

US Masters Residential Property Fund (Fund)

ASX Code: URF

Termination of Purchase and Sale Agreement

As outlined in the Fund's announcement on 28 March 2022, E&P Investments Limited as responsible entity of URF had entered into a conditional Purchase and Sale Agreement for the sale of substantially all of URF's 1-4 Family property portfolio. This prior announcement can be found on the Fund's website¹ or the announcements page of the ASX², and all defined terms in this announcement have the same meaning as in the 28 March 2022 announcement.

This Purchase and Sale Agreement was executed on 25 March 2022 and was followed by a 60-day Examination Period ending 25 May 2022 (US time). The Buyer has determined not to proceed with the Transaction, and as such the agreement will be terminated.

The Fund has been advised that this termination was due to a perceived deterioration in market conditions by the Buyer, notably a markedly increased interest rate environment and broader economic uncertainty, and the Buyer was unwilling to proceed on the agreed terms.

As previously detailed in the Fund's 31 December 2021 accounts, since the Fund's capital markets process has not resulted in a sale of the portfolio, the Fund will now immediately commence scaling down its operating platform, further reducing overhead costs and improving operating efficiency of the now fully stabilised portfolio, reflecting the completion of the strategic initiatives that have been implemented since 2019. Ongoing communications will be provided to investors as to the progress of these initiatives.

Alternative strategic initiatives to a full portfolio sale will be considered and the Fund will provide investors with a further update in due course.

Authorised for release by E&P Investments Limited (ACN 152 367 649 | AFSL 410 433), the Responsible Entity of the Fund.

¹ <https://wcsecure.weblink.com.au/pdf/URF/02503329.pdf>

² <https://www2.asx.com.au/markets/company/urf>