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MONTHLY UPDATE

SPIRE USA ROC II FUND (AUD) June 2015

Key Fund Details

APIR Code:	ETL0371AU
Responsible Entity:	Equity Trustees Limited
Commencement:	1 July 2013
Fund Size:	A\$62.00 million (Cum)
Application Status:	CLOSED

Ordinary Unit Price and Performance (Net of Fees)

as at 30 June 2015

Unit Price (Cum):	A\$1.5502
1 month:	-0.43%
Rolling 3 months:	3.34%
Rolling 6 month:	24.18%
FYTD:	43.34%
Since inception (p.a):	25.93%
Distribution per Unit	A\$0.0693
Unit Price (Ex Div):	A\$1.4809

Fund Profile

The Fund acts as an Australian feeder fund into the assets of Real Estate Opportunity Capital Fund, LP ("ROC II"). ROC II is a US\$600 million (equity) "buy, fix, sell" private equity real estate fund, investing in value-add US multifamily apartment communities and office buildings, which are generally acquired opportunistically from distressed sellers or Mortgagees in Possession.

The Fund owns a 5.88% share of a diversified portfolio of 61 separate real estate assets across the US. As at the date of this update, the ROC II portfolio owns 52 multifamily apartment communities and 9 office buildings.

Manager Profiles

The US Investment Manager is Bridge Investment Group Partners, LLC. Bridge has over 25 years experience in successful investment in US value-add real estate and a platform of over 1,000 employees.

Spire Capital Pty Ltd is the Australian Fund Manager. Spire via its Global Investment Series democratises and structures leading global institutional quality investment opportunities for the Australian private wealth and SMSF market.

Monthly update

The Fund paid out an annual distribution of 6.93 cents per unit as at 30 June 2015. This distribution includes income generated by the underlying assets for the periods Q2 2014 to Q1 2015, or 1 April 2014 to 31 March 2015. As at 30 June 2015, no income had been received by the Fund for income generated by ROC II assets from 1 April 2015 to 30 June 2015 (i.e. Q2). Q2 2015 income will be received in August and will form part of the 2016 annual distribution.

During the period from 1 April 2014 to 31 March 2015, capital committed to the underlying ROC II fund was progressively called for investment into the ROC II portfolio of value-added multifamily apartment community and commercial office assets.

During this period, the Fund's percentage of committed capital which had been called, and was therefore generating ROC II rental income, was on average 79.8%. The quarter by quarter percentage of capital which has been invested is as follows:

Quarterly investment rate for period of income included in 30 June 2015 distribution.

Quarter	Period	Percentage of Committed Capital Called for Investment
Q2 2014	1 April - 30 June 2014	69.3%
Q3 2014	1 July - 30 Sept 2014	80.2%
Q4 2014	1 Oct - 31 Dec 2015	85.6%
Q1 2015	1 Jan - 31 March 2015	84.3%

Each asset within the 57 asset portfolio (as at 31 March 2015) is at a varying stage in its unique value add program. Each quarter the underlying Investment Manager produces an asset by asset valuation and update and this information is available to investors and their advisors on request.

Perhaps the most insightful data from the ROC II portfolio update as at 31 March 2015 is the comparison of the portfolio's Trailing 12 month Net Operating Income (i.e. the period of the 30 June 2015 Fund distribution), with the portfolio's (forecast) Forward 12 month Net Operating Income (NOI) and (forecast) Stabilised 12 month Net Operating Income. Stabilised income represents the expected income when all value-add remediation works and re-leasing programs have been completed. Each is set out in the table below:

ROC II Portfolio 12 month Net Operating Income - Trailing vs Forward vs Stabilised as at 31 March 2015

Income Period	Net Operating Income	Percentage change to Trailing 12 NOI
Trailing 12 Month NOI	US\$72.888 million	-
Forward 12 month NOI (f)	US\$117.142 million	+ 60.71%
Stabilised 12 month NOI (f)	US\$135.584 million	+ 86.02%

Source: Bridge Investment Group Partners, LLC

These differences indicate the strong revenue growth that Bridge IGP are forecasting from the successful execution of the value-add strategies on each asset within the ROC II portfolio, which in turn drive occupancy growth and rentals at the asset level. We would expect the achievement of these forecasts to result in higher distributions and capital values.

As at 31 March 2015 the ROC II Portfolio had the following characteristics.

Portfolio Assets:	57
Portfolio Occupancy:	89.9%
Portfolio Value:	US\$1,958 million
Outstanding Debt:	US\$1,178 million
Portfolio Loan to Value Ratio (LVR)	60.2%
Average Interest Rate	3.31%
Portfolio Debt Service Cover Ratio (DSCR)	2.5 x
Original Equity Invested:	US\$501.6 million
Current Equity Value:	US\$779.1 million
Unrealised Gross Capital Gain	US\$227.9 million
Unrealised Gross Equity Multiple	1.55 x

UPDATE

SPIRE USA ROC SENIORS HOUSING AND MEDICAL PROPERTIES FUND (AUD)

Bridge Investment Group Partners, LLC, the General Partner and Investment Manager for the ROC Seniors Housing & Medical Properties Fund LP, held its Final Close on 13 July 2015, obtaining final commitments of US\$740 million from global institutional and family office investors, to invest in a portfolio of US value-add seniors housing and medical office properties. Over US\$1 billion in value-add assets has been acquired to date.

Spire USA ROC Seniors Housing and Medical Properties Fund (AUD) has committed US\$49.0 million to “ROC Seniors” at Final Close.

A small final allocation remains available for last minute investors and their advisors via the [PDS](#).

For queries please contact Matthew Cook on 02 9377 0714 or by email matthew.cook@spirecapital.com.au