



US Masters Residential Property Fund (Fund)

ASX Code: URF

Full Year 2022 Results Presentation

The Fund has prepared a webcast update to accompany the 2022 Full-Year Results and Q4 Report for the period ending 31 December 2022. A copy of the presentation slides is below.

For further information contact the Fund's Investor Relations Team at: URFInvestorRelations@usmrpf.com.

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



**US Masters
Residential
Property Fund**

2022 Full Year Update

16 March 2023

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Summary of 2022 Full Year Results

- Total comprehensive income of A\$35.1m.
- Fair value uplift of A\$32.2m for the full year, driven by movement of A\$17.6m in the NJ Workforce portfolio and A\$11.4m from the NJ Premium portfolio.
- Global Atlantic loan reduced by A\$9.3m, with the Fund holding A\$44m in cash at year end. A\$18.5m of this is expected to be used toward URF Ordinary Unit buybacks.
- Externalisation of the management platform complete on 30 December 2022, with the goal to realise value and return capital to Unitholders as quickly and efficiently as possible.

Source: US REIT.

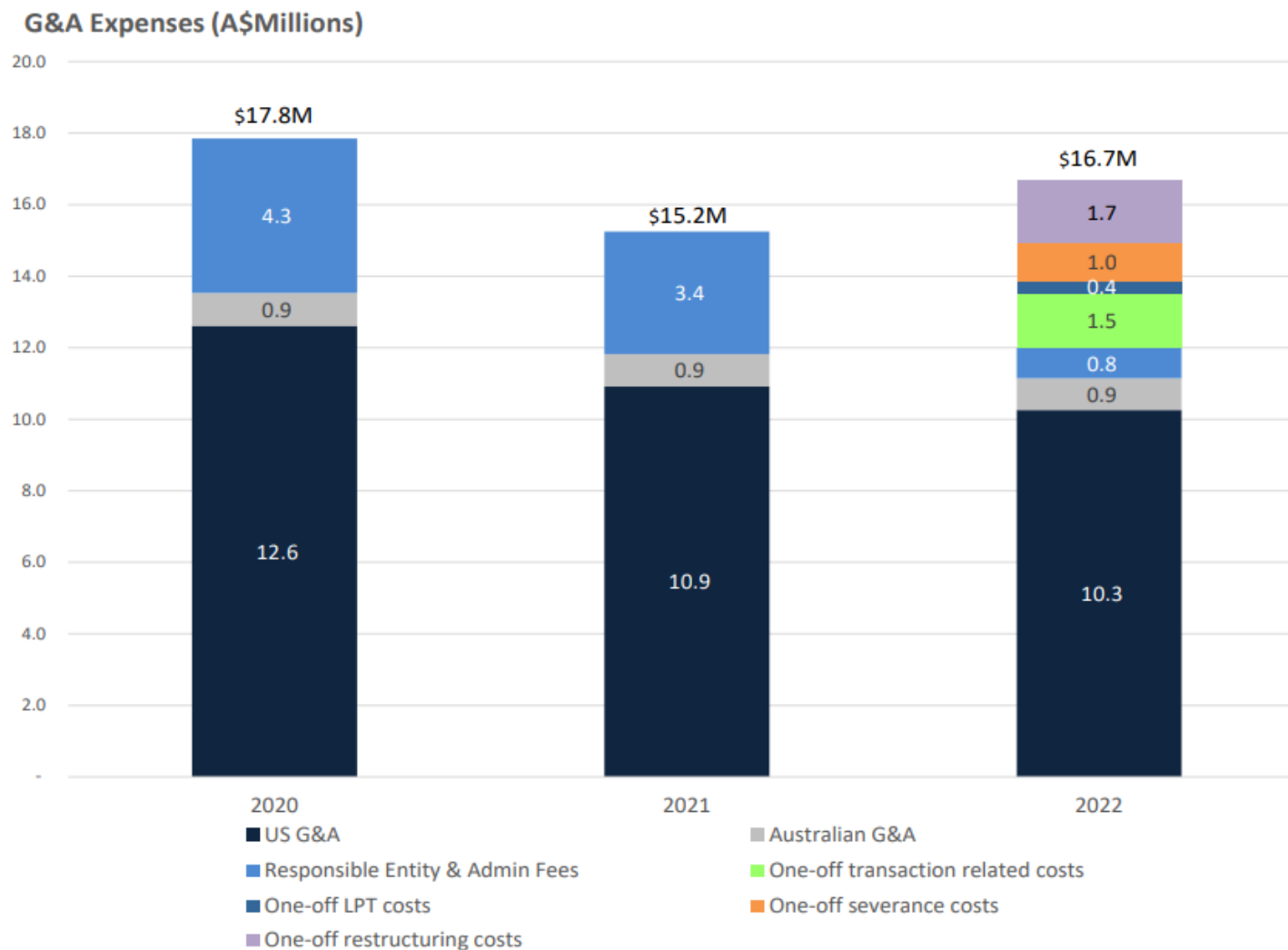
Funds from Operations (FFO)

Excluding disposal costs and non-recurring items, the FFO loss for 2022 was A\$3.9 million; a 61% improvement over 2021's result.

A\$	2018	2019	2020	2021	2022
Revenue from Ordinary Operations	38.1	49.7	45.4	39.7	44.1
One-Off Income			1.9	-	0.3
Investment Property Expenses	(16.3)	(19.2)	(14.9)	(13.1)	(15.7)
Investment Property Disposal Costs	(3.6)	(4.3)	(5.7)	(7.3)	(2.2)
G&A	(25.1)	(22.2)	(16.0)	(15.1)	(12.1)
One-Off Refinancing Costs - G&A	-	-	(1.3)	-	-
One-Off Transaction Related Costs - G&A	-	-	-	-	(1.5)
One-Off Restructuring Costs - G&A	-	-	-	-	(1.7)
One-Off Severance Costs - G&A	-	-	-	-	(1.0)
One-Off LPT Costs - G&A	-	-	-	-	(0.4)
EBITDA	(6.9)	4.0	9.4	4.2	9.7
EBITDA (excluding disposal costs and one-off items)	(3.4)	8.3	14.5	11.5	16.2
Net Interest Expenses (Excluding Notes Interest)	(20.5)	(21.2)	(16.6)	(21.2)	(20.1)
One-Off Refinancing Costs - Interest	-	-	(0.4)	-	-
Notes Interest	(21.7)	(19.8)	(13.0)	(0.3)	-
Funds From Operations (FFO)	(49.0)	(37.1)	(20.7)	(17.4)	(10.5)
FFO (excluding disposal costs and one-off items)	(45.5)	(32.8)	(15.1)	(10.0)	(3.9)

Source: US REIT. Note: Excludes Convertible Preference Unit (URFPA) distributions as they are equity distributions. AUD/USD average rate of 0.7476, 0.6953, 0.6910, 0.7513 and 0.6947 for 2018, 2019, 2020, 2021 and 2022 respectively. FFO is reported on a cash accounting basis. Figures in table may not sum due to rounding.

General and Administrative expenses



Source: US REIT. AUD/USD average rate of 0.6910, 0.7513 and 0.6947 for 2020, 2021 and 2022 respectively. Original target for 2022 was based on AUD/USD spot rate of 0.73.

Asset Valuation

30 June 2022 to 31 December 2022 (HY2):

Portfolio Segment	Opening Book Value	Closing Book Value	6-Month Change	HY2 Change	HY1 Change
HC Workforce	\$196,351,871	\$199,856,568	\$3,504,698	1.8%	4.5%
HC Premium	\$125,146,138	\$128,996,319	\$3,850,181	3.1%	3.2%
NY Premium	\$321,295,876	\$317,900,033	(\$3,395,843)	-1.1%	1.9%
	\$642,793,885	\$646,752,920	\$3,959,036	0.6%	2.9%

Source: US REIT, as at 31 December 2022. Figures are in USD.

Capital Management

Buyback Process: July to December 2022

Buyback Number		Consideration A\$			
Ordinary Shares	CPUs	Ordinary Shares	CPUs	Total	
26,021,946	186,932	\$ 7,165,886	\$ 10,705,406	\$	17,871,292

Source: US REIT, as at 31 December 2022. Subsequent to balance date, URFPA units were converted to URF Ordinary units, with 369.8 million new units being issued.

Capital Management

As a result of property sales, total debt balance reduced by approx. US\$6.5m for the full year.

	US\$ Balance at 31-Dec-21	US\$ Balance at 31-Mar-22	US\$ Balance at 30-Jun-22	US\$ Balance at 30-Sep-22	US\$ Balance at 31-Dec-22
Global Atlantic - Term Loan (4.00%)	349,885,636	348,034,311	348,034,311	348,034,311	343,423,092
Global Atlantic - Bridge Loan (5.00%)	0	0	0	0	0
Total	349,885,636	348,034,311	348,034,311	348,034,311	343,423,092
Indicative Annual Interest Cost	13,995,425	13,921,372	13,921,372	13,921,372	13,736,924

Source: US REIT, as at 31 December 2022. Excludes multi-family level debt for investments with Urban American.

Asset Sales Program

- Return of capital to Unitholders will be completed by executing a targeted sales program.
- The sales pipeline is being built strategically to test the submarkets given the elevated interest rates and macroeconomic uncertainty across the US.
- Brooksville has begun discussions with NJ and NY brokerage firms to partner on a structured agreement, aiming to reduce sales commissions payable by the Fund.

Asset Sales Program

- At the end of 2022, the Fund had A\$10.7 million under contract or with an accepted offer, as well as A\$22.7 million either on the market or being prepared for sale.
- Fund has closed on the sale of three assets for a total value of A\$4.5m in 2023.
- The Fund currently has A\$14.3 million worth of property under contract and A\$27.6 million on the market or preparing to be listed.
- Rental vacancies are lowest in the winter months. Sales pipeline volume is expected to increase during the spring and summer months as leases terms end and properties are vacated.

Note: AUD/USD exchange rate of 0.6813 as at 31 December 2022, and 0.6729 as at 28 February 2023.



US Masters Residential Property Fund

A wide-angle photograph of the New York City skyline from across the water. The Freedom Tower is prominent on the left. The Manhattan Bridge is visible on the right. The sky is blue with scattered white clouds. A dark, semi-transparent rectangular box is overlaid on the bottom left of the image.

Q&A

For further information

Investor Relations

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