

### SPIRE USA ROC II FUND (AUD)

ARSN: 162 507 020

#### OVERVIEW

The Fund was established in 2013 as an unhedged Australian feeder fund into the assets of Bridge Multifamily & Commercial Office Fund II, LP ("Bridge MF II"). Bridge MF II is a US\$600 million (equity) value-add "buy, fix, sell" private equity real estate fund, investing in value-add US multifamily apartment communities and office buildings. The Fund owns a 5.88% share of a diversified portfolio of 'value-add' real estate assets across the US. Bridge Investment Group ("Bridge") is the US based Investment Manager of the Fund. Bridge is a specialist US real estate and real estate funds manager with over US\$6.7 billion in assets under management. Bridge is headquartered in Salt Lake City, Utah, with offices in New York, San Francisco and Orlando. Over the last 23 years Bridge has invested, managed and sold several billion dollars of property assets across all segments of the market. Bridge has a strong operating and property management platform, comprising over 1,000 management, leasing and facilities employees across the 30 states in which assets are owned. Bridge uses this operating platform to add value through superior property value management.

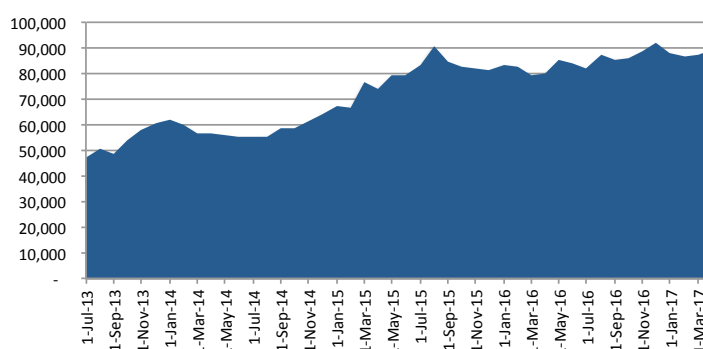
#### PERFORMANCE (NET OF FEES)

Ordinary Unit Class

Based upon underlying fund data as at 31 December 2016

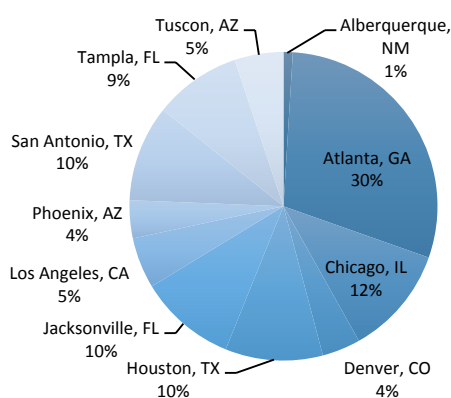
1 month	3 months	1 year	5 years	Inception (p.a)
1.98%	1.48%	11.20%	N/A	16.24%

#### GROWTH OF AUD 50,000 INVESTMENT



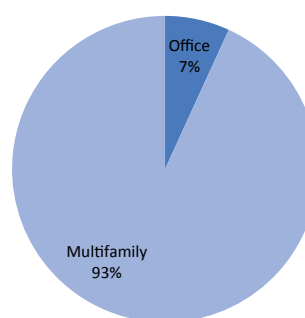
Performance and Growth table and chart are based on an investment made at the Fund's inception at \$1:00 per unit and include Unit Price growth plus cash Distributions. They do not assume the re-investment of Distributions back into the Fund as the Fund was not open to re-investment. Unit Prices and Performance figures do not include the value of Foreign Income Tax Offsets (FITOs) which have been distributed in addition to cash.

#### REGIONAL BREAKDOWN



Remaining Underlying Fund investments by Cost as at 31 December 2016

#### ASSET CLASS BREAKDOWN



#### FUND DETAILS

<b>Fund Size (AUDm):</b>	54.2
<b>APIR Code:</b>	ETL0371AU
<b>Commencement:</b>	1 July 2013
<b>Zenith Research Rating:</b>	Highly Recommended (Original rating, now lapsed as closed)
<b>Unit Price:</b>	\$1.3622
<b>Distribution Frequency:</b>	Annually as at 30 June
<b>2016 Distribution (CPU):</b>	29.08 + 0.74 FITOs
<b>2015 Distribution (CPU):</b>	07.41 + 0.48 FITOs
<b>2014 Distribution (CPU):</b>	01.54 + 0.39 FITOs

<b>Fund Manager:</b>	Spire Capital Pty Limited
<b>Investment Manager:</b>	Bridge Investment Group, LLC
<b>Responsible Entity:</b>	Equity Trustees Limited
<b>Base Management Fee:</b>	0.58% p.a. x NAV
<b>Underlying Fees:</b>	2% of invested equity
<b>Underlying Performance Fee:</b>	20% of realised profits after an 8% preferred return is paid to Limited Partners.
<b>Liquidity:</b>	Nil - Closed-ended fund
<b>Application Status:</b>	CLOSED

### SPIRE USA ROC II FUND (AUD)

ARSN: 162 507 020

#### MONTHLY UPDATE

The only contributor to performance during the month of April was the 1.97% decrease in the value of the Australian dollar against the USD dollar from US\$0.7628 to US\$0.7478. The Fund does not hedge currency exposure. Unit Prices are still reflecting the Q4 Underlying Fund Net Asset Values as at 31 December 2016. Underlying Fund performance since inception is summarised below:

#### [Underlying Bridge MF II Investment / J-Curve Dashboard](#)

As at 31 December 2016

Metric	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Committed Capital (USD)	35M	35M	35M	35M	35M	35M	35M	35M	35M	35M	35M	35M	35M
Called Capital %	61.0%	63.1%	63.0%	80.2%	85.6%	84.3%	91.9%	91.9%	80.3%	80.3%	81.4%	80.2%	80.2%
USD cash %	39.0%	36.9%	37.0%	19.8%	14.4%	15.7%	8.1%	8.1%	19.7%	19.7%	18.6%	19.8%	19.8%
IRR on Called Capital	13.0%	15.7%	14.4%	15.4%	22.4%	21.4%	21.3%	20.2%	20.1%	19.3%	19.7%	18.8%	17.5%
Equity Multiple on Called Capital	1.09x	1.13x	1.16x	1.17x	1.28x	1.33x	1.48x	1.38x	1.43x	1.46x	1.52x	1.54x	1.54x

#### OUTLOOK

The Underlying Fund is now well into its Harvest Period, with 42 of the 61 assets which were acquired during the ROC II Program's Investment Period having now been sold. 16 multifamily apartment communities were sold as a stabilised US\$750M portfolio to Blackstone Group, with the remaining assets sold individually on stabilisation. All assets have been sold at positive returns, with the worst performance being a 13.4% gross IRR and 1.27x gross equity multiple. A complete schedule of assets sales and gross returns achieved is attached to this Monthly Factsheet as Annexe A on page 3.

Of the remaining 19 assets, 4 are currently under contracts of sale, with settlements due in late May and June.

The Investment Manager, Bridge, forecasts that the majority of remaining assets will be sold in Q3 and Q4 2017, with the final sale to occur in Q1 2018. If this occurs the Fund could be liquidated by 30 June 2018.

Based upon current FX rates, the Fund Manager forecasts a cash distribution in the range of 75 to 80 Cents Per Unit (plus FITOs) to be paid out as at 30 June 2017.

#### NEW SPIRE USA SENIORS HOUSING FUND II - NOW OPEN FOR INVESTMENT

Spire is pleased to advise that Spire USA ROC Seniors Housing and Medical Properties Fund II is now open for investment via PDS and selected platforms. This Fund seeks to participate in the aggregation, value-add and eventual sale, of a portfolio of value-add, private pay, "for rent", Independent Living, Assisted Living and Memory Care (specialised Alzheimers / Dementia care) properties located throughout the USA. Bridge Investment Group is again the US Investment Manager of the underlying US private real estate fund. This is the follow on Fund to Seniors Housing Fund I, which has acquired US\$1.6 billion in seniors housing assets. Annual distributions of income derived from rentals and returns of capital and profits from sales will be made to investors. For further information or to arrange a discussion or presentation please email [info@spirecapital.com.au](mailto:info@spirecapital.com.au), or visit the Spire website.

#### CONTACT US

For further information please:

Call us on: +61 2 9377 0755

Email us at: [info@spirecapital.com.au](mailto:info@spirecapital.com.au)

Visit our website: [www.spirecapital.com.au](http://www.spirecapital.com.au)

#### Important Information

"Equity Trustees Limited ("Equity Trustees"), ABN 46 004 031 298 and Australian Financial Services Licence Number 240975, is the Responsible Entity of the Fund. Spire Capital Pty Ltd ("Spire") ABN 21 141 096 120 and (wholesale) Australian Financial Services Licence Number 344365 is the Fund Manager of the Fund. This Monthly Update has been prepared by Spire for general information purposes only. It does not contain investment recommendations nor provide investment advice. Neither Equity Trustees nor Spire nor their related entities, directors or officers guarantees the performance of, or the repayment of capital or income invested in the Fund. Past performance is not necessarily indicative of future performance. Professional investment advice can help you determine your tolerance to risk as well as your need to attain a particular return on your investment. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. You should not act in reliance of the information of this Monthly Update. We strongly encourage you to obtain detailed professional advice and read the relevant product disclosure statement in full before making an investment decision. Applications for an investment can only be made on an application form accompanying a current Product Disclosure Statement ("PDS")."

### SPIRE USA ROC II FUND (AUD)

ARSN: 162 507 020

#### ANNEXURE A - ROC II DISPOSITION SCHEDULE (IN USD)

##### Sold Assets

Investment	Acquired	Sold	Total Investment <sup>3</sup>	Multiple	IRR
1875 Lawrence Building	30/05/14	29/03/16	15,672,849	1.40x	21.4%
Andorra Apartments	18/05/12	17/04/14	3,375,000	1.42x	20.4%
Ashley Vista Apartments	2/01/14	15/03/17	8,075,000	2.03x	27.4%
Auvers Village Apartments	28/08/14	30/03/17	15,762,041	1.77x	30.3%
Aventerra Apartments	21/10/13	5/10/16	16,150,000	2.33x	38.1%
Biltmore Commerce Center	23/08/13	17/04/15	16,000,000	1.50x	27.1%
Biltmore Commerce Center Note	23/08/13	19/11/13	25,000,000	1.02x	9.3%
Bradley Park Apartments	18/12/12	5/10/16	5,620,000	2.92x	37.1%
Bridgewater Apartments	8/01/14	11/10/16	4,700,000	2.45x	65.4%
Cameron Landing Apartments	29/05/13	28/02/17	8,575,000	1.83x	19.9%
Chandlers Bay Apartments	10/04/13	5/10/16	10,575,000	2.95x	38.9%
Chestnut Hills Apartments	18/12/12	5/10/16	3,987,000	2.85x	34.9%
Elliot's Crossing Apartments	24/07/14	10/11/16	7,775,000	2.05x	42.8%
Enclave Apartments	4/06/13	20/12/16	4,588,915	2.49x	31.3%
Hamptons Apartments	18/12/12	5/10/16	6,300,000	2.95x	36.5%
Landing at Dashpoint (Forest Cove) Apts.	20/12/12	27/01/16	9,587,452	2.54x	37.3%
LaSalle 29 Building	30/04/13	27/01/15	7,420,000	1.27x	13.4%
LaSalle 39 Building	30/04/13	14/01/14	11,580,000	1.74x	113.5%
Madison Park Apartments	12/09/13	5/10/16	10,700,000	2.47x	46.0%
Meridian Pointe Apartments	11/10/13	25/01/17	4,430,000	2.23x	37.0%
Mission Falls Apartments	12/07/12	15/08/16	1,728,573	3.79x	41.1%
Oakley Park Apartments	26/11/14	30/03/17	7,175,000	2.01x	37.9%
Overlook Apartments	4/06/13	20/12/16	5,935,880	2.48x	32.0%
Pavilion Crossing Apartments	2/12/14	28/04/17	12,785,000	1.42x	17.3%
Pembrooke (Kennedy Ridge) Apts.	31/12/12	8/11/16	19,831,250	3.81x	58.6%
Pinewood Apartments	22/05/12	15/10/14	1,665,000	1.69x	26.4%
Pinnacle Grove Apartments	13/02/13	10/11/16	6,400,000	2.31x	26.9%
Presidio Apartments	9/01/14	5/10/16	17,075,000	2.07x	34.3%
Redlands Lawn & Tennis Club	30/12/14	10/11/16	23,450,000	1.41x	23.6%
Shadows of Cottonwood Apartments	31/10/13	31/01/17	14,100,000	2.21x	36.1%
Silver Shadow Apartments	21/01/14	13/11/15	5,100,000	1.64x	31.7%
Six Forks Station Apartments	1/10/14	5/10/16	13,800,000	1.57x	28.3%
Sonoma Pointe (The Ritz) Apts.	28/02/13	1/03/16	2,790,000	2.12x	30.6%
Stratford Apartments	3/10/12	1/12/15	5,250,000	1.77x	21.2%
Surprise Lake Apartments	25/10/12	5/10/16	10,050,000	3.21x	39.7%
The Preserve Apartments	30/08/13	1/07/16	16,265,000	1.77x	31.2%
The Retreat Apartments	31/07/13	5/10/16	17,975,000	1.57x	16.9%
Timberlodge Apartments	9/04/13	19/10/16	4,265,000	1.99x	22.1%
Village at Seeley Lake Apartments	19/12/13	5/10/16	18,015,000	1.86x	28.9%
Villetta Apartments	17/07/13	5/10/16	7,375,000	1.97x	27.8%
Vista at 23rd Apartments	27/03/14	5/10/16	11,475,000	3.06x	61.2%
Wood Hollow Apartments	10/07/14	29/12/16	7,900,000	2.28x	46.2%

##### Under Contract

Investment	Acquired	Est Sale Date <sup>2</sup>	Total Investment <sup>3</sup>	Multiple <sup>1</sup>	IRR <sup>1</sup>
Jasmine at Winters Chapel	3/10/13	30/05/17	15,000,000	2.57x	37.4%
Falls at Gwinnett Place Apartments	25/11/13	31/05/17	11,699,000	2.46x	37.8%
Champions Park Apartments	26/09/14	31/05/17	7,850,000	1.81x	32.3%
1700 West Loop Building	1/06/12	20/06/17	10,750,000	1.63x	8.6%
			45,299,000		

##### Remaining Assets

Investment	Acquired	Est Sale Date <sup>2</sup>	Total Investment <sup>3</sup>	Multiple <sup>1</sup>	IRR <sup>1</sup>
La Entrada Apartments	17/07/12	30/09/17	759,859	1.62x	14.5%
Monterra Apartments	17/07/12	30/09/17	983,000	1.68x	13.3%
Parkway Center	28/08/14	30/09/17	12,312,142	2.22x	39.2%
Abbots Glen Apartments	31/07/14	31/08/17	5,850,000	2.27x	45.1%
Addison of Naperville Apartments	23/10/14	31/07/17	20,531,676	2.05x	41.8%
Lodge on 84th Apartments	24/01/13	31/03/18	7,210,000	4.10x	57.7%
Rock Creek (Autumn's Combined) Apts.	11/06/12	31/12/17	13,302,000	1.72x	18.9%
The Venetian on Ella (La Jolla) Apts.	10/05/12	30/09/17	5,050,000	2.76x	29.1%
Gran Park at The Avenues	27/06/14	30/06/17	7,521,990	1.56x	26.2%
Coronado Palms (Palmilla Villas) Apts.	12/08/13	30/06/17	9,560,000	1.68x	15.9%
West Town Court Apartments	30/04/12	30/06/17	7,125,000	3.02x	28.1%
Stonehill at Pipers Creek Apartments	2/07/14	31/07/17	6,673,000	1.71x	23.4%
Stratford Ridge Apartments	30/06/14	31/12/17	11,398,000	1.64x	29.0%
Fifth Third Center Office Building	28/07/14	31/07/17	16,391,068	1.33x	11.6%
Mission Palms Apartments	11/06/13	31/07/17	9,200,000	2.01x	24.4%

<sup>1</sup>Multiples and IRR's are gross and on unsold assets are as of the Q1 2017 Performance Summary

<sup>2</sup>Estimated Sale Dates on Remaining Assets comes from Q1 2017 Valuations

<sup>3</sup>Total Investment comes from the Q1 2017 Performance Summary