

29 September 2015

US Masters Residential Property Fund
ASX Code: URF

URF announces URF Notes II to be listed on ASX

Walsh & Company Investments Limited (**Responsible Entity**), as responsible entity for the US Masters Residential Property Fund (the **Fund** or **URF**), the only listed REIT investing exclusively in New York metropolitan area residential housing, is pleased to announce the lodgement of a prospectus with the Australian Securities & Investments Commission (**ASIC**) for an offer of unsecured notes (**URF Notes II**).

Following the success of URF Notes, that closed oversubscribed in December 2014 raising \$150 million, the Fund has decided to launch a second tranche of unsecured notes. The URF Notes II carry a fixed annual interest rate of 7.75% per annum, payable quarterly, with a maturity of approximately five years and two months from the expected Issue Date.

The offer is for a minimum of \$50 million and up to \$100 million with the ability to accept oversubscriptions of up to \$50 million (**Offer**). The Responsible Entity, on behalf of the Fund, has allocated a Priority Offer of up to \$50,000 (500 URF Notes II) for each Applicant who is a Unitholder or URF Noteholder at 7:00pm on the Closing Date, with each Applicant who holds Units and URF Notes entitled to apply for up to \$100,000 (1,000 URF Notes II) under the Priority Offer. The final allocation may be subject to scaling. The Responsible Entity will apply for URF Notes II to be listed on the ASX.

Alan Dixon, Director of the Investment Manager, said the launch of URF Notes II reflects opportunities for further growth of the Fund. "The URF Notes II will allow us to continue to invest in the Fund's portfolio while helping us to continue to diversify and optimise our financing structure. We have an exceptional pipeline of renovations in the portfolio, where our award winning Architectural Design and Project Management teams can create significant value, and we continue to find attractive opportunities to acquire properties at or below replacement cost".

Proceeds of the issue of URF Notes II will provide additional capital to the Fund enabling it to execute its investment strategy, including the renovation of properties and acquisition of new properties, as well as pay costs of the offer and provide funds for working capital and debt servicing purposes consistent with the investment strategy of URF.

About URF Notes II

URF Notes II are unsecured debt obligations that rank behind secured debt and alongside other unsecured creditors of the Fund. URF Notes II rank alongside URF Notes.

URF Notes II provide investors with quarterly interest payments of 7.75% per annum. Interest payments are mandatory with the first interest payment scheduled for 31 December 2015.

URF Notes II mature on 24 December 2020, however may be redeemed by the Issuer, from 24 December 2018.

As URF intends that URF Notes II will be listed on the ASX, investors will generally be able to buy and sell URF Notes II on the ASX.

About the Offer

The Offer is scheduled to open on 7 October 2015 and the anticipated Closing Date of the Offer is 19 October 2015. The Offer is being made to Australian investors only.

The Responsible Entity, on behalf of the Fund, has allocated a Priority Offer of up to 500 URF Notes II for each Applicant who is a Unitholder or URF Noteholder on the Closing Date, with each Applicant who holds Units and URF Notes entitled to apply for up to 1,000 URF Notes II under the Priority Offer. The final allocation given to Applicants under this Offer, including the Priority Offer, will be subject to scaling at the discretion of the Responsible Entity depending on demand, the cash requirement of the Fund at the time of Allotment (as determined by the Responsible Entity) and in order to assist the Responsible Entity to develop a balanced register of URF Note II Noteholders. Applicants under the Priority Offer should include their individual Priority Offer Reference Number in the space provided on the Application Form at the back of the Prospectus or in the section provided in the online Application Form.

The Responsible Entity reserves the right to close the Offer early and to scale back applications at its sole discretion. The minimum investment in URF Notes II is \$2,000 (20 URF Notes II) and thereafter in multiples of \$500 (five URF Notes II).

Investors should read the Prospectus in full before deciding whether to invest in URF Notes II. The full terms of URF Notes II are provided in Annexure A of the Prospectus. Anyone wishing to invest in URF Notes II will need to complete the Application Form attached to or accompanying the Prospectus or through the online application portal at www.usmastersresidential.com.au which is scheduled to open from 7 October 2015.

For further information contact:
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The Issuer of URF Notes II will be Walsh & Company Investments Limited (ACN 152 367 649) in its capacity as Responsible Entity for the US Masters Residential Property Fund. The prospectus (Prospectus) will contain all details of the offer, including risks of investment. The Prospectus is expected to be available on, or after 29 September 2015 from the Responsible Entity. This document does not constitute an offer, invitation, solicitation or recommendation in relation to the subscription, purchase or sale of units in the Fund or URF Notes II in any jurisdiction, and neither this document, nor anything in it, will form the basis of any contract or commitment. An investment in URF Notes II will only be available through a valid application form attached to the Prospectus or an online Application accompanied by the electronic Prospectus. The Prospectus will be issued by Walsh & Company Investments Limited as responsible entity of the Fund. Before making a decision to make or hold any investment you should consider the Prospectus in full and seek advice if necessary. The information provided in this announcement is factual information or general advice and should not be considered personal advice. It has been prepared without taking into account your objectives, financial situation or particular needs. The past performance of the Fund is not a guarantee of future performance. An investment in the product involves various risks. You should obtain a copy of the Prospectus before making any decisions in relation to the product.