SPIRE GLOBAL PRIVATE REAL ESTATE

MONTHLY FACTSHEET - JULY 2017

SPIRE USA ROC III FUND (AUD)

ARSN: 609 038 600

OVERVIEW

The Fund was established in 2016 and acts as an unhedged Australian feeder fund into the assets of Bridge Multifamily & Commercial Office Fund III, LP ("BMF III"). BMF III is a US$1.1 billion (committed equity) value-add "buy, fix, sell" private equity real estate fund, investing in value-add US multifamily apartment communities and office buildings. The Fund has made a US$53 million capital commitment to BMF III, which represents approximately 4.8% of BMF III's total committed capital. To date approximately 88% of committed capital has been deployed or allocated to 49 value-add multifamily and commercial office assets located throughout the USA, at gross aggregate purchase price of circa US$2.81 billion. BMF III's Investment Period will run until January 2018, following which assets will be sold as they are stabilised and value has been maximised. 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$7.8 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.

PERFORMANCE (NET OF FEES)

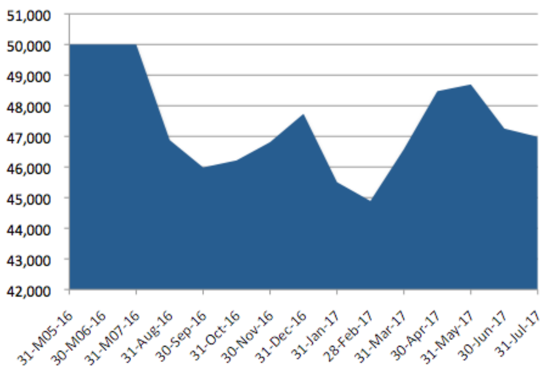
Ordinary Unit Class

Based upon underlying fund data as at 30 June 2017

1 month	3 months	1 year	5 years	Inception (p.a)
-0.57%	-3.08%	-6.03%	N/A	-4.29%

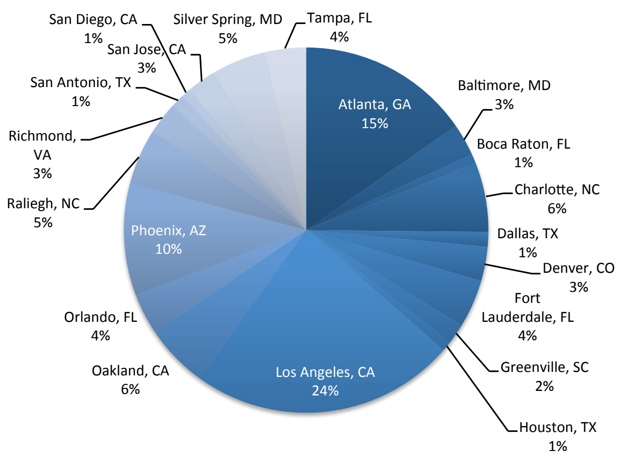
*** Past performance is not an indicator of future performance ***

GROWTH OF AUD 50,000 INVESTMENT



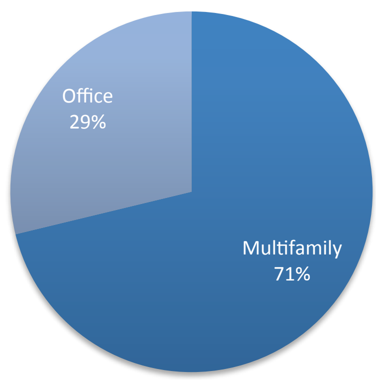
Performance and Growth table and chart are based on an investment made at the Fund's inception in March 2016 at $1:00 per unit and includes Unit Price growth from commencement of NAV based unit pricing following completion of capital raising in August 2016. Unit Price and performance do not include the value of Foreign Income Tax Offsets (FITOs) which have been accrued. Individual investor performance will vary according to the Issue Price at which they were issued Units in the Fund, which in turn was based upon the AUD / USD exchange rate applicable in the month in which an investment was made.

REGIONAL BREAKDOWN*



ASSET CLASS BREAKDOWN*

**Underlying Fund investments by Cost as at 30 June 2017*



FUND DETAILS

Fund Size (AUDm):	69.7
APIR Code:	ETL0460AU
Commencement:	18 March 2016
Zenith Research Rating:	Highly Recommended (Original rating, now lapsed as closed)
Unit Price:	$0.9180
Distribution Frequency:	Annually as at 30 June
2017 Distribution (CPU):	2.18 + 0.00 FITOs
Liquidity:	Nil - Closed-ended fund

Fund Manager:	Spire Capital Pty Limited
Investment Manager:	Bridge Investment Group, LLC
Responsible Entity:	Equity Trustees Limited
Base Management Fee:	0.58% p.a. x NAV
Underlying Fees:	2% of committed equity
Underlying Performance Fee:	20% of realised profits after an 8% preferred return is paid to Limited Partners.
Application Status:	CLOSED

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MONTHLY UPDATE

Positively contributing to performance during the month of July was receipt of the Partner's Statement for the quarter ended 30 June 2017, which showed a 5.6% increase in the value of the underlying BMF III investments during Q2, due to increased occupancies and cash-flows.

Negatively affecting the unit price during the month of July was the 4.08% increase in the value of the Australian dollar against the USD dollar from US$0.7670 to US$0.7984. The Fund does not hedge currency exposure. USD denominated Underlying Fund performance since inception is summarised below:

Underlying Bridge MF III Investment / J-Curve Dashboard
As at 30 June 2017

Metric	**Q2 2016**	**Q3 2016**	**Q4 2016**	**Q1 2017**	**Q2 2017**
Committed Capital (USD)	9M	53M	53M	53M	53M
Called Capital %	54.2%	39.1%	51.1%	62.7%	62.7%
USD cash %	45.8%	60.9%	48.9%	37.3%	37.3%
IRR on Called Capital	NM	NM	7.2%	10.9%	14.9%
Equity Multiple on Called Capital	1.03x	0.99x	1.05x	1.07x	1.13x

QUARTERLY REPORT FROM THE U.S. INVESTMENT MANAGER
All amounts are in US Dollars.

Dear Partner,

Thank you for your continued support of Bridge Multifamily & Commercial Office Fund III LP ("Bridge Multifamily III Funds" or the "Partnerships"). We are pleased to share with you the Quarterly Report of the Partnerships for the period ending June 30, 2017. In this letter, we provide (i) our views on the multifamily and commercial office markets; (ii) an update on the Partnerships' investment activities to date; and (iii) an update on the fund's operating activities.

VIEWS ON THE MULTIFAMILY AND COMMERCIAL OFFICE MARKETS

As if the secret weren't already out, Class "B" suburban multifamily assets are gaining in favour with real estate investors, and in turn we are experiencing a competitive environment for value-add investment opportunities throughout the country. Cap rates continue to creep downward in high-job-growth metro areas – metros in which Bridge has a large footprint, requiring increased diligence in sourcing the right opportunities for our Fund. Transaction volumes rebounded in Q2 from a slow Q1 as investors gained clarity on the financing environment; however, volumes continue to be well below the torrid pace of 2016 due to reduced seller supply, as current owners struggle to find opportunities to redeploy their capital. As a result, we are benefiting from this high demand for Class "B" value-add assets which we own; however, we are finding a very competitive environment on the acquisitions side.

The main reason for investor appetite for Class "B" value-add is its outperformance of Class "A" product during the past two-plus years – a trend that continued in Q2 2017. According to CoStar Analytics, occupancy in the Class "B" space increased 20 bps in Q2 to 94.9%. Effective rents grew 3.2% year-over-year in Q2 for Class "B", whereas Class "A" grew only 2.2% year-over-year. Evidence suggests that absorption is slowing in the Class "A" market due to pricing and affordability concerns in many markets, which is in turn slowing rent growth in the Class "A" space. As an alternative, these individuals are turning to home purchases or renting newer rehabbed Class "B" apartments that offer more affordability.

In most of our markets, Bridge's multifamily assets charge rents that are $500+ below the rents being charged at new Class "A" properties in their respective submarkets (Source: Axiometrics). This allows us to perform our "value-add" program and still be a relative bargain for renters who seek quality amenities at a reasonable rent. Because of this positioning, and with demographic tailwinds, including strong household growth forecasts that outpace projected new housing completions, Bridge remains very confident that investment in Class "B" value-add multifamily is a sound investment strategy that delivers attractive risk-adjusted returns for investors.

The U.S. commercial office market experienced continued growth in Q2, albeit at a tepid pace, with growth in rental rates of 0.3% and flat occupancy at 89.8% (Source: CoStar).

Office leasing activity increased 5.2% during the quarter (as compared to Q1), with the largest share of activity (17.4%) belonging to technology firms. Financial firms also accounted for a large amount of leasing activity, with most activity in large block leases of 100,000+ SF. Leasing transactions during the quarter were highly expansionary, with 45.7% of newly-signed leases representing growing lease footprints, while only 9.8% were contractionary (Source: Jones Lang LaSalle). New completions did slightly exceed net absorption during the quarter, which is the reason for flat occupancy nationally.

We have seen a trend developing in recent quarters in which suburban office is gaining momentum vs. CBD (Central Business District) office, with many millennials choosing to return to the suburbs as they start their families. Although currently 64% of U.S. households live in the suburbs, it is expected that 80% of household growth during the next decade will occur in the suburbs (Source: Marcus & Millichap Research). These individuals are more likely to prefer suburban office locations near their homes, particularly those close to public transit nodes, which would benefit owners of suburban office assets. Bridge's strategy of renovating and refreshing suburban office buildings to entice today's renter in areas with good walkability and amenities puts us in prime position to take advantage of this trend. We are particularly focused on Prime Suburbs in fast-growing metro areas that have above-average job growth, relatively limited completions, and good leasing activity. So, although we are currently experiencing a modest-growing *national* office market, we have been able to find attractive investment opportunities in regions of growth, such as Charlotte, Greenville, and Fort Lauderdale in the Southeast, and Phoenix, Denver, and the East Bay in the West.

INVESTMENT ACTIVITY UPDATE

As of June 30, 2017, Bridge Multifamily III Funds had called 63% of the Partnerships' available capital and had made 46 investments in high-growth cities in Arizona, Texas, Florida, Georgia, Maryland, Colorado, North Carolina and California. The 46 investments owned by Bridge Multifamily III, as of the end of Q2 2017, have a total capital allocation of $2.5 billion, and are projected to yield an average three year cash-on-cash return of 9.9%, an asset-level 19.0% IRR and a 1.88x multiple on invested equity. During the quarter ending June 30, 2017, the Partnerships acquired four assets including:

- *Onnix, a 659 unit apartment community in Tempe, Arizona.*
- *Windsprint, a 288 unit apartment community in Arlington, Texas.*
- *Celebration, a 267,878 square foot office building in Orlando, Florida.*
- *Beacon Hill, a 349 unit apartment community in Charlotte, North Carolina.*

As of June 30, 2017, we had under contract three additional assets totalling $307 million in purchase price, and projected to utilise $115 million of Partnerships equity. As a result, we were 88% allocated by the end of the quarter.

All 49 investments currently owned or under contract by the Partnerships have a total capitalisation price approximating $2.81 billion, including budgeted capex. With these acquisitions, we will have completed the majority of our commercial office acquisitions, which we typically target earlier in the Fund in order to provide some earlier profit realisations to our investors. The asset team has done an excellent job in accelerating performance objectives at these assets, and as such, we anticipate bringing some of our commercial office assets to market early in 2018.

We believe this portfolio reflects the strong financial metrics we anticipated in our offering documents, and the exceptional "value add" capabilities of our asset and property management teams, along with the attractive risk-adjusted returns that Bridge Multifamily III expects to deliver. Overall competition for multifamily investments has slowed our pace of deployments and caused us to tighten our return parameters in the last quarter as we complete the allocation. We continue to execute our disciplined approach to the acquisition process, and are not willing to adjust that criteria to make deals fit. While slower than we had anticipated, we continue to remain optimistic about our ability to find attractive opportunities for deployment of the remaining capital by the end of 2017.

OPERATIONAL UPDATE

As of the end of Q2 2017 the Fund multifamily portfolio had achieved a 4.2% positive Net Operating Income (NOI) variance to original pro forma, due largely to operating expense savings often occurring early in our ownership. Our 2017 budgeted projections for the portfolio are on target with pro forma on revenue, and about 5.6% favourable on expenses, putting us 4.3% favourable for 2017 NOI. The multifamily portfolio is 90.3% occupied, reflecting the fact that we are still in the repositioning mode at a number of assets, with extensive renovations still underway.

In summary, while we have a few assets that are presenting challenges, and much work remaining, we have many out performers, and are feeling good about our commercial and multifamily investment operations as a whole, along with the specific markets we are targeting and operating in. We appreciate your support as our Partner and are extremely gratified by the progress we have been able to achieve to date in the Bridge Multifamily III Funds. We look forward to continued success.

If you have any questions regarding Bridge Multifamily III or your investment, please do not hesitate to contact us.

With Best Regards,

Danuel Stanger & Jonathan Slager

Co-Chief Investment Officers
Bridge Multifamily III Fund

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, or visit the Spire website.

CONTACT US

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