QUARTERLY UPDATE

January - March 2020

US Masters Residential Property Fund

Executive Summary

Quarterly Report: January - March 2020

We welcome investors to the US Masters Residential Property Fund (URF or Fund)'s Quarterly Report for the period 1 January 2020 – 31 March 2020. This quarter has been dominated by the unprecedented COVID-19 pandemic and the resulting global economic uncertainty. The impact of COVID-19 on different aspects of the Fund's operations will be highlighted throughout this Quarterly Report alongside our standard reporting metrics.

The first three months of 2020 were largely encouraging for the Fund's operational results, with the positive impact of strategic initiatives starting to be realised. This impact is perhaps most succinctly illustrated by the improvement of Funds from Operations (FFO) in Q1 2020. While seasonal changes will impact each quarter's results, the Fund's FFO in Q1 2020 improved by 35% compared to the average quarterly result in 2019. This marks what we believe will be the beginning of clear, measurable improvements to URF stemming from recent operational changes.

Other notable results include:

- Gross sales of US$20.96 million were closed across 20 properties. A further US$33.4 million worth of transactions across 22 properties are currently pending.
- The Fund's debt levels (measured in local currencies) decreased substantially, with A$40.1 million repaid of URF Notes II (ASX: URFHB) and URF Notes III (ASX: URFHC), and US$2.3 million repaid from the Wells Fargo and Centennial facilities.
- Net Operating Income (NOI) Yield on a "same home" basis continues to improve, increasing from 2.91% to 3.16% on a rolling 12-month basis.
- General and Administrative (G&A) expenses were in line with targeted levels, with the 2020 target representing an annual decrease in excess of 22% compared to 2019 levels.

While COVID-19 started to impact URF's operations in mid-March, the Fund continues to maintain strong cash reserves. As at 31 March 2020, the Fund had US$33.1 million in US-denominated cash holdings, plus A$5.0 million in Australian-dollar-denominated funds.

AUD/USD Foreign exchange rate

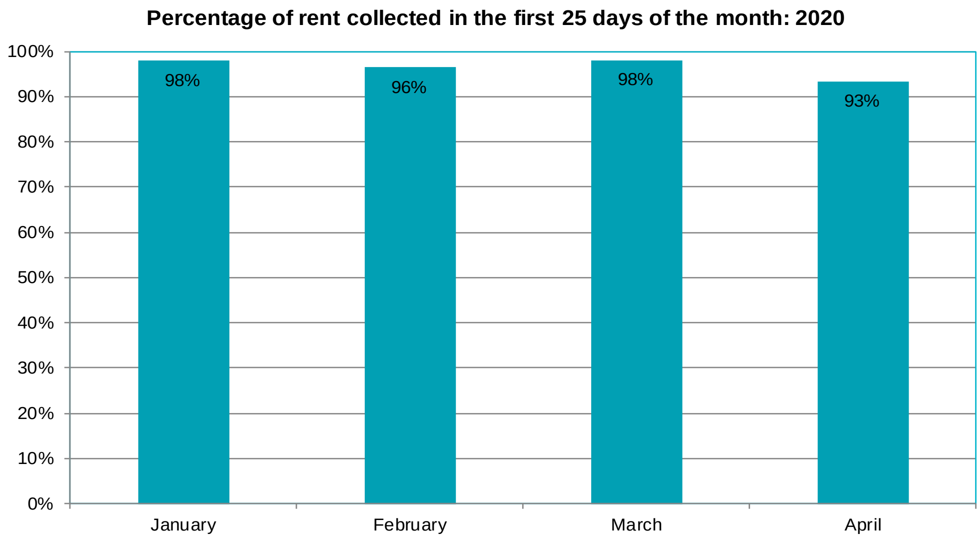
This quarter saw significant movements in foreign exchange markets, with the AUD/USD spot rate falling 12.7% from 0.7021 at 31 December 2019, to 0.6131 at 31 March 2020. Throughout April this has recovered to around 0.64 (as at 27 April 2020). This Australian-dollar (AUD) depreciation is beneficial for the Fund, as URF's assets are denominated in US-dollars (USD) which become more valuable in AUD terms.

While this currency movement has been a positive for the Fund's asset values in AUD terms, it should also be noted that a weakened Australian dollar magnifies all US-dollar cash flows (when converting into AUD terms). This exaggerates some financial metrics even if the underlying results are flat in local currency levels – examples being the Fund's USD debt balances and General and Administrative expenses. These metrics are discussed in more detail within this report.

April Rent Collection

The COVID-19 pandemic began to substantially impact the New York region in mid-March, and therefore the direct impact on the Fund's Q1 financial results is limited. Since the beginning of the outbreak our priorities have been the safety and well-being of our staff, tenants, contractors and vendors, while simultaneously protecting the Fund's financial position.

The first measurable financial impact of COVID-19 on the Fund was evident in April's rental payment collection rate. The chart below tracks rental payments through April 25 as compared to January, February and March 2020. As at April 25 the Fund had collected US$2.491 million which is approximately 93% of the month's rent roll (compared to an average collection rate of 97% across the corresponding dates for the first three months of 2020).



April's rent collection figures are resilient given the circumstances, with the US experiencing more than 22 million unemployment claims in the four weeks since President Trump declared a national emergency. New York and New Jersey have been two of the hardest hit areas in the US, as well as two of the first states to impose stay-at-home orders. By comparison (note that the dates vary between peer announcements):

- The National Multifamily Housing Council, as calculated by its survey of 11.5 million professionally managed apartment units across the country, reported that 89% of apartment households made a full or partial rent payment by 19 April 2020[1]. URF's collection rate at 19 April 2020 was 91% of expected April rent roll.
- American Homes 4 Rent (owner of 52,552 single-family properties in 22 states) reported that it had collected approximately 86% of April rents as of 9 April 2020[2]. URF's collection rate at 9 April 2020 was 87% of expected April rent roll.

Rental collections moving forward will no doubt be subject to the severity and duration of the pandemic. We are working with tenants on a case-by-case basis to manage these payments, providing flexibility where necessary while also balancing their financial obligations to the Fund. As detailed in the below table, the Fund's tenant profile is diverse across occupational industries and wealth points, which we believe will help to mitigate sector-specific and socioeconomic-related exposures to the crisis.

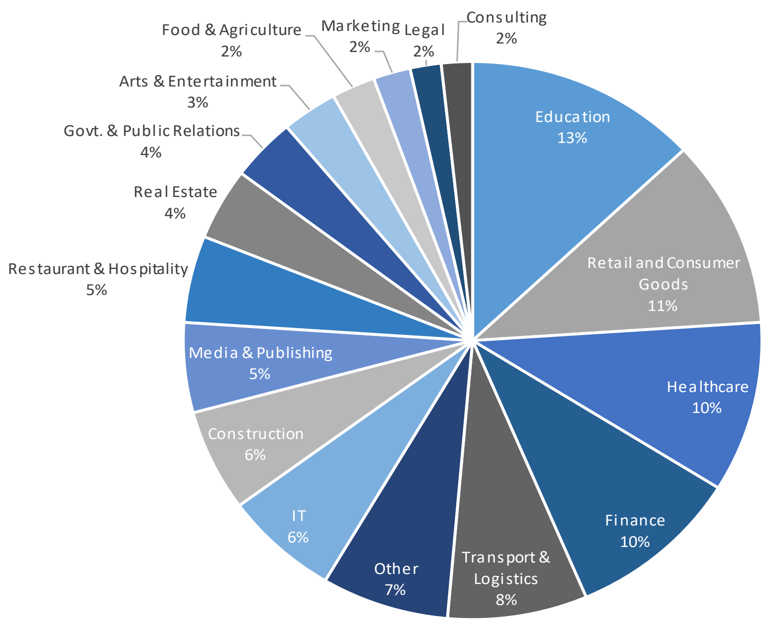
Source: US REIT

(1) Source: National Multifamily Housing Council (NMHC)

(2) Source: American Homes 4 Rent

Executive Summary

The chart below shows the occupational industries associated with tenants starting new leases for the 12 months to 31 March 2020, where such data is available. Some leases had multiple working tenants, and therefore are represented across multiple industries.



Source: US REIT

Despite the uncertainty caused by COVID-19, we would like to reassure investors that we are committed to protecting investor value through this challenging period as well as continuing to execute on the strategic plans we have outlined previously. It is too early to forecast the overall impact of the COVID-19 outbreak on the Fund's portfolio valuation or revenue profile, as the impact on these factors will undoubtedly depend on the severity and duration of the slowdown on the US economy, as well as the impact of targeted stimulus programs by the US government (both at an individual and corporate level). We will continue to keep investors informed as this situation develops and we hope that the financial metrics outlined in this report provide some reassurance as to the operational direction of the Fund. Please note that, to release this information in a timely manner, the data contained within this report is preliminary and unaudited.

We welcome investor feedback on these reporting metrics, and encourage direct communication with the Fund via our Investor Relations team at URFInvestorRelations@usmrpf.com.

Kevin McAvey
Co-Head of the US REIT

Brian Disler
Co-Head of the US REIT

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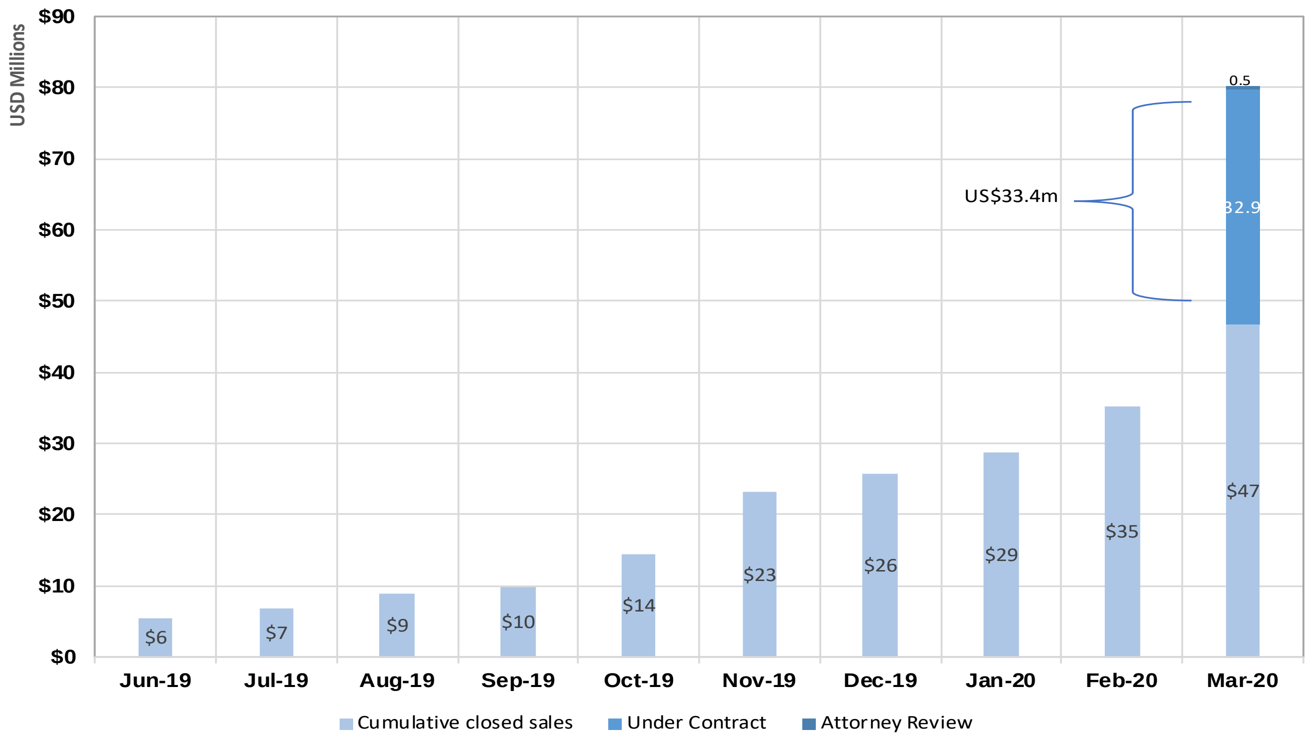
Asset Sales

During the quarter, the Fund disposed of 20 properties for a gross sales value of US$20.96 million. This compares to the book value of US$20.98 million for these properties. The transaction costs associated with these sales were US$1.15 million with the bulk of the costs being real estate broker fees and state transfer taxes. Seven of these transactions (equalling a total value of US$5.55 million) were direct deals with buyers completed without having to retain a broker, which is consistent with the Fund's goal of minimising transaction costs wherever possible.

In addition to the sales noted above which closed during Q1, as at 31 March 2020 there were a further US$33.4 million worth of transactions across 22 properties that are in attorney review or under contract, including one asset that is still under construction. The combined gross value of these pending transactions is at a 0.5% discount to their combined 31 December 2019 book values. These transactions are likely, but not guaranteed, to close and the Fund has continued to successfully close on transactions remotely throughout April.

Social distancing measures that have been introduced to slow the spread of COVID-19 have had a significant impact on the volume of new real estate transactions taking place, with the Manhattan and Brooklyn markets being particularly impacted. The Fund continues to advertise properties for sale online, however only one new contract has been executed since COVID-19 restrictions started to take effect in mid-March. Until sales markets return to normal operating conditions the impact on asset sales will be difficult to forecast or quantify.



Source: US REIT

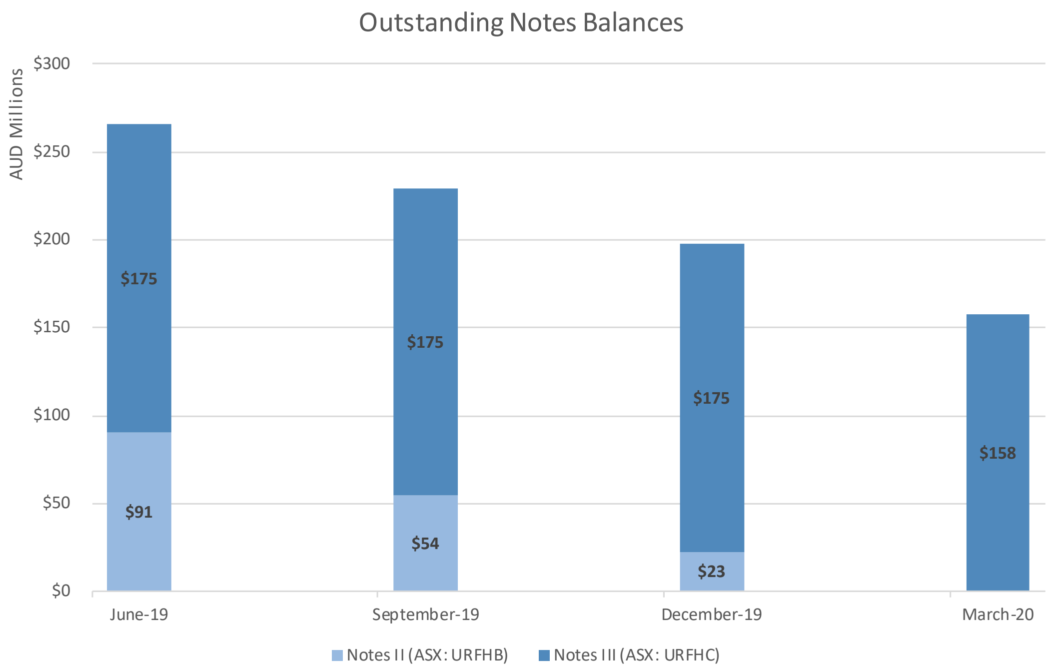
Note: Transactions "under contract" and in "attorney review" are likely, but not guaranteed to close. Transaction data accurate as at 31 March 2020.

Asset Sales

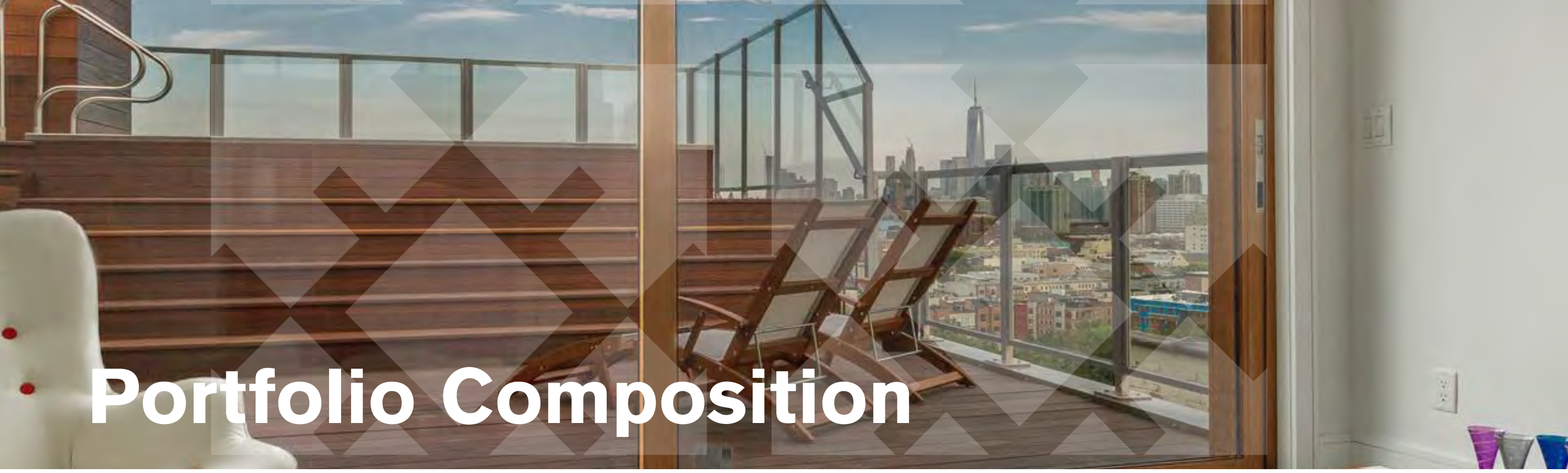
The sales closed during the first quarter assisted with further repayments of URF Notes II (ASX: URFHB) and URF Notes III (ASX: URFHC). On 31 March 2020, A$22.6 million was repaid toward URFHB, which represents the complete capital repayment of A$100 per note. URFHB securities were removed from the Australian Securities Exchange (ASX) on 1 April 2020. In addition to the full repayment of URFHB, A$17.5 million was repaid toward URFHC in March 2020. This was the first capital repayment for URFHC, representing an amount of $10 per Note.

It is anticipated that total sales of US$200-US$250 million from the 1-4 Family portfolio will be required in order to achieve the ultimate goal of the program, which is the full repayment of URFHB and URFHC and a rebalancing of the portfolio towards higher yielding properties. The total sales necessary for this repayment is subject to change, noting that fluctuations in market conditions and foreign exchange movements will impact the required level of sales volume.

The Fund is continuing to monitor the impact of COVID-19 in relation to the timeline of the sales program and accompanying URFHC repayments. Although the maturity of URFHC is not until December 2021, the Fund is continuing to evaluate all available options given the uncertainty around the severity and duration of COVID-19.



Source: US REIT



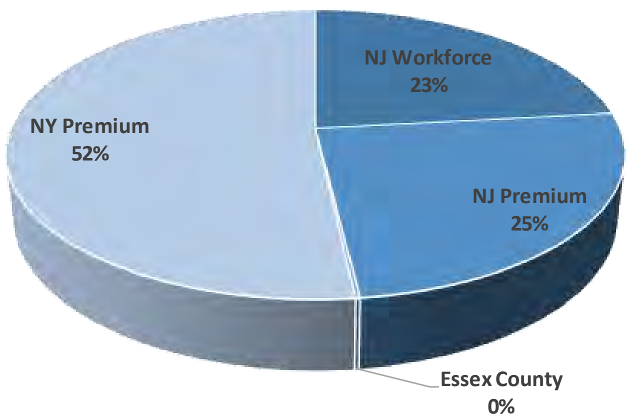
Portfolio Composition

The Fund's intention is to use the sales program to reduce the portfolio's current weighting of lower-yielding Premium assets and non-core exposures such as the larger multifamily (joint venture) assets and properties in Essex County, New Jersey. Selective sales will also take place from the Workforce segment as determined on an asset-by-asset basis.

Throughout Q1 2020 the portfolio composition was largely unchanged. This composition will evolve over time, with the pipeline of pending (under contract) transactions being weighted towards the New York (US$14.9 million) and New Jersey (US$11.5 million) Premium segments. New Jersey Workforce and Essex County properties account for the remaining US$7 million in pending transactions.

The following weightings are determined using valuations from the 31 December 2019 market appraisal process, adjusted for any capitalised expenditure in 2020. This breakdown represents the Fund's 1-4 family portfolio and excludes both the multifamily exposures held via joint ventures with Urban American, and the Fund's cash holdings.

Portfolio Composition (by value)



Location	Value (USD)	Property Count	Location	Value (USD)	Property Count
NJ Workforce	**$183,008,911**	**329**	**NY Premium**	**$407,243,171**	**133**
Bayonne	$30,032,156	63	Bedford-Stuyvesant	$104,114,222	41
Bergen-Lafayette	$7,124,306	12	Boerum Hill & Brooklyn Heights	$20,336,697	3
Greenville	$31,055,108	70	Bushwick	$19,624,095	15
Jersey City Heights	$54,933,022	68	Clinton Hill	$21,647,849	6
Journal Square	$20,859,599	32	Cobble Hill	$12,165,000	3
West Bergen	$28,525,712	62	Crown Heights & Lefferts Garden	$37,514,952	15
North Bergen	$5,500,812	12	Fort Greene	$16,366,516	4
Union City & Secaucus	$3,568,864	7	Park Slope & Prospect Heights	$44,531,021	10
West New York	$1,409,332	3	East Williamsburg	$15,742,805	7
NJ Premium	**$195,666,626**	**97**	Williamsburg	$14,987,842	4
Hoboken	$10,425,235	4	Hamilton Heights	$12,369,102	3
Downtown Jersey City	$174,744,623	85	Forest Hills	$4,028,832	3
Weehawken	$10,496,767	8	Harlem	$65,248,076	17
Essex County	**$1,581,529**	**3**	Manhattan	$18,566,161	2

Source: US REIT

Debt Reduction

In executing the sales program the Fund will be prioritising the repayment of debt, particularly the remaining URFHC securities which are the Fund's most expensive source of capital. Since August 2019, A$108 million of URFHB and URFHC has been repaid. These repayments will reduce both the Fund's level of gearing (which improves cash flow and reduces Net Asset Value (NAV) volatility), and the Fund's exposure to movements in the AUD/USD exchange rate.

The repayment of the remaining URFHC facility is being funded by the asset sales program. It should be noted that the Fund's senior debt facilities (Wells Fargo and Centennial Bank) are also being reduced as part of this process, as many of the assets being sold are currently being used as collateral for these bank loans. In any sale, senior bank lenders are repaid their required balance first with the remaining capital then being available for Notes repayments. As such, as the Fund moves through the sales program, a substantial amount of the sales proceeds (after transaction costs) are being used to reduce the amount of leverage within the portfolio. The Fund's long-term target is to reduce the gearing ratio from its current level of 50% to 35%-40%.

For Q1 2020, debt levels were substantially reduced as a result of the continued progression of the sales program. A total of A$40 million of URFHB and URFHC was repaid, with a further US$2.3 million of the Wells Fargo and Centennial Bank facilities also being repaid. URF is pleased to have repaid URFHB in full during the quarter. The Fund will continue to work to simplify and improve its capital structure, with the Fund's focus now on the repayment of URFHC.

AUD Denominated Debt (AUD)	31-Dec-19	31-Mar-20	Change
URFHB	$22,634,875	$0	($22,634,875)
URFHC	$175,000,000	$157,500,000	($17,500,000)
Total	**$197,634,875**	**$157,500,000**	**($40,134,875)**

USD Denominated Debt (USD)	31-Dec-19	31-Mar-20	Change
Wells Fargo	$263,296,222	$262,466,222	($830,000)
Centennial Bank	$77,020,659	$75,520,675	($1,499,984)
Total	**$340,316,881**	**$337,986,897**	**($2,329,984)**

Due to the significant depreciation of the Australian-dollar (AUD) relative to the US-dollar (USD) over this period, the value of the US-denominated debt has increased when measured in AUD terms. While this causes the debt to appear larger in AUD, as the Fund generates USD revenue and is using this for debt repayments the change in exchange rate has no impact at an operational level. The weakened AUD makes it more cost effective to use USD to repay the remaining Australian-dollar denominated URFHC.

Debt Reduction

Blended Cost of Interest Calculation

	A$ Balance at 30-Jun-19	Interest Rate at 30-Jun-19	A$ Balance at 31-Dec-19	Interest Rate at 31-Dec-19	A$ Balance at 31-Mar-20	Interest Rate at 31-Mar-20	Fixed / Floating
Wells Fargo *	382,992,482	4.20%	375,012,423	3.56%	428,096,921	2.79%	Floating
Centennial Bank *	78,579,939	6.90%	109,700,411	6.26%	123,178,396	5.49%	Floating
Notes II	90,539,500	7.75%	22,634,875	7.75%	0	7.75%	Fixed
Notes III	175,000,000	7.75%	175,000,000	7.75%	157,500,000	7.75%	Fixed
Total ^	**727,111,921**	**5.79%**	**682,347,709**	**5.21%**	**708,775,316**	**4.36%**	
Indicative Total Interest Cost	**42,077,780**		**35,546,509**		**30,928,525**		

Source: US REIT.

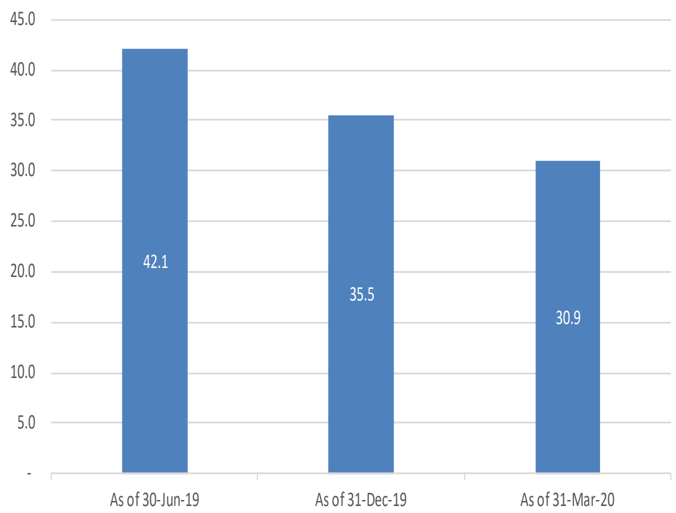
*Floating rate based on 1 month USD LIBOR which was approximately 2.4%,1.76% and 0.99% at 30 June 2019, 31 December 2019 and 31 March 2020 respectively.

*AUD/USD spot rate of 0.702, 0.7021 and 0.6131 at 30 June 2019, 31 December 2019 and 31 March 2020 respectively.

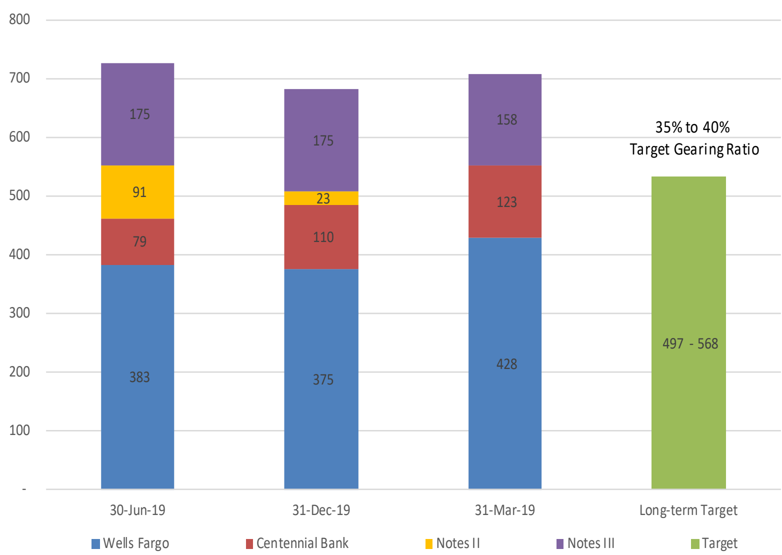
^Excludes multi-family joint venture level debt.

Interest costs have continued to fall throughout the quarter, not only as a result of the ongoing debt repayment program, but also as a result of the reduction in benchmark interest rates for the Wells Fargo and Centennial Bank loan facilities, both of which are variable rate loans.

Indicative Total Interest Cost (A$Millions)



Debt Composition (A$Millions)



Source: US REIT.

Note: Gearing Ratio is the total debt as a % of total assets, based on 31 March 2020 values.

AUD/USD spot rate of 0.702, 0.7021 and 0.6131 at 30 June 2019, 31 December 2019 and 31 March 2020 respectively.

Target debt level is 35%-40% of portfolio value. The target numerical value shown above is an indicative example based on 31 March 2020 asset values, which will reduce as assets are sold and debt is repaid. Attention should be paid to the target percentage rather than the numerical value.

Net Operating Income

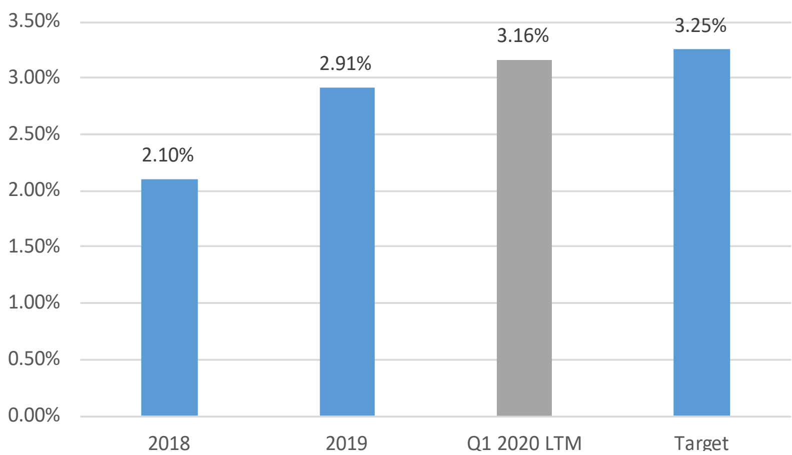
In addition to deleveraging the portfolio, the Fund is focused on improving operations to ensure that the portfolio is being managed as efficiently as possible. Given that the Fund has embarked on a sales program, it is anticipated that total portfolio revenue will decrease as the sales program continues and the portfolio reduces in size. Despite gross revenue decreasing, operational efficiencies and rental growth should result in the Net Operating Income (NOI) Yield continuing to improve over time. The NOI Yield is the percentage of rental revenue that the Fund retains after paying property level expenses. In addition, as the Fund continues to dispose of a higher proportion of lower-yielding assets it will increase the overall portfolio weighting of the higher-yielding assets. This should also have a positive impact on the portfolio NOI Yield.

The "NOI Yield: Same Home Stabilised" chart below tracks the Fund's stabilised portfolio yield, with the Fund having a target of exceeding a 3.25% NOI yield. The substantial improvement in NOI between 2018 and 2019 is influenced by a significant number of properties coming out of the renovation pipeline and becoming income-generating assets for the portfolio. Future increases are anticipated to be in the low-single digits (driven by rental growth and cost savings) as the portfolio becomes fully stabilised.

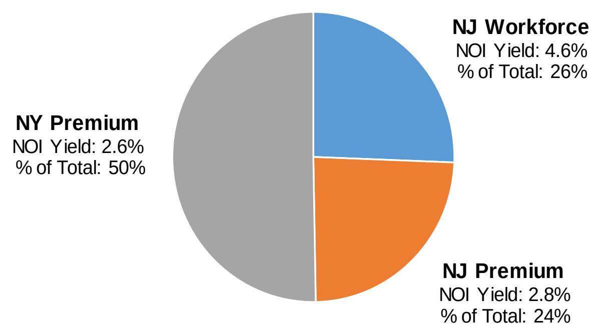
In this analysis, a group of assets (excluding assets held for sale or under construction at the end of 31 March 2020) is compared. In all time periods the NOI (property revenue less expenses) is divided by the 31 March 2020 asset values. By holding the denominator consistent, changes in cash flow are isolated, rather than the NOI yield changing due to valuation changes. This analysis is useful for comparing NOI between different time periods, however individual NOI yields for specific years should not be reviewed in isolation using this data. Note that the group of assets being assessed will change each quarter, as properties are sold or move into the sales pipeline.

At 31 March 2020, the last twelve months (LTM) NOI Yield increased from 2.91% to 3.16%, with increases being experienced across all asset segments. This increase is largely a result of minimising property level expenses while also maintaining high occupancy levels through tenant retention efforts, with a focus on maximising leasing velocity.

NOI Yield - Same-Home Stabilised 1-4 Family Properties



Q1 2020 LTM NOI Yield - Same-Home Stabilised 1-4 Family Properties by Segment



Once the drag of prior periods is removed from the timing of these statistics, it is expected that the portfolio's NOI Yield will trend closer to the targeted level of 3.25%, though the extent of the impact of COVID-19 on portfolio cash flows is yet to be determined. In adherence with social distancing guidelines, the Fund is currently limiting repairs and maintenance work to essential jobs only, which should result in decreased expenses during this time. Offsetting this will likely be a reduction in rental revenue, as the economic impact of COVID-19 is felt by tenants. Any reduction in rental revenue will have a direct corresponding impact on the Fund's NOI.

Source: US REIT.

Note: "Same-home" assets by segment will not match the total portfolio distribution, as it excludes assets held for sale or under construction.

Portfolio Occupancy

The Fund's goal is to have as many properties fully leased as possible, while noting that some assets being readied for sale need to be vacated to maximise the potential sales price.

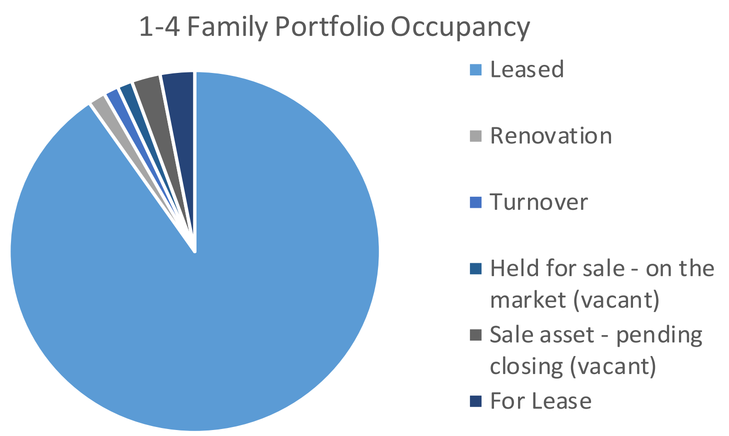
At 31 March 2020, the Fund's 1-4 family portfolio had 90% of its units leased and generating income. A further 3% of units were vacant and available for rent, while the remaining 7% were vacant due to either renovation work, undergoing a turnover between leases, or due to the property being actively prepared for sale.

The "renovation" unit count appears high (15 units) relative to the remaining number of renovation projects (six projects) as one renovation project - a development in Downtown Jersey City - consists of 10 separate units. This data excludes the Fund's joint venture assets held with Urban American, as well as three separate vacant lots which are also owed by the Fund. Each of these vacant lots are modest in size (sufficient for a single property) and value, and are in the Fund's sales pipeline.

Social distancing measures relating to COVID-19 have significantly impacted the leasing process in both New York and New Jersey and potential tenant enquiries are substantially down from normal leasing conditions. While new leases are being signed, and tenants are still moving in and out of their units, given the restrictions on showing available properties and the decreased number of new leasing enquiries, the Fund is conscious of a possible modest increase in vacancy levels in the coming months.

Throughout the quarter, 44 new leases were signed for a total annualised income of US$1,421,580. Following the end of the quarter – at which point all COVID-19 restrictions were in place – new leases have continued to be executed, with 11 leases signed as at 27 April 2020 for a total annualised income of US$393,840.

Total Portfolio	Unit Count	%
Leased	901	90%
Renovation	15	2%
Turnover	13	1%
Held for sale - on the market (vacant)	13	1%
Sale asset - pending closing (vacant)	25	3%
For Lease	30	3%
	997	**100%**



Source: US REIT

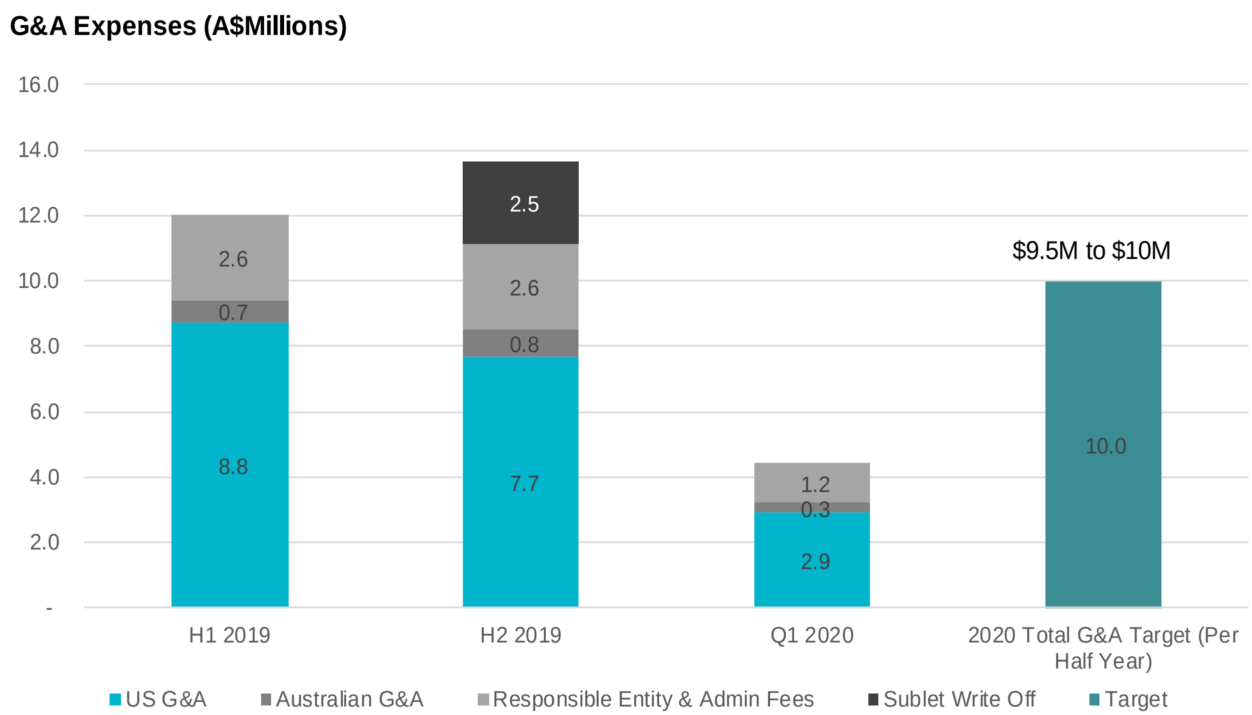
General and Administrative Expenses

In addition to operating the portfolio as efficiently as possible at the property level and improving the Fund's NOI margin, reducing General and Administrative (G&A) expenses is a key goal for URF's management team.

The Fund has set a target of reducing these expenses from the A$25.7 million incurred in 2019, to A$19-$20 million for 2020 (note that the table below shows 6-month time periods, except for the current period which is a quarterly figure).

In Q1 2020 substantial progress has been made in reducing these costs. Between 1 January 2020 and 31 March 2020, G&A expenses were A$4.4 million. This reduction would be even more substantial were it not for the large fall in the Australian dollar, which has made US expenses during Q1 2020 appear larger when measured in Australian dollar terms.

While we expect G&A levels to fluctuate from quarter to quarter due to the seasonality of certain expenses, we're pleased by Q1's result and are tracking within our stated annual target for 2020.



Source: US REIT.

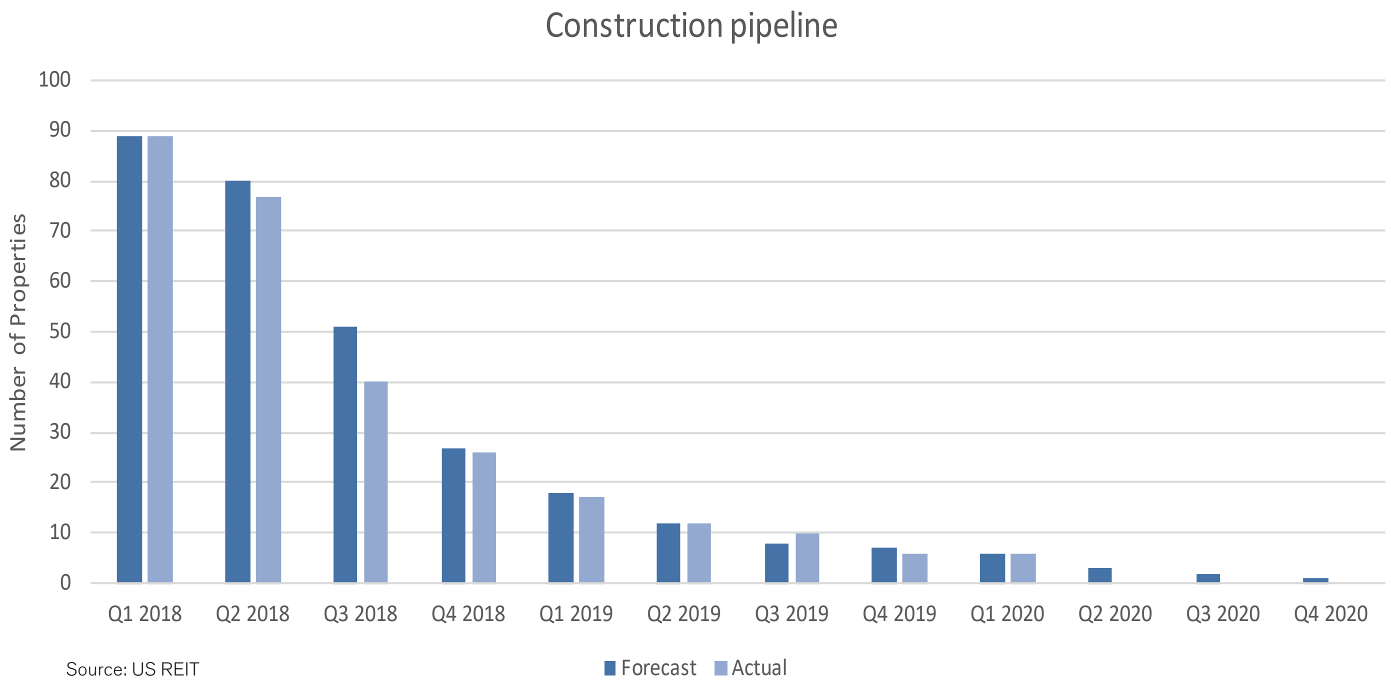
Note: AUD/USD average rate of 0.7063, 0.6846 and 0.6582 for H1 2019, H2 2019 and Q1 2020 respectively. Original target for 2020 utilises the 31 December 2019 spot rate of 0.7021.

Construction Pipeline

At the start of the quarter, the Fund had six properties remaining from the original construction pipeline, and these all remain in progress. Three of the six remaining projects are substantially complete, with relatively minor finish work remaining. During the quarter one of these substantially completed projects has gone ‘under contract’ for sale. The other three active projects (including the one remaining New Jersey project) are approaching completion though still require more substantial works to be completed.

Unfortunately, physical work on these sites has largely stopped, with “non-essential” projects being paused due to COVID-19. This follows Executive Orders that were announced by the governors of New York and New Jersey. The majority of work ceased in New York on March 30th, with New Jersey issuing a similar directive on April 5th.

Prior to this mandated pause, all projects were on track to be completed by 30 June 2020. The impact on the overall timelines for these projects will depend on when physical progress can restart. We are in close contact with our teams of contractors and vendors and are preparing to restart construction as soon as the Executive Orders in New York and New Jersey are lifted.

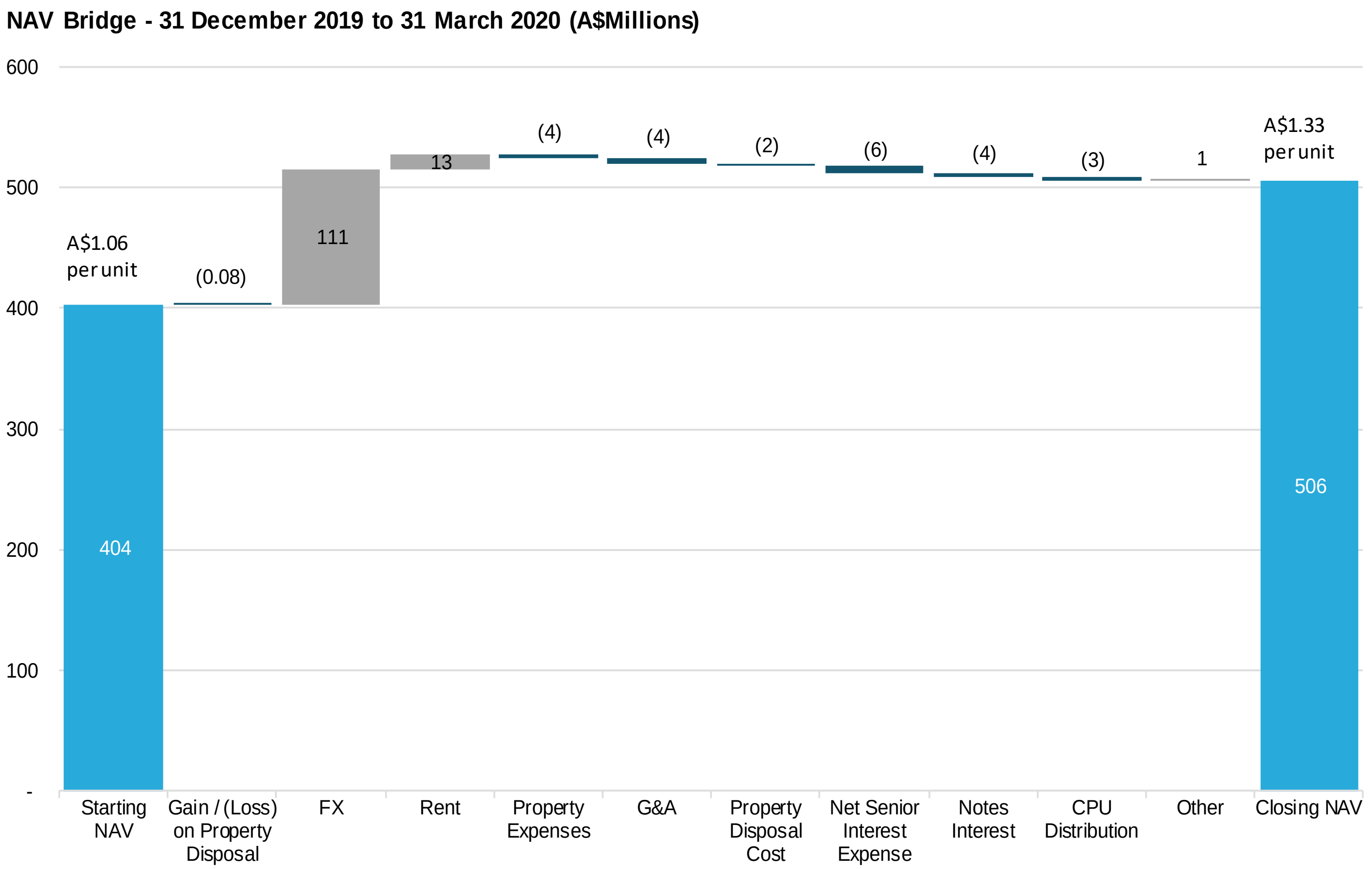


Source: US REIT

Net Asset Value

Changes in the Fund's Net Asset Value (NAV) over the period 31 December 2019 to 31 March 2020 are outlined below. This NAV calculation is based upon the asset values determined as a result of the 31 December 2019 appraisal process, adjusted for the operational results, asset sales, investor distributions and foreign exchange movements over this time period.

At 31 March 2020, the pre-tax NAV was A$1.33 per unit (A$1.20 post-tax). This represents a 25% increase from the 31 December 2019 pre-tax figure of A$1.06 per unit (A$0.95 post-tax). This was largely driven by positive foreign exchange movements through this period.



Source: US REIT.

Note: AUD/USD spot rate of 0.7021 and 0.6131 as at 31 December 2019 and 31 March 2020 respectively.

Graph illustrates movements in the pre-tax NAV for the period 31 December 2019 to 31 March 2020.

Fund Cash Flow Profile

The following analysis outlines the Fund's major cash-flow drivers. This excludes non-cash items, such as depreciation, foreign exchange movements and changes in underlying asset values, which are vital to reviewing the Fund's overall financial performance. However, this analysis does provide an important overview of the Fund's cash flow position.

Historically the Fund has made regular cash losses while it focused on growing and renovating its portfolio. In the past, asset value growth and favourable currency movements have typically outweighed the Fund's operational cash losses. However, it is management's goal to reposition the Fund to become cash flow positive from its operating activities, so that it is not reliant on such factors to generate a profit. This will be achieved by maximising net property-level income, paying down debt, minimising administrative expenses, and rebalancing the portfolio away from low-yielding assets.

This cash flow position highlights the importance of the current strategic priorities that have been outlined, and the opportunities that exist to improve the Fund's cash flow position into the future. Between 1 January 2020 and 31 March 2020, the Fund saw a significant improvement to Funds from Operations (FFO). Most of this improvement is due to a reduction in expenses relative to prior years.

This FFO progress has been achieved despite the negative impact of increased property disposal costs. These property disposal costs will only be incurred for a finite period; while the sales process is ongoing. Properties held vacant for sale also have a negative impact on FFO, as property expenses such as taxes and insurance are still incurred, but there is no corresponding revenue to offset these costs. While these cash flow inefficiencies related to the sales process are necessary at the current time as the Fund works through its debt repayment program, once the sales program is concluded this drag on FFO will be removed, further improving future cash flows.

Funds From Operations (FFO) - Pre Tax (A$ Millions)	**2018**	**2019**	**Q1 2020**
Revenue	**38.1**	**49.7**	**12.9**
Investment Property Expenses	(16.3)	(19.2)	(3.9)
Investment Property Disposal Costs	(3.6)	(4.3)	(1.7)
G & A	(25.1)	(22.2)	(4.4)
EBITDA	**(6.9)**	**4.0**	**2.9**
Net Interest Expenses (Excluding Notes Interest)	(20.5)	(21.2)	(5.1)
Notes Interest	(21.7)	(19.8)	(3.8)
Funds From Operations (FFO) - Pre Tax	**(49.0)**	**(37.1)**	**(6.0)**

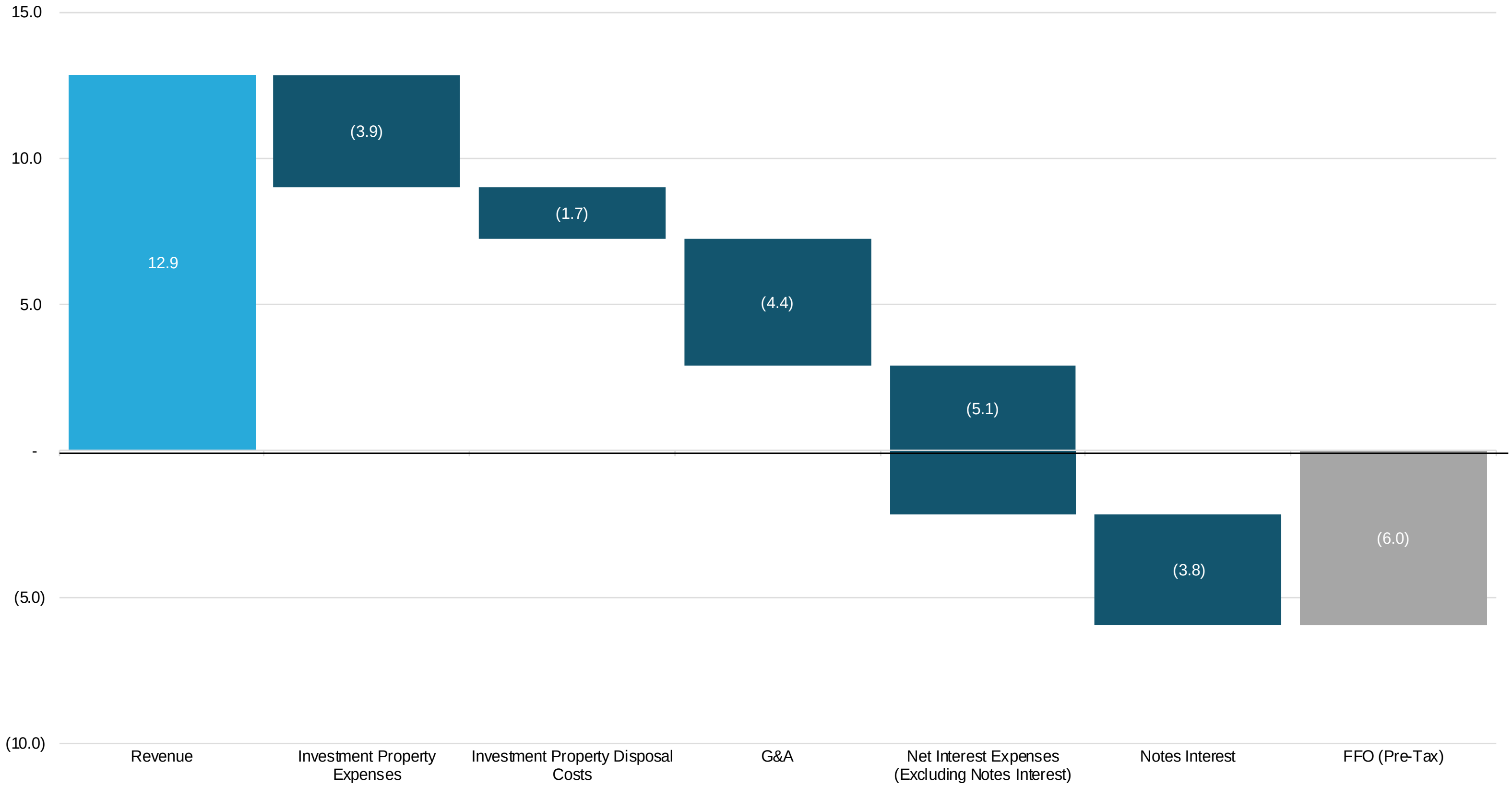
Source: US REIT.

Note: Excludes Convertible Preference Unit (URFPA) distributions as they are equity distributions.

AUD/USD average rate of 0.7476, 0.6953 and 0.6582 for 2018, 2019 and Q1 2020 respectively.

Fund Cash Flow Profile

Q1 2020 Funds From Operations (FFO) - Pre-Tax (A$Millions)



Source: US REIT.

Note: AUD/USD average rate for Q1 2020 of 0.6582.

Fund Statistics

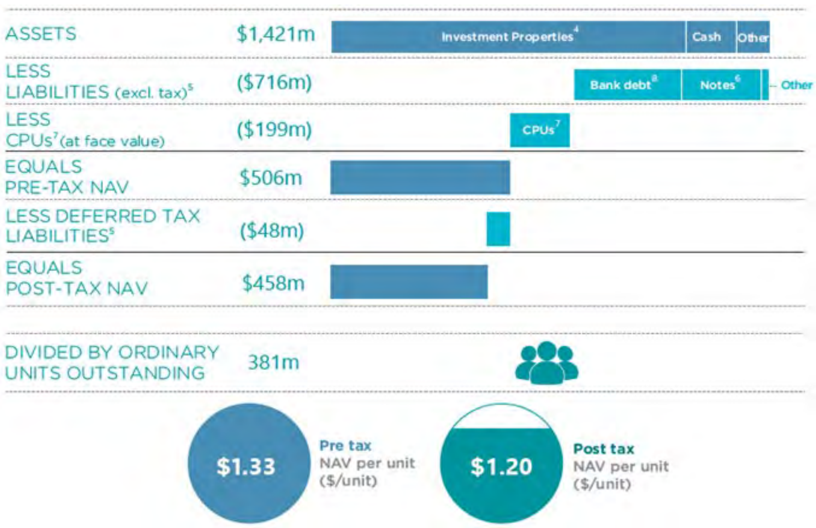
URF Unit Price Performance[1,2,3,4] AS AT 31 MARCH 2020

1M	3M	6M	1YR	2YR (PA)	3YR (PA)	5YR (PA)	SI[2] (PA)
-33.8%	-69.5%	-59.8%	-76.1%	-59.6%	-46.1%	-31.4%	-14.6%

NTA Performance[1,2,3,4] AS AT 31 MARCH 2020

1M	3M	6M	1YR	2YR (PA)	3YR (PA)	5YR (PA)	SI[2] (PA)
9.0%	25.5%	-13.1%	-13.6%	-5.6%	-4.9%	-3.3%	3.2%

Net Asset Value Breakdown[3,4] AS AT 31 MARCH 2020



Important Information

This Quarterly Update (Update) has been prepared by the US REIT, and issued by Walsh & Company Investments Limited (ACN 152 367 649 | AFSL 410 433) (Responsible Entity) as the Responsible Entity for the US Masters Residential Property Fund (Fund) (ARSN 150 256 161). An investment in the Fund is subject to various risks, many of which are beyond the control of the Responsible Entity.

This Update may contain statements, opinions, projections, forecasts and other material (forward-looking statements), based on various assumptions. Those assumptions may or may not provide to be correct. The Investment Manager and its advisers (including all of their respective directors, consultants and/or employees, related bodies corporate and the directors, shareholders, managers, employees or agents of them) (Parties) do not make any representation as to the accuracy or likelihood of fulfilment of the forward-looking statements or any of the assumptions upon which they are based. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19, and the Parties assume no obligation to update that information.

Notes

1 Returns are inclusive of distributions reinvested and adjusted for rights issues.

2 Inception date June 2011.

3 Past performance is not a reliable indicator of future performance.

4 Source: US REIT.

5 Liabilities excludes deferred tax liabilities. Deferred tax liabilities is the estimated tax obligations which may arise in connection with the realisation and distribution of taxation capital gains associated with its property assets.

6 Notes refer to URFHC at face value.

7 CPUs refer to Convertible Step-up Preference Units (ASX: URFPA). For the purpose of calculating the NAV, the above figures assume a cash settlement of the CPUs. No decision has been made regarding the conversion of the CPUs.

8 Bank debt refers to all other borrowings.

Board & Management

Board of the Responsible Entity

Stuart Nisbett

Peter Shear

Warwick Keneally

Mike Adams

US Management Team

Kevin McAvey CO-HEAD OF THE US REIT

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