

SPIRE GLOBAL PRIVATE REAL ESTATE
SPIRE USA ROC OFFICE FUND I (AUD)
 A UNIT CLASS OF SPIRE USA ROC IV FUND (AUD)
 MONTHLY FACTSHEET - MARCH 2019



MONTHLY UPDATE

Given the Fund's recent completion of its capital raising period, this month's unit price is the first month for which the Fund's unit price is based upon the Fund's Net Asset Value. As per the PDS, units were issued to investors during the capital raising period at the AUD equivalent of one US Dollar, based on the FX rate of the day their application was accepted.

Positively affecting the unit price was the net 1.62% fall in the value of the Australian dollar since 15 August 2018, from US\$0.7221 to US\$0.7104. The Fund does not hedge currency exposure. Negatively affecting the unit price is the recognition of the Fund's formation expenses for the first time in striking this month's unit price.

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

PERFORMANCE (NET OF FEES)

Ordinary units as at 31 March 2019

Based upon underlying fund data as at 31 December 2018

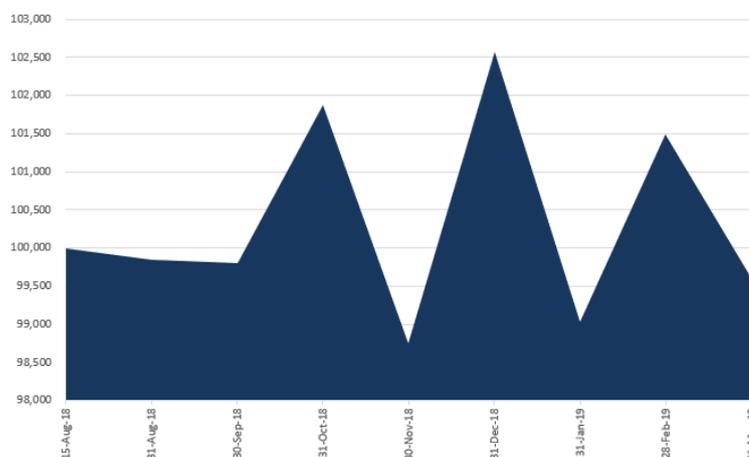
| | 1 month | 3 months | 1 year | 5 years | Inception (p.a) |
|--------------------|---------|----------|--------|---------|-----------------|
| Net returns | N/A | N/A | N/A | N/A | -0.41% |

| Unit Price as at 31 March 2019 | |
|--------------------------------|----------|
| Unit price (excluding FITOs) | \$1.3792 |
| Est. FITOs | \$0.0013 |
| Unit price plus est. FITOs | \$1.3805 |

| Asset Allocation as at 31 March 2019 | |
|--------------------------------------|--------|
| Cash AUD | 3.46% |
| Cash USD | 29.75% |
| Investments USD | 66.80% |

| Unit Price Movement Breakdown | |
|-------------------------------|---------------|
| Underlying investment | 0.19% |
| Foreign exchange | 0.76% |
| Management fees | -0.30% |
| Sourcing and structuring fees | -0.82% |
| Other income and expenses | -0.24% |
| Total Movement | -0.41% |

GROWTH OF AUD 100,000 INVESTMENT¹



** Past performance is not a reliable indicator of future performance**

Performance is measured from the date of the Fund's first issuance of units on 15th August 2018 at \$1.3849 per unit. Individual investor performance will differ based upon the unit price at which there were issued units.

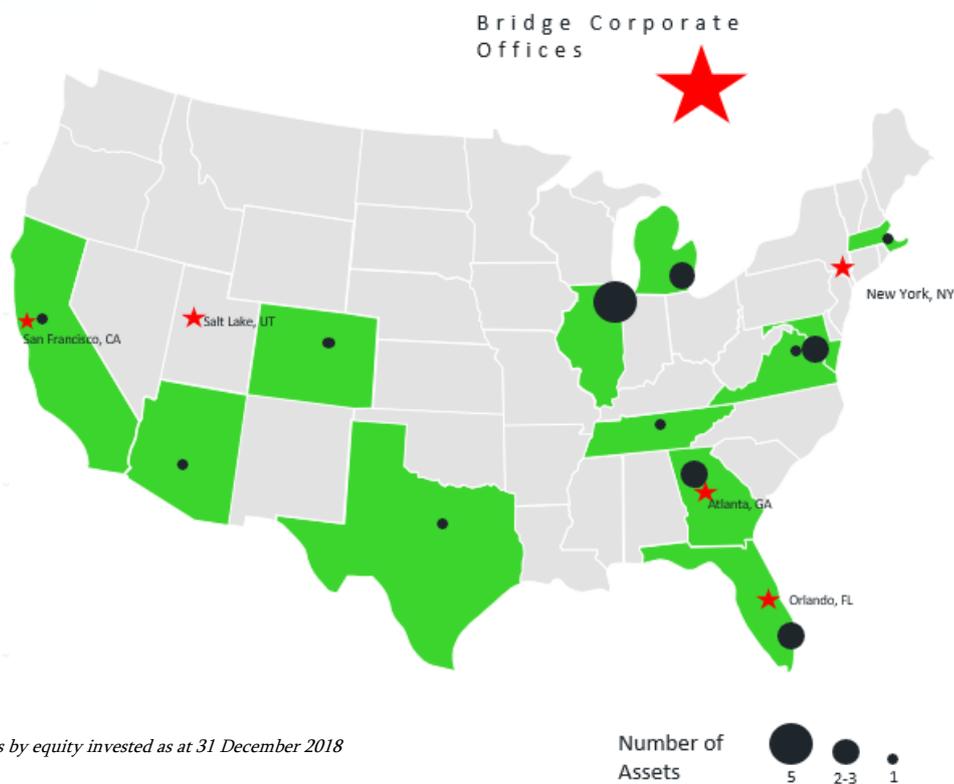
1. Assumes investment on the date of the first issuance of units i.e. 15 August 2018

FUND DETAILS

| | |
|--------------------------------|--|
| Fund Size (AUDm): | \$49.92m |
| APIR Code: | ETL1567AU |
| Commencement: | 29 May 2018 |
| Zenith Research Rating: | Recommended (Original rating, now lapsed as closed) |
| Unit Price: | \$1.3792 |
| Distribution Frequency: | Annually as at 30 June |
| Application Status: | CLOSED |
| 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: | 0.60% 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. |

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 Bridge Office I Funds (“Bridge Office” or the “Partnerships”). We are pleased to share with you the quarterly report for the period ending December 31, 2018.

VIEWS ON THE COMMERCIAL OFFICE MARKETS

Bridge’s 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’s 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 a 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 2018 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).

Office demand has benefited from the healthy U.S. economy, and market fundamentals remain strong. Occupancy rates across all Bridge Office Target Markets are still well above the lows experienced in 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 Class A value-add investments across prime business centers and periphery markets.

INVESTMENT ACTIVITY UPDATE

As of December 31, 2018, Bridge Office I Funds had commitments totaling \$424.18 million and had called \$339.34 million to make 22 investments across various markets in the U.S. Across all investments, the underwriting pro-formas forecast an average three-year cash-on-cash return of 9.5%, an asset-level IRR of 22.0%, and a 1.86x multiple on the invested equity. The Partnership acquired the following two additional projects during the fourth quarter, and sold one:

- Denver West Portfolio, totaling 1,327,259 square feet near Denver, CO with an acquisition price of \$143,750,000 and a total equity investment of \$56,518,000, with 95% owned fund. The fund acquired this asset in conjunction with DPC, a local operating partner with whom we have executed several prior deals. The portfolio of 21 buildings is located west of the Denver CBD, and provides significant opportunity for upside through executing renovations, increasing rental rates, and leasing up the asset. The asset was 78% occupied at acquisition, and the fund projects pushing that to the market average of 90%+.
- Station Square is comprised of three office towers in Silver Spring, MD, and totals 506,069 square feet. The fund acquired the three buildings for \$107,000,000 and a total equity investment of \$45,206,562, with 100% owned by the fund. The asset is located a block from the Silver Spring Metrorail station. In addition to pushing rents after making significant cosmetic upgrades and amenity build-outs, the fund expects to push occupancy from 79% to the market average of 90%+.
- Cypress Point (aka 2001 N 64th Street), is a 48,368 square foot asset in Florida, and was the first asset in the portfolio to be liquidated. The asset sold on November 1, 2018 for \$4.7 million. The property was sold to an owner/user resulting in a 34.5% gross IRR, and a 1.38x equity multiple.

Subsequent to the end of the quarter, the Fund has since closed on two additional assets, and sold one.

- Sawgrass Tech Park, a 514,332-square foot business park outside Fort Lauderdale, FL which was acquired for \$74,250,000, and \$29,218,186 of equity. The asset is wholly owned by the fund.
- Cornerstone Plaza is a 97,316-square foot tower in San Diego, CA. The fund acquired the asset for \$18,550,000, and \$6,725,000 of equity. The asset is 100% owned by the fund.
- Royal Centre II is one building within the three building Royal Centre asset acquired in March 2018. Building II is stabilized, and in-line with the business plan, we sold the building in March 2019.

OPERATIONAL UPDATE

As of Q4, the Fund I portfolio has a life-to-date NOI that is 2% above pro-forma and 2018 NOI roughly 3% above pro-forma (when accounting for early termination fees). As of December 31, 2018, the fund's assets are 83% leased, having signed 612,224 square feet of new or renewal leases over the course of 2018, with several additional leases currently being negotiated. During the fourth quarter, we closed an additional

\$111.63 million of commitments to the fund, for a total of \$424.18 million as of December 31. The final close for the Fund was subsequent to quarter end on January 20 for \$148.63 million, bringing the total fund to \$572.81 million.

Operational performance continues to exceed underwritten expectations.

SUMMARY

In summary, Q4 2018 was a significant growth period for the Bridge Office I Fund asset portfolio, providing the above-mentioned great additions to an already attractive portfolio. The additions increased the total deployed capital in the fund's portfolio to 80% of commitments. We are equally excited to have closed several additional assets in Q1, and currently have a dynamic pipeline and expect to see more great acquisitions.

We appreciate your support as our Partner and are gratified by the progress we have been able to achieve to date. We look forward to continued success. If you have any questions regarding the Partnerships or your investment, please do not hesitate to contact Spire Capital on 02 9047 8800.

With Best Regards,



John Ward
Chief Investment Officer
Bridge Office I Funds

OVERVIEW

Spire USA ROC Office Fund I (AUD) ('the Fund') seeks to generate regular income and capital appreciation by investing in value-add US real estate. 'ROC' stands for Real estate Opportunity Capital. The Fund, which is the fifth in the Spire USA 'ROC' series, was established in April 2018 and acts as an unhedged Australian feeder fund into the assets of the underlying Bridge Office Fund I LP ("BOF I"); a Private Equity Real Estate underlying fund.

The Investment Manager for each underlying fund is Bridge Investment Group LLC. Bridge is a specialist US real estate funds manager with over US\$15 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 2,600 management, leasing and facilities employees across the states in which assets are owned.

The underlying fund seeks to invest in real estate in select US local markets that have attractive growth characteristics, and to acquire assets that can be purchased at significant discounts to replacement cost, and are intended to be cash-flow positive, either immediately or after improvements. Bridge transform assets via a business plan that seeks to improve the physical asset, market repositioning, operational efficiency and/or capital structure.

BOF I final close in January 2019 was US\$735.5 million (total committed equity, including co-invest) value-add "buy, fix, sell" fund, which will invest in value-add US commercial office properties. The targeted IRR on invested capital for BOF I is 14-16% net (USD denominated).

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)

It is expected that the Funds will be available on major platforms. For further information please contact either Dale Holmes on 0401 146 106 or Chris Niall on 0419 011 628.

CONTACT US

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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 Spire USA ROC IV Fund (AUD) (Fund). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22607 797615), a publicly listed company on the Australian Securities Exchange (ASX:EQT). 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 Fact Sheet 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 or the accuracy of information in this document and accepts no liability to any person who relies on it. 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 Fact Sheet. 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").