

12 October 2016

US Masters Residential Property Fund (Fund)

ASX Code: URF

Investment and NTA Update – 30 September 2016

NTA update

The estimated unaudited net tangible asset before withholding tax on unpaid distributions as at 30 September 2016 was \$1.88* 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 30 September 2016 would be \$1.66* 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.

Property Portfolio Update

During the month, the Fund acquired three properties for a total acquisition cost of US\$7.3 million. Please find detailed descriptions of each property on the following pages.

*Source: Walsh & Company Investments 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.

ADDRESS: 306 Clermont Avenue, Brooklyn NY 11205

REGION: Fort Greene



PROPERTY DESCRIPTION:

- 1-family attached
- Apt 1: 6 bed/4 bath
- Approximate land size 1,767 sq ft
- Walk Score®: 97
- Transit Score®: 100

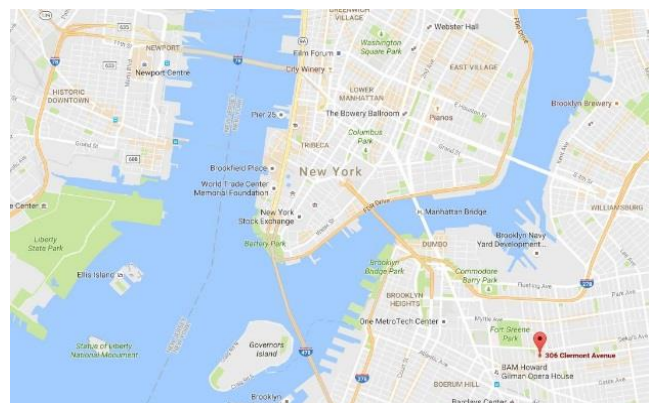
KEY STATISTICS:

Acquisition Date:	1 September 2016
Total Acquisition Cost:	US\$2,288,875
Est. Monthly Rents:	
- Apt 1	US\$17,995
Est. Annual Net Yield:	4.1%

OTHER COMMENTS:

- Continuing the Fund's expansion in the Fort Greene neighborhood, 306 and 308 Clermont Avenue represent another unique opportunity to own two contiguous brownstones. The Fund utilised an off-market transaction to acquire 306 Clermont, while 308 Clermont was purchased separately. Just a short walk to Fort Greene Park, the location is one of many endearing characteristics of these homes. The Fund will leverage the adjoining nature of these properties to create synergies across renovation, leasing and property management. Upon completion, these homes will be a welcomed addition to the Fund's portfolio of luxury single family brownstones.

LOCATION:



ADDRESS: 308 Clermont Avenue, Brooklyn NY 11205

REGION: Fort Greene



PROPERTY DESCRIPTION:

- 1-family attached
- Apt 1: 5 bed/4 bath
- Approximate land size 1,467 sq ft
- Walk Score®: 97
- Transit Score®: 100

KEY STATISTICS:

Acquisition Date: 12 September 2016

Total Acquisition Cost: US\$2,702,712

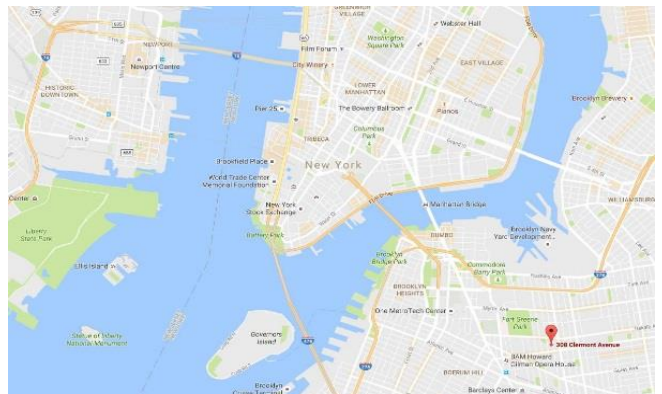
Est. Monthly Rents:
- Apt 1 US\$18,995

Est. Annual Net Yield: 4.2%

OTHER COMMENTS:

- Continuing the Fund's expansion in the Fort Greene neighborhood, 306 and 308 Clermont Avenue represent another unique opportunity to own two contiguous brownstones. The Fund utilised an off-market transaction to acquire 306 Clermont, while 308 Clermont was purchased separately. Just a short walk to Fort Greene Park, the location is one of many endearing characteristics of these homes. The Fund will leverage the adjoining nature of these properties to create synergies across renovation, leasing and property management. Upon completion, these homes will be a welcomed addition to the Fund's portfolio of luxury single family brownstones.

LOCATION:



ADDRESS: 398 State Street, Brooklyn NY 11217

REGION: Boerum Hill



PROPERTY DESCRIPTION:

- 1-family attached
- Apt 1: 4 bed/3 bath
- Approximate land size 1,470 sq ft
- Walk Score®: 99
- Transit Score®: 100

KEY STATISTICS:

Acquisition Date: 8 September 2016

Total Acquisition Cost: US\$2,290,400

Est. Monthly Rents:
- Apt 1 US\$15,995

Est. Annual Net Yield: 4.1%

OTHER COMMENTS:

- Situated on a quiet street, home to some of the highest sales in Boerum Hill, the acquisition of 398 State Street marks an exciting entry into this first-rate Brooklyn neighborhood. Behind a beautiful, original brick façade, this townhouse presents a great opportunity to unlock value through a full renovation. Located just outside the Boerum Hill Historic District, the Fund will enjoy increased optionality throughout the design phase. Just minutes from Downtown Brooklyn and Atlantic Terminal at the Barclays Center, easy access to all major subway lines is another feature to love about this home.

LOCATION:

