acquisitions • Community satisfaction and referees • Employee loyalty
Social risk	Safety and security of residents	<ul style="list-style-type: none"> • Impacts on the happiness and health and safety of residents • Referral rates • Reputational impacts
Social risk	Health, safety and wellbeing of our employees	<ul style="list-style-type: none"> • Impact on operations

BOARD & MANAGEMENT

Gateway Lifestyle Group aims to make a difference by providing affordable lifestyle solutions. Our governance practices support this purpose by providing clear lines of responsibility, accountability and a commitment to transparent communication with our stakeholders.

Gateway Lifestyle Group is a stapled trust comprising one share in Gateway Lifestyle Operations Limited (GLOL) and one unit in Residential Parks No. 2 Trust (RPT2). As a managed investment scheme, RPT2 is required to appoint a responsible entity. The responsible entity for RPT2 is One Managed Investment Funds Limited (OMIFL). The Board of Gateway Lifestyle Group and OMIFL operate together to ensure high levels of corporate governance across the Group. OMIFL through a services deed has delegated the day-to-day management of RPT2 to GLOL.

BOARD OF DIRECTORS



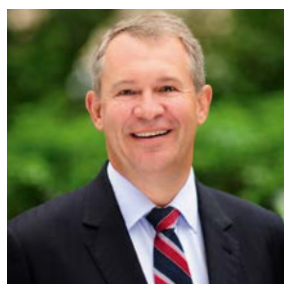
Andrew Love
INDEPENDENT CHAIRMAN



Stephen Newton
INDEPENDENT
NON-EXECUTIVE DIRECTOR



Rachel Launders
INDEPENDENT
NON-EXECUTIVE DIRECTOR



Andrew Fay
INDEPENDENT
NON-EXECUTIVE DIRECTOR



Trent Ottawa
EXECUTIVE DIRECTOR
AND CEO

ONE MANAGED INVESTMENT FUNDS LIMITED

Frank Tearle – Executive Director
Elizabeth Reddy – Non-Executive Director
Justin Epstein – Executive Director

SKILLS/ EXPERIENCE	COMMENTS	COMBINED
CORE INDUSTRY	Experience in the affordable housing property market and tourism market	100%
FINANCE/AUDIT/ ACCOUNTING	Senior executive or equivalent experience in financial accounting and reporting	83%
STRATEGY/RISK MANAGEMENT	Experience in developing and implementing a successful strategy over the long-term	83%
LEGAL	Experience in legal and regulatory compliance	83%
GOVERNANCE	Knowledge of the Corporate Governance and regulations framework that apply to be an ASX listed entity	83%
REGULATORY AND PUBLIC POLICY	Experience in regulatory policy, government and stakeholder relations	83%
MARKETING AND COMMUNICATION	Senior executive experience in marketing and communications	83%
TECHNOLOGY AND IT EXPERIENCE	Experience in the area of technology	50%
HEALTH, SAFETY, ENVIRONMENT AND SOCIAL RESPONSIBILITY	Experience related to workplace health and safety, and social environmental responsibility	67%
PEOPLE AND PERFORMANCE	Senior management or equivalent experience with remuneration including incentive programmes, superannuation, leadership and development	100%
CAPITAL MARKETS	Expertise in considering and implementing efficient capital management including alternative capital sources and distributions, yields and markets	100%
OPERATIONS	A broad range of commercial and business experience in business systems, practices, improvements, risk and compliance, sales, technology and human resources	83%

FINANCIAL results

The Group achieved underlying net profit of \$44.8 million, which represents earnings per security of 17.12 cents on a volume weighted basis in line with guidance. Additionally, distributions were paid to securityholders equating to \$29.9 million or 10.88 cents per security.

SUMMARY INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2016	\$'000
Manufactured home sales	64,118
Rent from investment properties	47,837
Other revenue	1,847
Revenue from continuing operations	113,802
Other income (sale of land)	1,169
Net fair value adjustment on investment properties	1,012
Expenses	
Investment property expenses	12,160
Manufactured home sale expenses	37,820
Sales and marketing expenses	1,442
Employee benefits expense	19,228
Administration expenses	6,227
Other expenses	1,120
Finance costs	6,565
Transaction expenses	(1,343)
Profit/(loss) before income tax expense from continuing operations	32,764
Income tax benefit	6,163
Statutory net profit	38,927
Non-recurring adjustments	5,915
Underlying net profit	44,842



FIVE YEAR HISTORICAL PERFORMANCE SUMMARY

DENOMINATION		FY16	PRO FORMA HISTORICAL RESULTS			
			FY15	FY14	FY13	FY12
Portfolio						
Number of MHEs	#	53	36	24	9	5
Net asset value	\$m	559.0	434.4	n/a	n/a	n/a
Total sites	#	9,515	5,861	n/a	n/a	n/a
Occupied MHE sites	#	5,615	4,046	2,979	1,008	654
Settled manufactured home sites	#	262	124	105	55	13
Sales base (MHEs)	#	25	14	8	4	3
Financial						
Revenue	\$m	112.0¹	70.3	48.8	27.2	10.4
Operating expenses	\$m	(15.8)^{1,2}	(16.2)	(9.1)	(5.9)	(3.1)
EBITDA	\$m	46.3¹	27.3	18.0	9.7	5.4
Net Profit	\$m	44.8¹	n/a	n/a	n/a	n/a
Gearing	%	17	15	n/a	n/a	n/a
Distributions	\$m	29.9	n/a	n/a	n/a	n/a
Market capitalisation	\$m	859.3	503.8	n/a	n/a	n/a
Issued capital	m	299.4	249.4	n/a	n/a	n/a
Operational						
Average sales price (ex GST)	\$'000s	245	246	257	251	215
Average development cost	\$'000s	144	150	165	179	101
Development margin	%	41	39	36	29	53
Manufactured home site rental	\$	141	138	134	129	124
Residents ³	#	8,400	6,000	4,400	1,500	900

1 Reported on an underlying basis, consistent with the pro forma historical results.

2 Decrease in underlying operating expenses is attributable to structural changes in reporting following the IPO, with certain costs recognised as operating costs in the pro forma historical results now reported in corporate costs.

3 Calculated on a ratio of 1.5/1 residents per occupied manufactured home site.

PROPERTY portfolio

Gateway Lifestyle owns and manages over 50 communities across the east coast of Australia with a strong weighting towards New South Wales and Queensland. Our portfolio is well-positioned to provide affordable lifestyle solutions to an aging population with over 8,400 residents and continued potential for growth across the sector.

PORTFOLIO OVERVIEW

17

communities
acquired in FY16

5,623

occupied manufactured
home sites

\$147m

invested in acquired
communities

3,862

potential
development sites²

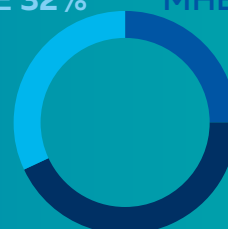
COMMUNITY FEATURES

-  On-site Management
-  Absolute Beach Front
-  Arts & Crafts Room
-  BBQ Area
-  Bowling Green
-  Caravan Storage
-  Close to Beach
-  Close to Hospitals
-  Close to Services
-  Community Bus
-  Community Centre
-  Community Garden
-  8 Hole Golf Course
-  Gymnasium
-  Library
-  Men's Shed
-  Mini Golf
-  Natural Surrounds
-  Nature Walk
-  Onsite Hairdresser
-  Tennis Court
-  Swimming Pool
-  Swimming Pool & Spa
-  Vegetable Garden
-  Walking Tracks
-  Workshop

COMMUNITY TYPE COMPOSITION

MHE COMMUNITIES	QTY	TOTAL SITES	OCCUPIED MANUFACTURED HOME SITES	DEVELOPMENT SITES
Mature	17	2,668	2,553	115
Conversion	23	4,250	1,576	2,674
Expansion	13	2,597	1,494	1,103
TOTAL ¹	53	9,515	5,623	3,892 ²

Mature MHE 32% Expansion MHE 25%



Conversion MHE 43%

¹ Excluding transaction costs and including post balance date settlement of Terrigal Sands.

² Some of the potential MHE sites may be subject to various regulatory and other approvals, including planning approvals from relevant local government authorities and applicable conversion ratios.



NEW SOUTH WALES

ACACIA PONDS

Set on the south coast of New South Wales in the Bega Valley Region, Acacia Ponds, is positioned on the edge of peaceful bushland, boasts access to a nearby golf course and provides easy access to services in Merimbula and Bega.



LOCATION:	3197 Princes Highway Millingandi
REGION:	Far South Coast
STATE:	NSW
DATE ACQUIRED:	May 2014
LAND AREA:	7.9ha
TOTAL SITES:	100
TYPE:	Expansion MHE
VALUE:	\$3.8 million
VALUE PER SITE:	\$37.5k
FEATURES:	

ALBURY

Positioned in the Albury-Wodonga region with access to entertainment, essential services and public transport, the community offers access to the nearby Albury Airport, one of the largest regional airports, with direct flights to Sydney and Melbourne.



LOCATION:	639 Kemp Street Springdale Heights
REGION:	Albury-Wodonga
STATE:	NSW
DATE ACQUIRED:	April 2016
LAND AREA:	5.5ha
TOTAL SITES:	151
TYPE:	Expansion MHE
VALUE:	\$12.2 million
VALUE PER SITE:	\$80.8k
FEATURES:	

BASS HILL

Located in Sydney's southwest and bordered by the tranquillity of Carysfield Park, Bass Hill is positioned in close proximity to key services and facilities. Providing a peaceful community with the benefits of city living.



LOCATION:	713-727 Hume Highway Bass Hill
REGION:	Sydney & Greater Sydney
STATE:	NSW
DATE ACQUIRED:	August 2010
LAND AREA:	1.8ha
TOTAL SITES:	85
TYPE:	Conversion MHE
VALUE:	\$9.0 million
VALUE PER SITE:	\$105.9k
FEATURES:	

BELMONT

Belmont is situated between Lake Macquarie and a coastal lagoon and walking distance to Nine Mile Beach. Featuring a bowling green and swimming pool the community has access to retail stores, medical services and restaurants.



LOCATION:	687-691 Pacific Highway Belmont
REGION:	Hunter
STATE:	NSW
DATE ACQUIRED:	November 2015
LAND AREA:	3.7ha
TOTAL SITES:	161
TYPE:	Expansion MHE
VALUE:	\$12.5 million
VALUE PER SITE:	\$77.6k
FEATURES:	

BIRUBI BEACH

Birubi Beach is 52km north of Newcastle and 12km south of Nelson Bay. The community provides ease of access to supermarkets, cafés and features beautifully maintained grounds, swimming pool and communal bbq facilities.



LOCATION:	7 James Paterson Street Anna Bay
REGION:	Hunter
STATE:	NSW
DATE ACQUIRED:	December 2015
LAND AREA:	5.4ha
TOTAL SITES:	200
TYPE:	Conversion MHE
VALUE:	\$7.4 million
VALUE PER SITE:	\$37.0k
FEATURES:	

CASINO

Casino is close to all necessary services at Lismore, Ballina or Tweed Heads and provides both long-term sites and short-term sites. Surrounded by national parks the community is 80km from Byron Bay and under 3 hours from Brisbane.



LOCATION:	69 Light Street Casino
REGION:	Northern Rivers
STATE:	NSW
DATE ACQUIRED:	March 2016
LAND AREA:	123.4ha
TOTAL SITES:	714
TYPE:	Expansion MHE
VALUE:	\$14.2 million
VALUE PER SITE:	\$19.9k
FEATURES:	







PROPERTY PORTFOLIO CONTINUED.

NEW SOUTH WALES CONTINUED

GRAFTON

Grafton is the commercial hub of the Clarence Valley and has all essential services. The community provides landscaped grounds and a community centre all located in close proximity to the local airport.









LOCATION:	598 Summerland Way Grafton
REGION:	Clarence River Valley
STATE:	NSW
DATE ACQUIRED:	October 2012
LAND AREA:	12.7ha
TOTAL SITES:	208
TYPE:	Conversion MHE
VALUE:	\$10.3 million
VALUE PER SITE:	\$49.3k
FEATURES:	     

HALLIDAYS POINT

Hallidays Point is a seaside community in a peaceful location with direct access to Black Head Bay and a 20 minute drive to Forster. The location also provides easy access to national parks and key services in Taree and Forster.









LOCATION:	21 Redhead Road Hallidays Point
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	October 2015
LAND AREA:	7.8ha
TOTAL SITES:	372
TYPE:	Conversion MHE
VALUE:	\$12.5 million
VALUE PER SITE:	\$33.6k
FEATURES:	     

HOMESTEAD

Homestead is located in Salamander Bay and is 10km to Nelson Bay, 60km to Newcastle and provides resort style living for our permanent residents including a swimming pool, bbq, games room and function room.









LOCATION:	8 Homestead Street Salamander Bay
REGION:	Hunter
STATE:	NSW
DATE ACQUIRED:	November 2015
LAND AREA:	3.1ha
TOTAL SITES:	102
TYPE:	Mature MHE
VALUE:	\$8.3 million
VALUE PER SITE:	\$81.4k
FEATURES:	     

LAKELAND

Lakeland is situated on 5.7 hectares on the shores of Budgewoi Lake at Buff Point. Close to the Budgewoi town centre, you will find plenty of shops, medical services and eateries all within ~50km of Newcastle.



LOCATION:	314 Buff Point Avenue Buff Point
REGION:	Central Coast
STATE:	NSW
DATE ACQUIRED:	April 2014
LAND AREA:	5.7ha
TOTAL SITES:	143
TYPE:	Mature MHE
VALUE:	\$12.0 million
VALUE PER SITE:	\$83.9k
FEATURES:	     

FORSTER

Situated on a four hectare site, Forster is approved for a 68 site manufactured home estate. The community will include a manager's residence, community building, swimming pool, tennis court, bowling green, gymnasium and bbq pavilion.









LOCATION:	17 Aquatic Road Darawank
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	December 2015
LAND AREA:	4.0ha
TOTAL SITES:	68
TYPE:	Expansion MHE
VALUE:	\$1.2 million
VALUE PER SITE:	\$17.6k
FEATURES:	Development Site

LORIKEET

Lorikeet is centrally located between Coffs Harbour and Grafton. Set within natural bushland it is a 3.5 hour drive to the Gold Coast and flights are available from nearby Coffs Harbour Airport with direct flights to Sydney and Melbourne.









LOCATION:	210 Eggins Close Arrawarra
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	December 2014
LAND AREA:	11.5ha
TOTAL SITES:	100
TYPE:	Conversion MHE
VALUE:	\$6.5 million
VALUE PER SITE:	\$65.0k
FEATURES:	     



MANNING POINT

Manning Point is situated between the Manning River and the ocean, south of Port Macquarie. Manning Point has easy access to all necessary services at Taree and Forster and direct flights are available from the Taree Airport to Sydney and Newcastle.









LOCATION:	32 Manning Street Manning Point
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	April 2016
LAND AREA:	5.0ha
TOTAL SITES:	149
TYPE:	Conversion MHE
VALUE:	\$4.5 million
VALUE PER SITE:	\$30.2k
FEATURES:	     

MOAMA

Located in the township of Moama, the community features a community centre, heated pool with a bus stop at the front gate and a 10 minute walk to Woolworths. Essential services can be found in Moama.








LOCATION:	6 Boyes Street Moama
REGION:	Riverina/Southern NSW
STATE:	NSW
DATE ACQUIRED:	October 2015
LAND AREA:	11.8ha
TOTAL SITES:	198
TYPE:	Expansion MHE
VALUE:	\$12.3 million
VALUE PER SITE:	\$62.1k
FEATURES:	     

MYOLA

Myola is located on the western shores of Jervis Bay, positioned 30 minutes drive to Nowra and provides access to all services as well as bushwalking, pristine beaches and a range of eateries.











LOCATION:	123 Myola Road Myola
REGION:	South Coast NSW
STATE:	NSW
DATE ACQUIRED:	September 2015
LAND AREA:	4.5ha
TOTAL SITES:	201
TYPE:	Conversion MHE
VALUE:	\$5.4 million
VALUE PER SITE:	\$26.6k
FEATURES:	     

NEPEAN SHORES

Nepean Shores is located at the foot of the Blue Mountains and opposite the Nepean River. Situated nearby are shopping centres, restaurants, cafés, leisure and medical facilities plus easy access to major arterial roads.





LOCATION:	6-22 Tench Avenue Penrith
REGION:	Sydney & Greater Sydney
STATE:	NSW
DATE ACQUIRED:	June 2012
LAND AREA:	6.9ha
TOTAL SITES:	197
TYPE:	Conversion MHE
VALUE:	\$16.0 million
VALUE PER SITE:	\$81.2k
FEATURES:	       

NORTH HAVEN

North Haven is located at the mouth of the Camden Haven River south of Port Macquarie. The community has access to all necessary services at Port Macquarie and the Port Macquarie Airport is only a 30 minute drive away and offers direct flights to Sydney and Brisbane.










LOCATION:	85-89 The Parade North Haven
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	May 2016
LAND AREA:	2.4ha
TOTAL SITES:	129
TYPE:	Conversion MHE
VALUE:	\$7.5 million
VALUE PER SITE:	\$57.8k
FEATURES:	 

OAKLANDS

Positioned opposite the Lake Illawarra and located near walking trails, beaches, fishing spots, golf courses, bowls club, shopping centres, medical facilities and hospitals, Oaklands is strategically located 15km south of Wollongong on the south coast of New South Wales.



LOCATION:	19 Judbooley Parade Windang
REGION:	Illawarra
STATE:	NSW
DATE ACQUIRED:	June 2013
LAND AREA:	6.2ha
TOTAL SITES:	258
TYPE:	Conversion MHE
VALUE:	\$17.3 million
VALUE PER SITE:	\$66.9k
FEATURES:	      

PROPERTY PORTFOLIO CONTINUED.

NEW SOUTH WALES CONTINUED

OCEAN BREEZE

Ocean Breeze boasts close proximity to public transport, shops and coastal recreation. Providing a community hall, pool and bbq facilities the community is well positioned and a 20 minute drive to Newcastle and two hours to Sydney.



LOCATION:	31 Kalaroo Road Redhead
REGION:	Lake Macquarie
STATE:	NSW
DATE ACQUIRED:	April 2014
LAND AREA:	1.6ha
TOTAL SITES:	52
TYPE:	Mature MHE
VALUE:	\$3.4 million
VALUE PER SITE:	\$64.4k
FEATURES:	

OLD BAR

Situated on a 10 hectare site, Old Bar is approved for a 201 site manufactured home estate. The community will be set 100 metres back from the beach and will include a manager's residence, community building, swimming pool, tennis court, bowling green, gymnasium and bbq pavilion.



LOCATION:	Lot 1 Lewis Street Old Bar
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	February 2016
LAND AREA:	5.4ha
TOTAL SITES:	200
TYPE:	Expansion MHE
VALUE:	\$5.2 million
VALUE PER SITE:	\$26.0k
FEATURES:	Development Site

RIVERSIDE

Located in the suburb of Doonbah, with a koala corridor separating the community from the Evans River, Evans Head has access to all necessary services at Ballina and Lismore and is a 90 minute drive to the Gold Coast or two hours to Brisbane.



LOCATION:	560 Woodburn Evans Head Road Doonbah
REGION:	North Coast
STATE:	NSW
DATE ACQUIRED:	December 2014
LAND AREA:	16.6ha
TOTAL SITES:	165
TYPE:	Mature MHE
VALUE:	\$7.5 million
VALUE PER SITE:	\$45.5k
FEATURES:	

SALAMANDER BAY

Salamander Bay is positioned close to the Port Stephens area. With a key card entry system, security is assured. The resort style facilities include a swimming pool, bbqs, and tennis courts located only 2.5 hours north of Sydney and 40 minutes north of Newcastle.



LOCATION:	1 Fleet Street Salamander Bay
REGION:	Hunter
STATE:	NSW
DATE ACQUIRED:	August 2014
LAND AREA:	4.6ha
TOTAL SITES:	258
TYPE:	Conversion MHE
VALUE:	\$8.3 million
VALUE PER SITE:	\$32.0k
FEATURES:	

SANCTUARY

Spread across 5.9 hectares within walking distance to the beach, Sanctuary provides residents with tennis courts, lawn bowls and a community centre all within 5km of key services at Belmont and 18km to Newcastle.



LOCATION:	81 Kalaroo Road Redhead
REGION:	Lake Macquarie
STATE:	NSW
DATE ACQUIRED:	April 2016
LAND AREA:	5.9ha
TOTAL SITES:	180
TYPE:	Mature MHE
VALUE:	\$14.5 million
VALUE PER SITE:	\$80.6k
FEATURES:	

SEA WINDS

Located in One Mile, Sea Winds is a purpose built community located near Anna Bay. Providing swimming pools, a tennis court and community centre, the community is also located close to a shopping centre, medical centre, supermarket, chemist and various dining options.



LOCATION:	2 Frost Road One Mile
REGION:	Hunter
STATE:	NSW
DATE ACQUIRED:	December 2014
LAND AREA:	4.7ha
TOTAL SITES:	148
TYPE:	Mature MHE
VALUE:	\$7.6 million
VALUE PER SITE:	\$51.0k
FEATURES:	



SNAPPY GUMS

Sussex Inlet – The Dunes and Snappy Gums are positioned next to each other and a three hour drive south of Sydney and 45 minutes south of Nowra. Construction works are to commence on a new community centre and bbq area and redevelopment of a community pool.



LOCATION:	157 The Springs Road Sussex Inlet
REGION:	South Coast
STATE:	NSW
DATE ACQUIRED:	October 2014
LAND AREA:	2.8ha
TOTAL SITES:	88
TYPE:	Expansion MHE
VALUE:	\$3.8 million
VALUE PER SITE:	\$42.6k
FEATURES:	

STANHOPE GARDENS

Stanhope Gardens is centrally located in the north-west region of Sydney and is home to a host of local facilities such as walking trails, parks, public transport, medical and shopping centres while the community offers a vegetable garden, resort style swimming pool and library.



LOCATION:	30 Majestic Drive Parklea
REGION:	Sydney & Greater Sydney
STATE:	NSW
DATE ACQUIRED:	September 2011
LAND AREA:	10.4ha
TOTAL SITES:	367
TYPE:	Mature MHE
VALUE:	\$30.0 million
VALUE PER SITE:	\$81.7k
FEATURES:	

TASKERS

Taskers is set in parkland, a short stroll to Flynn's Beach and within easy reach of great shopping and dining options. Public transport and necessary services are within easy reach with the Port Macquarie Airport only 15 minute drive providing direct flights to Sydney and Brisbane.



LOCATION:	1 Ocean Street Port Macquarie
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	April 2014
LAND AREA:	2.3ha
TOTAL SITES:	73
TYPE:	Mature MHE
VALUE:	\$4.3 million
VALUE PER SITE:	\$58.9k
FEATURES:	

CCIA 2016 AWARDS OF EXCELLENCE

DAVID HUGHES

STANHOPE GARDENS COMMUNITY MANAGER

EMPLOYEE OF THE YEAR

David's contribution has been instrumental in:

- › Bringing individual communities together
- › Providing consistency in appropriate behaviours through dedicated mentoring for trainees and new community managers
- › Establishing positive legacies with residents and promoting a positive community environment



PROPERTY PORTFOLIO CONTINUED.

NEW SOUTH WALES CONTINUED

TERRIGAL SANDS

Terrigal Sands comprises 2.7 hectares of land and 95 sites and is a high quality fully occupied community set on the central coast of NSW. This asset is located in close proximity to Terrigal and approximately two hour drive to Sydney.



LOCATION:	12-30 Duffys Road Terrigal
REGION:	Central Coast
STATE:	NSW
DATE ACQUIRED:	July 2016
LAND AREA:	2.7ha
TOTAL SITES:	95
TYPE:	Mature MHE
VALUE:	\$8.5 million
VALUE PER SITE:	\$89.5k
FEATURES:	

THE DUNES

Sussex Inlet – The Dunes and Snappy Gums are positioned next to each other and a three hour drive south of Sydney and 45 minutes south of Nowra. Construction works are to commence on a new community centre and bbq area and redevelopment of a community pool.



LOCATION:	187 The Springs Road Sussex Inlet
REGION:	South Coast
STATE:	NSW
DATE ACQUIRED:	October 2014
LAND AREA:	4.1ha
TOTAL SITES:	107
TYPE:	Expansion MHE
VALUE:	\$5.8 million
VALUE PER SITE:	\$53.7k
FEATURES:	

THE PINES

The Pines is positioned 25km north of Coffs Harbour, 3km south of Woolgoolga, and set alongside the Hearn Lake. Featuring a mix of short and long-term sites the facilities include a community hall, tennis court and bbq facilities.



LOCATION:	8 Hearn Lake Road Woolgoolga
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	December 2014
LAND AREA:	20.0ha
TOTAL SITES:	164
TYPE:	Conversion MHE
VALUE:	\$7.1 million
VALUE PER SITE:	\$43.3k
FEATURES:	

THE RETREAT

The Retreat is located 5km southwest of Port Macquarie and provides an onsite hair salon, bowling green, community centre, pool and bbq facilities. The community provides access to all necessary services.



LOCATION:	3 Lincoln Road Port Macquarie
REGION:	Mid North Coast
STATE:	NSW
DATE ACQUIRED:	April 2014
LAND AREA:	12.2ha
TOTAL SITES:	193
TYPE:	Mature MHE
VALUE:	\$13.8 million
VALUE PER SITE:	\$71.2k
FEATURES:	

TWEED HEADS

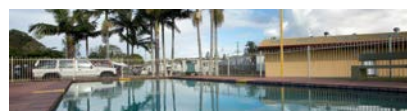
Located on the banks of the Tweed River and 110km from Brisbane, Tweed Heads provides residents with quality amenities in close proximity to key services.



LOCATION:	186 Chinderah Bay Drive Chinderah
REGION:	Northern Rivers
STATE:	NSW
DATE ACQUIRED:	May 2014
LAND AREA:	4.0ha
TOTAL SITES:	147
TYPE:	Conversion MHE
VALUE:	\$7.5 million
VALUE PER SITE:	\$51.0k
FEATURES:	

TWEED SHORES

Tweed Shores is ideally located in the Northern Rivers region of New South Wales and only 15 minutes from Domestic and International Airports.




LOCATION:	101 Anne Street Chinderah
REGION:	Northern Rivers
STATE:	NSW
DATE ACQUIRED:	May 2014
LAND AREA:	2.8ha
TOTAL SITES:	78
TYPE:	Conversion MHE
VALUE:	\$4.0 million
VALUE PER SITE:	\$51.3k
FEATURES:	



ULLADULLA

With access to all necessary services, local bus and taxi services and located in close proximity to the Ulladulla Harbour, Gateway Ulladulla is 200 metres to Racecourse Beach and only 3km to Ulladulla town centre.




LOCATION:	370 Princes Highway Ulladulla
REGION:	South Coast
STATE:	NSW
DATE ACQUIRED:	November 2015
LAND AREA:	2.6ha
TOTAL SITES:	165
TYPE:	Conversion MHE
VALUE:	\$10.0 million
VALUE PER SITE:	\$60.6k
FEATURES:	

VALHALLA

Valhalla is located 450 metres from the shores of Lake Macquarie and 2km from the Munmorah State Recreation Reserve. The community has transportation at the front gate and access to all necessary services at Wyong.




LOCATION:	25 Mulloway Road Chain Valley Bay
REGION:	Central Coast
STATE:	NSW
DATE ACQUIRED:	November 2014
LAND AREA:	28.1ha
TOTAL SITES:	423
TYPE:	Expansion MHE
VALUE:	\$33.0 million
VALUE PER SITE:	\$78.0k
FEATURES:	

YAMBA WATERS

With the convenience of entertainment at the doorstep, Yamba provides nearby golf courses, shopping centres and cafés and access to all necessary services at Ballina, Lismore or Grafton.



LOCATION:	36 Golding Street Yamba
REGION:	Clarence River Valley
STATE:	NSW
DATE ACQUIRED:	August 2013
LAND AREA:	8.1ha
TOTAL SITES:	217
TYPE:	Conversion MHE
VALUE:	\$6.9 million
VALUE PER SITE:	\$31.8k
FEATURES:	

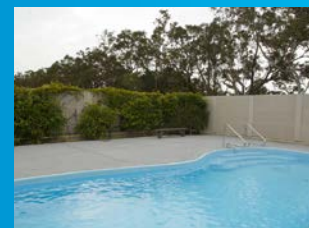
CCIA 2016 AWARDS OF EXCELLENCE

VALHALLA

BEST LAND LEASE COMMUNITY

Valhalla delivers place and value to residents through:

- › Open green spaces promote a healthy and active lifestyle
- › A master planned design with high quality urban environments that fosters a cohesive community
- › Community Managers provide valuable support to the community



PROPERTY PORTFOLIO CONTINUED.

QUEENSLAND CONTINUED

ASPLEY

Situated with easy access to Brisbane's major arterial roads, Aspley provides access to transport options, local restaurants and services. Currently undergoing development, the community will feature a bowling green, swimming pool and a community centre.



LOCATION:	779 Zillmere Road Aspley
REGION:	Brisbane and Metropolitan
STATE:	QLD
DATE ACQUIRED:	December 2012
LAND AREA:	4.9ha
TOTAL SITES:	168
TYPE:	Conversion MHE
VALUE:	\$10.8 million
VALUE PER SITE:	\$64.0k
FEATURES:	

BAYSIDE

Located 13km from the Brisbane CBD with easy access to the motorway and Moreton Bay, Bayside provides the advantage of a location close to the city while boasting beautiful grounds and excellent facilities.



LOCATION:	905 Manly Road Tingalpa
REGION:	Brisbane and Metropolitan
STATE:	QLD
DATE ACQUIRED:	December 2009
LAND AREA:	6.6ha
TOTAL SITES:	167
TYPE:	Expansion MHE
VALUE:	\$11.7 million
VALUE PER SITE:	\$70.1k
FEATURES:	

BREMER WATERS

Gateway Lifestyle Bremer Waters has access to all necessary services at Ipswich and is only 35 minutes to Brisbane. There's a Community Bus as well as transport at the gate, and the Ipswich Hospital is only 10 minutes away.



LOCATION:	102a Moores Pocket Road Moores Pocket
REGION:	Ipswich
STATE:	QLD
DATE ACQUIRED:	May 2014
LAND AREA:	12.0ha
TOTAL SITES:	183
TYPE:	Mature MHE
VALUE:	\$12.6 million
VALUE PER SITE:	\$68.9k
FEATURES:	

COOMBABAH

Coombah is a 20 minute drive to the Gold Coast and located close to shopping and key services. The locale provides walking trails, boardwalks, golf courses, fishing and boating while residents enjoy an array of onsite facilities.



LOCATION:	22 & 38 Handsford Road Coombah
REGION:	Gold Coast
STATE:	QLD
DATE ACQUIRED:	October 2013
LAND AREA:	9.4ha
TOTAL SITES:	247
TYPE:	Mature MHE
VALUE:	\$16.4 million
VALUE PER SITE:	\$66.2k
FEATURES:	

EDGEWATER

Edgewater is centrally located on the Sunshine Coast, close to medical facilities, public transport and the domestic airport. Facilities include a community centre, bowling green, swimming pool and tennis court set within 52.3 hectares.



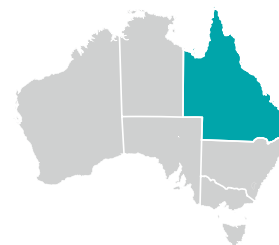
LOCATION:	171 David Low Way, Bli Bli and 5 & 6 McDonalds Road, Bli Bli
REGION:	Sunshine Coast
STATE:	QLD
DATE ACQUIRED:	December 2013
LAND AREA:	52.3ha
TOTAL SITES:	210
TYPE:	Mature MHE
VALUE:	\$17.0 million
VALUE PER SITE:	\$80.9k
FEATURES:	

GOODNA

Ideally located on the banks of the Brisbane River, Goodna is located ~25km from Brisbane's CBD features landscaped gardens and direct access to transport with close access to essential services.



LOCATION:	199 Brisbane Terrace Goodna
REGION:	Ipswich
STATE:	QLD
DATE ACQUIRED:	September 2011
LAND AREA:	10.2ha
TOTAL SITES:	99
TYPE:	Mature MHE
VALUE:	\$5.5 million
VALUE PER SITE:	\$55.6k
FEATURES:	



GREENBANK

Set within manicured gardens, Greenbank is ~30km to Brisbane and is serviced by public transport, shopping centre, department stores, and medical centres. Facilities offered include a community centre, bowling green, library, pool and gym.



LOCATION:	26 Andrew Road Greenbank
REGION:	Logan City
STATE:	QLD
DATE ACQUIRED:	November 2014
LAND AREA:	3.3ha
TOTAL SITES:	83
TYPE:	Expansion MHE
VALUE:	\$5.9 million
VALUE PER SITE:	\$70.5k
FEATURES:	

MAROOCHY

Opposite the Maroochy River on the Sunshine Coast, the community is close to major retail and service centres and a 90 minute drive to Brisbane.



LOCATION:	319 Bradman Avenue Maroochydore
REGION:	Sunshine Coast
STATE:	QLD
DATE ACQUIRED:	December 2013
LAND AREA:	5.4ha
TOTAL SITES:	258
TYPE:	Conversion MHE
VALUE:	\$16.0 million
VALUE PER SITE:	\$62.0k
FEATURES:	

RAINBOW WATERS

Rainbow Waters is positioned on eight hectares of landscaped bushland on the shores of the Great Sandy Straits, the community has access to all essential services at Gympie and is approximately two hour drive to the Sunshine Coast Airport.



LOCATION:	308 Carlo Road Rainbow Beach
REGION:	Sunshine Coast
STATE:	QLD
DATE ACQUIRED:	April 2016
LAND AREA:	9.3ha
TOTAL SITES:	521
TYPE:	Conversion MHE
VALUE:	\$8.0 million
VALUE PER SITE:	\$15.4k
FEATURES:	

REDBANK PALMS

Redbank Palms is located 30 minutes from Brisbane in Ipswich. Close to the Brisbane River, this community has access to services and provides a bowling green, swimming pools, library, and onsite doctor's surgery and hairdresser.



LOCATION:	31 Kruger Parade Redbank
REGION:	Ipswich
STATE:	QLD
DATE ACQUIRED:	April 2014
LAND AREA:	8.0ha
TOTAL SITES:	151
TYPE:	Mature MHE
VALUE:	\$10.0 million
VALUE PER SITE:	\$66.2k
FEATURES:	

REDLANDS

Positioned between Brisbane, Logan and the Gold Coast, Redlands offers residents a combination of city and bayside living. Featuring quality amenities and close to services the community provides further opportunity with the development of 48 long-term sites on adjoining land.



LOCATION:	22-34 Collingwood Road Birkdale
REGION:	Brisbane and Metropolitan
STATE:	QLD
DATE ACQUIRED:	August 2012
LAND AREA:	3.5ha
TOTAL SITES:	127
TYPE:	Conversion MHE
VALUE:	\$6.3 million
VALUE PER SITE:	\$49.2k
FEATURES:	

REGAL WATERS

Situated in a valley beside the Logan River, 35km from Brisbane, Regal Waters incorporates two recreation centres, a gymnasium, library and a games room. Spread over 17 hectares the community land with approval for an additional 28 long-term sites.



LOCATION:	16-29 Holzheimer Road Bethania
REGION:	Logan City
STATE:	QLD
DATE ACQUIRED:	October 2013
LAND AREA:	17.1ha
TOTAL SITES:	201
TYPE:	Mature MHE
VALUE:	\$11.8 million
VALUE PER SITE:	\$58.5k
FEATURES:	












QUEENSLAND CONTINUED

TWIN CEDARS

Located near the foot of Mount Tibrogargan in the Sunshine Coast hinterland, Twin Cedars provides a semi-rural location with close proximity to major shopping centres, hospitals, entertaining precincts and the beaches at nearby Caloundra.



LOCATION:	466 Steve Irwin Way Beerburrum
REGION:	Sunshine Coast
STATE:	QLD
DATE ACQUIRED:	December 2014
LAND AREA:	4.3ha
TOTAL SITES:	85
TYPE:	Expansion MHE
VALUE:	\$4.7 million
VALUE PER SITE:	\$55.3k
FEATURES:	        



VICTORIA

BALLARAT

Ballarat, features landscaped gardens, a lagoon style pool, tennis court and the security of onsite Community Managers. Ballarat has access to all necessary entertainment and essential services whilst being situated only 75 minute drive to Melbourne or 90 minutes by train.



LOCATION:	263 Scott Parade Ballarat
REGION:	Lower Western Plains
STATE:	VIC
DATE ACQUIRED:	November 2014
LAND AREA:	2.9ha
TOTAL SITES:	130
TYPE:	Conversion MHE
VALUE:	\$8.0 million
VALUE PER SITE:	\$61.5k
FEATURES:	

BENALLA

Located in Victoria's high country, 200km from Melbourne, Benalla is positioned near a range of regional tourist attractions. Additionally, the community offers a community room, swimming pool and bbq facilities for residents.



LOCATION:	115 Sydney Road Benalla
REGION:	North Eastern Victoria
STATE:	VIC
DATE ACQUIRED:	June 2014
LAND AREA:	4.1ha
TOTAL SITES:	92
TYPE:	Conversion MHE
VALUE:	\$4.6 million
VALUE PER SITE:	\$50.2k
FEATURES:	

HEALESVILLE

Healesville is located in Victoria's scenic Yarra Valley, ~60km northeast of Melbourne. Regional attractions abound whilst the community offers residents a quiet community featuring a community centre and swimming pool.



LOCATION:	322 Don Road Healesville
REGION:	Yarra Ranges
STATE:	VIC
DATE ACQUIRED:	October 2014
LAND AREA:	2.6ha
TOTAL SITES:	87
TYPE:	Conversion MHE
VALUE:	\$3.5 million
VALUE PER SITE:	\$40.2k
FEATURES:	

LAKES ENTRANCE

Lakes Entrance is located close to public transport, an 18 hole golf course and two minutes to shopping and beaches. The community features a recreation room with a pool table and quality amenities including a bbq area catering for outdoor entertainment.



LOCATION:	86 Golf Links Road Lakes Entrance
REGION:	Gippsland Lakes
STATE:	VIC
DATE ACQUIRED:	May 2016
LAND AREA:	2.4ha
TOTAL SITES:	50
TYPE:	Mature MHE
VALUE:	\$2.6 million
VALUE PER SITE:	\$52.0k
FEATURES:	

INVESTOR *relations*

The Gateway Lifestyle website, www.gatewaylifestyle.com.au contains important information on the Group including recent annual reports and Australian Securities Exchanges (ASX) announcements, historical information about distributions paid, security pricing and securities on issue. While visiting the site, securityholders can access Link Market Services' website, the registry provider for GTY. Link Market Services manages the GTY registry and can assist with investment details including holding balances and payment history.

APPROACH TO INVESTOR RELATIONS

The Group's securityholder base is made up of both institutional and retail investors. The management team regularly engage and communicate with all investors through a specific schedule undertaken throughout the year. This includes the results presentations, immediately following the release of the financial statements to the ASX in August and February each year, which provide investors with a detailed overview of the Group's performance for the relevant period.

SECURITYHOLDERS

Our securityholders are valued and are actively encouraged to provide feedback and communicate throughout the year.

ANNUAL GENERAL MEETING

The annual general meeting of securityholders provides all securityholders with an opportunity to engage directly with the Directors and Executive Management, and to question the Board and Chairman on matters relating to the business of the Group. A detailed presentation on the performance and management of the Group is lodged with the ASX and delivered by the CEO and Chairman at the meeting.

INDUSTRY CONFERENCES

Throughout the year management promotes the Group by attending various industry conferences, meeting with existing and potential investors and providing further clarification on the Group's operations, strategy and competitive advantage.

ASX LISTING

Gateway Lifestyle Group is listed on the ASX. The ASX code for the Group is "GTY". Securityholders wishing to trade their securities will need to use the services of a stockbroker or online broking facility.

ANNUAL TAXATION STATEMENT

The Group produces the annual tax statement in September each year. This statement advises the taxable income for the financial year ended 30 June. Securityholders may view their financial year 2016 annual taxation statement by visiting investor.gatewaylifestyle.com.au/Investor-Centre and accessing "Investor Login" on the landing page.

DISTRIBUTION PAYMENTS

The Group pays distributions half-yearly in September and March.

DISTRIBUTION REINVESTMENT PLAN

There is no distribution reinvestment plan (DRP) currently in place. Should this change, an ASX announcement will be made to the market and participation forms will be sent to securityholders.

ON-MARKET BUY BACK

There is no current on-market buy back.

SECURITIES ON ISSUE

The number of GTY securities on issue currently stands at 299,397,735.

2016/2017 KEY DATES¹

Distribution paid for half year ended 30 June 2016	26 September 2016
FY2016 Annual Taxation Statements available	26 September 2016
Annual General Meeting	17 November 2016
Half year results for six months to 31 December 2016 released to ASX	27 February 2017
Distribution payment for half year ended 31 December 2016	28 February 2017
Annual results for year to 30 June 2017 released to ASX	30 August 2017
Distribution paid for half year ended 30 June 2017	September 2017
FY2017 Annual Taxation Statements available	September 2017
FY2017 Annual Report available	September 2017

¹ These timings are indicative only and subject to change.

ENQUIRIES

If a securityholder wishes to advise of a change of address, altered or closed bank account to which distributions are directed, or wishes to advise a tax file number, then please contact GTY's registry provider as follows:

Link Market Services Limited

Locked Bag A14
Sydney South NSW 1235
Phone: Freecall (+61) 1300 554 474
Fax: +61 2 9287 0303
Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Enquiries about Gateway can be directed to the Investor Relations representative as follows:

Gateway Lifestyle Group

Suite 303, 7-9 Irvine Place
Sydney NSW 2153
Phone: +61 2 8818 9600
Email: investor@gatewaylifestyle.com.au

Complaints

Any securityholder wishing to register a complaint should direct it to the Investor Relations representative in the first instance.

GLOSSARY

of terms

TERM	MEANING
ASX	ASX Limited ABN 98 008 624 691, or the financial market operated by it, as the context requires
ASX Corporate Governance Recommendations	Revised in 2014, the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition)
Board	The board of directors of the Company or the Responsible Entity, as applicable and Board means both of them acting jointly as the board of Gateway Lifestyle
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Company	Gateway Lifestyle Operations Limited ACN 605 543 968
Constitution	The constitution of the Company and/or the Trust (as the context requires)
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Director	A member of the board of Gateway Lifestyle, the Company or OMIFL from time to time
Gateway Lifestyle or GTY	The Company and the Trust together
IPO	Initial public offering
MHE	Manufactured home estate
OMIFL	One Managed Investment Funds Limited ABN 47 117 400 987 in its capacity as responsible entity of the Trust AFSL: 297042
Prospectus or PDS	The prospectus and product disclosure statement dated and lodged with ASIC on 21 May 2015
Registry	Link Market Services Limited ABN 54 283 214 537
Senior Australian	An Australian who is aged over 55 years
Shares	Shares in the Company
Securities	A stapled security consisting of a Share and a Unit
Securityholder	Holder of Stapled Securities
Trust or RPT 2	Residential Parks No. 2 Trust ARSN: 605 803 414
Unit	An ordinary fully paid unit in Residential Parks No.2 Trust

CORPORATE directory

REGISTERED OFFICE

Gateway Lifestyle Group
Suite 303, 7-9 Irvine Place, Bella Vista NSW 2153,
Australia
Phone: 02 8818 9600
Email: investor@gatewaylifestyle.com.au

DIRECTORS

Andrew Love (Chairman)
Rachel Launders
Stephen Newton
Andrew Fay
Trent Ottawa (Chief Executive Officer)

DIRECTORS OF OMIFL

Frank Tearle
Justin Epstein
Elizabeth Reddy

REGISTERED OFFICE OF OMIFL

Level 11, 20 Hunter Street,
Sydney, NSW, 2000, Australia

COMPANY SECRETARY

Leanne Nolan

ASX CODE

GTY

REGISTRY

Link Market Services Limited
Level 12, 680 George Street,
Sydney, NSW, 2000, Australia
Telephone: +61 1300 554 474
Fax: +61 2 9287 0303
Email: registrars@linkmarketservices.com.au

AUDITORS

Ernst & Young
The EY Centre, 200 George Street,
Sydney NSW 2000, Australia

SOLICITORS

Herbert Smith Freehills
ANZ Tower, 161 Castlereagh Street,
Sydney NSW 2000

BANKERS

Australia and New Zealand Banking Group Limited
Commonwealth Bank of Australia

CORPORATE WEBSITE

www.gatewaylifestyle.com.au

DISCLAIMER

This Securityholder Review has been prepared by the Company and contains summary information about the Group's activities. One Managed Investments Funds Limited (ACN 117 400 987 (AFSL 297042) (OMIFL) is the responsibility entity of the Residential Parks No 2 Trust (ARSN 605 803 414). The information in this Securityholder Review was not prepared by OMIFL. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information cannot be warranted or guaranteed by OMIFL. The information in the Securityholder Review is of a general background nature and does not purport to be complete or contain all the information security holders would require to evaluate their investment in GTY. Past performance information is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. Forward-looking statements, opinions and estimates provided in this report are inherently uncertain and are based on assumptions and estimates which are subject to change without notice, as are statements about market and industry trends, which are based on interpretation of market conditions. Actual results and performance may vary materially because events and actual circumstances frequently do not occur as forecast and future results are subject to known and unknown risk such as changes in market conditions and in regulations. Investors should form their own views as to these matters and any assumptions on which any of the forward-looking statements are based and not place reliance on such statements. Information in this report, including forecast financial information, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities. Before acting on any information, you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice



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