SPIRE GLOBAL PRIVATE REAL ESTATE

SPIRE USA ROC III FUND (AUD)

MONTHLY FACTSHEET – MARCH 2019

MONTHLY UPDATE

Positively affecting the unit price during the month of March was the net 2.40% increase across the portfolio in the total book value of Bridge MF III Investment assets recorded for Q4. Also positively affecting the unit price during the month of March was the 0.15% decrease in the value of the Australian dollar against the USD dollar from US$0.7115 to US$0.7103. The Fund does not hedge currency exposure.

The Unit Price reflects the Q4 Underlying Fund Net Asset Values as at 31 December 2018.

PERFORMANCE (NET OF FEES)

Ordinary Unit Class as at 31 March 2019
Based upon underlying fund data as at 31 December 2018

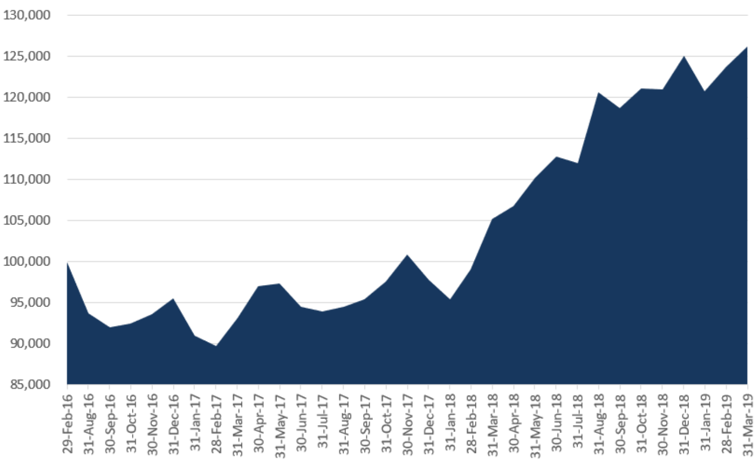
	1 month	3 months	1 year	5 years (p.a)	Inception (p.a)
Net returns	2.05%	0.89%	20.01%	N/A	7.84%

Monthly Unit Price Movement Breakdown	
Underlying investment	1.99%
Foreign exchange	0.13%
Management fees	-0.04%
Other income and expenses	-0.02%
Total Movement	**2.05%**

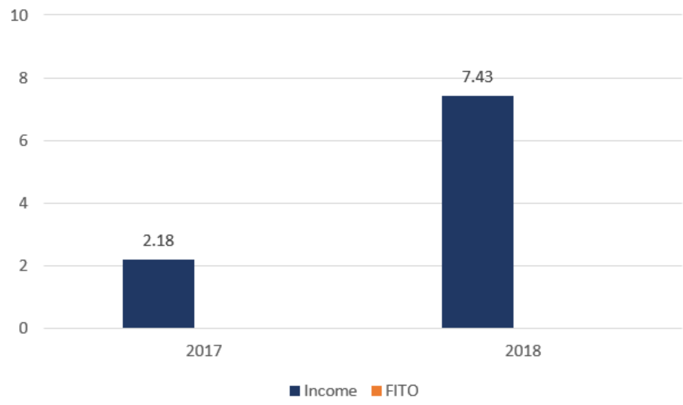
Asset Allocation as at 31 March 2019	
Cash AUD	1.86%
Cash USD	9.91%
Investments USD	88.23%

Unit Price as at 31 March 2019	
Unit price (excluding FITOs)	$1.1496
Est. FITOs	$0.0208
Unit price plus est. FITOs	$1.1704

GROWTH OF AUD 100,000 INVESTMENT



DISTRIBUTION CPU



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

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.

FUND DETAILS

Fund Size (AUDm):	$87.26m
APIR Code:	ETL0460AU
Commencement:	18 March 2016
Zenith Research Rating:	Highly Recommended (Original rating, now lapsed as closed)
Unit Price:	$1.1496
Distribution Frequency:	Annually as at 30 June
Application Status:	CLOSED

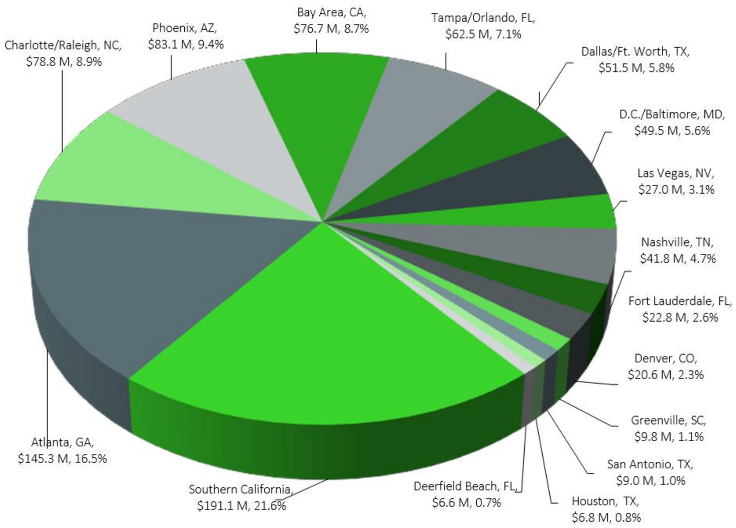
Fund Manager:	Spire Capital Pty Limited
Investment Manager:	Bridge Investment Group, LLC
Responsible Entity:	Equity Trustees Limited
Base Management Fee:	0.58% p.a. x NAV
Underlying Fees:	2% of committed equity
Underlying Performance Fee:	20% of realised profits after an 8% preferred return is paid to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

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 62 value-add multifamily and commercial office assets located throughout the USA, at gross aggregate purchase price of circa US$3.28 billion (including Joint Venture partnerships). BMF III's Investment Period expired in January 2018, and the fund is now in its Harvest Period, during 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$10 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.

REGIONAL BREAKDOWN*

**Underlying Fund investments by Equity invested as at 31 December 2018*



Q4 INVESTOR LETTER FROM BRIDGE INVESTMENT GROUP

Note: All dollar amounts and performance returns quoted are US Dollar denominated.

Thank you for your continued support of the Bridge Multifamily III Funds (the "Fund" or the "Partnerships"). We are pleased to share with you the Quarterly Report for the period ending December 31, 2018.

VIEWS ON THE MULTIFAMILY AND COMMERCIAL OFFICE MARKETS

Bridge's multifamily and office strategies are well positioned for success. Overall growth of the U.S. economy, strong household formation and job creation all contribute to a positive investment and operating environment. Bridge' data-driven top-down analytics to identify target markets have further amplified the overall strength of the US economy in the target MSAs in which we invest.

As we exit the fourth quarter of 2018, Bridge's target markets continue to post strong fundamentals bolstered by a solid and steady U.S. economy and stable financing environment. Real gross domestic product growth is estimated at an annualized rate of 2.6% in the fourth quarter (Bureau of Economic Analysis, as of 2018 Q4). While this growth rate breaks the six-month trend of above 3% growth, the quarter's growth remains above the current expansion's average of 2.3%. Employment has also sustained significant growth with an average of 223,000 jobs created per month in 2019 with strong employment growth late in the year (Bureau of Labor Statistics, with revised estimates as of March 2019). As of today, the economic expansion remains the second-longest running expansion in U.S.

history. At 116+ months, the current economic expansion is poised to break the 120-month record set from 1991 to 2001 (National Bureau of Economic Research, as of March 2019). That said, the current expansion has been the slowest-growing recovery of the 11 since WWII. Although GDP has grown 24.1% since the last trough, we have yet to reach the average trough-to-peak gain of 25.13%, and we are well below the 42.5% gain achieved in the 1991- 2001 expansion (U.S. Bureau of Economic Analysis and Moody's Analytics, as of 2018 Q4). This slow and steady growth suggests the expansion may have further to run.

The Federal Reserve has moderated its position on interest rate hikes following signals of tempered growth in the economy, low inflation, and tight labor markets. In conjunction with an additional Fed Funds rate increase in December 2018, the FOMC lowered expected 2019 hikes from three to two, and most recently kept rates flat in recognition of some of the factors mentioned above. The reprieve from interest rate hikes provides flexibility to Bridge's financing activities. Notwithstanding eight interest rate moves since 2016, cap rates across sectors remained flat or down in the fourth quarter of 2018 in Commercial Real Estate Markets (Real Capital Analytics, 2018 Q4).

The strength in the U.S. economy bodes well for apartment demand. While new overall supply remains in the balance, the ratio of Class A to Class B new stock remains high. At a ratio of 6 to 1, there are concerns for Class A properties in the short run (Costar, as of 2018 Q4). The proliferation of Class A multifamily development since 2013 has created a growing divide between Class A and Class B fundamentals. The Class B apartment occupancy rate is 3% higher than that of Class A, and the effective rent gap per unit between Class A and Class B apartments has grown by over 7% since 2010 (CoStar, as of 2018 Q4). This environment is well-suited for Bridge's high-touch, value-add strategy focused on Class B multifamily. The forecasted annualized average occupancy and rent growth rates for Bridge Target Apartment Markets in 2019 are expected to be 92.81% and 3.18% respectively (CoStar, as of 2018 Q4). The national forecast for occupancy is expected to be similar, and national rent growth is anticipated to be lower at 2.59% (CoStar, as of 2018 Q4).

The full-year multifamily transaction volume remained positive, increasing by 12% on a year-over-year basis to $172.6 billion (RCA, as of 2018 Q4). This increase was driven by activity in the student housing sub-market and conventional low- to mid-rise apartment buildings. Single-asset deal volume remained strong as well. As apartment transaction volumes increase, prices will also continue to rise. The RCA Multifamily Commercial Property Price Index (CPPI) posted an 8.9% year-over-year gain, with cap rates declining slightly to 5.47% from 5.59% a year earlier (RCA, as of2018 Q4). Bridge's competitive advantage in accessing deal flow has allowed us to continue to successfully source and execute transactions that meet fund objectives in this competitive environment.

Office demand has also benefited from the healthy U.S. economy, but supply has not been an issue in Bridge markets. As a result, market fundamentals remain strong. Occupancy rates across all Bridge Office Target Markets are at 90.3%, which is the high point of the expansion compared to the low of 85.3% seen during the last downturn (CoStar, as of 2018 Q4). Over the 2019 horizon, occupancy and asking rent growth rates for the Bridge Office Target Markets are expected to be 90.57% and 3.57% respectively (CoStar, as of 2018 Q4). The national forecast for occupancy is expected to be similar, with Office NOI rising nearly 3.36% by 2020. Bridge Office Target Markets are expected to see a nearly 5% increase in NOI over the same period (CoStar, as of 2018 Q4).

RCA indicated that office transaction volumes have remained positive in 2018 (RCA, as of 2018 Q4). Full-year office transactions for 2018 totaled $134.6 billion, a year-over-year increase of 1% (RCA). While the nominal increase in volume remains tepid, prices have continued to rise as illustrated by RCA's CPPI index for suburban offices, which shows an increase of 8.2% throughout 2018 (RCA, as of 2018 Q4). Noticeably, the price growth for suburban properties has far outpaced CBD assets, which only saw a 71bps gain in yield over the same period (RCA, as of 2018 Q4). The finding is substantial as it bolsters Bridge's office selection thesis. When considered in conjunction with office cap rates, which remain flat to down (RCA), the trend in office fundamentals continue to create an attractive environment for capitalizing value-add investments across prime business centers and periphery markets.

INVESTMENT ACTIVITY UPDATE

As of December 31, 2018, Bridge Multifamily III Funds had called 93.8% of the Partnerships' available capital and had made 62 investments in high-growth cities in Arizona, Texas, Florida, Georgia, Maryland, Colorado, North Carolina, and California, funded by $3.2 billion of total capital and $923 million of Fund equity.

Bridge Multifamily III Funds began the disposition of selected assets in 2018 and have realized nine assets to date. During the quarter ending December 31, 2018, Bridge Multifamily III Funds realized five assets:

- Bay Pointe, a 128-unit apartment community in Las Vegas, Nevada, which was 100% owned by the Fund, closed on November 30, 2018 resulting in a gross IRR of 71.06% versus a pro-forma IRR of 16.94%, a multiple of 1.91x versus a pro-forma multiple of 1.76x.
- Island Palms, a 118-unit apartment community in Las Vegas, Nevada, which was 100% owned by the Fund, closed on November 30, 2018 resulting a gross IRR of 123.81% versus a pro-forma IRR of 15.87%, a multiple of 2.63x versus a pro-forma multiple of 1.71x.
- Bridge Landing, a 144-unit apartment community in Las Vegas, Nevada, which was 100% owned by the Fund, closed on November 30, 2018 resulting a gross IRR of 91.24% versus a pro-forma IRR of 16.80%, a multiple of 2.19x versus a pro-forma multiple of 1.75x.
- Desert Pearl, a 90-unit apartment community in Las Vegas, Nevada, which was 100% owned by the Fund, closed on November 30, 2018 resulting a gross IRR of 113.48% versus a pro-forma IRR of 9.07%, a multiple of 2.46x versus a pro-forma multiple of 1.61x.
- Remaining sale of Imperial Center, Stratford and Carlisle, an 197,264 sq. ft. commercial office portfolio in Durham, North Carolina, which was 90% owned by the fund, closed on November 28, 2018, resulting in a 24.30% IRR versus a pro-forma IRR of 18.20%, a multiple of 1.39x versus a pro-forma multiple of 1.63x.

In Q1 2019 we began the disposition of selected assets and anticipate closing on the sale of three multifamily assets and one commercial office asset by the end of Q-1 2019. These sales should return approximately $41.7 million of Fund equity and $47.8 million of net gain on sale.

- Artesian on Westheimer, a 660-unit apartment community in Houston, Texas, which is 20.0% owned by the Fund, closed on February 28, 2019 resulting in a 3.91% IRR versus a pro-forma IRR of 16.25%, a multiple of 1.16x versus a pro-forma multiple of 1.76x.
- Forest Cove, a 646-unit apartment community in Atlanta, Georgia, which is 100.0% owned by the Fund, is targeted to close on March 28, 2019 resulting in a 55.54% IRR versus a pro-forma IRR of 23.09%, a multiple of 3.38x versus a pro-forma multiple of 2.09x.
- 800 Fairway, an 176,890 sq. ft. commercial office asset in Deerfield Beach, Florida, which is 90.0% owned by the Fund, closed on February 21, 2019 resulting in a 17.79% IRR versus a pro-forma IRR of 20.60%, a multiple of 1.64x versus a pro-forma multiple of 2.08x.

OPERATIONAL UPDATE

As of December 31, 2018, the Fund multifamily portfolio is within 0.7% of our life-to-date NOI forecast. Our ongoing 2018 budgeted projections for the portfolio should continue to achieve substantial performance. The multifamily portfolio was 91.1% leased as of December 31, 2018, reflecting the fact that we are in the repositioning mode at a number of assets, with extensive renovations still underway. The commercial office portfolio is 85.0% leased as of December 31, 2018. Recurring cash flow from the combined portfolio continues to be stronger than expected.

Overall, we feel positive about our commercial office and multifamily investment operations, along with the activity in the specific markets in which we are operating. We appreciate your support as our Partner and are gratified by the progress we have been able to achieve to date in the Bridge Multifamily III Funds. We look forward to continued success.

During Q2 2018, we launched Bridge Multifamily IV, and have secured commitments totaling $493.2 million, with $331.5 million callable as of December 31, 2018. So far, the Fund has called approximately 67.2% of callable commitments and made 13 investments in high-growth cities in Texas, Georgia, Washington, Arizona, and Nevada, with another three investments under contract. Although in the early stages of implementing our capital improvement program, we feel positive about the prospects of Bridge Multifamily IV.

If you have any questions regarding Bridge Multifamily III Funds or your investment, please do not hesitate to contact Spire Capital on 02 9047 8800.

With Best Regards,

Rich Stayner & Jonathan Slager
Co-Chief Investment Officers
Bridge Multifamily III Funds

SPIRE FUNDS CURRENTLY OPEN FOR INVESTMENT:

Spire USA ROC IV Fund (AUD)

PDS (click to download)

Interactive Application Form (click to download)

Zenith Research Report: "Recommended" (click to download)

Fact Sheet (click to download)

CLOSE DATE: 30 June 2019 (subject to allocation)

For further information please contact either Dale Holmes on 0401 146 106 or Chris Niall on 0419 011 628.

CONTACT US
For further information please:

Call us on: +61 2 9047 8800

Email us at: info@spirecapital.com.au

Visit our website: www.spirecapital.com.au