

21 September 2021

US Masters Residential Property Fund (Fund)

ASX Code: URF

Full repayment of Global Atlantic Bridge Loan

As foreshadowed in URF's 30 June 2021 Half Year Report and Q2 2021 Quarterly Report, on 20 September 2021 (US local time) URF processed an early, optional full repayment of the Fund's Bridge Loan with Global Atlantic Financial Group.

The full repayment of this facility represents the substantial completion of the strategic sales and debt reduction program, which has been ongoing since 2019. The substantial debt reduction that has taken place since 2019 has helped to accomplish the primary goal of the sales program, which was to sell lower-yielding Fund assets and utilise the sales proceeds to reduce the Fund's gearing levels, beginning with URF Notes II and Notes III, and now the Global Atlantic Bridge Loan. Over this two year period the Fund has reduced its debt levels by A\$244.5 million¹, facilitated by the sale of over US\$187 million in assets from the 1-4 Family property portfolio. While selective sales of lower-yielding properties will continue as the Fund winds down its sales program, these will occur at a reduced rate compared to the velocity achieved throughout the dedicated sales program.

Following this repayment, the Fund's remaining debt sits entirely within the Global Atlantic Term Loan facility, which as at 20 September 2021 had a balance of US\$349.9 million. The Term Loan carries a fixed interest rate of 4.00% with a maturity date in mid-2026.

Alongside other initiatives, this debt reduction represents an important step towards the Fund achieving its goal of approaching a positive Funds from Operations (FFO) run rate, which is anticipated to occur in the 2022 calendar year, subject to local real estate market conditions. As the Fund continues to opportunistically sell assets moving forward, it will also continue to evaluate capital management opportunities for any surplus funds.

We look forward to providing investors with additional updates in coming months. For questions regarding this announcement, please contact our Investor Relations team at URFInvestorRelations@usmrpf.com.

Authorised for release by E&P Investments Limited (ACN 152 367 649 | AFSL 410 433), the Responsible Entity of the Fund.

¹ At 30 June 2019 the Fund had total debt of A\$727,111,921 based on AUD/USD spot rate of 0.702. At 20 September 2021 the Fund had total debt of A\$482,600,877 based on AUD/USD spot rate of 0.725 at time of announcement preparation.