

22 August 2016

## US MASTERS RESIDENTIAL PROPERTY FUND

ASX: URF

### UNIT PURCHASE PLAN

Dear Unitholder

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) (**Fund** or **URF**), is pleased to offer you the opportunity to participate in the URF Unit Purchase Plan (**Plan**) which was announced on 19 August 2016. 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).

The Fund 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 Brooklyn, Manhattan and Queens, New York, and Hudson County, New Jersey. The Fund employs 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 diversified portfolio of New York metropolitan area residential housing and apartments, consisting of some 1,462 housing units across nearly 587 freestanding homes and 13 apartment buildings<sup>1</sup>. The Fund is currently the largest Australian-listed property trust with a primary strategy of investing in US residential property.

#### Strategy

The Fund seeks to invest in undervalued neighbourhoods in the New York metropolitan area that are experiencing growth and gentrification. Employing an integrated business model, URF aims to acquire properties at attractive valuations, renovate the properties to high standards, and lease and manage properties for rental income and long-term capital growth.

The Responsible Entity believes that, as an active investor in the New York metropolitan area residential market, the Fund is well positioned to continue to take advantage of current market conditions and create value for Unitholders in the US housing market. The proceeds of the Offer will be used for the purpose of investing directly in the US Masters Residential Property (USA) Fund (**US REIT**), a Maryland real estate investment trust controlled by the Fund through which the Fund accesses real estate. The US REIT and wholly owned entities will use the net proceeds of the Plan to fund URF's investment strategy including renovations of properties in the portfolio and

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<sup>1</sup> As at 31 July 2016

acquisitions of new properties, consistent with the investment strategy of the Fund, and for general business and financing purposes.

### Details of the Plan

The Plan allows you to acquire up to a maximum of \$15,000 worth of Units. The issue price is \$1.95 per new Unit, which represents a discount of 7.6% 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 19 August 2016 (**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 \$1.95 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 18 August 2016 (**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.

### 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 September 2016, when New Units will also be issued.

### Parcels of Units and rounding

The Plan provides eligible Unitholders with the opportunity 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 10.00am (AEST) on 22 August 2016. 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 \$1.95 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 2 September 2016. You do not need to return the Application Form if you have applied using BPAY®.

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.

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

Yours sincerely,



**Alex MacLachlan**  
**Chairman of the Responsible Entity**  
**Walsh & Company Investments Limited**

## 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 18 August 2016 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	18 August 2016
Announcement Date	19 August 2016
Plan opens	22 August 2016
Plan closes	2 September 2016
Issue date	13 September 2016
Despatch of holding statements	16 September 2016
Quotation of new Units on ASX	21 September 2016

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 \$1.95 per new Unit, which represents a discount of 7.6% 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 19 August 2016.

## 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.

## 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 (where in excess of \$1.00) 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

### *Option 1: Pay by BPAY®*

You can make a payment by BPAY®. To do this, you must use the Reference Number shown on the Application Form. If you make your payment with BPAY® you do not need to return your Application Form. You will not be able to withdraw or revoke your application or BPAY® payment once you have submitted it or made it or change the amount of Units you have applied for.

### *Option 2: Use the enclosed Application Form*

You can complete the Application Form, attach a cheque, bank draft or money order and submit your application in accordance with the instructions on the Application Form. Cheques, bank drafts and money orders should be made payable to "**URF Trust Account**" 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 Parade  
East Melbourne VIC 3002

All payments and applications must be received no later than 5.00pm AEST on 2 September 2016.

### 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 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 and FATCA provisions, Reporting Australian Financial Institutions have due diligence and reporting obligations under FATCA.

The Responsible Entity, on behalf of the Fund, is a Reporting Australian Financial Institution under the IGA. The Fund, through the Responsible Entity as sponsoring entity for the Fund, intends to fully comply with its 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) identifying and documenting the status of the Unitholder as either a US person, US controlled entity or a non-complying FATCA financial institution. The Fund is then obligated by law to

report certain information on applicable Unitholders 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 is obligated to request certain information from its Unitholders. Certain information collected will be reported to the ATO, which will in turn report this information to the US Internal Revenue Service.

URF and the Responsible Entity are not 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, or by BPAY® payment with your personalised reference number 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 18 August 2016 (**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.
- (b) 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.
- (c) 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.
- (d) 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 either:
  - (i) complete the Application Form and provide a cheque, bank draft or money order made payable to "URF Trust Account" 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 2 September 2016 unless the offer is closed earlier at the absolute discretion of the Responsible Entity (the **Closing Date**); or
  - (ii) for Unitholders with an Australian bank account, make a BPAY® payment equivalent to the dollar amount of the parcel of Units you wish to apply for on the internet or by telephone using the personalised reference number shown on your Application Form which is required to identify your holding. If you make a payment using BPAY® you do not need to return your Application Form but are taken to make the certifications and representations described in these Plan Terms and Conditions.

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.

If you apply by making a BPAY® payment, in applying for Units, you represent (without limiting clause 3) to the Responsible Entity that the total of the application price for the following does not exceed \$15,000:

- (i) the Units the subject of the application;

- (ii) any other Units in the class applied for under the Plan or any Units in the class issued under a similar arrangement in the 12 months before the application;
  - (iii) any other Units in the class which you have instructed a custodian to acquire on your behalf under the Plan; and
  - (iv) 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.
- (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, or via BPAY® under different reference numbers, 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 \$1.95 per new Unit, which represents a discount of 7.6% 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 19 August 2016.
- (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.

#### 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	18 August 2016
Announcement Date	19 August 2016
Plan opens	22 August 2016
Plan closes	2 September 2016
Issue date	13 September 2016
Despatch of holding statements	16 September 2016
Quotation of new Units on ASX	21 September 2016

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 the 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](http://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**

### **Responsible Entity**

Walsh & Company Investments Limited  
(ACN 152 367 649)  
(AFSL 410 433)

### **Directors of Responsible Entity**

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.usmrpf.com.au](http://www.usmrpf.com.au)

### **Registry**

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