



US Masters Residential Property Fund

Investment objective and strategy

- The Fund seeks to provide investors with exposure to a diversified portfolio of US residential property assets with rental income and potential for long-term capital growth.
- The Fund is currently the largest Australian-listed property trust with a primary strategy of investing in US residential property. Since its inception in June 2011, the portfolio has grown to 1,572 housing units (directly or indirectly held) with a total book value of \$1.065 billion¹.
- The Fund focuses on the New York metropolitan area, specifically Brooklyn, Manhattan and Queens, New York and Hudson County, New Jersey. The Fund targets undervalued neighbourhoods that are experiencing growth and gentrification.
- The Fund employs an integrated business model, with an historically successful strategy of acquiring properties at attractive valuations, renovating the properties to high standards, and professionally leasing and managing the properties. A team of 130 professionals work from the local New York office.

DISTRIBUTIONS ANNOUNCED (last 12 months)

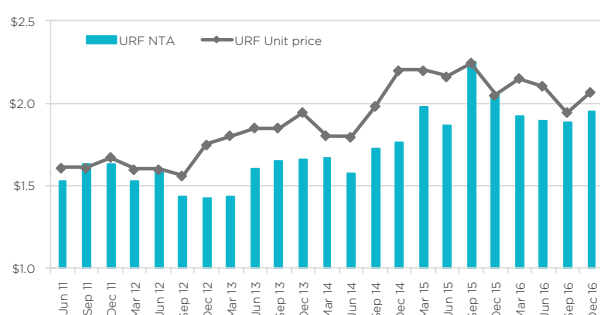
December 2016	5 cents per unit
June 2016	5 cents per unit
December 2015	5 cents per unit

Fund performance⁴

	3 month	6 month	1 year	2 year pa	3 year pa	5 year pa	Since inception pa*
Unit price return**	6.7%	-1.4%	3.4%	0.5%	7.1%	9.8%	9.7%
NTA return**	6.4%	5.8%	0.1%	10.8%	12.1%	10.2%	10.5%

Notes: *Inception date June 2011, **Total returns are inclusive of distributions and rights issues reinvested

CHANGE IN UNITHOLDER VALUE TO 31 DECEMBER 2016⁴



FUND FACTS

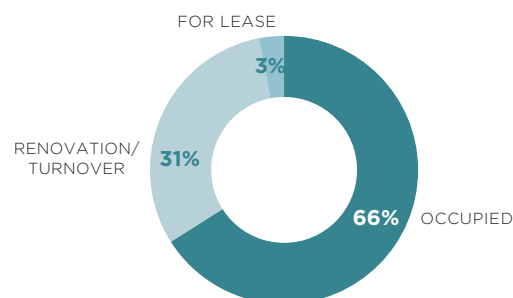
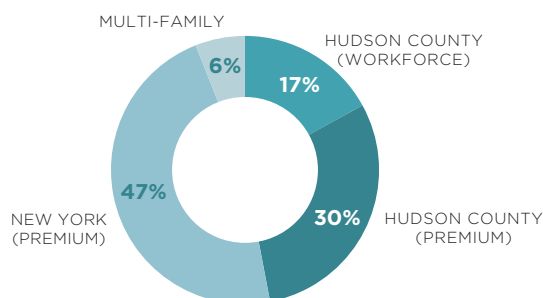
ASX Ticker	URF
Sector	A-REIT
Currency	AUD (unhedged)
31 December 2016 NTA	\$1.95
Market capitalisation	\$715.6 million ¹
Units outstanding	345.7 million ¹
Distribution frequency	Semi-annual (historically)

FEES - ONGOING AND TRANSACTIONAL

Investment management	1.24% pa
Responsible Entity & Administration fee ²	0.3446% pa
Acquisition fee	1.99%
Disposal fee	2.49%
Leasing fee	One month's gross rent
Debt arranging fee ³	2.0%
Architecture & design	Market based hourly rates
Construction	5.0%

For more information on ongoing fees and costs associated with the product, please refer to Section 4 of the PDS dated 22 August 2016.

PROPERTY DISTRIBUTION BY NEIGHBOURHOOD AND STATUS AS AT 31 DECEMBER 2016



Key investment team members



Alan Dixon,
Managing
Director & CEO



Alex MacLachlan,
Managing Director
& Head of Strategy



David Orr,
Executive Director
& COO

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Risks

Like all investments, an investment in the Fund carries risks which may result in the loss of income or principal invested. In addition to the general risks of investing, specific risks associated with investing in the Fund include, but are not limited to, property market risk, taxation risk and foreign exchange risk. For further information about the risks of investing in the product see Section 5 of the PDS dated 22 August 2016.

About Walsh & Company

The Walsh & Company Group is a Sydney based specialist global fund manager co-founded in 2007 by Max Walsh. The Company has approximately \$3 billion¹ of investor assets under management across global equities, residential and commercial property, private equity, fixed income and sustainable and social investments.

We provide investors access to unique investment strategies not readily accessible to investors and focus on building high quality, diversified portfolios.

Important information

This document has been prepared by URF Investment Management Pty Ltd (ACN 600 188 805), a corporate authorised representative of Walsh & Company Asset Management Pty Ltd (ACN 159 902 708, AFSL 450 257) as Investment Manager of US Masters Residential Property Fund (ARSN 150 256 161) (**Fund**).

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¹ As at 31 December 2016 ² Inclusive of GST and net of RITC ³ Unless reduced or waived ⁴ URF Investment Management Pty Ltd; Bloomberg, as at 31 December 2016