

The Depository Trust Company
IMPORTANT

B#: 1452
DATE: February 07, 2001
TO: All Participants
CATEGORY: Dividends
FROM: Anthony Capizzi, Domestic Tax Services, Dividend Dept.
ATTENTION: Managing Partner/Officer, Cashier, Dividend Mgr. Tax Mgr.
SUBJECT: MGI Properties
CUSIP# 552885105
2000 Tax Information

The attached correspondence containing tax information was received by the Depository Trust Company. If applicable please consult your tax advisor to assure proper treatment of this event.

Attachment

50 Congress Street
 Boston, Massachusetts 02109
 (617) 248-2300
 (617) 248-2310 FAX

MGI Properties

JANUARY 8, 2001

MGI PROPERTIES FEDERAL INCOME TAX INFORMATION FOR 2000

MGI Properties Paid you on:	These cash Liquidating Distributions Per share:	This non-cash Liquidating Distribution Per share:	Total Liquidating Distributions Per share:
April 13, 2000	\$3.00 ✓	-	\$3.0000
September 28, 2000	\$1.85 ✓	-	\$1.8500
September 30, 2000	-	\$1.0232 ✓	\$1.0232
	<u>\$4.85</u>	<u>\$1.0232</u>	<u>\$5.8732</u>

Under the provisions of the Internal Revenue Code, distributions made after the adoption of a Plan of Liquidation are considered liquidating distributions and will not be dividend income when received by shareholders. Distributions in liquidation are first applied to reduce a shareholder's tax basis in his or her shares of MGI with the excess, if any, generally constituting a capital gain, short or long term, as applicable. Shareholders are urged to consult their own tax advisors concerning the tax consequences to them of the receipt of these distributions and the appropriate reporting of these distributions.

Stock listing through September 27, 2000:
 New York Stock Exchange - Symbol MGI
 CUSIP #552885 10 5

MGI Properties is a Massachusetts Trust and all persons dealing with the Trust must look solely to the property of this Trust for the satisfaction of any claims against this Trust. Neither the Trust, officers, agents nor shareholders of this Trust assume any personal liability in connection with its business or assume any personal liability for obligations entered into on its behalf.