QUARTERLY UPDATE

January - March 2026

19 May 2026

US Masters Residential Property Group

Executive Summary

Welcome to the US Masters Residential Property Group's (**URF** or **Group**) Quarterly Report for the period 1 January 2026 to 31 March 2026.

During the quarter, the Group closed on the sale of 40 assets for total consideration of US$48.59 million. At quarter end, the Group's remaining portfolio was comprised of 121 properties with a total net realisable value of US$123.21 million.

As previously announced to the market on 9 February 2026, the Group is targeting the sale of the remaining portfolio by the end of calendar year 2026. While this remains a target and is subject to prevailing market conditions and property specific factors, completion of the sales programme would represent the culmination of the strategic initiative commenced in 2023, aimed at realising value and returning capital to security holders as efficiently as possible. Pleasingly, the Group's sales pipeline at quarter end now comprises the entire portfolio including 15 assets that would previously have been considered 'same home' income-generating assets, but which will now be sold tenanted. As a result of all properties now being in the sales pipeline, the Group has simplified the quarterly report to focus on asset sales given the limited remaining Net Operating Income and cash flow.

Despite widespread volatility across asset markets stemming from the Iran war and interest rate fluctuations – as well as the local market impact of the recently elected Mayor Zohran Mamdani – the Group's target markets have largely remained stable. The Group continues to see strong showing activity across its New Jersey listings in both the NJ Workforce and NJ Premium segments. New York Premium assets have seen fits and starts of showing activity, but the market for the Group's assets broadly continues to remain stable.

Due to the continued success of the sales programme, the Group was able to pay a distribution of 10 cents per stapled security during Q1 2026. Subsequent to quarter end, the Group announced an additional distribution of 4 cents per stapled security, which will be paid on or around 29 May 2026. The payment of these distributions are funded via the repatriation of net sales proceeds from the US to Australia pursuant to the Group's plan of liquidation for US tax purposes implemented in Q1 2025. Repatriations in connection with the plan of liquidation are considered 'liquidating distributions' and do not incur a withholding tax obligation.

In addition to funding distributions to security holders, proceeds generated by the sales programme were used to repay US$24.41 million of the Global Atlantic (**GA**) loan facility. After the application of Exempt Property Payments made in prior periods, the outstanding principal balance at quarter end was US$52.09 million.

Looking at the operational performance of the Group for the period ending 31 March 2026:

- General and Administrative (**G&A**) expenses for the quarter ending 31 March 2026 were $2.2 million. This compares with Q1 2025 G&A of $2.8 million, or $2.6 million on a normalised basis.
- Excluding disposal costs, Funds from Operations (**FFO**) for the quarter ending 31 March 2026 was a loss of $2.7 million. As previously advised, the Group expects to incur an FFO loss as it continues to sell down the portfolio. In addition to lost revenue on properties held vacant for sale, properties in the sales pipeline continue to incur holding costs (such as property taxes and insurance) during the period in which they are marketed for sale.

For further information, contact URF Investor Relations on (03) 9691 6110 or URFInvestorRelations@usmrpf.com

Contents

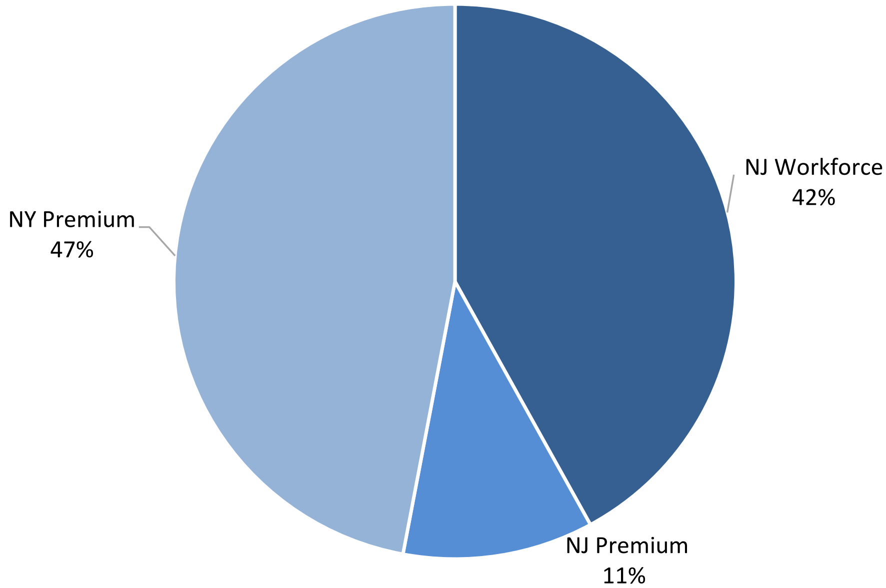
Portfolio Composition

The following breakdown represents the Group's portfolio as of 31 March 2026. At the end of the period, the Group held 121 properties with a total net realisable value of US$123.21 million.

Location	Net Realisable Value ($USD millions)	Property Count	Location	Net Realisable Value ($USD millions)	Property Count
NJ Workforce	**$51.75**	**86**	**NY Premium**	**$57.95**	**26**
Bayonne	$16.27	27	Bedford-Stuyvesant	$10.56	5
Bergen-Lafayette	$0.56	1	Bushwick	$4.94	4
Greenville	$11.89	21	Crown Heights	$6.38	3
Jersey City Heights	$4.86	6	Lefferts Garden	$2.88	1
Journal Square	$4.39	7	Fort Greene	$3.81	1
North Bergen	$4.32	7	Park Slope	$3.99	1
Secaucus	$0.55	1	Hamilton Heights	$4.76	2
Union City	$1.78	3	Harlem	$20.65	9
West Bergen	$6.45	12			
West New York	$0.69	1			
NJ Premium	**$13.51**	**9**			
Downtown	$10.10	6			
Weehawken	$3.41	3	**Total Portfolio**	**$123.21**	**121**

Source: US REIT. Note: figures are in USD millions. Figures may not sum due to rounding.

Portfolio Composition (by value)



Source: US REIT.

Asset Sales

Sales Pipeline

As announced to the market on 9 February 2026 (see here), the Group is aiming to sell the remainder of the portfolio in calendar year 2026 subject to market and property specific factors. Despite the challenges arising from the Iran war and interest rate fluctuations - as well as the local market impact of the recently elected Mayor Zohran Mamdani - the Group believes the market for its assets continues to remain stable.

Assets marked as being in attorney review or under contract are likely (but not guaranteed) to close in the coming months. The Group's sales pipeline, which now represents the entire portfolio, by segment as at 31 March 2026 is outlined in the table below:

Category	New York Premium ($US Millions)	New Jersey Premium ($US Millions)	New Jersey Workforce ($US Millions)	Total Net Realisable Value ($US Millions)
Sales Pipeline	$15.78	$3.06	$16.88	**$35.72**
On the Market	$16.01	$3.03	$9.45	**$28.49**
Attorney Review or Under Contract	$26.16	$7.42	$25.42	**$59.00**
Total	**$57.95**	**$13.51**	**$51.75**	**$123.21**

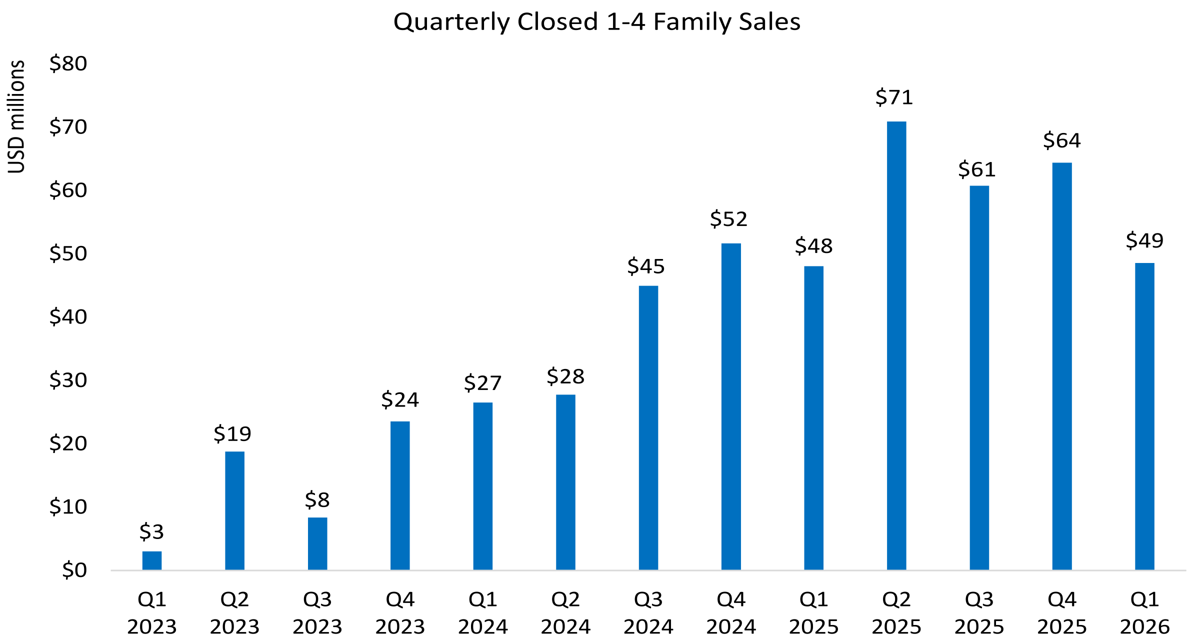
Source: US REIT. Figures may not sum due to rounding.

Asset Sales

Year-to-date Sales

The Group closed on the sale of 40 assets for US$48.59 million between 1 January to 31 March 2026. The sales by sub-market in the Group's portfolio are outlined in the table below:

Location	Sales Price[1] ($US Millions)	Book Value[2] ($US Millions)	Transaction Costs ($US Millions)	GA Loan Repayment[3] ($US Millions)
Bayonne	$3.58	$3.35	-$0.29	-$1.51
Bedford-Stuyvesant	$12.26	$11.19	-$0.91	-$6.59
Bergen-Lafayette	$1.40	$1.31	-$0.10	-$0.62
Crown Heights	$4.88	$4.25	-$0.35	-$2.41
Downtown	$5.02	$4.67	-$0.37	-$2.77
Greenville	$2.43	$2.20	-$0.16	-$1.09
Jersey City Heights	$6.52	$6.07	-$0.38	-$3.21
Journal Square	$5.10	$4.81	-$0.24	-$2.67
West Bergen	$1.87	$1.73	-$0.10	-$0.77
Williamsburg	$5.55	$5.16	-$0.36	-$2.76
Total	**$48.59**	**$44.74**	**-$3.26**	**-$24.41**



Source: US REIT. Figures may not sum due to rounding.

Note 1: There can be a slight timing difference between the closing of a property sale and the receipt of net sales proceeds. Proceeds in respect of property sales at or close to month end may be received in the subsequent month.

Note 2: Book value reflects net realisable value which is fair value less estimated transaction costs.

Note 3: GA Loan Repayment is the amount of loan repayment required under the terms of the facility resulting from sales in the respective location

Capital Management

Due to the continued success of the sale programme, the Group was able to pay a 10-cent distribution to security holders during Q1 2026 (announcement here). In addition, a further distribution of 4 cents was declared subsequent to quarter end (announcement here) and will be paid on or around 29 May 2026. Distributions paid to security holders are funded via the repatriation of net sales proceeds from the US to Australia. Such repatriations are considered 'liquidating dividends' connected to the US vehicles plan of liquidation for US tax purposes and accordingly do not attract US withholding taxes.

The Group continues to believe that the buyback of securities is an effective means to return capital to security holders depending on the prevailing security price relative to underlying net asset value. Although no securities were purchased during Q1 2026, the RE will continue to assess the potential for security buybacks dependent on market conditions.

As of 31 March 2026, the Group has broadly allocated its available cash as outlined in the table below. As the Group continues to execute the sales programme, the Directors will assess the best use of net proceeds generated, whether that be distribution to security holders or the buyback of URF Stapled Securities.

Capital Allocation	$A Million
Cash Balance	$48.30
Comprised of:	
Cash balance held in the US	*$40.86*
Cash balance held in Australia	*$7.44*
Less: Global Atlantic Liquidity Covenant	-$14.49
Less: Working Capital	-$10.75
Less: AFSL Cash Reserve Requirement[1]	-$3.50
Less: Reserved for share buybacks	-$1.35
Cash Available for Capital Management Purposes	**$18.21**

Source: US REIT.
(1) Cash reserve required under the terms of the AFSL.
31 March 2026 exchange rate 0.6900 used (AUD:USD).

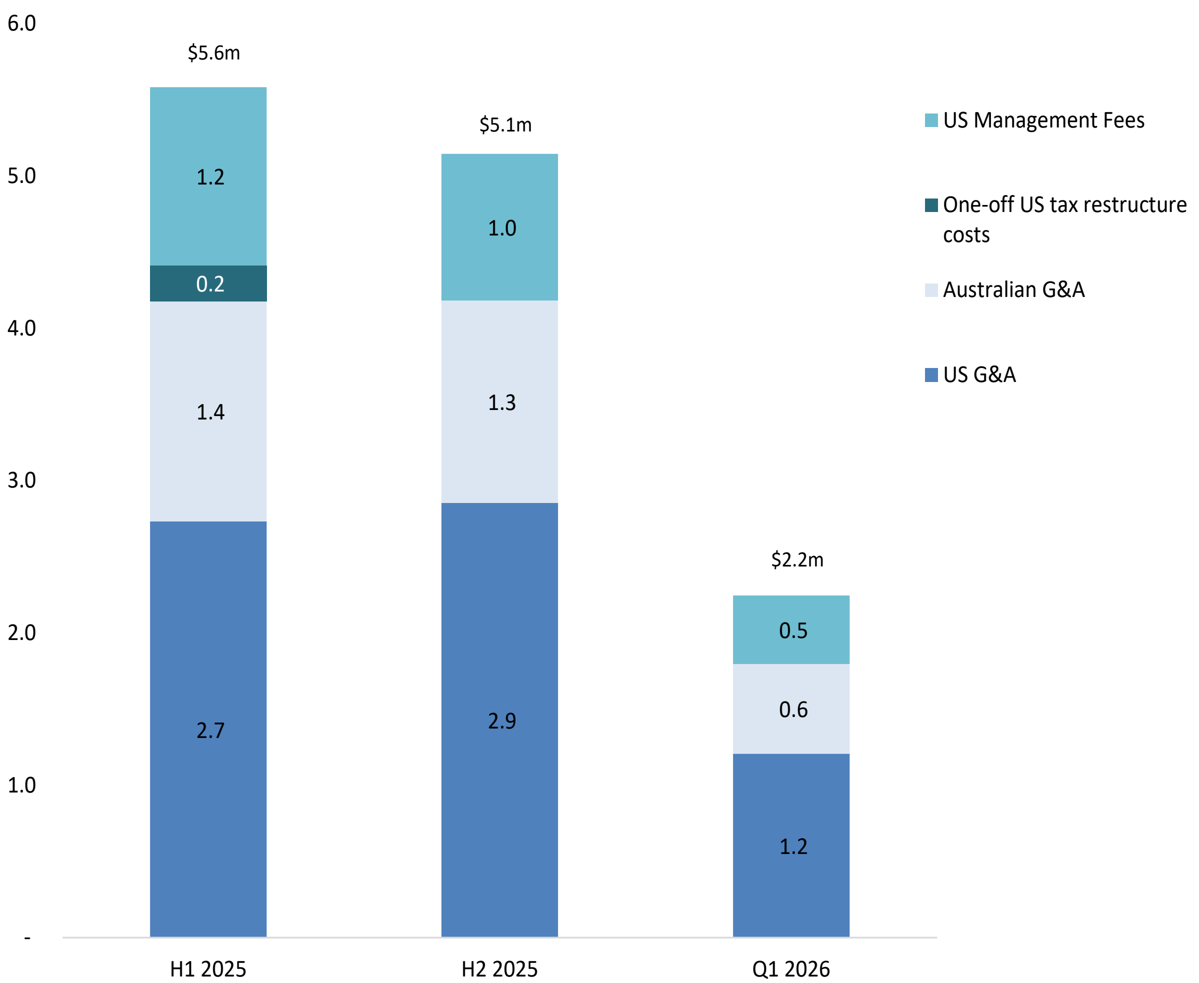
During the quarter, the Group reduced the balance of its senior debt facility with GA by US$24.41 million through required principal repayments on the sale of property, taking the principal reduction over the 12-month period ending 31 March 2026 to US$140.02 million. At quarter end, the outstanding balance on the GA facility was US$52.09 million.

	US$ Balance at 31-Mar-25	US$ Balance at 31-Dec-25	US$ Balance at 31-Mar-26
Global Atlantic - Term Loan	192,113,282	78,673,680	52,094,350
Total	**192,113,282**	**78,673,680**	**52,094,350**
Indicative Annual Interest Cost	**7,684,531**	**4,720,421**	**3,125,661**

Source: US REIT.
Excludes multi-family level debt for investments with Urban American.

General and Administrative (G&A) Expenses

G&A expenses for the quarter-ended 31 March 2026 were A$2.2 million.

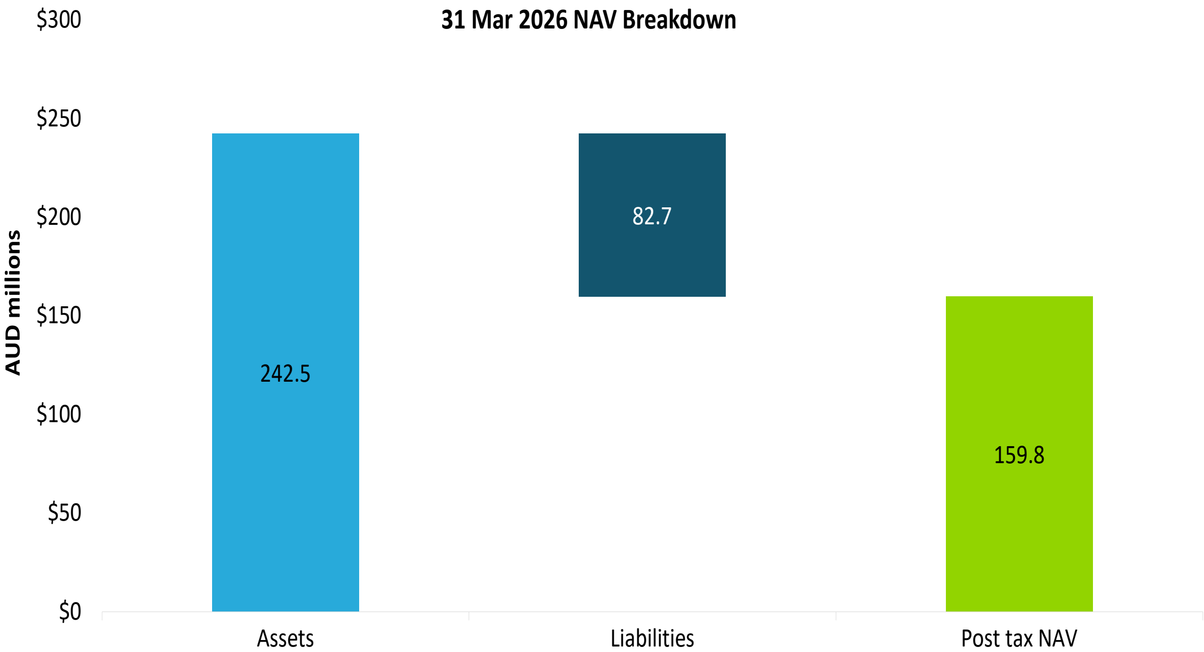


AUD/USD average rates of 0.6345, 0.6452 and 0.6952 for H1 2025, H2 2025 and Q1 2026 respectively
Source: US REIT. Figures may not sum due to rounding.

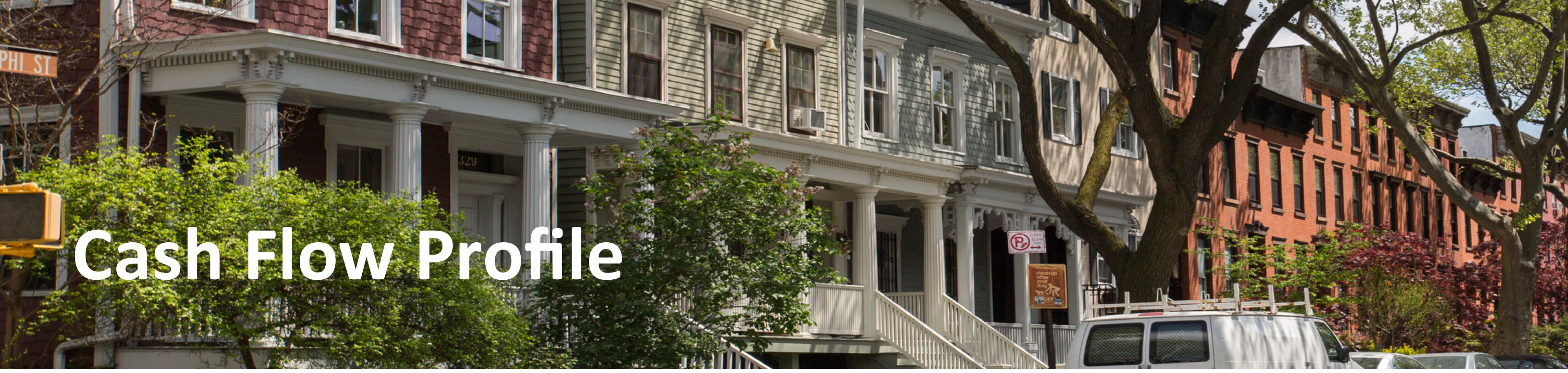
Net Asset Value (NAV)

As of 31 March 2026, the Group's NAV is $0.232 per stapled security.

As of 31 March 2026, there were 688,451,287 stapled securities on issue.



Source: US REIT. Figures may not sum due to rounding.



Cash Flow Profile

The following Funds From Operations (**FFO**) analysis outlines the Group's major operational cash-flow drivers. Non-cash items such as changes in underlying asset values, as well as capitalised expenses and distributions to security holders are excluded from the analysis. While these factors are vital to reviewing the Group's overall financial performance, the FFO analysis provides an overview of the Group's cash flows from operations.

Due to the transaction costs incurred on property sales coupled with the drag on cash flows associated with properties that comprise the sales pipeline, it is expected that the Group will continue to incur a FFO loss as it executes the sales programme.

After excluding disposal costs, the Group's adjusted FFO loss was A$2.7 million for the period.

A$ Millions	2022	2023	2024	2025	Q1 2026
Revenue from Ordinary Operations	**44.1**	**44.1**	**37.0**	**18.6**	**2.3**
One-Off Income	**0.2**	**-**	**-**	**-**	**-**
Insurance Proceeds	**0.1**	**1.4**	**-**	**0.4**	**-**
Investment Property Expenses	(16.1)	(19.1)	(17.9)	(11.6)	**(2.0)**
Investment Property Disposal Costs	(2.2)	(5.6)	(16.4)	(32.6)	(5.4)
Equity Investment Disposal Costs	-	-	(0.8)	-	-
G&A	(11.7)	(11.6)	(11.3)	(10.5)	(2.2)
One-Off Transaction Related Costs - G&A	(1.5)	-	-	-	-
One-Off Restructuring Costs - G&A	(1.7)	-	-	-	-
One-off US Tax Restructure Costs - G&A	-	-	-	(0.2)	-
One-Off Severance Costs - G&A	(1.0)	-	-	-	-
One-Off LPT Costs - G&A	(0.4)	(0.5)	(1.6)	-	-
EBITDA	**9.7**	**8.7**	**(10.9)**	**(36.0)**	**(7.3)**
EBITDA (excluding disposal costs and one-off items)	**16.2**	**13.4**	**7.9**	**(3.5)**	**(1.9)**
Net Interest Expenses	(20.1)	(20.1)	(16.3)	(7.4)	(0.8)
Funds From Operations (FFO)	**(10.5)**	**(11.4)**	**(27.2)**	**(43.4)**	**(8.1)**
FFO (excluding disposal costs and one-off items)	**(3.9)**	**(6.7)**	**(8.4)**	**(10.9)**	**(2.7)**

Source: US REIT. Excludes Convertible Preference Unit (URFPA) distributions in 2022 as they are equity distributions.
AUD/USD average rate of 0.6947, 0.6644, 0.6597, 0.6452 and 0.6952 for 2022, 2023, 2024, 2025 and Q1 2026 respectively.
FFO is reported on a cash accounting basis. Figures in table may not sum due to rounding.

Board of the Responsible Entity

Stuart Nisbett INDEPENDENT CHAIR

Peter Shear INDEPENDENT DIRECTOR

Jack Lowenstein INDEPENDENT DIRECTOR

Sean Banchik INDEPENDENT DIRECTOR

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Important Information

This Quarterly Update (*Update*) has been prepared and authorised for release by US Masters Responsible Entity Limited (ACN 672 783 345 | AFSL 553 794) (*Responsible Entity*) as the Responsible Entity of the US Masters Residential Property Group a listed stapled entity consisting of US Masters Residential Property Fund (ARSN 150 256 161) and US Masters Residential Property Fund II (ARSN 676 798 468 (together the *Group* or *Fund*). 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 general advice. Any general advice provided has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider the appropriateness of the advice with regard to your objectives, financial situation and needs. Past performance is not a reliable indicator of future performance. All figures in this Update are in AUD unless stated otherwise. Readers are cautioned not to place undue reliance on forward looking statements and the Parties assume no obligation to update that information. The Parties give no warranty, representation or guarantee as to the accuracy or completeness or reliability of the information contained in this document. The Parties do not accept, except to the extent required by law, responsibility for any loss, claim, damages, costs or expenses arising out of, or in connection with, the information contained in this Update.