

12 June 2015

## **US Masters Residential Property Fund (Fund)**

**ASX Code: URF**

### **Investment and NTA Update – 31 May 2015**

#### **NTA update**

The estimated unaudited net tangible asset before withholding tax on unpaid distributions as at 31 May 2015 was \$1.95\* per unit.

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 31 May 2015 would be \$1.81\* per unit.

The Fund is a long-term investor and does not intend to dispose of its total portfolio, though as part of its ongoing capital management program it will from time to time dispose select properties and generally reinvest the proceeds into the target market.

#### **Fund update**

Post month end, the Fund successfully closed on a new US\$150 million credit facility with three and five year expiries across a US\$85 million revolving loan sub-facility and a US\$65 million fully drawn term loan sub-facility. The new credit facility bears interest at the London Interbank Offered Rate (LIBOR) plus 5.50%. The new facility will be used to partially repay the Fund's existing revolving credit facility and provide additional capital to the Fund to continue to grow its investment strategy. The new facility expands the Fund's diversity of funding sources, maturities, and terms in order to optimise its capital structure towards its long-term target gearing ratio of 50%.

#### **Property portfolio update**

During the month, the Fund acquired three properties for a total acquisition cost of US\$2.2 million. Please find detailed descriptions of each property on the following pages.

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

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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.

**ADDRESS:** 105 Moffat Street, Brooklyn, NY 11207

**REGION:** Bushwick



#### PROPERTY DESCRIPTION:

- 2-family attached
- Apt 1: 1 bed/1 bath
- Apt 2: 3 bed/2 bath
- Approximate land size 1,755 sq ft
- Walk Score®: 85
- Transit Score®: 92

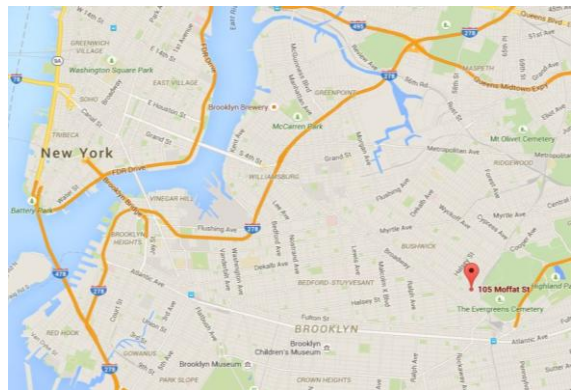
#### KEY STATISTICS:

<b>Acquisition Date:</b>	8 May 2015
<b>Total Acquisition Cost:</b>	US \$863,151
<b>Est. Monthly Rents:</b>	
- Apt 1	US \$1,795
- Apt 2	US \$3,995
<b>Est. Annual Net Yield:</b>	4.1%

#### OTHER COMMENTS:

- This large two-family home offers unique detail for a Bushwick home. The duplex has wood spindle room dividers, pocket doors, fireplace mantles, original staircase and crown moulding. The property is just two blocks from the L train, providing access to lower Manhattan in under 30 minutes.

#### LOCATION:



**ADDRESS:** 1286 Jefferson Avenue, Brooklyn, NY 11221

**REGION:** Bushwick



#### PROPERTY DESCRIPTION:

- 2-family attached
- Apt 1: 2 bed/2 bath
- Apt 2: 2 bed/1 bath
- Approximate land size 1,900 sq ft
- Walk Score®: 91
- Transit Score®: 88

#### KEY STATISTICS:

**Acquisition Date:** 19 May 2015

**Total Acquisition Cost:** US \$893,045

**Est. Monthly Rents:**

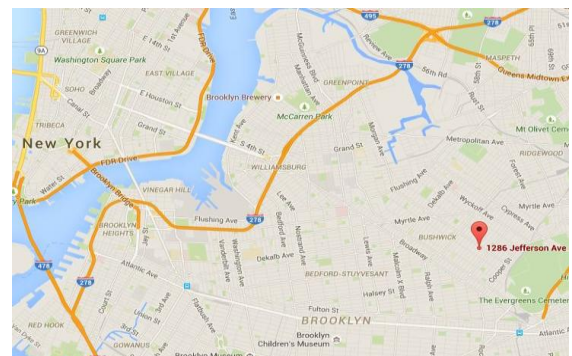
- Apt 1 US \$3,395
- Apt 2 US \$2,395

**Est. Annual Net Yield:** 4.2%

#### OTHER COMMENTS:

- This large two-family home is situated in a great Bushwick location and retains some of its late 1800s original detail. The property provides ample living space with a 2 bedroom duplex, a 2 bedroom flat, and a finished cellar. The property is just two blocks from the L train, providing access to lower Manhattan in under 30 minutes.

#### LOCATION:



**ADDRESS:** 14 Monticello Avenue, Jersey City, NJ 07304

**REGION:** Bergen-Lafayette



#### PROPERTY DESCRIPTION:

- 2-family attached
- Apt 1: 2 bed/2 bath
- Apt 2: 2 bed/2 bath
- Approximate land size 2,033 sq ft
- Walk Score®: 92

#### KEY STATISTICS:

**Acquisition Date:** 21 May 2015

**Total Acquisition Cost:** US \$394,866

**Est. Monthly Rents:**

- Apt 1 US \$1,800
- Apt 2 US \$1,800

**Est. Annual Net Yield:** 6.0%

#### OTHER COMMENTS:

- This 20-foot wide brick row house is located on a beautiful tree lined street in the up-and-coming neighborhood of Bergen-Lafayette. It is currently configured as two duplex apartments, but can easily be transformed to its original state as a single family townhome. The property is just blocks from Light Rail transportation to Downtown Jersey and Hoboken, which provide PATH trains to Manhattan.

#### LOCATION:

