

14 July 2014

US Masters Residential Property Fund (Fund)

ASX Code: URF

Investment and NTA Update – 30 June 2014

NTA update

The estimated unaudited net tangible asset before withholding tax on unpaid distributions as at 30 June 2014 was \$1.57* per Unit.

The Fund is a long-term investor and does not intend to dispose of its total portfolio. If estimated tax at 35% on unrealised portfolio gains or losses were recognised, the estimated unaudited post-tax net asset value before withholding tax on unpaid distributions as at 30 June would be \$1.51* per Unit.

The Fund is in the process of finalising its half yearly property portfolio valuation update. Accordingly, the above NTA does not take into account any resulting potential fair value adjustments to the property portfolio. The results of the independent appraisal and property valuations are expected to be included in the 30 June 2014 half yearly financial report.

Property portfolio update

During the month of June, the Fund received conditional acceptances for 5 properties, with an estimated combined acquisition cost of US\$6.1 million. Based on the pre-purchase due diligence undertaken, it is estimated that these 4 properties will achieve annualised net yields of 4.0% to 4.5%.

The Fund also closed on the sale of 6 properties for a combined sale price of US\$7.9m, with the net proceeds to be redeployed back into the target market.

Multi-family update

During the month of June, the Fund closed on two portfolios of multi-family buildings located in Brooklyn with its existing joint venture partner Excelsior Equities. In total, the Fund acquired 8 multi-family buildings on separate titles, with a total of 202 units. The buildings are located in Bedford-Stuyvesant and Crown Heights in close proximity to the Fund's freestanding properties and represent an attractive opportunity to enter the multi-family asset class in Brooklyn and capitalize on the rapid gentrification taking place in this market.

*Source: Dixon Advisory & Superannuation Services Limited – the historical performance is not a guarantee of the future performance of the Portfolio or the Fund.

US Masters Residential Property Fund is the first Australian-listed entity with the primary strategy of investing in the US residential property market. Its portfolio comprises freestanding and multi-dwelling properties in the New York metropolitan area. The Fund is managed by Dixon Advisory & Superannuation Services Limited.

Freestanding and multi-dwelling properties (URF share) – acquisition activity

	# properties		Total acquisition costs (US\$ million) ¹		Estimated property net yield range (%p.a.) ²
	Month	Inception	Month	Inception	Month
Freestanding					
Conditional acceptances received³	5	43	\$6.1m	\$46.8m	4.0% - 4.5%
Properties purchased	16	534	\$24.4m	\$298.0m	4.0% - 4.6%
Total Freestanding secured				\$344.8m	
Multi-dwelling					
Total Multi-family secured		29		\$94.0m	4.0% - 6.1%
Total freestanding and Multi-dwelling properties secured				\$438.8m	

Note:

- 1 Total acquisition costs inclusive of all property related closing costs which includes attorney fees, title charges, survey costs, government recording and transfer charges and bulk sale compliance fees.
- 2 This yield does not necessarily reflect the distribution yield an investor is likely to receive on their investment. Estimated yields are based on assumptions made by the Responsible Entity and actual yields may differ from these estimates.
- 3 Conditional acceptances do not include those properties which have been accepted and subsequently closed.

ADDRESS: 1313 PROSPECT PL, BROOKLYN, NY 11213

REGION: CROWN HEIGHTS



PROPERTY DESCRIPTION:

- 1-family attached
- 3 bed/3.5 bath
- Triplex
- Approximate land size 2,555 sq ft
- Walk Score®: 89
- Transit Score®: 100

KEY STATISTICS:

Acquisition Date: 3 June 2014

Total Acquisition Cost: US \$780,972

Est. Monthly Rents:
- Apt 1 US \$5,495

Est. Annual Net Yield: 4.4%

OTHER COMMENTS:

- This Renaissance Revival style townhouse was built in the early 1900's. The interior boasts some original details such as wood trim moulding. This property is located five blocks from the 3, 4 and 5 subway lines, and less than one block from St Johns Park.

LOCATION:



ADDRESS: 196 HANCOCK ST, BROOKLYN, NY 11216

REGION: BEDFORD-STUYVESANT



PROPERTY DESCRIPTION:

- 1-family attached
- 5 bed/5.5 bath
- Quadplex
- Approximate land size 2,100 sq ft
- Walk Score®: 95
- Transit Score®: 98

KEY STATISTICS:

Acquisition Date: 6 June 2014

Total Acquisition Cost: US \$2,135,749

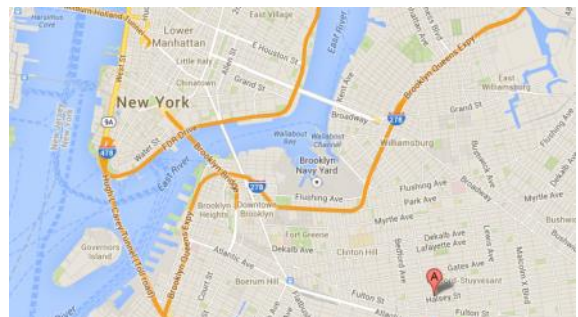
Est. Monthly Rents:
- Apt 1 US \$13,000

Est. Annual Net Yield: 4.0%

OTHER COMMENTS:

- This grand four story Queen Anne style townhouse was designed by famous architect Gilbert Alphonse Schellenger, some of his earliest projects are found on this quaint Hancock St. The interior is filled with original details such as original pattern parquet wood floors, wood carved fireplace mantels, pier mirrors, chandeliers, pocket window shutters and pocket doors. The layout boasts five bedrooms and five and a half bathrooms. There is a private garden area in the rear that is great for entertaining. This property is located three blocks from the Nostrand Ave A and C subway lines as well as plenty of shops and restaurants. The Fund owns an additional seven properties on this block.

LOCATION:



ADDRESS: 44 SHERMAN AVE, JERSEY CITY, NJ 07307

REGION: JERSEY CITY HEIGHTS



PROPERTY DESCRIPTION:

- Condominium unit
- 1 bed/1 bath
- One car parking
- Approximate unit size 760 sq ft
- Walk Score®: 85

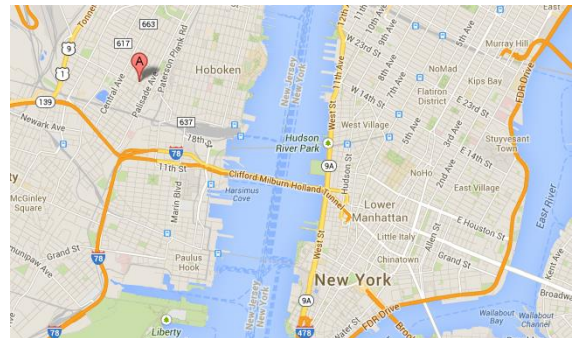
KEY STATISTICS:

Acquisition Date:	12 June 2014
Total Acquisition Cost:	US \$230,297
Est. Monthly Rents:	
- Apt 1	US \$1,750
Est. Annual Net Yield:	4.2%

OTHER COMMENTS:

- This penthouse unit is located in a full amenity condominium building with exclusive garage parking and a roof terrace. This unit features one bedroom and one bathroom and boast scenic views of the New York City skyline. This property is located one block from the Webster Ave bus station and a ten minute walk from Pershing Field Park.

LOCATION:



ADDRESS: 738A MADISON ST, BROOKLYN, NY 11221

REGION: BEDFORD-STUYVESANT



PROPERTY DESCRIPTION:

- 2-family attached
- Apt 1: 3 bed/2 bath, duplex
- Apt 2: 3 bed/2 bath, duplex
- Approximate land size 1,667 sq ft
- Walk Score®: 83
- Transit Score®: 90

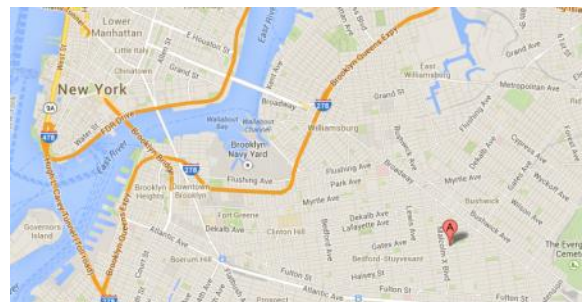
KEY STATISTICS:

Acquisition Date:	13 June 2014
Total Acquisition Cost:	US \$924,998
Est. Monthly Rents:	
- Apt 1	US \$3,900
- Apt 2	US \$3,900
Est. Annual Net Yield:	4.6%

OTHER COMMENTS:

- This Italianate style brownstone townhouse was built in the late 1800's. The interior boasts some original details such as wood trim moulding. This property is located five blocks from the J and Z subway lines and less than a block from Reinaldo Salgado Playground.

LOCATION:



ADDRESS: 224 8TH ST, JERSEY CITY, NJ 07302

REGION: DOWNTOWN



PROPERTY DESCRIPTION:

- 3-family attached on 1 side
- Apt 1: 2 bed/1.5 bath, duplex
- Apt 2: 1 bed/1 bath
- Apt 2: 1 bed/1 bath
- Approximate land size 1,875 sq ft
- Walk Score®: 95

KEY STATISTICS:

Acquisition Date: 16 June 2014

Total Acquisition Cost: US \$1,194,932

Est. Monthly Rents:

- Apt 1	US \$3,550
- Apt 2	US \$2,200
- Apt 3	US \$2,200

Est. Annual Net Yield: 4.0%

OTHER COMMENTS:

- This Italianate style brick row house was built in the 1800's. The interior boast some modern updates such as a renovated kitchen and wood floors. The house also features some exposed brick interior walls and a private outdoor garden area. This property is located in a premiere Downtown Jersey City neighborhood and a ten minute walk from the Newport mall and PATH station as well as one block from historic Hamilton Park.

LOCATION:



ADDRESS: 65 HARMAN ST, BROOKLYN, NY 11221

REGION: BUSHWICK



PROPERTY DESCRIPTION:

- 1-family attached
- 3 bed/2 bath
- Triplex
- Approximate land size 1,667 sq ft
- Walk Score®: 91
- Transit Score®: 92

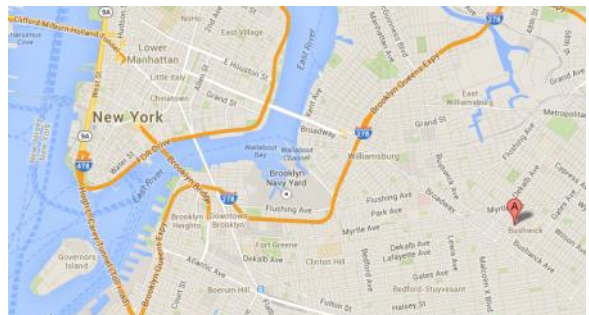
KEY STATISTICS:

Acquisition Date:	16 June 2014
Total Acquisition Cost:	US \$573,615
Est. Monthly Rents:	
- Apt 1	US \$4,900
Est. Annual Net Yield:	4.0%

OTHER COMMENTS:

- This one-family triplex is located on a quiet street in the up and coming Bushwick section of Brooklyn. The layout consists of three bedrooms and two full bathrooms and a private garden area in the rear of the property. This townhome is located six blocks from the J train as well as shops and restaurants.

LOCATION:



ADDRESS: 698 ST MARKS AVE, BROOKLYN, NY 11216

REGION: CROWN HEIGHTS



PROPERTY DESCRIPTION:

- 2-family attached
- Apt 1: 1 bed/1 bath
- Apt 2: 4 bed/5 bath, triplex
- Approximate land size 1,900 sq ft
- Walk Score®: 92
- Transit Score®: 100

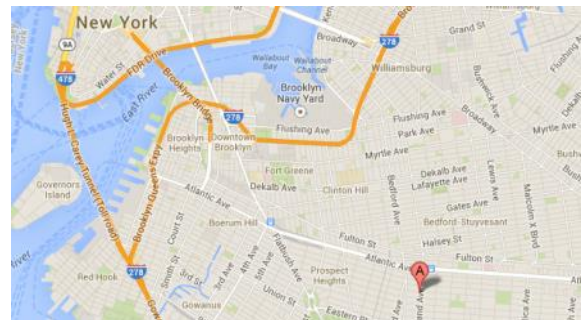
KEY STATISTICS:

Acquisition Date:	17 June 2014
Total Acquisition Cost:	US \$1,528,607
Est. Monthly Rents:	
- Apt 1	US \$2,800
- Apt 2	US \$9,800
Est. Annual Net Yield:	4.0%

OTHER COMMENTS:

- This grand three story Renaissance Revival townhouse was built in the early 1900's. The interior boasts original parquet wood floors, light fixtures, pier mirror and wood carved fireplace mantles. The layout features a large owner's triplex and a single floor rental on the garden level. This property is located four blocks from the Nostrand Ave train station as well as shops and restaurants.

LOCATION:



ADDRESS: 459 JERSEY AVE, JERSEY CITY, NJ 07302

REGION: DOWNTOWN



PROPERTY DESCRIPTION:

- 1-family attached
- 6 bed/2.5 bath
- Quadplex
- Approximate land size 2,000 sq ft
- Walk Score®: 97

KEY STATISTICS:

Acquisition Date: 18 June 2014

Total Acquisition Cost: US \$1,969,811

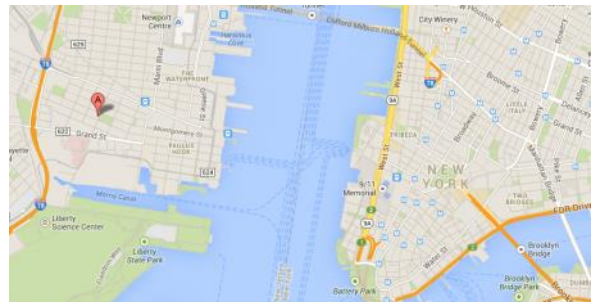
Est. Monthly Rents:
- Apt 1 US \$8,500

Est. Annual Net Yield: 4.0%

OTHER COMMENTS:

- This grand Italianate style brownstone townhouse is overlooking the historic Van Vorst Park. The interior boast original wood carved staircase banisters and fireplace mantles, ceiling mouldings, light fixtures and parquet wood floors. The layout features six bedrooms and two and a half bathrooms as well as a private garden area in the rear. This property is a ten minute walk to the Grove St. PATH station as well as shops and restaurants.

LOCATION:



ADDRESS: 233 WEST 138TH ST, MANHATTAN, NY 10030

REGION: HARLEM



PROPERTY DESCRIPTION:

- 2-family attached
- Apt 1: 1 bed/2 bath, duplex
- Apt 2: 4 bed/3 bath, triplex
- 1 Car parking
- Approximate land size 1,700 sq ft
- Walk Score®: 97
- Transit Score®: 100

KEY STATISTICS:

Acquisition Date: 19 June 2014

Total Acquisition Cost: US \$1,731,435

Est. Monthly Rents:

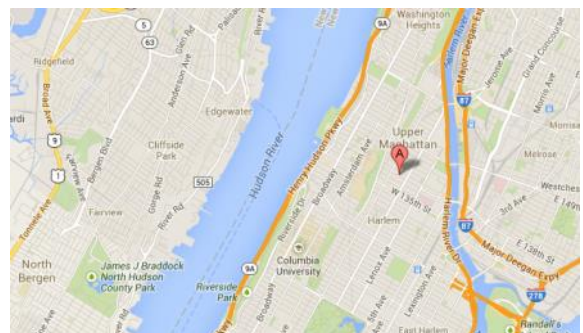
- Apt 1 US \$2,295
- Apt 2 US \$9,995

Est. Annual Net Yield: 4.2%

OTHER COMMENTS:

- This grand upper Manhattan townhouse located in the exclusive Strivers row neighborhood and the St Nicholas historic district was built in the early 1900's. The Strivers row neighborhood was designed in order to create a unified distinct "neighborhood within a neighborhood" with uniform townhomes that provide a strong cohesive element. The interior boasts original details and features a duplex rental unit and a triplex owners unit as well as a private outdoor garden and garage. Strivers row townhomes have a private driveway reserved solely for residents of this exclusive neighborhood. This property is located five blocks from the 2 and 3 subway lines as well as shops and restaurants.

LOCATION:



ADDRESS: 22 ARLINGTON PL, BROOKLYN, NY 11216

REGION: BEDFORD-STUYVESANT



PROPERTY DESCRIPTION:

- 1-family attached
- 5 bed/3.5 bath
- Quadplex
- Approximate land size 1,600 sq ft
- Walk Score®: 97
- Transit Score®: 99

KEY STATISTICS:

Acquisition Date: 20 June 2014

Total Acquisition Cost: US \$2,289,146

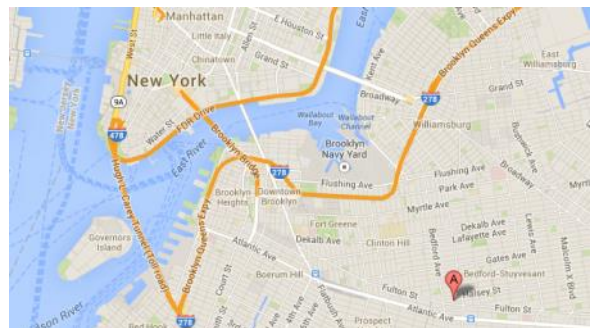
Est. Monthly Rents:
- Apt 1 US \$12,400

Est. Annual Net Yield: 4.5%

OTHER COMMENTS:

- This fully renovated Queen Anne style brownstone was built in 1886 by architect H.B Moore for a prominent steel merchant named George B. Douglas. The highly notable designer Amzi Hill is responsible for the original designs of this grand townhouse which is located on an exclusive block. The interior has been extensively restored and renovated to include both ornate classical details combined with modern charm. The layout features five bedrooms and three and a half bathrooms. The property also boasts a private deck at the rear of the home. This townhome is located just one block from the A and C subway lines as well as plenty of shops and restaurants. The Fund also owns 18 Arlington Pl.

LOCATION:



ADDRESS: 1202 GARDEN ST, HOBOKEN, NJ 07030

REGION: HOBOKEN



PROPERTY DESCRIPTION:

- 1-family attached
- 5 bed/3.5 bath
- Quadplex
- Approximate land size 1,500 sq ft
- Walk Score®: 92

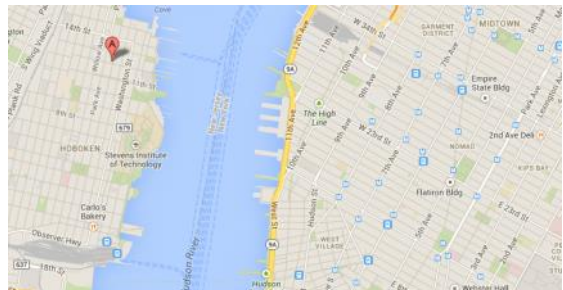
KEY STATISTICS:

Acquisition Date:	24 June 2014
Total Acquisition Cost:	US \$2,136,949
Est. Monthly Rents: - Apt 1	US \$12,000
Est. Annual Net Yield:	4.0%

OTHER COMMENTS:

- This grand one-family brownstone located on one of the most coveted streets in Hoboken was built in 1901. This townhome boasts an open layout with parquet wood floors, wood burning fireplace, a renovated kitchen with granite counters and stainless steel appliances. The layout features five bedrooms and three and a half bathrooms and a private patio in the rear of the home that is great for entertaining. This property is a ten minute walk to the 14th St Ferry terminal which takes less than ten minutes to reach Manhattan, and is two blocks away from Washington St where there are plenty of shops and restaurants.

LOCATION:



ADDRESS: 1021 WILLOW AVE, HOBOKEN, NJ 07030

REGION: HOBOKEN



PROPERTY DESCRIPTION:

- 1-family attached
- 5 bed/3.5 bath
- Quadplex
- Approximate land size 2,000 sq ft
- Walk Score®: 92

KEY STATISTICS:

Acquisition Date:	26 June 2014
Total Acquisition Cost:	US \$2,486,199
Est. Monthly Rents:	
- Apt 1	US \$13,500
Est. Annual Net Yield:	4.0%

OTHER COMMENTS:

- This grand townhouse located in a coveted uptown Hoboken neighborhood was built in 1887. This property has recently been fully renovated, boasting a new kitchen with stainless steel appliances, updated bathrooms and stone fireplace mantle. There is a private garden area in the rear that is great for entertaining. This property is a ten minute walk to the 14th St Ferry terminal which takes less than ten minutes to reach Manhattan, and is three blocks away from Washington St where there are plenty of Shops and restaurants. The Fund also owns 609 Willow Ave.

LOCATION:



ADDRESS: 516 MANILA AVE, JERSEY CITY, NJ 07302

REGION: DOWNTOWN



PROPERTY DESCRIPTION:

- 1-family attached on 1 side
- 4 bed/3 bath
- Quadplex
- Approximate land size 1,107 sq ft
- Walk Score®: 94

KEY STATISTICS:

Acquisition Date: 27 June 2014

Total Acquisition Cost: US \$1,321,359

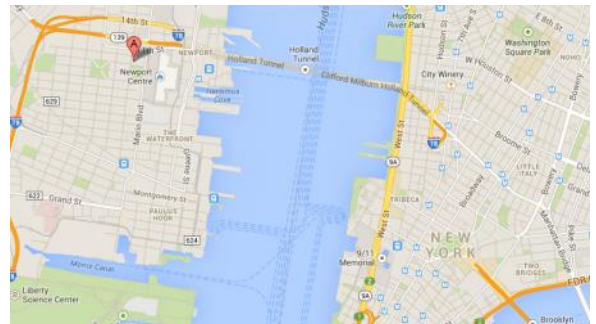
Est. Monthly Rents:
- Apt 1 US \$6,700

Est. Annual Net Yield: 4.0%

OTHER COMMENTS:

- This elegant Italianate style brick row house was built in 1867 and features original details along with modern amenities. The interior boasts wood floors, stone carved fireplace mantles, and a renovated kitchen. There is a private deck and garden area that leads off the kitchen. This property is less than a ten minute walk to the Newport mall and the PATH station as well as two blocks from historic Hamilton Park.

LOCATION:



ADDRESS: 208 HUDSON ST, HOBOKEN, NJ 07030

REGION: HOBOKEN



PROPERTY DESCRIPTION:

- 1-family attached
- 4 bed/3.5 bath
- Quadplex
- 1 car parking
- Approximate land size 1,445 sq ft
- Walk Score®: 98

KEY STATISTICS:

Acquisition Date: 30 June 2014

Total Acquisition Cost: US \$2,126,837

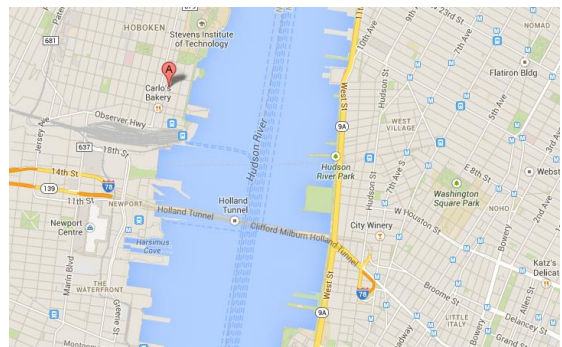
Est. Monthly Rents:
- Apt 1 US \$11,995

Est. Annual Net Yield: 4.4%

OTHER COMMENTS:

- This grand Neo-Grec style brick townhouse is conveniently located in a prime location of Hoboken and was built in 1901. The interior is fully renovated and boasts wood floors, updated kitchen with stainless steel appliances, a fireplace and remodeled bathrooms. This townhome features four bedrooms and three and a half bathrooms, exclusive garage parking and a private patio area in the rear. This property is a five minute walk to the Hoboken Terminal and steps from shops and restaurants.

LOCATION:



ADDRESS: 109 HALSEY ST, BROOKLYN, NY 11216

REGION: BEDFORD-STUYVESANT



PROPERTY DESCRIPTION:

- 2-family attached
- Apt 1: 1 bed/1 bath
- Apt 2: 3 bed/4 bath, triplex
- Approximate land size 1,850 sq ft
- Walk Score®: 92
- Transit Score®: 98

KEY STATISTICS:

Acquisition Date: 30 June 2014

Total Acquisition Cost: US \$1,487,829

Est. Monthly Rents:

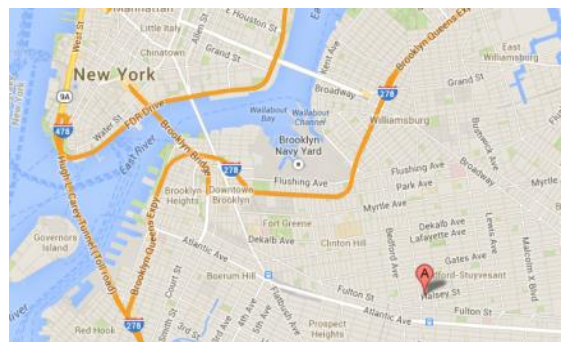
- Apt 1 US \$2,000
- Apt 2 US \$8,495

Est. Annual Net Yield: 4.3%

OTHER COMMENTS:

- This Italianate style two-family townhouse is located in the heart of Bedford-Stuyvesant and was built in 1901. The interior has some original details still intact such as ceiling moulding and wood carved fireplace mantles. This property is located two blocks from the A and C subway lines as well as shops and restaurants. The Fund also owns 45 and 122 Halsey St.

LOCATION:



ADDRESS: 843 PROSPECT PL, BROOKLYN, NY 11216

REGION: CROWN HEIGHTS



PROPERTY DESCRIPTION:

- 2-family attached
- Apt 1: 1 bed/1 bath
- Apt 2: 4 bed/4.5 bath, triplex
- Approximate land size 1,700 sq ft
- Walk Score®: 92
- Transit Score®: 100

KEY STATISTICS:

Acquisition Date:	30 June 2014
Total Acquisition Cost:	US \$1,482,563
Est. Monthly Rents:	
- Apt 1	US \$2,495
- Apt 2	US \$9,995
Est. Annual Net Yield:	4.3%

OTHER COMMENTS:

- This grand Renaissance Revival style limestone townhouse located in the Crown Heights North historic district was built in 1905. The interior boasts original details such as pier mirrors, pocket doors, wood and marble carved fireplace mantles, original wood floors and stained glass windows. This property is located five blocks from the Nostrand Ave train station and two blocks from Brower Park.

LOCATION:

