

OVERVIEW

The Fund was established in 2017 and acts as an unhedged Australian feeder fund into the assets of of Bridge Seniors Housing & Medical Properties Fund II LP (“Bridge Seniors II”). Bridge Seniors II is a US\$1.05 billion (equity) “buy, fix, sell” private equity real estate fund, investing in value-add US seniors housing and medical properties. The Fund has a US\$49.5 million capital commitment to Bridge Seniors II, of which 12.0% has now been called and invested. The Fund owns a 4.95% share of a diversified current portfolio of 8 separate seniors housing assets located across five US states, providing a total of 1,046 seniors housing units. Bridge Seniors II’s Investment Period will run until January 2020, during which the investment portfolio will continue to be aggregated. After this date Bridge Seniors II’s Harvest Period will commence, during which portfolio assets will be sold, most likely via a portfolio sale, when the portfolio has been 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.

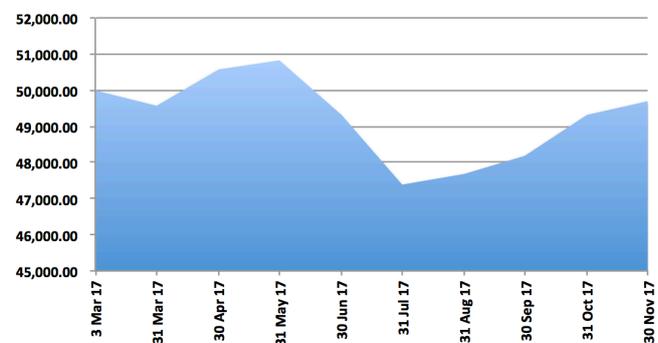
PERFORMANCE (NET OF FEES)

Ordinary Unit Class as at 30 November 2017

Based upon underlying fund data as at 30 September 2017

Unit Price	1 month	3 months	1 year	5 years	Inception (p.a)
\$1.2949	-0.71%	2.71%	N/A	N/A	-2.05%

GROWTH OF AUD 50,000 INVESTMENT¹

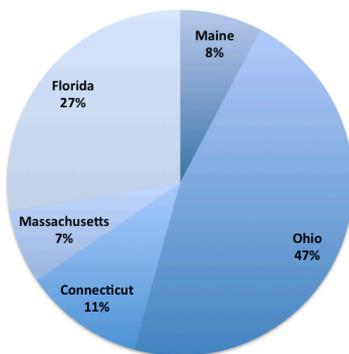


** Past performance is not an indicator of future performance**

Performance is measured from the date of the Fund’s first issuance of units on 3rd March 2017 at \$1.3220 per unit. Individual investor performance will differ based upon the unit price at which there were issued units.

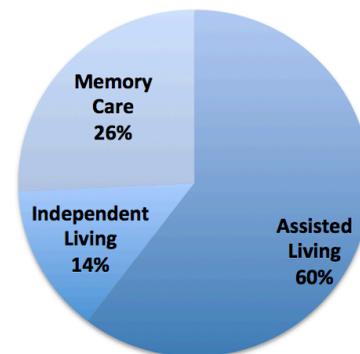
1. Assumes investment on the date of the first issuance of units i.e. 3rd March 2017

REGIONAL BREAKDOWN*



*Underlying Fund investments by equity invested as at 30 September 2017

ASSET TYPE*



FUND DETAILS

Fund Size (AUDm):	\$65.47
APIR Code:	ETL1507AU
Commencement:	17 February 2017
Zenith Research Rating:	Recommended (Original rating, now lapsed as closed)
Unit Price:	\$1.2949
Distribution Frequency:	Annually as at 30 June
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.
Application Status:	CLOSED

MONTHLY UPDATE

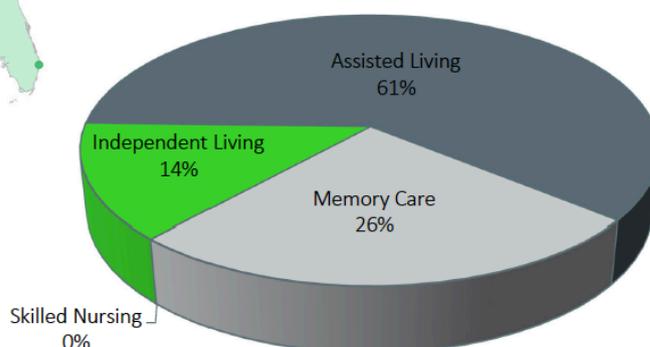
This month represents the first month of NAV based unit pricing, following the completion of the capital raising period as at 30 November 2017. As per the PDS, units were issued to investors during the capital raising period at the AUD equivalent of one US Dollar, based on the FX rate of the day their application was accepted. Negatively affecting the Fund’s unit price as at 30 November 2017, is recognition of the Fund’s establishment expenses as part of the inaugural NAV based unit price calculation. Positively affecting the unit price during the month of November was the 0.9912% decrease in the value of the Australian dollar against the USD dollar from US\$0.7668 to US\$0.7592. The Fund does not hedge currency exposure.

To date 12.0% of the Fund’s total Committed Capital has been called for investment into the initial 8 property portfolio, as summarised below. Complete details of each acquisition are provided in Annexure A to this report.

BRIDGE SENIORS II FUNDS – 8 PROPERTIES, 5 STATES



Unit Types	# of Units	Fund %
Assisted Living	633	61%
Independent Living	144	14%
Memory Care	269	26%
Skilled Nursing	-	0%
Total	1,046	100%



Underlying Fund performance since inception is summarised below:

Underlying Bridge Seniors Housing I Investment / J-Curve Dashboard
As at 30 November 2017 - US Dollar denominated

**Invested Capital as a percentage of Committed Capital*

OUTLOOK

Metric	Q3 2017
Committed Capital (USD)	\$49.5M
Invested Capital %*	12.0%
IRR on Called Capital	N/A
Equity Multiple on Called Capital	N/A

SPIRE USA ROC SENIORS HOUSING AND MEDICAL PROPERTIES FUND II

The Fund expects to receive Capital Call Notices from the Underlying Fund in the order of 10% of Committed Capital per quarter, as Bridge Investment Group identify suitable acquisition opportunities to add to the portfolio during the Bridge Seniors II Investment Period, which expires in January 2020.

During this time existing investments will be subjected to their value-add business plans, and any surplus net operating income will be distributed to investors on an annual basis as at 30 June.

The quarterly letter below from the Underlying Fund's Chief Investment Officer provides additional colour on the state of the US seniors housing industry and the Underlying Fund's investment program and status.

QUARTERLY LETTER FROM THE CHIEF INVESTMENT OFFICER - AS AT 30 SEPTEMBER 2017

**Note: All dollar figures and returns are US Dollar denominated*

Dear Partner,

Thank you for your support of Bridge Seniors Housing & Medical Properties Fund II LP ("Bridge Seniors II Funds" or the "Partnerships"). We are pleased to share with you the September 30th, 2017 Quarterly Report of the Partnerships.

In this letter, we provide our views on the seniors housing market and an update on the Partnerships' investment activities to date.

IEWS ON THE SENIORS HOUSING MARKET

Stabilised occupancy in the U.S. seniors housing market remained unchanged at 90.3% during Q-3. Although certain markets showed a near-term slowdown in absorption, overall Q-3 saw strong absorption of new supply. The unprecedented long-term demographic trends continue to lend confidence to long term occupancy growth as the population age increases over the next 30 years. Rent growth for the industry fell slightly from 3.1% to 2.6% annualised during the quarter, but still compares favourably with the U.S. inflation rate of under 2%. We continue to see highly attractive investments which are largely "off market" and believe the current environment remains favourable for investing capital in the seniors housing and medical properties sectors.

INVESTMENT ACTIVITY UPDATE

As of September 30th, 2017, Bridge Seniors II Funds had called 15% of the Partnerships' available capital, and had made eight investments in five states in the north-eastern region of the US. The eight investments owned by Bridge Seniors Fund II as of the end of Q-3 have a total capital allocation of \$300 million, and are projected (based on our assumptions) to yield an average three-year cash-on-cash return of 8%, and an asset-level 18-19% IRR on invested equity.

Since the end of Q-3, we have nine assets under control for \$250 million, utilising \$90 million of equity, which are expected to close in Q4 2017 and Q1 2018. Each of these seniors housing communities is situated in a market that benefits from compelling supply-demand demographics, high barriers to entry, and projected growth in its ageing population. Given the outstanding investments described above, coupled with our vibrant pipeline of new acquisitions, we anticipate a steady deployment of your capital commitment of approximately 90% to 95% over the next two years.

We believe this portfolio reflects the strong financial metrics we anticipated in our offering documents, and the exceptional "value add" capabilities of our asset management team, along with the attractive risk-adjusted returns that Bridge Seniors II Funds expect to deliver.

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 Seniors II Funds. We look forward to continued success.

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

With Best Regards,



Phil Anderson
Chief Investment Officer Bridge Seniors II Funds

CONTACT US

For further information please:

- Call us on: +61 2 9377 0755
Email us at: info@spirecapital.com.au
Visit our website: 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 Spire USA ROC Seniors Housing and Medical Properties Fund II (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 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 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 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")."

ANNXURE A

INVESTMENT PORTFOLIO AS AT 30 SEPTEMBER 2017

AVAILABLE ONLY TO INVESTORS AND THEIR ADVISORS

Disclaimer

CONTAINED HEREIN ARE INVESTMENT UPDATES TO EACH FUND ASSET AS OF THE PERIOD REFERENCED. IT SHOULD BE NOTED THAT CERTAIN INFORMATION AND RETURN DATA CONTAINED IN THIS REPORT IS BASED ON PROJECTIONS AND FORECASTS. SUCH PROJECTIONS AND FORECASTS ARE BASED UPON CURRENT INFORMATION AND DATA AVAILABLE TO THE MANAGERS OF THE FUND'S GENERAL PARTNER AND ARE BASED ON MODELS PREPARED BY, AND ASSUMPTIONS MADE BY, MEMBERS OF THE BRIDGE INVESTMENT GROUP TEAM. FORECASTS AND PROJECTIONS ARE INHERENTLY LIMITED AND SHOULD NOT BE RELIED UPON AS A GUARANTEE OF FUTURE PERFORMANCE. THERE CAN BE NO ASSURANCE THAT FORECASTS OR PROJECTIONS MADE WILL BE ACHIEVED BY THE FUND (DUE TO MARKET CONDITIONS OR OTHER FACTORS). ACTUAL RETURNS AND INVESTMENT PERFORMANCE MAY DIFFER SIGNIFICANTLY FROM THOSE PROJECTED HEREIN.

Investment Performance Summary

April 17, 2017 through September 30, 2017

Investment	Location	Valuation Method ¹	Date Acquired	Date Sold	Total Equity Investment	Investment at Cost	Realized Proceeds ²	Unrealized Value ³	Implied Value ⁴	Implied Gain / (Loss)	Return Multiple ⁵	IRR ⁶
CPAC 5 Portfolio												
Atria Scarborough	Scarborough, ME	F	Apr-17	-	5,540,296	5,540,296	-	4,902,735	4,902,735	(637,561)	0.88x	NM
Atria Mentor	Mentor, OH	F	Apr-17	-	10,011,686	10,011,686	-	9,566,020	9,566,020	(445,666)	0.96x	NM
The Landing of Farmington	Farmington, CT	F	Apr-17	-	8,081,873	8,081,873	-	7,886,599	7,886,599	(195,275)	0.98x	NM
Atria Franklin	Franklin, MA	F	Apr-17	-	4,981,014	4,981,014	-	4,548,216	4,548,216	(432,798)	0.91x	NM
The Landing of Springboro	Springboro, OH	F	Apr-17	-	9,300,507	9,300,507	-	8,802,740	8,802,740	(497,767)	0.95x	NM
Total CPAC 5 Portfolio					37,915,377	37,915,377	-	35,706,310	35,706,310	(2,209,067)	0.94x	NM
Barrington Portfolio												
Barrington West Chester	Cincinnati, OH	F	Sep-17	-	7,945,878	7,945,878	-	7,357,124	7,357,124	(588,754)	0.93x	NM
Barrington of Oakley	Cincinnati, OH	F	Sep-17	-	6,373,756	6,373,756	-	5,897,285	5,897,285	(476,471)	0.93x	NM
Total Barrington Portfolio					14,319,634	14,319,634	-	13,254,409	13,254,409	(1,065,225)	0.93x	NM
Individual Seniors Housing Investments												
The Carlisle Palm Beach	Lantana, FL	F	Sep-17	-	19,896,870	19,896,870	-	18,750,518	18,750,518	(1,146,352)	0.94x	NM
Total Individual Seniors Housing Investments					19,896,870	19,896,870	-	18,750,518	18,750,518	(1,146,352)	0.94x	NM

NOTE: Under US GAAP Accounting Standards, all assets are valued at Cost less acquisition expenses and capital expenditure (i.e. renovation) costs for the first six months of ownership. Thus as at 30 September 2017 all assets are valued on this basis.

After six months of ownership assets are valued at market.

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Atria Scarborough - Q2 2017



Investment Summary			
Asset Manager:	Rick Watkins	Date Acquired:	4/20/2017
Location:	Scarborough, ME	Date Sold:	-
Type:	Assisted Living/Memory Care	Total Fund Investment:	5,478,998
Units:	81	Realized Proceeds:	-
NRSF:	59,036	Unrealized Value:	4,997,414
Acres:	8.3	Implied Value:	4,997,414
Vintage:	2014	Implied Gain / (Loss):	(481,584)
Mgmt. Fee:	5.0%	Return Multiple:	0.91x
Fund Ownership %:	60.00%	IRR:	NM
Other Ownership %:	40.00%	Pro Forma IRR:	18.9%
		Value Method:	Cost Approach

Background
Atria Scarborough (formerly Bellavita at Scarborough) is an 81 unit Assisted Living and Memory Care community located in Scarborough Maine. This was part of a five community acquisition of newly constructed "Class A" communities, available to Bridge Seniors on an off-market basis due to a relationship with the seller. Scarborough is an affluent town 6 miles southwest of Portland. Atria Senior Living was selected to manage the community. Atria was established in 1996 and manages more than 180 communities in 28 states. Atria serves more than 21,000 residents and employees more than 13,500 people.

Investment Thesis

- Complete Management Transition
- Reach stabilized Occupancy 93%

Status

(Completed)
(Underway)

Balance Sheets (100% of Fund Investment including non-controlling interest)

Assets	At Acquisition	Current	Fair Market
Current Assets	110,492	498,406	498,406
Real Estate/Note Value	20,900,000	20,905,615	20,905,615
Dep./Amort. & Trans. Cost	479,560	545,943	-
Total Assets	21,490,052	21,949,965	21,404,022
Liabilities & Equity			
Current Liabilities	134,904	525,170	525,170
Debt - Wells Fargo	12,549,828	12,549,828	12,549,828
Debt -	-	-	-
Other Long-Term Liab.	-	-	-
Total Liabilities	12,684,732	13,074,998	13,074,998
Capital Contributed	8,805,320	9,131,664	9,131,664
Distributions to Date	-	-	-
Earnings to Date	-	(256,697)	(802,641)
Total Equity	8,805,320	8,874,967	8,329,023
Total Liabilities & Equity	21,490,052	21,949,965	21,404,022

Activity Update

Atria successfully filed the Executive Director and other key positions late Q2. Additionally, transition of systems and improvement of culture are on track. Rapid performance improvement is expected as the new management team matures, as evidenced by a net gain of 6 units in June.

Debt Summary

	Wells Fargo	Loan Comments
Loan Balance	12,549,828	\$83M loan with Wells Fargo across the CPAC S portfolio. 250 over 1-month LIBOR
Interest Rate	3.49%	
Maturity	4/19/2020	
Amortization	30	
Rate Lock	-	
% Recourse to the fund	-	

Financial Results

	2017 YTD		Variance	Q2 2017			Q4 2016 Annualized
	Budget	Actual		Budget	Actual	Variance	
Gross Revenue							
Rent	539,373	560,178	3.9%	539,373	560,178	3.9%	4,659,270
Care Revenue	115,960	43,598	-62.4%	115,960	43,598	-62.4%	940,566
Other Income	(29,760)	18,290	161.5%	(29,760)	18,290	161.5%	(30,426)
Total Gross Revenue	625,572	622,066	-0.6%	625,572	622,066	-0.6%	5,569,411
Operating Expense	617,097	654,663	-6.1%	617,097	654,663	-6.1%	3,932,607
Net Operating Income	8,476	(32,596)	-484.6%	8,476	(32,596)	-484.6%	1,636,804
NOI Margin	1.4%	-5.2%	-6.6%	1.4%	-5.2%	-6.6%	29.4%
Unit Occupancy [1]	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	93.0%
Economic Occupancy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	93.0%

Financial Results Commentary

Q2 NOI was below plan primarily due to high labor costs associated with the transition.

Risk Rating

	Weight	Asset	Portfolio Avg.
Capital Adequacy	10%	2.0	2.0
Asset Quality	20%	2.0	1.2
Management	20%	3.0	2.8
Earnings	20%	3.5	3.4
Liquidity	20%	3.0	2.8
Legal/Environmental	10%	2.0	2.0
Total	100%	2.7	2.4

Rating Key

Description	Value
Excellent	1
Good	2
Average	3
Substandard	4
Poor	5

Risk Assessment

Some short term management risk exists due to recent transition. Earnings risk exists as occupancy ramps up to stabilization.

Valuation Methodology

*Cost - Acquisition basis net of transaction costs.

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Atria Newell Creek (Atria Mentor)- Q2 2017



Investment Summary			
Asset Manager:	Jim Westrich	Date Acquired:	4/20/2017
Location:	Mentor, OH	Date Sold:	-
Type:	Assisted Living/Memory Care	Total Fund Investment:	9,957,352
Units:	126	Realized Proceeds:	-
NRSF:	108,100	Unrealized Value:	9,516,797
Acres:	4.7	Implied Value:	9,516,797
Vintage:	2014	Implied Gain / (Loss):	(440,555)
Mgmt. Fee:	5.0% Atria	Return Multiple:	0.96x
Fund Ownership %:	60.00% BSH II	IRR:	NM
Other Ownership %:	40.00%	Pro Forma IRR:	18.5%
		Value Method:	Cost Approach

Background
Atria of Newell Creek is a 126 unit assisted living and memory care community located in Mentor, Ohio, a northeast suburb of Cleveland. This community part of an off-market five community acquisition of newly constructed "class A" assets. Atria Senior Living will manage the community. Atria is among the top 10 operators in the country. Established in 1996, Atria manages 180+ communities in 28 states and 7 Canadian provinces.

Investment Thesis

- Lease up to stabilization
- Convert 10 existing MC units to 7 AL units.

Status

(Underway)
(Pending)

Balance Sheets (100% of Fund Investment including non-controlling interest)

Assets	At Acquisition	Current	Fair Market
Current Assets	212,317	1,009,979	1,009,979
Real Estate/Note Value	36,750,000	36,755,009	36,755,009
Dep./Amort. & Trans. Cost	650,025	689,066	-
Total Assets	37,612,342	38,454,053	37,764,988
Liabilities & Equity			
Current Liabilities	240,245	797,130	797,130
Debt - Wells Fargo	21,106,529	21,106,529	21,106,529
Debt -	-	-	-
Other Long-Term Liab.	-	-	-
Total Liabilities	21,346,774	21,903,659	21,903,659
Capital Contributed	16,265,568	16,595,587	16,595,587
Distributions to Date	-	-	-
Earnings to Date	-	(45,192)	(734,258)
Total Equity	16,265,568	16,550,394	15,861,329
Total Liabilities & Equity	37,612,342	38,454,053	37,764,988

Activity Update

Upon acquisition, operations of the community was transitioned to Atria senior Living. Planning is underway to convert an existing MC wing of 10 units to 7 AL units.

Debt Summary

	Wells Fargo	Loan Comments
Loan Balance	21,106,529	\$83M loan with Wells Fargo across the CPAC 5 portfolio. 251 over 1-month LIBOR.
Interest Rate	3.49%	
Maturity	4/19/2020	
Amortization	30	
Rate Lock	-	
% Recourse to the fund	-	

Financial Results

	2017 YTD			Q2 2017			Q4 2017		
	Budget	Actual	Variance	Budget	Actual	Variance	Annualized		
Gross Revenue									
Rent	963,693	932,407	-3.2%	963,693	932,407	-3.2%		6,192,184	
Care Revenue	235,700	136,483	-42.1%	235,700	136,483	-42.1%		1,541,954	
Other Income	(58,970)	33,190	156.3%	(58,970)	33,190	156.3%		66,720	
Total Gross Revenue	1,140,422	1,102,080	-3.4%	1,140,422	1,102,080	-3.4%		7,800,859	
Operating Expense	861,127	765,231	11.1%	861,127	765,231	11.1%		4,961,845	
Net Operating Income	279,295	336,848	20.6%	279,295	336,848	20.6%		2,839,013	
NOI Margin	24.5%	30.6%	6.1%	24.5%	30.6%	6.1%		36.4%	
Unit Occupancy [1]		0.0%	0.0%		0.0%	0.0%		93.0%	
Economic Occupancy		0.0%	0.0%		0.0%	0.0%		93.0%	

Financial Results Commentary

Q2 NOI exceeded plan due to excellent expense management.

Risk Rating

	Weight	Asset	Portfolio Avg.
Capital Adequacy	10%	2.0	2.0
Asset Quality	20%	1.0	1.2
Management	20%	3.0	2.8
Earnings	20%	3.5	3.4
Liquidity	20%	3.0	2.8
Legal/Environmental	10%	2.0	2.0
Total	100%	2.5	2.4

Rating Key

Description	Value
Excellent	1
Good	2
Average	3
Substandard	4
Poor	5

Risk Assessment

Management risk exists until operations stabilize post transition. Earnings risk exists during lease up to stabilization.

Valuation Methodology

"Cost" - Acquisition basis net of transaction costs.

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Atria Farmington (The Landing of Farmington) - Q2 2017



Investment Summary			
Asset Manager:	Rick Watkins	Date Acquired:	4/20/2017
Location:	Farmington, CT	Date Sold:	-
Type:	Assisted Living/Memory Care	Total Fund Investment:	8,083,486
Units:	134	Realized Proceeds:	-
NRSF:	94,528	Unrealized Value:	7,782,394
Acres:	10.5	Implied Value:	7,782,394
Vintage:	2015	Implied Gain / (Loss):	(301,092)
Mgmt. Fee:	5.0%	Return Multiple:	0.96x
Fund Ownership %:	60.00%	IRR:	NM
Other Ownership %:	40.00%	Pro Forma IRR:	19.3%
		Value Method:	Cost Approach

Background
Atria of Farmington is a 134 unit assisted living and memory care community located in Farmington CT, 15 minutes west of Hartford. This is part of an off-market, five community acquisition of newly constructed "class A" assets. Atria Senior Living will manage the community. Atria is among the top 10 operators in the country. Established in 1996, Atria manages 180+ communities in 28 states and 7 Canadian provinces.

Investment Thesis
• Convert "Friendship Suite" apartments
• Reach 93% Occupancy

Status
(Underway)
(Underway)

Balance Sheets (100% of Fund Investment Including non-controlling interest)			
Assets	At Acquisition	Current	Fair Market
Current Assets	279,735	604,803	604,803
Real Estate/Note Value	31,750,000	31,762,332	31,762,332
Dep./Amort. & Trans. Cost	580,270	409,287	-
Total Assets	32,610,005	32,776,423	32,367,136

Activity Update
Capital improvement plans include the conversion of 6 existing Assisted Living "Friendship Suite" apartments into 3 one bedroom units due to local market demand.

Debt Summary

	Wells Fargo	Loan Comments
Loan Balance	18,824,742	\$83M Loan with Wells Fargo across the CPAC 5 Portfolio. 252 over 1-month LIBOR
Interest Rate	3.49%	
Maturity	4/19/2020	
Amortization	30	
Rate Lock	-	
% Recourse to the fund	-	

Liabilities & Equity			
Current Liabilities	879,087	571,737	571,737
Debt - Wells Fargo	18,824,742	18,824,742	18,824,742
Debt -	-	-	-
Other Long-Term Liab.	-	-	-
Total Liabilities	19,703,829	19,396,479	19,396,479
Capital Contributed	12,906,176	13,472,476	13,472,476
Distributions to Date	-	-	-
Earnings to Date	-	(92,532)	(501,819)
Total Equity	12,906,176	13,379,944	12,970,657
Total Liabilities & Equity	32,610,005	32,776,423	32,367,136

Financial Results

	2017 YTD		Variance	Q2 2017		Variance	Q4 2016 Annualized
	Budget	Actual		Budget	Actual		
Gross Revenue							
Rent	1,077,311	1,013,341	-5.9%	1,077,311	1,013,341	-5.9%	7,126,062
Care Revenue	107,692	80,754	-25.0%	107,692	80,754	-25.0%	719,194
Other Income	(19,167)	75,527	494.0%	(19,167)	75,527	494.0%	31,036
Total Gross Revenue	1,165,835	1,169,621	0.3%	1,165,835	1,169,621	0.3%	7,876,292
Operating Expense	951,170	929,204	2.3%	951,170	929,204	2.3%	5,604,257
Net Operating Income	214,665	240,418	12.0%	214,665	240,418	12.0%	2,272,034
NOI Margin	18.4%	20.6%	2.1%	18.4%	20.6%	2.1%	26.8%
Unit Occupancy [1]		0.0%	0.0%		0.0%	0.0%	93.0%
Economic Occupancy		0.0%	0.0%		0.0%	0.0%	93.0%

Financial Results Commentary
Q2 NOI exceeded plan due to strong occupancy growth and excellent expense control.

Risk Rating

	Weight	Asset	Portfolio Avg.
Capital Adequacy	10%	2.0	2.0
Asset Quality	20%	1.0	1.2
Management	20%	2.0	2.8
Earnings	20%	3.0	3.4
Liquidity	20%	2.0	2.8
Legal/Environmental	10%	2.0	2.0
Total	100%	2.0	2.4

Rating Key

Description	Value
Excellent	1
Good	2
Average	3
Substandard	4
Poor	5

Risk Assessment

Some short term earnings risk exists as occupancy leases up to stabilization.

Valuation Methodology

*Cost - Acquisition basis net of transaction costs.

**BRIDGE
INVESTMENT
GROUP**

Atria Franklin - Q2 2017



Investment Summary			
Asset Manager:	Jim Westrich	Date Acquired:	4/20/2017
Location:	Franklin, MA	Date Sold:	-
Type:	Assisted Living/Memory Care	Total Fund Investment:	4,942,552
Units:	81	Realized Proceeds:	-
NRSF:	64,483	Unrealized Value:	4,592,788
Acres:	8.1	Implied Value:	4,592,788
Vintage:	2013/2014	Implied Gain / (Loss):	(349,763)
Mgmt. Fee:	5.0% Atria	Return Multiple:	0.93x
Fund Ownership %:	60.00% BSH II	IRR:	NM
Other Ownership %:	40.00%	Pro Forma IRR:	19.2%
		Value Method:	Cost Approach

Background
Atria of Franklin is an 81 unit assisted living and memory care community located in Franklin, MA, 30 minutes north of Providence. This community part of an off-market five community acquisition of newly constructed "class A" assets. Atria Senior Living will manage the community. Atria is among the top 10 operators in the country. Established in 1996, Atria manages 180+ communities in 28 states and 7 Canadian provinces.

Investment Thesis
• Lease up to stabilization
• Improve community reputation

Status
(Underway)
(Underway)

Balance Sheets (100% of Fund Investment including non-controlling interest)			
Assets	At Acquisition	Current	Fair Market
Current Assets	116,578	458,370	458,370
Real Estate/Note Value	18,350,000	18,361,065	18,361,065
Dep./Amort. & Trans. Cost	364,904	435,560	-
Total Assets	18,831,482	19,254,995	18,819,435
Liabilities & Equity			
Current Liabilities	119,249	421,373	421,373
Debt - Wells Fargo	10,743,414	10,743,414	10,743,414
Debt -	-	-	-
Other Long-Term Liab.	-	-	-
Total Liabilities	10,862,663	11,164,787	11,164,787
Capital Contributed	7,968,818	8,237,586	8,237,586
Distributions to Date	-	-	-
Earnings to Date	-	(147,379)	(582,939)
Total Equity	7,968,818	8,090,207	7,654,647
Total Liabilities & Equity	18,831,482	19,254,995	18,819,435

Activity Update
Under previous ownership and operator the community experienced licensing and regulatory compliance issues which had a negative impact to occupancy during the ownership transition. With a highly experience Atria team now in place, the reputation in the market has already begun to improve.

Debt Summary

	Wells Fargo	Loan Comments
Loan Balance	10,743,414	\$83M loan with Wells Fargo across the CPAC 5 portfolio. 253 over 1-month LIBOR.
Interest Rate	3.49%	
Maturity	4/19/2020	
Amortization	30	
Rate Lock	-	
% Recourse to the fund	-	

Financial Results

	2017 YTD			Q2 2017			Q4 2015 Annualized
	Budget	Actual	Variance	Budget	Actual	Variance	
Gross Revenue							
Rent	589,050	574,478	-2.5%	589,050	574,478	-2.5%	4,478,740
Care Revenue	98,210	51,553	-47.5%	98,210	51,553	-47.5%	776,706
Other Income	(27,316)	16,159	159.2%	(27,316)	16,159	159.2%	54
Total Gross Revenue	659,945	642,190	-2.7%	659,945	642,190	-2.7%	5,255,500
Operating Expense	621,597	595,649	4.2%	621,597	595,649	4.2%	3,815,828
Net Operating Income	38,348	46,541	21.4%	38,348	46,541	21.4%	1,439,671
NOI Margin	5.8%	7.2%	1.4%	5.8%	7.2%	1.4%	27.4%
Unit Occupancy [1]	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	93.0%
Economic Occupancy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	93.0%

Financial Results Commentary

Q2 NOI exceeded plan due to excellent expense management.

Risk Rating

	Weight	Asset	Portfolio Avg.
Capital Adequacy	10%	2.0	2.0
Asset Quality	20%	1.0	1.2
Management	20%	3.0	2.8
Earnings	20%	3.5	3.4
Liquidity	20%	3.0	2.8
Legal/Environmental	10%	2.0	2.0
Total	100%	2.5	2.4

Rating Key

Description	Value
Excellent	1
Good	2
Average	3
Substandard	4
Poor	5

Risk Assessment

Management risk exists until operations stabilize post transition. Earnings risk exists during lease up to stabilization.

Valuation Methodology

"Cost" - Acquisition basis net of transaction costs.

**BRIDGE
INVESTMENT
GROUP**

Atria Springboro (The Landing of Springboro)- Q2 2017



Investment Summary			
Asset Manager:	Jim Westrich	Date Acquired:	4/20/2017
Location:	Springboro, OH	Date Sold:	-
Type:	Assisted Living/Memory Care	Total Fund Investment:	9,302,272
Units:	134	Realized Proceeds:	-
NRSF:	114,552	Unrealized Value:	8,855,662
Acres:	6.3	Implied Value:	8,855,662
Vintage:	2015	Implied Gain / (Loss):	(446,611)
Mgmt. Fee:	5.0% Atria	Return Multiple:	0.95x
Fund Ownership %:	60.00% BSH II	IRR:	NM
Other Ownership %:	40.00%	Pro Forma IRR:	18.7%
		Value Method:	Cost Approach

Background
Atria of Springboro is a 134 unit assisted living and memory care community located in Springboro, Ohio, 20 minutes south of Dayton. This community part of an off-market five community acquisition of newly constructed "class A" assets. Atria Senior Living will manage the community. Atria is among the top 10 operators in the country. Established in 1996, Atria manages 180+ communities in 28 states and 7 Canadian provinces.

Investment Thesis	Status	Balance Sheets (100% of Fund Investment including non-controlling interest)	Activity Update																				
<ul style="list-style-type: none"> Lease to stabilization Convert 6 existing AL suites into 3 one bedroom MC units. 	(Underway) (Pending)	<table border="1"> <thead> <tr> <th>Assets</th> <th>At Acquisition</th> <th>Current</th> <th>Fair Market</th> </tr> </thead> <tbody> <tr> <td>Current Assets</td> <td>241,786</td> <td>580,240</td> <td>580,240</td> </tr> <tr> <td>Real Estate/Note Value</td> <td>34,750,000</td> <td>34,759,532</td> <td>34,759,532</td> </tr> <tr> <td>Dep./Amort. & Trans. Cost</td> <td>607,668</td> <td>424,466</td> <td>-</td> </tr> <tr> <td>Total Assets</td> <td>35,599,455</td> <td>35,764,238</td> <td>35,339,772</td> </tr> </tbody> </table>	Assets	At Acquisition	Current	Fair Market	Current Assets	241,786	580,240	580,240	Real Estate/Note Value	34,750,000	34,759,532	34,759,532	Dep./Amort. & Trans. Cost	607,668	424,466	-	Total Assets	35,599,455	35,764,238	35,339,772	Planning is underway to convert 6 existing AL "Friendship Suite" apartments into 3 One Bedroom MC units, due to market demand.
Assets	At Acquisition	Current	Fair Market																				
Current Assets	241,786	580,240	580,240																				
Real Estate/Note Value	34,750,000	34,759,532	34,759,532																				
Dep./Amort. & Trans. Cost	607,668	424,466	-																				
Total Assets	35,599,455	35,764,238	35,339,772																				

Debt Summary		
	<u>Wells Fargo</u>	<u>Loan Comments</u>
Loan Balance	19,775,487	\$83M loan with Wells Fargo across the CPAC 5 portfolio. 254 over 1-month LIBOR.
Interest Rate	3.49%	
Maturity	4/19/2020	
Amortization	30	
Rate Lock	-	
% Recourse to the fund	-	

Liabilities & Equity	At Acquisition	Current	Fair Market
Current Liabilities	427,991	804,849	804,849
Debt - Wells Fargo	19,775,487	19,775,487	19,775,487
Debt -	-	-	-
Other Long-Term Liab.	-	-	-
Total Liabilities	20,203,478	20,580,336	20,580,336
Capital Contributed	15,395,977	15,503,787	15,503,787
Distributions to Date	-	-	-
Earnings to Date	-	(319,855)	(744,351)
Total Equity	15,395,977	15,183,962	14,759,436
Total Liabilities & Equity	35,599,455	35,764,238	35,339,772

Financial Results	2017 YTD			Q2 2017			Q4 2019		
	Budget	Actual	Variance	Budget	Actual	Variance	Annualized		
Gross Revenue									
Rent	849,229	736,760	-13.2%	849,229	736,760	-13.2%		6,835,756	
Care Revenue	76,054	56,218	-26.1%	76,054	56,218	-26.1%		691,235	
Other Income	(645)	40,585	6390.8%	(645)	40,585	6390.8%		42,962	
Total Gross Revenue	924,638	833,563	-9.8%	924,638	833,563	-9.8%		7,569,953	
Operating Expense	793,057	795,480	-0.3%	793,057	795,480	-0.3%		4,934,779	
Net Operating Income	131,581	38,083	-71.1%	131,581	38,083	-71.1%		2,635,174	
NOI Margin	14.2%	4.6%	-9.7%	14.2%	4.6%	-9.7%		34.8%	
Unit Occupancy [1]		0.0%	0.0%		0.0%	0.0%		93.0%	
Economic Occupancy		0.0%	0.0%		0.0%	0.0%		93.0%	

Financial Results Commentary
Occupancy during Q2 was below plan resulting in lower revenues and NOI results.

Risk Rating	Rating Key			Description	Value	Risk Assessment	Valuation Methodology
	Weight	Asset	Portfolio Avg.				
Capital Adequacy	10%	2.0	2.0	Excellent	1	Management risk exists until operations stabilize post transition. Earnings risk exists during lease up to stabilization.	*Cost" - Acquisition basis net of transaction costs.
Asset Quality	20%	1.0	1.2	Good	2		
Management	20%	3.0	2.8	Average	3		
Earnings	20%	3.5	3.4	Substandard	4		
Liquidity	20%	3.0	2.8	Poor	5		
Legal/Environmental	10%	2.0	2.0				
Total	100%	2.5	2.4				