



US Masters Residential Property Fund



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This presentation involves a potential investment in the Fund. 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 dated 29 September 2015 (Prospectus) contains all the details of the URF Notes II Offer. Copies of the Prospectus are available by calling 1300 454 801 or through www.usmastersresidential.com.au. Offers of URF Notes II will be made in a copy of the Prospectus, and this presentation 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 Application using the online portal through www.usmastersresidential.com.au.

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BUSINESS AND INVESTMENT OVERVIEW



US Masters
Residential
Property Fund



US Masters Residential Property Fund (URF)

- Real estate investment trust (REIT), with \$911 million of total assets, focused on NYC metropolitan area single-family housing
 - established and listed June 2011, moved to Australian Securities Exchange June 2012
- Significant scale, with 1,889 housing units across 543 houses and 27 apartment complexes
 - largest institutional owner/operator of NYC townhouses
- Integrated business model
 - acquire at attractive valuations, renovate to high standards, professionally lease & manage

The leading institutional provider of urban single family rental homes in the New York metro area

NYC residential investment

Acquire, redevelop, lease NYC metro housing

- All-in entry price at or below replacement cost
 - Proprietary deal sourcing and specialist construction capabilities
 - Target undervalued neighbourhoods experiencing rapid growth and gentrification
- Focus on classic NYC townhouses and brownstones
 - Highly sought after, scarce resource
 - Est. 55,000 pre-WWI townhouses in existence across NYC & Hudson County (population 9 million)
- Capitalise on positive high-end rental market dynamics
 - Rapidly growing but under-serviced family-sized market

Strong unit holder returns



Annualised total unitholder returns since inception of ~13%¹

¹ At 22 September 2015 based on URF unit price of \$2.20

Investing in the community

- Committed to the betterment of local neighbourhoods and communities in which we operate
- Jersey City Landmarks Conservancy Awards
 - Winner: Preservation Initiative Award for 2014
 - *“For [Dixon’s] mindful renovations of architecturally significant Jersey City properties, including many outside of the historic districts.”*
- New York Construction Awards
 - Winner: Rising Star Award for 2015
 - Award honours valuable contributions to New York City by industry leaders in construction, design, and development

NEW YORK METRO MARKET CONDITIONS



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New York metro market overview

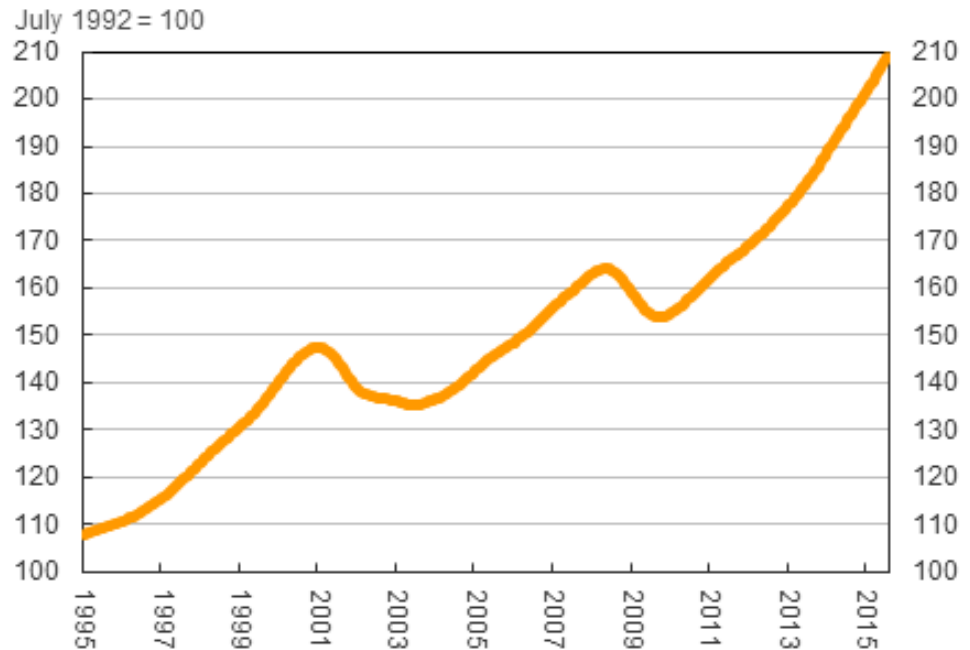
- Fastest growing US city, added as many people since 2010 as previous 10 years
- GDP (~\$1.3tn), almost equivalent to Australia
- Ranked most important global city in the world by Knight Frank & most competitive city in the world by The Economist
- Creating jobs at record pace, record private sector jobs
- Projected to add 1m people by 2040
- Safest US big city, lowest homicide rate since 1963

Chronically low inventory, improving economy, and unyielding interest from foreign investors will continue to drive property

Demand underpinned by growth

NYC economy is forecast to grow by more than any other major global city over next 15 years¹

- NYC economy growing at 6.8% over last 12 months
- 2014 one of best jobs years on record
- Diversified economy: Silicon Alley, Madison Avenue, Wall Street, media, fashion, real estate, education

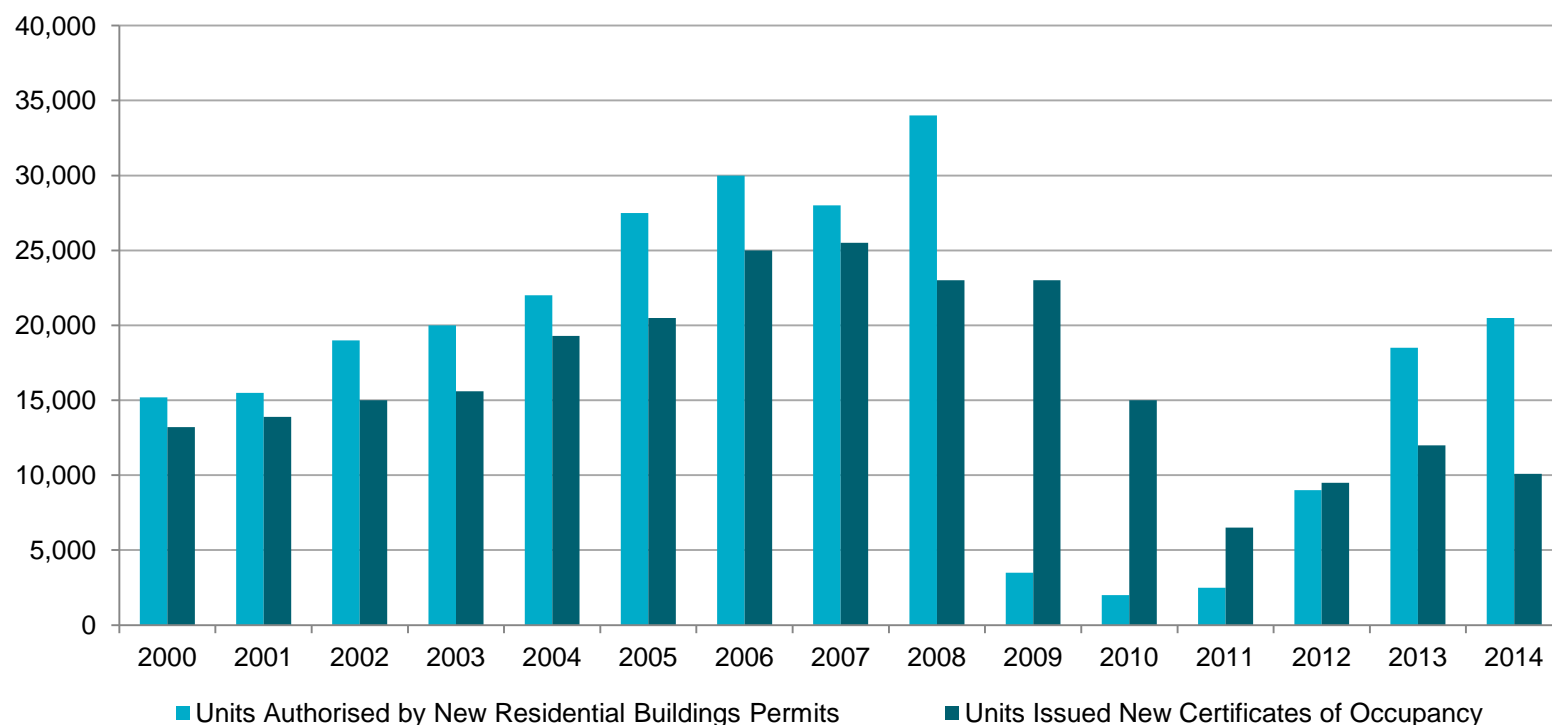


Source: Federal Reserve Bank of New York, Index of Coincident Economic Indicators, December 2015;

¹ Knight Frank, Prime Global City Markets, September 2014

Supply remains constrained

Development in NYC nearly ground to halt during crisis; while recovering, still historically low



Source: Furman Center State of New York Housing

INVESTMENT PORTFOLIO



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Record rents in townhomes

Renovation strategy that drives record rents

Downtown
Jersey City
US\$9,995



Jersey City
Heights
US\$4,495



Hoboken
US\$11,995



Park Slope,
Brooklyn
US\$15,995



Crown
Heights,
Brooklyn
US\$9,995



Note: rental amounts are per month

196 Hancock Street, Brooklyn

- Built in late 1800's by renowned architect Gilbert Alphonse Schellenger
- Renovated and reconfigured into spectacular single family home at minimal cost



Acquisition Cost	US\$2.1 million
Renovation Cost	US\$357,521
Last Valuation	US\$3.25 million (30 June 2015)
Current Lease	US\$9,495 per month

37 Prospect Place, Brooklyn

- Outdated two-family home renovated into a stunning two-family home
- Upgrades compliment original woodwork, fireplace mantles and inlay ceilings



Acquisition Cost	US\$1.495 million
Renovation Cost	US\$644,485
Last Valuation	US\$3.6 million (30 June 2015)
Current Lease	US\$13,440 per month

454 Gregory Avenue, Weehawken, NJ

- Outdated two-family home with beautiful New York City views
- Renovated with an open layout, juliette balconies and high end finishes



Acquisition Cost	US\$0.585 million
Renovation Cost	US\$614,050
Last Valuation	US\$1.4 million (30 June 2015)
Current Lease	US\$4,995 per month

URF NOTES II OVERVIEW



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URF Notes II Key Terms

Issuer	Walsh & Company Investments Limited as responsible entity for the US Masters Residential Property Fund
Structure	ASX listed unsecured debt notes
Interest rate	7.75% fixed per annum, payable quarterly; first payment scheduled for 31 December 2015
Maturity	24 December 2020, early partial or full repayment from 24 December 2018
Offer size	\$50 - \$100 million, oversubscriptions up to a further \$50 million
Priority offer	Priority Offer of \$50,000 (500 URF Notes II) per Unitholder or URF Noteholder (\$100,000 of 1,000 URF Notes II where a holder of both) at 7:00pm Sydney Time on closing date ¹
Stamping fee	2.2% (inc GST)

URF Notes II carry annual interest rate of 7.75%, payable quarterly, maturing 24 December 2020

¹ Subject to scaling at the Responsible Entity's discretion

Capital structure

Equity market capitalisation	A\$628m¹	Approximately 13%¹ p.a total unitholder returns since inception
URF Notes	A\$150m	Interest rate 7.75% p.a
URF Notes II	A\$50 - \$150m	Interest rate 7.75% p.a
Revolving facility	US\$75m across 2 facilities	Interest rate approximately 6% p.a
Term financing	US\$71m across 8 facilities	Interest rate between 3.5% and 4.0% p.a
Multi-family	US\$58m ² across 6 joint ventures	Interest rate between 3.5% and 4.0% p.a

Fund seeks diversity of funding sources, maturities, and terms

¹ 22 September 2015 - \$2.20 per Unit ² Fund proportion

Capital management

Fund targets consolidated gearing ratio of 50%

- Pro forma gearing comfortably within targets

	Current gearing¹	Pro Forma gearing \$50 million raising	Pro Forma gearing \$100 million raising	Pro Forma gearing \$150 million raising
Gearing ratio	37%	40%	43%	46%
Gearing ratio (look through)	42%	45%	47%	49%

Optimising the capital structure

¹ Based on 30 June 2015 balance sheet adjusted for equity raised from 1 July 2015 to 31 August 2015 and the payment of the 30 June 2015 distribution, including the issue of units under the distribution reinvestment plan. Gearing ratio is called the leverage ratio in the Prospectus

Key Risks

Unsecured Creditors	Holders of URF Notes II are subordinated and unsecured creditors and will effectively rank in an insolvency behind senior debt, behind unsecured creditors preferred by law, pari passu with other unsecured creditors including URF Notes and ahead of ordinary units of URF
Failure to pay interest or face value	The Issuer may fail to pay some or all of the interest or repayment of the face value of URF Notes II. If the Issuer does not repay some or all of the Face Value you may lose some or all of the money you invested in URF Notes II
Do not mature until 2020	URF Notes II do not mature until 24 December 2020. There is a risk you will not receive payment of Face Value until 2020
Issuer may redeem following certain events	The Issuer has the right to redeem part or all of the Face Value of URF Notes II from 24 December 2018. The Issuer may also redeem following a tax event or a change of control event. Depending on market conditions at the time you may not be able to reinvest the amount you receive at a similar rate
Issuer may raise more debt or issue more securities	The Issuer has the right to issue more debt on the same or different terms including the issue of more URF Notes II. Any further debt raising may affect your ability to recover interest or Face Value in the event of an Insolvency
Market price of URF Notes II may fluctuate	The Issuer will apply for quotation of URF Notes II. The market price of URF Notes II may fluctuate due to various factors. URF Notes II may trade at a market price below Face Value
Liquidity of URF Notes II may be low	The market for URF Notes II may not be liquid. There is a risk that, if you wish to sell your URF Notes II prior to the Maturity Date, you may not be able to do so at an acceptable price, or at all
Issuer may amend terms	The Issuer may amend the terms of URF Notes II without URF Notes II Noteholder approval with the approval of the URF Note II Trustee (subject to compliance with laws) or with a special resolution of URF Notes II Noteholders

Key Risks

Breach of Trust not an event of default	The Issuer has given undertakings to the URF Note II Trustee under the Trust Deed. A failure to comply with these obligations is not an event of default. If the Issuer fails to comply with the obligations under the Trust Deed, the rights of the URF Note II Trustee are limited to contractual and common law and in equity
URF Note Event of Default is not an Event of Default	A failure of the Issuer to comply with its obligations under URF Notes is not an event of default in relation to URF Notes II
Operating performance of URF	Declines in value, fluctuating vacancy rates, default of tenants, US interest rate fluctuations, downturn in the US economy among other factors relevant to the Issuer's target market may negatively impact the Issuer's ability to meet its obligations under URF Notes II
Foreign exchange risk	The Issuer's investments are US residential property denominated in US dollars. If the value of the US dollar against the Australian dollar falls the value of the Issuer's assets is likely to fall in Australian dollar terms. The Issuer doesn't currently intend to hedge
Historical negative cash flows	The Issuer remains in growth phase with negative cash flows including net operating cash outflows
Refinancing risk	URF Notes II Noteholders are exposed to the risk that the Issuer (including its controlled entities) or joint venture entities may not be able to refinance its debt facilities
Regulatory risk	The Issuer is subject to changes in Australian tax, US tax, Accounting standards and other regulations
Joint Venture Risk	There is a risk that the joint venture partners of the Issuer may fail to meet their obligations

Key Risks

Holder cannot require redemption	Individual URF Notes II Noteholders cannot require redemption until after the URF Notes II Trustee fails to do so when it is obliged to do so
Breach of covenants	URF may fail to meet covenants on existing or new debt facilities of URF, US REIT or any of its controlled entities or joint venture entities
US economy	The US economy may suffer a downturn (including a downturn in the US property market, specifically in the New York Metropolitan area)
Global market disruption	Global markets may be disrupted that may have a negative impact on URF

Offer Timetable

Lodgement of Prospectus with ASIC	29 September 2015
Expected open of Offer (9:00am Sydney time)	7 October 2015
Expected close of Offer (5:00pm Sydney time)	19 October 2015
Issue and allotment of URF Notes II	26 October 2015
Expected despatch of holding statements	27 October 2015
Trading of URF Notes II expected to commence on ASX	30 October 2015

Indicative timetable, may be subject to change

Summary

- Fund is uniquely well-placed to capture benefits from improving NYC metro market
- Portfolio is solid and expanding judiciously
- Fund continues to create a premium product and add value through renovations
- Expanding to proactively capture the investment potential in the market place

