

17 July 2015

US Masters Residential Property Fund (Fund)

ASX: URF

Unit purchase plan

Dixon Advisory & Superannuation Services Limited (ACN 103 071 665, AFS 231 143) (to be replaced, upon the Australian Securities and Investment Commission's update of its register, by Walsh & Company Investments Limited (ACN 152 367 649, AFS 410 433)) (**Responsible Entity**), in its capacity as the responsible entity of US Masters Residential Property Fund (**URF** or **Fund**), is pleased to announce the details of a Unit Purchase Plan (**Plan**) which will be offered to existing Unitholders in URF.

The Plan offer opens on 21 July 2015 and will be offered to all Fund Unitholders registered at 7.00pm AEST on 16 July 2015 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Unitholders**).

The Plan enables Eligible Unitholders with the opportunity to acquire up to \$15,000 of new fully paid ordinary units in the Fund without paying any brokerage costs, commissions or other transaction costs. The Plan is entirely optional.

The offer price for each unit will be \$2.00 per unit, which is a discount of 8.3% to the volume-weighted trading price of the Fund's units during the 5 trading days on which sales were recorded immediately prior to the date of this announcement. The proceeds of the Plan will be used to fund further acquisitions and renovations of US residential property and for working capital purposes, consistent with the investment strategy of URF.

Full details of the Plan, including the Plan application form (**Application Form**) are available in the Plan Booklet which will be mailed to Eligible Unitholders on 21 July 2015. Eligible Unitholders who wish to participate in the Plan need to ensure their payment and Application Form is received by 5.00pm (AEST) on 5 August 2015.

For more information, contact:

Alex MacLachlan
Director of the Responsible Entity
1300 454 801

Important Information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such offer would be illegal. The securities referred to herein have not been and will not be registered under the United States Securities Act 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

This document may not be distributed or released in the United States.

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may', 'should', 'expect', 'anticipate', 'estimate', 'scheduled' or 'continue' or the negative thereof of comparable terminology. Any forecasts or other forward-looking statements contained in this announcement are subject to unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to the future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. The Responsible Entity does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

17 July 2015

US MASTERS RESIDENTIAL PROPERTY FUND

ASX: URF

UNIT PURCHASE PLAN

Dear Unitholder

Dixon Advisory & Superannuation Services Limited (ACN 103 071 665) (to be replaced, upon the Australian Securities and Investments Commission's update of its register, by Walsh & Company Investments Limited (ACN 152 367 649)) (**Responsible Entity**), in its capacity as the responsible entity of US Masters Residential Property Fund (ARSN 150 256 161) (**URF**), is pleased to offer you the opportunity to participate in the URF Unit Purchase Plan (**Plan**) which was announced on 17 July 2015. The Plan provides you with the opportunity to acquire up to \$15,000 worth of URF's units (**Units**) without paying any brokerage costs, commissions or other transaction costs (subject to any scale back at the Responsible Entity's absolute discretion).

URF was established to seek to take advantage of the significant drop in home prices that occurred during the US housing collapse of 2006 to 2011 by investing in freestanding and multi-tenant houses in the New York metropolitan area, specifically in Hudson County, New Jersey and Brooklyn, Manhattan and Queens, New York. URF has an integrated business model, with a successful strategy of acquiring properties at attractive valuations, renovating the properties to high standards, and professionally leasing and managing the properties for rental income and long term capital growth.

Since its establishment, URF, through its controlled entities, has built a portfolio of New York metropolitan area residential housing and apartments, consisting of some 2,000 housing units across nearly 550 houses and 27 apartment buildings. The Fund is the only listed fund that invests exclusively in New York metropolitan area freestanding and multi-tenant residential housing.

Strategy

URF seeks to invest in undervalued neighbourhoods in the New York metropolitan area that are experiencing rapid growth and gentrification. Operating an integrated business model, URF aims to acquire properties at attractive valuations, renovate and rehabilitate the properties to the highest standard, and lease and manage properties for long term growth and operational efficiency.

URF has built a sustainable and scalable business focussed on high density urban markets of the Eastern seaboard of the US, a market that the Responsible Entity believes has the most attractive economic fundamentals and housing supply/demand dynamics in the US.

These markets are benefiting from an ongoing urban growth revival. Key drivers of this urban growth revival include demographic fundamentals, such as a rising proportion of the young wishing to live in the "urban core" along with retiring baby boomers' increasing preference to return to the urban

lifestyle, and economic and social fundamentals, including proximity to jobs, rising commuting costs and historically low crime rates in cities.

The Responsible Entity believes significant opportunity exists in its target markets to deploy additional Fund capital. The proceeds of the Plan will be used to fund further acquisitions and renovations of US residential property and for working capital purposes, consistent with the investment strategy of URF.

Details of the Plan

The Plan allows you to acquire up to a maximum of \$15,000 worth of Units. The issue price is \$2.00 per new Unit, which represents a discount of 7.3% to the volume weighted average price per URF Unit over the 10 trading days on which sales were recorded immediately before the announcement of the Plan on 17 July 2015 (Issue Price).

Issue Price

The market price of Units may rise or fall between the date of the offer under the Plan and the date when the new Units are issued. At the time of issue, the Issue Price of \$2.00 may be higher or lower than the price of Units trading on the ASX.

Participation in the Plan is optional and is open to eligible URF unitholders (**Unitholders**) who are holders of Units on 7.00pm AEST on 16 July 2015 (**Record Date**) with a registered address on the register in Australia or New Zealand. Certain eligible Unitholders who are custodians holding Units on behalf of certain beneficiaries are also invited to participate in the Plan on the terms and conditions set out in this booklet (**Plan Booklet**). The Responsible Entity will not issue new Units to an applicant if those Units, either alone or in conjunction with the issue of Units under other applications received by the Responsible Entity, would contravene any law or the ASX Listing Rules.

New Units issued under the Plan will rank equally with existing Units from the date of issue. For the avoidance of doubt, New Units will not be entitled to receive the distribution for the period ending 30 June 2015. Units began trading ex-distribution on 26 June 2015.

Scale-back

The Responsible Entity has the absolute discretion to scale back applications. In the event of a scale-back, you may be allotted Units to a value which is significantly less than the parcel for which you applied. Should this happen, the balance of any application monies, in excess of \$1.00, not applied to acquire Units under the Plan will be refunded to you, without interest. The Responsible Entity will make an announcement to the ASX on the outcome of the Plan and the number of Units to be issued on or around 13 August 2015, when New Units will also be issued.

Parcels of Units and rounding

The Plan enables eligible Unitholders to acquire new Units to a value of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000, free from brokerage and other transaction costs. In each case, the number of Units to be issued will be determined by dividing the value of Units validly applied for by

the Issue Price. If this calculation produces a fractional number, the number of Units issued will be rounded down to the nearest whole number. Refer to the application form for the numbers of Units applicable for each investment value.

If you make a payment for an amount not equal to \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000, the Responsible Entity may round down the dollar amount of Units you are applying for to the next lowest parcel at its discretion and refund any excess application money, in excess of \$1.00, without interest. If the amount received is less than \$1,000, the Responsible Entity will not allot any new Units to you and the money received from you will be refunded without interest.

How to participate in the Plan

The Plan offer opens at 4.00pm (AEST) on 21 July 2015. If you are an eligible Unitholder and wish to participate in the offer, you may apply for Units in the amount of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000 at an Issue Price of \$2.00 per Unit.

Please ensure you send your payment (whether by cheque, bank draft or money order) and Plan application form (**Application Form**), allowing enough time for mail delivery, to be received by 5.00pm (AEST) on 5 August 2015.

This letter is not financial advice, and has been prepared without taking into account the objectives, financial situation or the needs of individuals. Before making an investment decision, you should consider the appropriateness of the information having regard to your own objectives, financial situation and needs and seek such legal, financial and/or taxation advice as necessary or appropriate. A cooling-off regime does not apply in relation to the acquisition of Units under the Plan.

I encourage you to read the Plan Booklet carefully and in its entirety before making a decision on whether to participate in the Plan. You should be aware that the future market price of the Units is uncertain and may rise or fall between now and the time Units are issued to you under the Plan. This means you are accepting the risk that the price you pay for Units under the Plan may be either higher or lower than the Unit price trading on the ASX at the time Units are issued to you under the Plan.

If you have any questions in relation to the Plan, please call 1300 454 801 between 8.00am and 5.00pm Monday to Friday during the offer period.

On behalf of the Board of the Responsible Entity, I thank you for your continued support.

Yours sincerely,



Alex MacLachlan
Director of the Responsible Entity

SUMMARY OF PLAN OFFER

1. The Plan

The Plan provides each eligible Unitholder with an opportunity to acquire Units (subject to any scale-back at the Responsible Entity's absolute discretion), without paying any brokerage fees, commissions or other transaction costs, at the Issue Price, for a total application price not exceeding \$15,000.

2. Eligible Unitholder

An eligible Unitholder who may participate in the Plan is a registered holder of Units at 7.00pm (AEST) on 16 July 2015 with a registered address on the register in Australia or New Zealand. Unitholders who hold Units on behalf of persons who reside outside Australia or New Zealand, are in the United States, or acting for the account or benefit of a person in the United States are not entitled to participate in the Plan on behalf of those persons.

3. Treatment of custodians, trustees and nominees

Please refer to clause 1(g) in the Plan Terms and Conditions for information on eligibility for custodian, trustee and nominee Unitholders.

4. Key dates

Record Date	16 July 2015
Announcement Date	17 July 2015
Plan opens	21 July 2015
Plan closes	5 August 2015
Issue date	13 August 2015
Despatch of holding statements	13 August 2015
Quotation of new Units on ASX	14 August 2015

This timetable is indicative only and subject to change. The Responsible Entity reserves the right to alter the above dates at its discretion, including closing the offer early at its absolute discretion, and without notice to you, subject to the ASX Listing Rules and the Corporations Act.

5. Maximum investment

You may apply for Units under the Plan up to a maximum amount of \$15,000 worth of Units at the Issue Price. You may apply to acquire Units worth \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000 based on the Issue Price. The Responsible Entity has the absolute discretion to scale back applications. Should this happen, the balance of any application monies, in excess of \$1.00, that are not applied to acquire new Units under the Plan will be refunded to you, without interest.

6. Issue Price

The Issue Price is \$2.00 per new Unit, which represents a discount of 7.3% to the volume weighted average price per Unit over the 10 trading days on which sales were recorded immediately before the announcement of the Plan on 17 July 2015.

7. Ranking of Plan Units

New Units issued as part of the Plan will rank equally in all respects with existing Units quoted on the ASX, with the same voting rights, dividend rights and other entitlements from the date of issue.

For the avoidance of doubt, New Units will not be entitled to receive the distribution for the period ending 30 June 2015. Units began trading ex-distribution on 26 June 2015

8. Costs

No brokerage, commissions or other transaction costs are payable by eligible Unitholders in relation to the application for, and the issue of, Units under the Plan.

9. Plan participation

Participation in the Plan is optional. If you do not wish to participate in the Plan, no action is required on your part. The offer under the Plan is non-renounceable. This means you cannot transfer your right to purchase Units under the Plan to anyone else.

10. Application Form

Eligible Unitholders who receive more than one Application Form, for example, because they hold Units in more than one capacity, may apply on different Application Forms for Units but may not apply for Units with an aggregate dollar amount exceeding \$15,000.

11. Refunds

Refunds pursuant to the Plan may be paid under various circumstances. For example, if applications are made incorrectly. The entire payment may be refunded, or if allocations are scaled back, a partial refund may be made. If a refund is made, payment will be made by cheque or direct deposit where possible. No refunds will be made of amounts of less than \$1.00.

Refunds will be made without interest as soon as practical after the Plan closes.

12. How to apply

Use the enclosed Application Form

You must complete the Application Form, attach Application Monies and submit your application in accordance with the instructions on the Application Form. Cheques, bank drafts and money orders should be made payable to "US Masters Residential Property Fund" and crossed "Not Negotiable".

Payments must be made in Australian dollars.

Application Forms together with application monies equal to the number of Units you wish to acquire should be submitted:

(a) By post

URF – Plan Offer
US Masters Residential Property Fund
GPO Box 575
Canberra ACT 2601

(b) By hand delivery

Canberra

URF – Plan Offer
US Masters Residential Property Fund
Level 1, 73 Northbourne Ave
Canberra ACT 2600

Sydney

URF – Plan Offer
US Masters Residential Property Fund
Level 15, 100 Pacific Highway
North Sydney NSW 2060

Melbourne

URF – Plan Offer
US Masters Residential Property Fund
Level 2, 250 Victoria Pde
East Melbourne VIC 3002

All payments and applications must be received no later than 5.00pm AEST on 5 August 2015.

13. Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act (**FATCA**) is a United States (**US**) tax law aimed at financial institutions and other financial intermediaries to prevent tax evasion by US citizens and US tax residents through use of non-US investments or accounts. The FATCA provisions were included in the HIRE Act which was signed into US law on 18 March 2010.

Australia has signed an intergovernmental agreement (**IGA**) with the US to implement FATCA in Australia. The FATCA provisions were introduced as Division 396 in Schedule 1 of the Taxation

Administration Act 1953 (Cth), to be administered by the Australian Taxation Office (**ATO**). Under the IGA, Reporting Australian Financial Institutions will have identification and reporting obligations under FATCA.

URF is a Reporting Australian Financial Institution under the IGA. The Responsible Entity intends to fully comply with the Responsible Entity's FATCA obligations as determined by the FATCA regulation, the IGA and any associated guidance from the ATO. These obligations include (but are not limited to) the Responsible Entity identifying and documenting the status of the URF investor as either a US person, US controlled entity or a non-complying FATCA financial institution. The Responsible Entity is then obligated by law to report certain information on applicable URF investors to the ATO which will in turn report this information to the US Internal Revenue Service.

In order for URF to comply with its FATCA obligations, the Responsible Entity will be obligated to request certain information from Unitholders. Certain information collected will be reported to the ATO, which will in turn report the information to the US Internal Revenue Service.

Neither URF nor the Responsible Entity are liable for any loss a Unitholder may suffer as a result of URF's compliance with FATCA.

This information is of a general nature only. Please consult your tax advisor should you wish to understand the implications of FATCA on your particular circumstances.

PLAN TERMS AND CONDITIONS

Important Notice

The offer to purchase Units under the Plan is not a recommendation to acquire Units. If you are in any doubt about the Plan, you should consider obtaining professional financial and/or taxation advice to assist you in determining whether or not, and the extent to which, you wish to participate in the Plan (taking into account your own financial situation, needs and objectives). Nothing in these terms and conditions (**Plan Terms and Conditions**), the Application Form or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the Plan. If you apply to participate in the Plan by completing and returning the Application Form with a cheque, bank draft or money order, you are accepting the risk that the market price of the Units may change. This means it is possible that, between the time you make your application and up to or after the issue date, you may be able to buy Units at a lower price than the Issue Price. No cooling-off regime applies in relation to the acquisition of Units under the Plan.

1. Eligible Unitholders

- (a) Subject to clauses 1(c) to 1(j) (inclusive), all persons registered as holders of fully paid ordinary Units in URF at 7.00pm (AEST) on 16 July 2015 (**Record Date**), whose registered address in the register is in Australia or New Zealand, may participate in the Plan (**Eligible Unitholders**). The Responsible Entity has determined that it is not practical for holders of Units with registered addresses in other jurisdictions to participate in the Plan.
- (b) Directors and employees of the Responsible Entity who hold Units may be Eligible Unitholders.
- (c) Unitholders who hold Units on behalf of persons who reside outside Australia or New Zealand, are in the United States, or are acting for the account or benefit of a person in the United States are not entitled to participate in the Plan on behalf of those persons. A trustee, nominee or custodian must not participate in the Plan on behalf of, nor distribute this document or any other document relating to the Plan to, any person in the United States. The Units to be issued under this Plan have not been, and will not be, registered under the United States Securities Act of 1933, as amended (**U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States. Accordingly, Unitholders who are located in the United States or are acting for the account or benefit of a person in the United States are not Eligible Unitholders entitled to participate in the Plan.
- (d) In accordance with relevant New Zealand securities law, a person who on the Record Date was registered as a holder of Units with a New Zealand address but who, as at the time of this offer, no longer holds Units is not eligible to participate in the Plan.
- (e) To the extent that you hold Units on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any application complies with all applicable foreign laws. You must not distribute any documents relating to the Plan to any person in the United States. Consistent with the representations, warranties and acknowledgements contained in Clause 3 and the Application Form included with these Plan Terms and Conditions, you may not submit any completed Application Forms for any person in

the United States or who is acting for the account or benefit of a person in the United States. Failure to comply with these restrictions may result in violations of applicable securities laws.

- (f) Unitholders who are joint holders of Units are taken to be a single registered holder of Units for the purposes of determining whether they are an Eligible Unitholder, and the certification under clause 3(a)(v) by one joint holder will be effective in respect of the other joint holder(s).
- (g) If you are a custodian (as defined in Australian Securities and Investments Commission (**ASIC**) Class Order CO 09/425), you may apply for up to \$15,000 worth of Units for each beneficiary subject to you annexing to your Application Form a certificate addressed to the Responsible Entity with the following information (**Custodian Certificate**):
 - (i) confirmation of either or both of the following:
 - (A) that you hold Units on behalf of one or more other persons (each a **Participating Beneficiary**) that are not custodians; or
 - (B) that another custodian (**Downstream Custodian**) holds beneficial interests in Units on behalf of one or more other persons (each a **Participating Beneficiary**), and you hold the Units to which those beneficial interests relate on behalf of the Downstream Custodian or another custodian;
 - (ii) confirmation that each Participating Beneficiary has subsequently instructed the following persons:
 - (A) where paragraph 1(g)(i)(A) above applies – you; or
 - (B) where paragraph 1(g)(i)(B) above applies – the Downstream Custodian,
 to apply for Units on their behalf under the Plan;
 - (iii) the number of Participating Beneficiaries and their names and addresses;
 - (iv) in respect of each Participating Beneficiary:
 - (A) where paragraph 1(g)(i)(A) above applies – the number of Units that you hold on their behalf; or
 - (B) where paragraph 1(g)(i)(B) above applies – the number of Units to which the beneficial interests relate;
 - (v) in respect of each Participating Beneficiary:
 - (A) where paragraph 1(g)(i)(A) above applies – the number or the dollar amount of Units they have instructed you to apply for on their behalf; or
 - (B) where paragraph 1(g)(i)(B) above applies – the number or the dollar amount of Units they have instructed the Downstream Custodian to apply for on their behalf;

- (vi) confirming that there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$15,000:
 - (A) the Units applied for by you under the Plan in accordance with the instructions referred to in 1(g)(v) above; and
 - (B) any other Units issued to you in the 12 months before the application as a result of an instruction given by them to you or the Downstream Custodian to apply for Units on their behalf under an arrangement similar to the Plan;
- (vii) confirmation that a copy of these Plan Terms and Conditions was given to each Participating Beneficiary; and
- (viii) where paragraph 1(g)(i)(B) above applies – the name and address of each custodian who holds beneficial interests in Units held by you in relation to each Participating Beneficiary.
- (h) If you hold Units as a trustee or nominee for another person, but are not a custodian as defined in ASIC Class Order CO 09/425, you cannot participate for beneficiaries in the manner described above. In this case, the rules in clause 2(b) apply.
- (i) Custodians wishing to participate on behalf of a beneficiary or beneficiaries must provide the certifications required by ASIC Class Order CO 09/425 and should contact the Registry to request a Custodian Certificate that contains these certifications and other details required to be provided by the custodian.
- (j) If you are an Eligible Unitholder, your rights under this offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

2. Applying for Units

- (a) Participation in the Plan is optional. Eligible Unitholders may apply to purchase a parcel of Units with a dollar amount of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000. If you are an Eligible Unitholder and wish to participate in the Plan, you must follow the instructions on the Application Form and complete the Application Form and provide a cheque, bank draft or money order made payable to "US Masters Residential Property Fund" and crossed "Not Negotiable" (**Application**). Payments must be made in Australian dollars. Please ensure that sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received, so that it is received by the Registry by 5.00pm (AEST) on 5 August 2015 unless the offer is closed earlier at the absolute discretion of the Responsible Entity (the **Closing Date**).

If the Responsible Entity receives an amount that is not equal to \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000, it will round down the dollar amount of Units that you are applying for to the next lowest parcel and refund any excess of \$1.00. If the Responsible Entity receives less than \$1,000, it will reject your application and refund your application monies that are not used to purchase Units, without interest, as soon as practicable following the issue of Units.

- (b) Eligible Unitholders who receive more than one offer under the Plan (for example, because they hold Units in more than one capacity) may apply on different Application Forms for Units but may not apply for Units with an aggregate dollar amount of more than \$15,000.
- (c) The Responsible Entity may accept or reject your application for Units at its discretion. The Responsible Entity may reject your application in the following circumstances (among others):
 - (i) your Application Form is incorrectly completed, incomplete or otherwise determined by the Responsible Entity to be invalid;
 - (ii) you have applied for Units with a total application price of less than \$1,000;
 - (iii) your cheque is dishonoured or the cheque, bank draft or money order that you enclose with your Application Form is not made out for the amount corresponding to the value of the parcel of Units you have applied for;
 - (iv) it appears that you are applying to acquire Units with an aggregate application price in excess of \$15,000;
 - (v) you are a custodian and you have not provided the required Custodian Certificate;
 - (vi) your Application Form is received after the Closing Date. Late payments will be refunded, without interest, as soon as practicable following the issue of Units; or
 - (vii) The Responsible Entity believes you are not an Eligible Unitholder (subject to compliance with any applicable ASIC or ASX Limited (**ASX**) requirements).
- (d) References in this Plan Booklet to \$ should be read as Australian dollars.

3. Effect of making an Application

- (a) By making an Application:
 - (i) you have read and accepted these Plan Terms and Conditions in full and you declare that all details and statements in your Application Form are true and complete and not misleading;
 - (ii) you represent that you are an Eligible Unitholder;
 - (iii) you irrevocably and unconditionally agree to these Plan Terms and Conditions and the terms of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the Plan;
 - (iv) you acknowledge your application is irrevocable and unconditional and cannot be varied;
 - (v) you certify that the total of the application price for the following does not exceed \$15,000:

- (A) the Units the subject of your application;
 - (B) any other Units in the class you applied for under the Plan or any Units in the class issued under a similar arrangement in the 12 months before the application;
 - (C) any other Units in the class which you have instructed a custodian to acquire on your behalf under the Plan; and
 - (D) any other Units in the class issued to a custodian under an arrangement similar to the Plan in the 12 months before the application as a result of an instruction given by you to the custodian or another custodian and which resulted in you holding beneficial interests in the Units.
- (vi) you, and each person for whose account or benefit you are acting, are not in the United States and you are not acting for the account or benefit of a person in the United States;
 - (vii) you acknowledge that the Units have not, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the Units may not be offered, sold or resold in the United States;
 - (viii) you represent that you have not, and you agree that you will not, send any materials relating to the Plan to any person in the United States; or to any person acting for the account or benefit of a person in the United States;
 - (ix) you accept the risk associated with any refund that may be dispatched to your address as shown on the URF register or in the Registry's records;
 - (x) you are responsible for any dishonour fees or other costs the Responsible Entity may incur in presenting a cheque for payment that is dishonoured;
 - (xi) you acknowledge that no interest will be paid on any application monies held pending the issue of the Units or subsequently returned to you for any reason;
 - (xii) you acknowledge that you have not been provided with investment advice or financial product advice by the Responsible Entity or the Registry and that neither of them has any obligation to provide this advice in relation to your consideration as to whether or not to participate in the Plan; and
 - (xiii) you acknowledge that the Responsible Entity is not liable for any exercise of its discretions referred to in the Plan Terms and Conditions.
- (b) In addition, by making an Application:
- (i) you authorise the Responsible Entity to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor detail; and

- (ii) you acknowledge that the Responsible Entity may determine that your Application Form is valid, in accordance with the Plan Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective.

4. Price of Units under the Plan

- (a) The Issue Price is \$2.00 per new Unit, which represents a discount of 7.3% to the volume weighted average price per Unit over the 10 trading days on which sales were recorded immediately before the announcement of the Plan on 17 July 2015.
- (b) You agree to pay the Issue Price per Unit for the number of Units calculated under clause 2(a) or, if there is a Scale Back (as defined below), the number of Units calculated under clause 6.
- (c) You acknowledge the risk that the market price of Units may change (that is, rise or fall) between the date of this offer and the date the Units are issued to you under the Plan (**Issue Date**), which may mean that the Issue Price you pay for the Units may exceed or be less than the market price of the Units on the Issue Date.

5. Ranking of Units

New Units issued under the Plan will rank equally in all respects with existing Units quoted on the ASX, with the same voting rights, dividend rights and other entitlements.

For the avoidance of doubt, New Units will not be entitled to receive the distribution for the period ending 30 June 2015. Units began trading ex-distribution on 26 June 2015.

6. Scale back

- (a) The Responsible Entity may in its absolute discretion allocate to you less than the number of Units you have applied for (**Scale Back**). If there is a Scale Back, the Responsible Entity may in its absolute discretion determine to apply the Scale Back to the extent and in the manner that it sees fit.
- (b) If there is a Scale Back, you may receive less than the parcel of Units for which you applied. If a Scale Back produces a fractional number of Units when applied to your parcel, the number of new Units you will be allocated will be rounded down to the nearest whole number of new Units.
- (c) In the event of a Scale Back, the difference between the application monies received and the number of new Units allocated to you multiplied by the Issue Price, in excess of \$1.00, will be refunded to you by cheque without interest.

7. Costs of participation

No brokerage, commissions or other transaction costs will be payable by Eligible Unitholders in respect of the application for, and the issue of, Units under the Plan.

8. Timetable

Record Date	16 July 2015
Announcement Date	17 July 2015
Plan opens	21 July 2015
Plan closes	5 August 2015
Issue date	13 August 2015
Despatch of holding statements	13 August 2015
Quotation of new Units on ASX	14 August 2015

The Responsible Entity may vary any of the above dates at its discretion, including closing the offer early at its absolute discretion, (even if the offer has opened or Application Forms have been received) by lodging a revised timetable with the ASX.

9. Compliance

The offer of Units under the Plan is made in accordance with the requirements of ASIC Class Order CO 09/425 (as amended).

10. Dispute resolution

The Responsible Entity may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with, or by reason of, the operation of the Plan and the decision of the Responsible Entity will be conclusive and binding on all participants and other persons to whom the determination relates.

11. Waiver, amendment, suspension and withdrawal

The Responsible Entity may, at its discretion, waive compliance with any provision of the Plan Terms and Conditions, amend or vary them, or suspend or withdraw the Plan at any time. Any such waiver, amendment, variation, suspension or withdrawal will be binding on all Eligible Unitholders even where the Responsible Entity does not notify you of the event.

12. No Underwriting

The Plan will not be underwritten.

13. Governing Law

The Plan Terms and Conditions are governed by the laws in force in New South Wales.

14. Privacy Policy

- (a) Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you as a Unitholder (including your name, address and details of the Units you hold) to be included in the public register of the entity in which you hold Units. This information must continue to be included in the public register if you cease to be a Unitholder.
- (b) The Responsible Entity and the Registry may collect personal information to process your application and implement the Plan, and to administer your Unitholding.
- (c) The personal information contained on the register is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to Unitholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the *Corporations Act 2001* (Cth).
- (d) The personal information we collect may include your name, address, other contact details, bank account details and details of your Unitholding.
- (e) Unitholders who are individuals and the other individuals in respect of whom personal information is collected, as outlined above, have certain rights to access, correct or update the personal information held about them, subject to some exceptions allowed by law. Such individuals should contact the Registry on 1300 737 760 in the first instance if they wish to request access to that personal information. Reasons will be given if access is denied.
- (f) Your personal information may be disclosed to joint investors, registries, securities brokers, third party service providers (including print and mail service providers, technology providers, and professional advisors), related entities of the Responsible Entity and each of their agents and contractors, and ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure).
- (g) The main consequence of not providing the personal information outlined in clauses 14(a) to 14(d) above would be that the Responsible Entity may be hindered in, or prevented from, processing your application, and from conducting and implementing the Plan.
- (h) The Registry's privacy policy is available on their website: www.boardroomlimited.com.au

15. Other Terms and Conditions

Unitholders will be bound by the constitution of URF and the Plan Terms and Conditions by accepting the offer to acquire Units under the Plan.

CORPORATE DIRECTORY

Directors of Dixon Advisory & Superannuation Services Limited

Alex MacLachlan
Tristan O'Connell
Daryl Dixon

Max Walsh
Alan Dixon
Chris Brown

Directors of Walsh & Company Investments Limited

Alex MacLachlan
Tristan O'Connell
Tom Kline

Company Secretaries

Simon Barnett
Hannah Chan

Principal registered office in Australia

Level 15
100 Pacific Highway
North Sydney NSW 2060
Telephone: 1300 454 801

Security exchange quotation

The Units of US Masters Residential Property Fund are quoted on the Australian Securities Exchange (**ASX**).

Website address

www.usmastersresidential.com.au

Registry

Boardroom Pty Limited
Level 12
225 George Street
Sydney NSW 2000
Telephone: 1300 737 760

Unit Purchase Plan – Application Form

Ms Sam Sample
 456 Sample Road
 Sampletown
 NSW 2000

Record Date:	7.00 pm (AEST) 16 July 2015
Close Date:	5.00pm (AEST) 5 August 2015
Issue Price	A\$2.00

The Responsible Entity reserves the right to change the timetable, including closing the offer early at its absolute discretion

A Offer Choice

Indicate your choice below by marking one box only

☐

Offer A
A\$1,000
 (500 units)

☐

Offer B
A\$2,500
 (1,250 units)

☐

Offer C
A\$5,000
 (2,500 units)

☐

Offer D
A\$7,500
 (3,750 units)

☐

Offer E
A\$10,000
 (5,000 units)

☐

Offer F
A\$12,500
 (6,250 units)

☐

Offer G
A\$15,000
 (7,500 units)

B Payment

Payment may only be made by cheque or money order. Cash will not be accepted via the mail or at the US Masters Residential Property Fund Limited Share Registry. Payments cannot be made at any bank.

Payment Option - Cheque

Record cheque details below

Drawer	Cheque Number	BSB Number	Account No.	Amount A\$

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to “US Masters Residential Property Fund” and crossed Not Negotiable.
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

C Foreign Account Tax Compliance Act (FATCA)

In order for URF to comply with its FATCA obligations, the Responsible Entity is obligated to request certain information from its investors. Certain information collected will be reported to the ATO which will in turn report the information to the US Internal Revenue Service. Section 13 of Summary of Plan Offer above provides further information on FATCA.

1. Are you an Australian Retirement Fund, such as a self-managed superannuation fund, retail super fund or industry super fund?

☐

Yes
Go straight to Section D

☐

No
Continue to Question 2

2. Are you a US Citizen, Resident of the US for Tax Purposes, US Person or a Financial Institution for the purposes of FATCA? (see definitions of these terms below)

☐

Yes
Please provide your Taxpayer identification number (**TIN**) or Global Intermediary Identification Number (**GIIN**)

☐

No
Continue to Question 3

TIN or GIIN

3. Are you an entity, such as a company or trust, that is controlled by a US Citizen, Resident of the US for Tax Purposes or US Person? (see definitions of these terms below)

☐

Yes

☐

No
Continue to Section D

If you answered yes to question 2 or 3 we will contact you requesting further information.

Definitions

US Citizen means a citizen of the United States of America.

Resident of the US for Tax Purposes includes (but is not limited to) someone who has a lawful permanent resident status in the United States (e.g. a “green card” holder) or someone who is considered a US taxpayer under the applicable US tax laws.

US Person includes; a partnership or corporation organized in the United States or under the laws of the United States or a trust where a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States.

Financial Institution for the purposes of FATCA means a Financial Institution such a Custodial Institution, Depository Institution, Investment Entity or Specified Insurance Company under FATCA rules and regulations that is required to have a Global Intermediary Identification Number (**GIIN**) issued by the US Internal Revenue Service.

D Contact Details

Please provide a telephone number and contact name in case we need to contact you regarding your application.

Home telephone number	Work telephone number	Contact name

E Declarations and Acknowledgments

By lodging this form with your cheque you acknowledge and confirm that you have read, understood and agreed to the terms and conditions of the US Masters Residential Property Fund Unit Purchase Plan (**UPP**), details of which are contained in the UPP Booklet dated 17 July 2015. US Masters Residential Property Fund may settle in any manner it deems appropriate, any dispute or anomalies which may arise in connection with or by reason of the operation of the UPP, whether generally or in relation to any applicant or application of units. The decision of US Masters Residential Property Fund will be conclusive and binding on all persons to whom the determination relates. US Masters Residential Property Fund Limited reserves the right to waive compliance with any provision of the UPP terms and conditions. The Directors reserve the right to withdraw the offer of units under the UPP, or reduce the amount of units that may be subscribed for under the UPP in any manner, at any time prior to allotment. Any excess application moneys, in excess of \$1.00, will be refunded by cheque or direct deposit. No interest will be paid on any refunded application money.

NO SIGNATURE IS REQUIRED ON THIS FORM

THIS OFFER IS NON-RENOUNCEABLE

Completed Application Forms and payment must be received no later than 5.00 pm (AEST) on 5 August 2015 at:

You should allow sufficient time for this to occur. The postal acceptance rule does not apply to the UPP.

MAILING ADDRESS

URF – Plan Offer
 US Masters
 Residential Property
 Fund
 GPO Box 575
 CANBERRA ACT 2601

DELIVERY ADDRESS

Canberra
 URF – Plan Offer
 US Masters Residential
 Property Fund
 Level 1,73 Northbourne
 Avenue
 CANBERRA ACT 2600

DELIVERY ADDRESS

Melbourne
 URF – Plan Offer
 US Masters Residential
 Property Fund
 Level 2, 250 Victoria Parade
 East Melbourne VIC 3002

DELIVERY ADDRESS

Sydney
 URF – Plan Offer
 US Masters Residential
 Property Fund
 Level 15, 100 Pacific
 Highway
 NORTH SYDNEY NSW
 2060