



QUARTERLY UPDATE

October – December 2017



US Masters
Residential
Property Fund



Executive Summary

US Masters Residential Property Fund (URF or Fund) is pleased to provide the fourth quarterly update of 2017, presenting information from the quarter ended 31 December 2017.

The Leasing Team boasted a strong finish to 2017, renting a record number of properties in the fourth quarter compared to years past. The Team secured new leases on 75 properties during the quarter, set to produce a total annualised rent of US\$2.92 million. Renewals remained strong in the final quarter of the year, with 155 renewed leases providing a total annualised rental income of US\$3.93 million – a 4.4% increase in revenue to the Fund.

Following an investment of US\$12.8 million, the Renovation and Restoration Team added 27 newly-renovated homes to the Fund's portfolio. Twelve of these completed projects were large-scale renovations with anticipated combined annualised incomes totalling US\$881,832. Additionally, 15 small-scale renovations are expected to contribute an additional US\$490,710 per annum. URF's commitment to adding value wherever possible and maximising available square footage throughout each renovation underpinned the revitalisation of a home on Hopkins Avenue in Jersey City Heights. Read on about the unique transformation of this stunning home on page 5.

(CONTINUED ON PAGE 3)

Contents

- 2**
Executive Summary
- 4**
Operational Overview
- 7**
Case Studies
- 9**
Portfolio Analysis
- 10**
Closed Properties
- 11**
New Leases
- 13**
URF Fund Statistics



During the final quarter of the year, the Acquisitions & Asset Management Team evaluated 208 properties with a total combined value of US\$116.3 million. Of these, 161 received offers totalling US\$56.5 million. By the end of the quarter, the Fund had gained 10 properties for a combined outlay of US\$3.7 million: four in Bayonne and six in Jersey City.

We look forward to updating unit holders on our progress in the coming months. We sincerely thank you for your continued support.

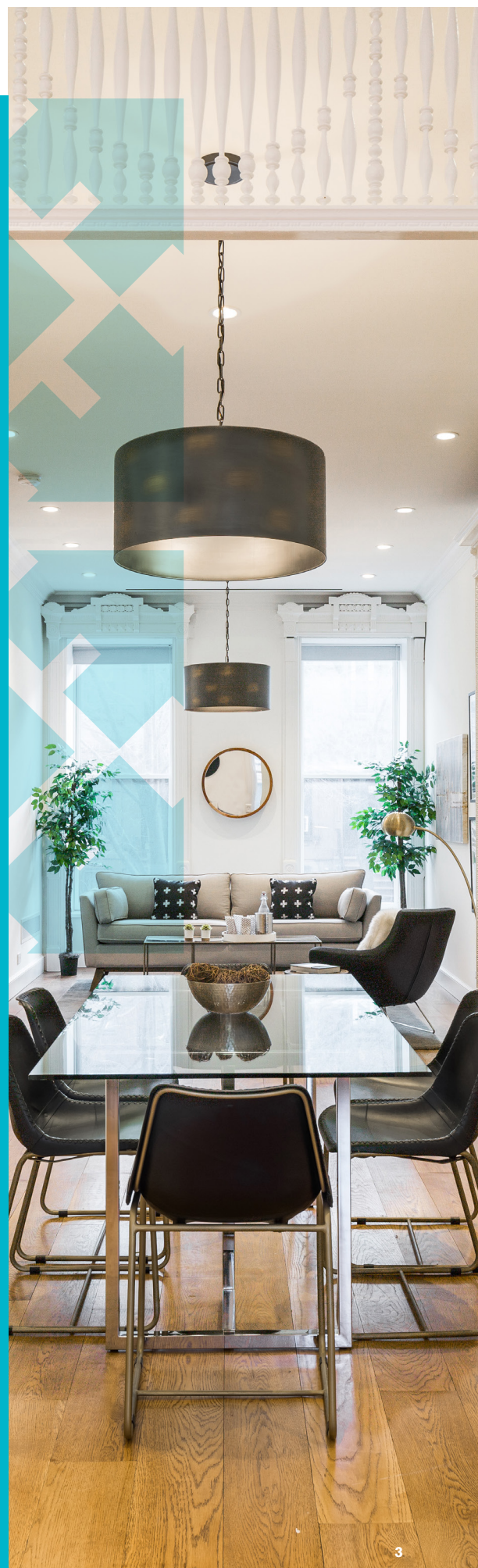


Alan Dixon

Managing Director and CEO

Quarter Highlights

- URF's high-quality property portfolio now comprises **1,717 total housing units** across 655 freestanding houses and 16 multi-family buildings.
- The Fund currently has **98 properties in the renovation pipeline**, which are expected to contribute a further US\$12.1 million of rental revenue per annum.
- The Fund leased Willow Avenue in Hoboken, New Jersey for **US\$11,807 per month, the highest rent in Hoboken in 2017**.
- The Fund leased Lafayette Avenue in Clinton Hill, Brooklyn for **US\$15,495 per month**, an 11% increase on the previous lease.
- The Fund **sold three properties for a total price of US\$3.3 million**. This represents a profit to asset cost of US\$500,000, or 19%.



Quarterly Operational Overview



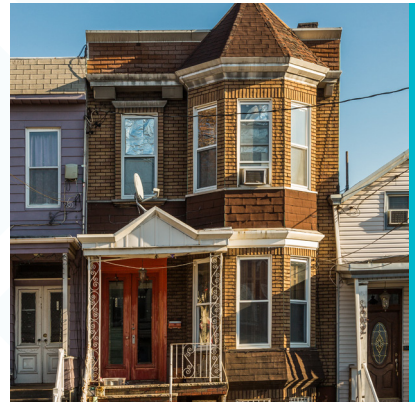
Acquisitions & Asset Management

Continuing a trend from the preceding quarter, the Acquisition Team observed Southern Hudson County's average days on market decline a further 9.3%, indicating that demand wasn't slowing despite cold weather and holiday festivities. The competitive market was no match for the Acquisition Team who are experts at accurately valuing properties within tight timeframes. Overall, the Team evaluated a total of 208 properties with a combined value of US\$116.3 million. Of these, 161 received offers totalling US\$56.5 million. Ultimately, the Fund purchased 10 properties for a combined outlay of US\$3.7 million: four in Bayonne and six in Jersey City.

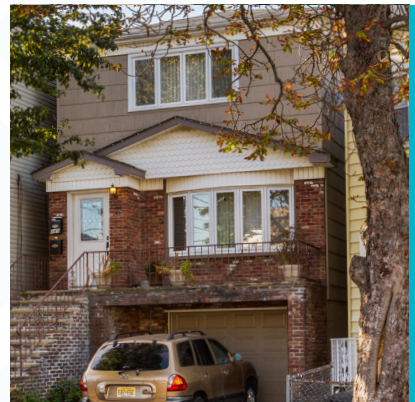
The Fund was excited to acquire 338 Webster Avenue, a charismatic two-family home located on a prime Jersey City Heights perch equipped with perhaps the most coveted amenity in the New York Metropolitan area; off-street parking. The property's supreme location grants easy access to a bevy of entertainment and transportation options alike. Future residents will be happy to know the nearby 9th Street Light Rail allows for a quick 30-minute commute to Downtown Manhattan. Leveraging the Fund's strong relationships within the local brokerage community, this property was acquired as an off-market transaction for US\$440,000, a 12% discount to the listed sale price of US\$499,000. This property is anticipated to yield approximately 4.68% per annum following a modern renovation.

145 Hobart Ave sits on a lovely tree-lined street in Bayonne only 40 minutes from Downtown Manhattan. Each unit of this two-family home features a large, open floorplan, as well as a dedicated parking spot; a highly desirable amenity in parking-constrained Bayonne. The property was purchased in well-kept condition, and will prove move-in ready after a light modernisation. Originally valued at US\$340,000, the Fund was able to acquire the property for just US\$267,000, a remarkable 21% discount. Once the renovation is complete, we anticipate a final valuation of US\$500,000 and a yield of 4.27%.

Back in Jersey City Heights, 58 Waverly Street is a grand two-family home occupying a large lot that promises ample parking space. The home boasts two well-configured apartments, providing great bones for the Renovation and Restoration Team to build upon. Waverly Street is situated just 30 minutes from Downtown Manhattan and a short four-minute walk from bustling Central Avenue. The Fund acquired the property for US\$525,000, a US\$24,000 discount from the original asking price. Following its renovation, Waverly Street is expected to provide a strong yield of 6.27%.



Recently acquired
338 Webster Ave, Jersey City Heights



Recently acquired
145 Hobart Ave, Bayonne



Recently acquired
58 Waverly St, Jersey City Heights





Renovation and Restoration

Following an investment of US\$12.8 million, the Renovation and Restoration Team finalised 27 renovated properties for the rental market. Of these, 12 were large-scale projects, anticipated to contribute US\$881,832 in annual rental income.

Specialising in the revitalisation of homes rather than complete rebuilds, the Renovation and Restoration Team credits the success of each home to the distinctive strategy behind it. Among these exciting renovations backed by unique approaches was a freestanding home on Hopkins Avenue in the thriving Jersey City Heights neighbourhood. Hopkins Avenue is a fairly narrow home measuring about 15-feet wide, in comparison to a typical townhome characteristically 20-feet wide. Although seemingly a negative, this narrowness meant the Team could strategically configure an open floorplan without adding supplementary structural support.

What began as a dull home with an outdated kitchen and cramped spaces, is now an impressive home filled with sunlight and coveted amenities, including on-site parking and brand-new hardwood floors. The kitchen was redesigned and outfitted with a suite of stainless steel appliances, breakfast bar seating and a floor-to-ceiling backsplash behind extra storage space in an otherwise useless corner. Nearby, a large living room hosts a newly-incorporated washer/dryer in the closet, adding amenity whilst conserving precious square footage.

The home's new layout allowed the Team to design three airy bedrooms each with ample closet space. Finally, two-and-a-half bathrooms were upgraded with modern finishes and beautiful tile work. The Team wisely kept these bathrooms in the rear deterring the need for plumbing to run the length of the home.

In addition to these large-scale projects, the Team completed 15 small-scale renovations. Their combined increases are expected to contribute a total of US\$490,710 in annualised rental income to the Fund.



Kitchen at
Hopkins Avenue, Jersey City Heights



Bathroom at
Hopkins Avenue, Jersey City Heights



Living Room at
Hopkins Avenue, Jersey City Heights

Tenancy

The Leasing Team boasted a strong finish to 2017, renting a record number of properties in the fourth quarter compared to years past, indicating that the market may be moving away from long-held historic seasonal trends.

In the final quarter of the year, the Team leased a total of 75 properties and renewed 155 leases. Of the new leases, 22 were new construction, generating a total annualised rental income of US\$1.09 million, while the remaining 53 leases were new leases on existing properties, bringing in a total annualised rental income of US\$1.83 million, or a 6.8% increase in revenue to the Fund. During the same period, 155 leases were renewed for a total annualised rental income of US\$3.93 million, a 4.4% increase in revenue to the Fund.

Notable events:

- The Willow Avenue property in Hoboken, NJ was successfully leased for US\$11,807 per month, the highest rent in Hoboken in 2017.
- A significant 11% increase over the previous lease amount, a property on Lafayette Avenue in Clinton Hill, Brooklyn was leased for US\$15,495 per month.
- As a result of a thoughtfully-designed layout and modern upgrades, Unit 5B at the 34th Street joint venture building in Astoria, New York was leased at 37.9% above the forecast price.



Recently leased
Willow Avenue, Hoboken



Recently leased
Lafayette Avenue, Brooklyn



Recently leased
34th Street, Astoria

Case Studies



Renovation and Restoration

On West 139th Street in Harlem, the Renovation and Restoration Team was challenged with transforming a weathered home into a palatial palace equally as profound as its historically significant Strivers' Row location. Sitting years with improper roofing, this home proved dangerous and devastated upon purchase, but the Team was driven to give this home the renovation it deserved.

With no original details in proper shape to preserve, West 139th Street was completely gutted and transformed into a single-family, modern gem on a historic block. The sizable footprint of the home inspired the Team to incorporate several luxurious amenities. Crumbling stairs were replaced with a brand-new winding staircase, lacklustre living rooms became expansive gathering spaces and the noble exterior received the facelift it was meant for. The home now includes a dramatic kitchen that makes a statement with a full suite of professional-grade stainless steel appliances, designer finishes and a seemingly endless island perfect for dinner party preparations. A private elevator runs from bottom to top, and Glazing Vision's skybox product grants rooftop access and vast views in cooperation with the surrounding area's historic guidelines. With these features, sprawling common areas and modern lighting and finishes throughout, it's clear this home was designed for entertaining.

West 139th Street is now a stately home with highly-desirable amenities and striking spaces that encourage its future residents to live lavishly.

WEST 139TH STREET, HARLEM

Acquisition Date: 2 November 2014

Total Cost: US\$4,729,949

Purchase Price: US\$900,000

Estimated Monthly Rent: US\$16,870

Single-family detached one side

4 bed / 5 bath

Net Square Footage: 3,369 square feet

Note: Total cost includes purchase price, acquisition fees and construction costs.



BEFORE Recently restored
West 139th Street, Harlem



AFTER Recently restored
West 139th Street, Harlem



AFTER Recently restored
West 139th Street, Harlem





Acquisitions & Asset Management

This 19th-Century property stands tall on a quiet, one-way street in Jersey City Heights. 92 Sherman Avenue is only a 10-minute walk to the Light Rail for a 35-minute total commute to Downtown Manhattan, and is just a five-minute walk to a variety of amenities situated on the area's bustling thoroughfare, Central Avenue. On the market for the first time in over two decades, 92 Sherman Avenue was acquired with the intention of modernising each of the three units before hitting the leasing market. Although the Fund was impressed by the property's three spacious units upon acquisition, the largest selling point was the third unit's unobstructed views of Downtown Manhattan. These impressive views inspired plans for a renovation that further highlights the view to dramatically increase the value and future yields of this already attractive home.

The property was purchased for US\$600,000, a 7.7% discount to the asking price of US\$650,000. Upon completion of the renovation, 92 Sherman Avenue will contain three highly-desirable units in this sought-after neighbourhood, with an anticipated future value of US\$950,000 and an annual yield for the Fund of 5.07%.



Recently acquired
92 Sherman Avenue, Jersey City Heights

92 SHERMAN AVENUE, JERSEY CITY HEIGHTS

Acquisition Date: 3 October 2017

Total Cost: US\$633,377

Purchase Price: US\$600,000

Estimated Monthly Rent: US\$7,085

Three-family detached

5 bed / 3 bath

Net Square Footage: 2,513 square feet

Note: Total cost includes purchase price, acquisition fees and construction costs.

Portfolio Analysis

- During the quarter, the Fund purchased 10 properties for a total cost of US\$3.7 million.
- The Fund sold three properties for a total price of US\$3.3 million. This represents a profit to asset cost of US\$500,000, or 19%.

FREESTANDING PORTFOLIO

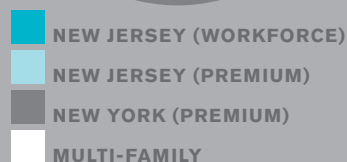
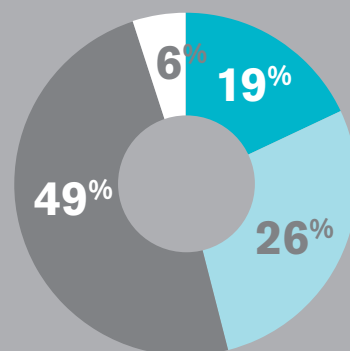
| AREA | PROPERTIES | VALUE (US\$) |
|----------------------|------------|---------------|
| New York Premium | 148 | 448.4 million |
| New Jersey Premium | 121 | 236.1 million |
| New Jersey Workforce | 386 | 173.4 million |
| Total | 655 | 857.9 million |

MULTI-FAMILY PORTFOLIO

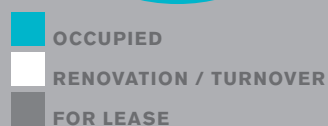
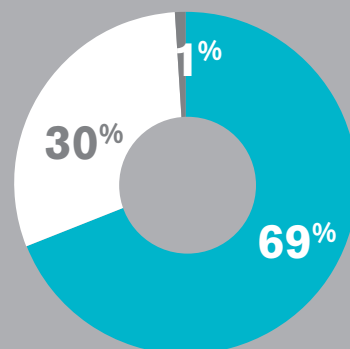
| JOINT VENTURE ENTITY | UNITS | VALUE (US\$) |
|----------------------------|-------|--------------|
| Hudson County Multi-Family | 400 | 36.8 million |
| Washington Heights | 84 | 12.9 million |
| Astoria, Queens | 70 | 13.5 million |
| Total | 554 | 63.2 million |

The Fund is in the process of finalising a property portfolio valuation exercise. Accordingly, the unaudited NAV as at 31 December 2017 does not take into account any resulting fair value uplift of the property portfolio. Any resulting fair value uplifts that arise from the portfolio valuation will be reflected in the Fund's annual statutory financial statements and in subsequent monthly and quarterly updates.

PROPERTY DISTRIBUTION BY VALUE



PROPERTY STATUS BY VALUE



Quarterly Closed Properties

| ADDRESS | REGION | PROPERTY DESCRIPTION | APPROX. SQ FT | ACQUISITION DATE | TOTAL ACQUISITION COST (US\$) | EST. ANNUAL NET YIELD |
|---------------------------------------------|-------------|-------------------------------------------------------------------------------------------------------------|---------------|------------------|-------------------------------|-----------------------|
| 92 Sherman Avenue, Jersey City NJ 07307 | Jersey City | 3-family, detached Apt 1: 1 bed/1bath Apt 2: 2 bed/1 bath Apt 3: 2 bed/1 bath | 2513 | 3-Oct-2017 | \$607,288.00 | 5.07% |
| 133 Hutton Street, Jersey City NJ 07307 | Jersey City | 2-family, detached Apt 1: 2 bed/1bath Apt 2: 1 bed/1 bath | 2000 | 24-Oct-2017 | \$450,000.00 | 4.04% |
| 145 Hobart Avenue, Bayonne NJ 07002 | Bayonne | 2-family, detached Apt 1: 3 bed/2bath Apt 2: 2 bed/1 bath | 3168 | 24-Oct-2017 | \$267,000.00 | 4.27% |
| 46 East 34th Street, Bayonne NJ 07002 | Bayonne | 1-family, attached Apt 1: 3 bed/1.5 bath | 1265 | 8-Nov-2017 | \$98,070.00 | 4.13% |
| 36 Garrison Avenue, Jersey City NJ 07306 | Jersey City | 2-family, detached Apt 1: 3 bed/2bath Apt 2: 3 bed/1 bath | 1906 | 8-Nov-2017 | \$404,291.50 | 5.46% |
| 338 Webster Avenue, Jersey City NJ 07307 | Jersey City | 2-family attached Apt 1: 2 bed/1 bath Apt 2: 2 bed/1 bath | 2282 | 15-Nov-2017 | \$446,097.00 | 4.68% |
| 58 Waverly Street, Jersey City NJ 07306 | Jersey City | 2-family detached Apt 1: 3 bed/1 bath Apt 2: 4 bed/1 bath | 2530 | 1-Dec-2017 | \$531,481.00 | 6.27% |
| 231 Grant Avenue, West Bergen NJ 07305 | West Bergen | 2-family detached Apt 1: 2 bed/1 bath Apt 2: 2 bed/1 bath | 2200 | 6-Dec-2017 | \$340,145.00 | 4.42% |
| 87 West 33rd Street, Bayonne NJ 07002 | Bayonne | 1-family detached Apt 1: 4 bed/2 bath | 1720 | 6-Dec-2017 | \$250,123.00 | 4.00% |
| 176 West 31st Street, Bayonne NJ 07002 | Bayonne | 2-family detached Apt 1: 2 bed/1 bath Apt 2: 4 bed/2 bath | 3600 | 6-Dec-2017 | \$329,156.00 | 4.65% |



New Leases

| ADDRESS | STATE | UNIT | BED/BATH | MOVE IN DATE | PREVIOUS RENT(US\$) | PRICE (US\$) | SQ. FT. |
|----------------|-------|------|----------|--------------|---------------------|--------------|---------|
| 8th St. | NJ | SF | 3/2 | 1-Dec-2017 | \$4,360 | \$5,620 | 1500 |
| 8th St. | NJ | 2 | 2/1 | 15-Dec-2017 | \$5,595 | \$6,295 | 1806 |
| 34th St. | NY | 2A | 1/1 | 15-Oct-2017 | \$- | \$2,695 | 575 |
| 34th St. | NY | 2F | 1/1 | 15-Oct-2017 | \$- | \$2,295 | 637 |
| 34th St. | NY | 4F | 3/3 | 18-Dec-2017 | \$- | \$2,395 | 342 |
| 34th St. | NY | 5B | 3/1 | 29-Dec-2017 | \$- | \$2,895 | 839 |
| 38th St. | NJ | 1 | 3/2 | 1-Jan-2018 | \$1,381 | \$1,695 | 829 |
| 49th St. | NJ | 2 | 2/1 | 18-Dec-2017 | \$1,295 | \$1,295 | 737 |
| Avenue C | NJ | 3 | 2/1 | 1-Nov-2017 | \$1,695 | \$1,645 | 960 |
| Avenue E | NJ | 2 | 2/1 | 1-Nov-2017 | \$1,295 | \$1,495 | 830 |
| Beacon Ave. | NJ | 1 | 3/1 | 1-Nov-2017 | \$1,895 | \$1,995 | 751 |
| Beacon Ave. | NJ | 1 | 3/2.5 | 1-Dec-2017 | \$1,850 | \$1,895 | 921 |
| Belmont Ave. | NJ | 1 | 4/2 | 20-Oct-2017 | \$1,295 | \$1,495 | 812 |
| Bowers St. | NJ | SF | 2/1 | 1-Nov-2017 | \$3,920 | \$4,100 | 2004 |
| Broadway | NJ | 2 | 2/1 | 1-Nov-2017 | \$1,075 | \$1,195 | 448 |
| Clendenny Ave. | NJ | 2 | 5/5.5 | 15-Oct-2017 | \$1,195 | \$1,295 | 546 |
| Clermont Ave. | NY | 2 | 2/1 | 21-Oct-2017 | \$- | \$8,175 | 2429 |
| Clermont Ave. | NY | 1 | 3/1 | 1-Nov-2017 | \$- | \$3,370 | 923 |
| Coles St. | NJ | SF | 1/1 | 1-Dec-2017 | \$5,770 | \$6,265 | 1763 |
| Decatur St. | NY | SF | 1/1 | 15-Dec-2017 | \$6,645 | \$6,745 | 2404 |
| Duncan Ave. | NJ | 2 | 2/1 | 16-Dec-2017 | \$1,595 | \$1,695 | 1844 |
| Dwight St. | NJ | 1 | 2/1 | 9-Dec-2017 | \$1,545 | \$1,545 | 1075 |
| East 18th St. | NJ | 3 | 6/3.5 | 9-Nov-2017 | \$1,235 | \$1,295 | 526 |
| East 24th St. | NJ | 3 | 2/1 | 1-Dec-2017 | \$1,145 | \$1,195 | 515 |
| East 24th St. | NJ | 1 | 3/1 | 15-Dec-2017 | \$1,665 | \$1,595 | 839 |
| East 34th St. | NJ | 1 | 4/5.5 | 15-Dec-2017 | \$- | \$2,495 | 2562 |
| East 36th St. | NJ | 1 | 2/1 | 5-Dec-2017 | \$- | \$1,495 | 798 |
| Erie St. | NJ | SF | 3/1 | 1-Jan-2018 | \$6,895 | \$7,870 | 2155 |
| Exeter Rd. | NJ | 2 | 3/1 | 15-Oct-2017 | \$1,445 | \$1,595 | 1037 |
| Forrest St. | NJ | 3 | 2/1 | 1-Dec-2017 | \$1,002 | \$1,195 | 705 |
| Grant Ave. | NJ | 1 | 2/1 | 1-Jan-2018 | \$- | \$1,695 | 1078 |
| Grant Ave. | NJ | 2 | 3/1 | 1-Feb-2018 | \$- | \$1,695 | 1236 |
| Hampton Ct. | NJ | SF | 2/1 | 7-Nov-2017 | \$- | \$8,725 | 2693 |
| Hancock St. | NY | SF | 6/6.5 | 15-Nov-2017 | \$- | \$8,995 | 3934 |
| Hicks St. | NY | SF | 4/2.5 | 19-Dec-2017 | \$- | \$12,500 | 2940 |
| Jersey Ave. | NJ | SF | 3/2 | 1-Nov-2017 | \$9,140 | \$8,725 | 5213 |
| Lafayette Ave. | NY | SF | 5/2.5 | 15-Nov-2017 | \$13,995 | \$15,495 | 3718 |
| Madison St. | NJ | SF | 4/1 | 1-Jan-2018 | \$1,758 | \$2,095 | 1264 |
| Manhattan Ave. | NY | 3 | 5/3.5 | 1-Jan-2018 | \$- | \$2,545 | 773 |



| ADDRESS | STATE | UNIT | BED/BATH | MOVE IN DATE | PREVIOUS RENT(US\$) | PRICE (US\$) | SQ. FT. |
|-------------------|-------|------|----------|--------------|---------------------|--------------|---------|
| Marion Pl. | NJ | 2 | 3/1 | 10-Nov-2017 | \$1,475 | \$1,745 | 899 |
| Mcadoo Ave. | NJ | 2 | 2/1 | 14-Oct-2017 | \$1,295 | \$1,395 | 616 |
| Monroe St. | NY | 4 | 2/1 | 1-Jan-2018 | \$2,450 | \$2,535 | 616 |
| Oak St. | NJ | 1 | 2/1 | 20-Oct-2017 | \$2,395 | \$2,395 | 2081 |
| Oak St. | NJ | 2 | 5/4 | 1-Nov-2017 | \$1,795 | \$1,595 | 1049 |
| Orient Ave. | NJ | 1 | 3/1 | 1-Feb-2018 | \$1,235 | \$1,395 | 931 |
| Pearsall Ave. | NJ | 2 | 3/1 | 20-Dec-2017 | \$1,195 | \$1,295 | 640 |
| Pinecrest Rd. | NJ | 2 | 4/4.5 | 1-Jan-2018 | \$1,495 | \$1,445 | 809 |
| Powers St. | NY | 1 | 3/1 | 1-Dec-2017 | \$- | \$2,645 | 621 |
| Powers St. | NY | 2 | 1/1 | 1-Nov-2017 | \$- | \$2,875 | 633 |
| Prospect Pl. | NY | SF | 3/1 | 15-Jan-2018 | \$6,540 | \$6,520 | 3090 |
| Randolph Ave. | NJ | 2 | 3/1 | 1-Jan-2018 | \$995 | \$1,395 | 907 |
| Reservoir Ave. | NJ | 1 | 3/1 | 28-Oct-2017 | \$- | \$2,244 | 1312 |
| Reservoir Ave. | NJ | 1 | 3/1 | 1-Dec-2017 | \$- | \$3,395 | 2506 |
| Schaefer St. | NY | 1 | 3/1 | 27-Dec-2017 | \$4,360 | \$4,270 | 1399 |
| Sheffield St. | NJ | 2 | 4/5.5 | 15-Nov-2017 | \$1,350 | \$1,595 | 836 |
| Sherman Ave. | NJ | 2 | 0/1 | 1-Dec-2017 | \$1,095 | \$1,495 | 603 |
| Sherman Ave. | NJ | 2 | 0/1 | 26-Dec-2017 | \$1,805 | \$1,805 | 845 |
| Sherman Ave. | NJ | 1 | 1/1 | 1-Jan-2018 | \$1,295 | \$1,335 | 748 |
| Skyline Dr. | NJ | 1 | 0/1 | 22-Dec-2017 | \$1,395 | \$1,495 | 977 |
| St Marks Ave. | NY | SF | 0/1 | 15-Jan-2018 | \$8,989 | \$8,995 | 3745 |
| Union St. | NJ | 1 | 0/1 | 10-Nov-2017 | \$1,370 | \$1,495 | 649 |
| Union St. | NJ | 2 | 0/1 | 17-Nov-2017 | \$1,495 | \$1,495 | 595 |
| Van Nostrand Ave. | NJ | 4 | 0/1 | 15-Jan-2018 | \$1,095 | \$1,195 | 594 |
| Varick St. | NJ | SF | 1/1 | 1-Dec-2017 | \$5,495 | \$6,465 | 2696 |
| Virginia Ave. | NJ | 1 | 0/1 | 1-Dec-2017 | \$- | \$2,645 | 2181 |
| Wallis Ave. | NJ | 3 | 0/1 | 1-Jan-2018 | \$1,645 | \$1,395 | 856 |
| Warner Ave. | NJ | 1 | 0/1 | 8-Dec-2017 | \$1,495 | \$1,495 | 834 |
| West 19th St. | NJ | 1 | 0/1 | 1-Nov-2017 | \$1,365 | \$1,795 | 918 |
| West 24th St. | NJ | 2 | 0/1 | 1-Dec-2017 | \$1,395 | \$1,645 | 938 |
| West 48th St. | NJ | 2 | 2/1 | 1-Jan-2018 | \$2,295 | \$1,695 | 1012 |
| West 54th St. | NJ | 1 | 3/1 | 15-Dec-2017 | \$1,495 | \$1,695 | 822 |
| West 168th St. | NY | 6H | 4/2 | 1-Dec-2017 | \$- | \$1,695 | 338 |
| West 168th St. | NY | 5F | 4/4 | 1-Dec-2017 | \$- | \$1,595 | 342 |
| Williams Ave. | NJ | SF | 3/1 | 1-Nov-2017 | \$1,445 | \$1,700 | 1312 |
| Willow Ave. | NJ | SF | 1/1 | 15-Jan-2018 | \$- | \$11,807 | 4524 |

This list contains only new leases signed during Q4, 2017. No lease renewal information has been included.



URF Fund Statistics

| | AUD\$ |
|-----------------------|---------------|
| Market Capitalisation | 657,491,023 |
| Net Debt | 621,333,134 |
| Enterprise Value | 1,278,824,157 |

| | PROPERTIES | UNITS |
|-----------------------|------------|-------|
| Freestanding Holdings | 655 | 1163 |
| Multi-Family Holdings | 16 | 554 |
| TOTAL UNITS: | | 1717 |

URF Unit Price Performance^{1,2} AS AT 31 DECEMBER 2017

| 1M | 3M | 6M | 1YR | 2YR (PA) | 3YR (PA) | 5YR (PA) | SI ² (PA) |
|-------|------|-------|-------|----------|----------|----------|----------------------|
| -0.5% | 5.1% | -0.5% | -6.0% | -1.4% | -1.7% | 6.8% | 7.2% |

NTA Performance^{1,2} AS AT 31 DECEMBER 2017

| 1M | 3M | 6M | 1YR | 2YR (PA) | 3YR (PA) | 5YR (PA) | SI ² (PA) |
|-------|------|-------|--------|----------|----------|----------|----------------------|
| -2.4% | 1.9% | -0.6% | -12.5% | -8.2% | 2.0% | 8.6% | 6.4% |

URF Total Unitholder Returns¹ AS AT 31 DECEMBER 2017



Important Information

This Quarterly Update (Update) has been prepared by Walsh & Company Investments Limited as the Responsible Entity for the US Masters Residential Property Fund (Fund). An investment in the Fund is subject to various risks, many of which are beyond the control of the Responsible Entity.

This Update contains statements, opinions, projections, forecasts and other material (forward looking statements), based on various assumptions. Those assumptions may or may not prove to be correct. None of the Responsible Entity, its officers, employees, agents, analysts nor any other person named in this Update makes any representation as to the accuracy or likelihood of fulfilment of the forward-looking statements or any of the assumptions upon which they are based.

This Update may contain general advice. Any general advice provided has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider the appropriateness of the advice with regard to your objectives, financial situation and needs, and consider obtaining advice from a financial advisor. You should obtain a copy of the relevant product disclosure statement or offer document before making any decisions to purchase the product. The past performance of the Fund is not a guarantee of the future performance of the Fund.

Notes

¹ Returns are inclusive of dividends reinvested and adjusted for rights issues.

² Inception date June 2011.

Board & Management

Board of the Responsible Entity

Alex MacLachlan
Tristan O'Connell
Warwick Keneally

US Management Team

Alan Dixon MANAGING DIRECTOR & CEO

David Orr EXECUTIVE DIRECTOR & COO

Paul McInerney JOINT CFO

Kevin McAvey JOINT CFO

Bryan Bullett VP, HEAD OF CAPITAL MARKETS

Priscilla Porter EXECUTIVE DIRECTOR

Scott Cohen EXECUTIVE DIRECTOR

Patrick Sullivan EXECUTIVE DIRECTOR

Dessie Neill EXECUTIVE DIRECTOR

Ezequiel Ortiz EXECUTIVE DIRECTOR

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