

7 December 2020

US Masters Residential Property Fund (Fund)

ASX Code: URF

31 December 2020 interest, capital and distribution payments – URF Notes III (URFHC) and URF Convertible Step-Up Preference Units (URFPA)

E&P Investments Limited (ACN 152 367 649) (**Responsible Entity**), the Responsible Entity for the Fund, is pleased to confirm the following payments for the period ending 31 December 2020.

URF Notes III (URFHC) interest payment and increased partial capital repayment

The Responsible Entity is pleased to advise the details of the URF Notes III (ASX: URFHC) (**Notes**) interest payment for the period ending 31 December 2020. The Notes carry a fixed interest rate of 7.75% per annum and currently have a Face Value of A\$90 per Note following the early reduction of principal of A\$10 per Note in March 2020.

Interest payment:

Period begins on and includes	30 September 2020
Period ends on and excludes	31 December 2020
Days in period	92
Interest payable per Note ¹	\$1.76
Record date	23 December 2020
Payment date	31 December 2020

¹ Rounded to the nearest Australian cent as per Clause 5.3 of the URF Notes III terms.

Partial capital repayment:

As foreshadowed in the Fund's announcement on 19 November 2020, following the Fund's successful refinance with Global Atlantic Financial Group, a partial capital repayment will also be made at this time. Given ongoing positive momentum with the Fund's sales program, the Responsible Entity is pleased to advise investors that this partial capital repayment has been increased from the A\$75 per Note referenced in the 19 November 2020 announcement, to A\$80 per Note. This equates to a total reduction in URFHC's debt facility of A\$140 million, leaving a remaining balance of A\$17.5 million.

The Responsible Entity has given notice to the URFHC trustee (Australian Executor Trustees Limited) and registry (Boardroom Limited) of its intention to reduce the principal sum of URFHC by A\$80 per Note (Early Reduction of Principal Sum) on 31 December 2020 (Issuer Reduction Date). The amount payable per Note is the sum of the Early Reduction of Principal Sum plus all accrued but unpaid interest on the Notes as at the

Issuer Reduction Date (Reduction Sum). Each URFHC holder will receive a Reduction Sum of A\$81.76 per Note (inclusive of the quarterly interest payment), to be paid on 31 December 2020.

Details are as follows:

(a) Principal of URFHC before payment	A\$90.00 per Note
(b) Early Reduction of Principal Sum	A\$80.00 per Note
(c) Interest payable for the period ending 31 December 2020	A\$1.76 per Note
(b) + (c) Reduction Sum	A\$81.76 per Note
(a) - (b) Remaining Principal after payment	A\$10.00 per Note
Ex date	22 December 2020
Record date	23 December 2020
Payment date	31 December 2020

For ASX purposes, the Early Reduction of Principal Sum of A\$80.00 per Note will be treated as a return of capital corporate action.

URF Convertible Step-Up Preference Units (URFPA) distribution

The Responsible Entity is also pleased to confirm the details of the URF Convertible Step-Up Preference Units (ASX: **URFPA**) (**CPUs**) distribution for the period ending 31 December 2020. URFPA units represent an equitable interest in the Fund, but on which URFPA holders may receive a priority distribution at a set rate. The securities currently have a distribution rate of 6.25% per annum and a Face Value of \$100 per Unit.

Distribution	\$3.15 per URFPA
Record date	31 December 2020
Ex-distribution date	30 December 2020
Final date for electing DRP	5 January 2021

Payment of the URFPA distribution is expected to be made on or around 23 February 2021. The Responsible Entity will continue to review the appropriateness of URFPA payments at each 6-monthly period.

Information regarding the tax components of the URFPA distribution will be provided in the Tax Distribution Statement for the 2021 tax year.

The Fund currently operates a distribution reinvestment plan (**DRP**) under which URFPA Unitholders will have all their CPU distribution reinvested in new fully paid ordinary units in the Fund (**Ordinary Units**) unless Unitholders have elected to be paid in cash in their original application form or via our unit registry,



Boardroom Pty Limited. For further information regarding the DRP or to obtain an election form, please contact Boardroom Pty Limited on 1300 737 760.

The DRP price of Ordinary Units to be issued to URFPA holders under the URFPA DRP will be an amount equal to 95% of the VWAP of Ordinary Units over the 10 business days (whether or not trading of Ordinary Units occurs on those business days) up to but excluding the Record Date.

The Fund advises no part of the URFPA distribution contains foreign conduit income.

For further information, contact URF Investor Relations: URFInvestorRelations@usmrpf.com

Authorised for release by E&P Investments Limited (ACN 152 367 649 | AFSL 410 433), the responsible entity of US Masters Residential Property Fund.