

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)

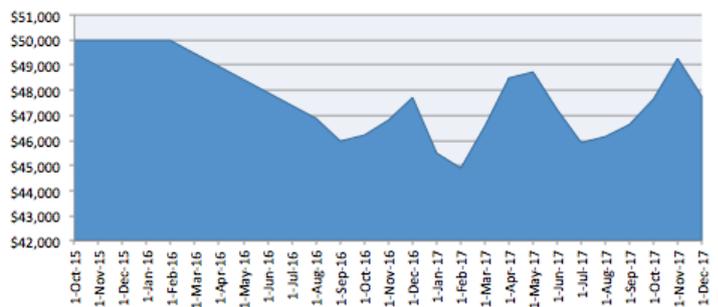
Ordinary Unit Class

Based upon underlying fund data as at 30 September 2017

1 month	3 months	1 year	5 years	Inception (p.a)
-2.99%	2.54%	2.49%	N/A	-1.18%

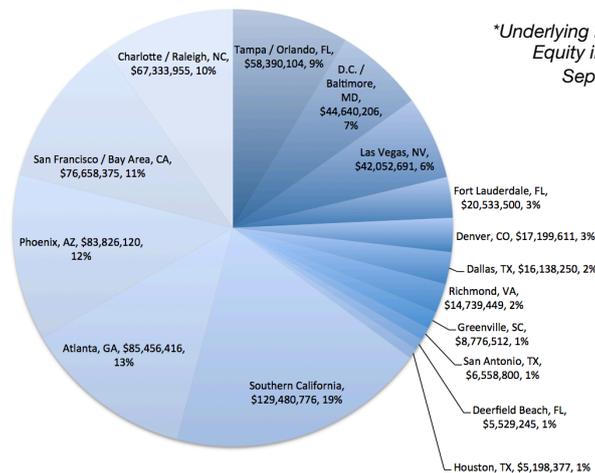
** Past performance is not an indicator of future performance **

GROWTH OF AUD 50,000 INVESTMENT

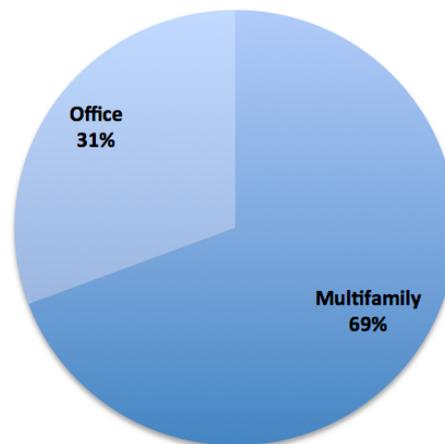


Performance and Growth table and chart are based on an investment made at the Fund's inception in March 2016 at \$1:00 per unit and includes Unit Price growth from commencement of NAV based unit pricing following completion of capital raising in August 2016. Unit Price and performance do not include 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*



FUND DETAILS

Fund Size (AUDm):	72.55	Fund Manager:	Spire Capital Pty Limited
APIR Code:	ETL0460AU	Investment Manager:	Bridge Investment Group, LLC
Commencement:	18 March 2016	Responsible Entity:	Equity Trustees Limited
Zenith Research Rating:	Highly Recommended (Original rating, now lapsed as closed)	Base Management Fee:	0.58% p.a. x NAV
Unit Price:	\$0.9559	Underlying Fees:	2% of committed equity
Distribution Frequency:	Annually as at 30 June	Underlying Performance Fee:	20% of realised profits after an 8% preferred return is paid to Limited Partners.
2017 Distribution (CPU):	2.18 + 0.00 FITOs	Application Status:	CLOSED
Liquidity:	Nil - Closed-ended fund		

MONTHLY UPDATE

Negatively affecting the unit price during the month of December was the 3.03% increase in the value of the Australian dollar against the USD dollar from US\$0.7592 to US\$0.7822. The Australian Dollar has increase 9.36% against the US Dollar since the Fund's inception, which has negatively affected performance.

The Fund does not hedge currency exposure. Unit Prices are reflecting the Q3 Underlying Fund Net Asset Values as at 30 September 2017. Underlying Fund performance since inception, which is US Dollar denominated and thus excludes the impact of currency movements, is in line with the Underlying Fund's target returns and is summarised below:

[Underlying Bridge MF III Investment / J-Curve Dashboard](#)

As at 30 September 2017

Metric	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
Committed Capital (USD)	9M	53M	53M	53M	53M	53M
Invested Capital %*	54.2%	39.1%	51.1%	62.7%	62.7%	80.7%
IRR on Called Capital	NM	NM	7.2%	10.9%	14.9%	14.8%
Equity Multiple on Called Capital	1.03x	0.99x	1.05x	1.07x	1.13x	1.13x

*Invested Capital as a percentage of Committed Capital

Comments on proposed US Tax Reforms

The US Investment Manager Bridge Investment Group is currently undertaking a revaluation of the Fund's Net Asset Value to account for the reduction in the US Federal Corporate Tax Rate from 35% to 21%, affective from 1 January 2018.

As the Fund's investment into the US is structured via a "Corporate Blocker" entity, which pays US corporate tax, this reduction in US Corporate Tax is expected to have a positive impact on the Fund's NAV.

The impact of the US tax changes will be effective in unit prices commencing 31 January 2018.

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 III 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 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")."