SPIRE GLOBAL PRIVATE REAL ESTATE

SPIRE USA ROC SENIORS HOUSING AND MEDICAL PROPERTIES FUND (AUD)

MONTHLY FACTSHEET – MARCH 2019

MONTHLY UPDATE

Positively affecting the unit price during the month of March was the net 0.90% increase across the portfolio in the total book value of Bridge Seniors I 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

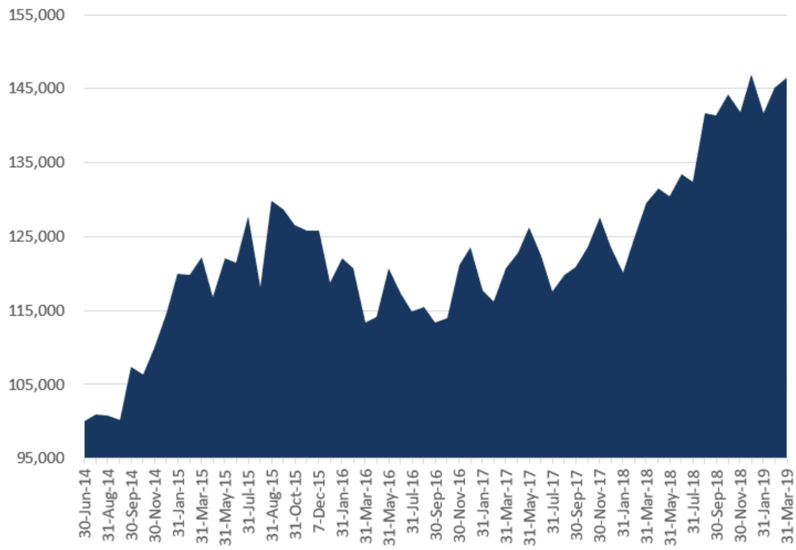
	1 month	3 months	1 year	5 years	Inception (p.a)
Net returns	0.93%	-0.24%	13.11%	N/A	8.37%

Monthly Unit Price Movement Breakdown	
Underlying investment	0.86%
Foreign exchange	0.14%
Management fees	-0.04%
Other income and expenses	-0.02%
Total Movement	**0.93%**

Asset Allocation as at 31 March 2019	
Cash AUD	0.11%
Cash USD	1.37%
Investments USD	98.52%

Unit Price as at 31 March 2019	
Unit price (excluding FITOs)	$1.3506
Est. FITOs	$0.0024
Unit price plus est. FITOs	$1.3530

GROWTH OF AUD 100,000 INVESTMENT



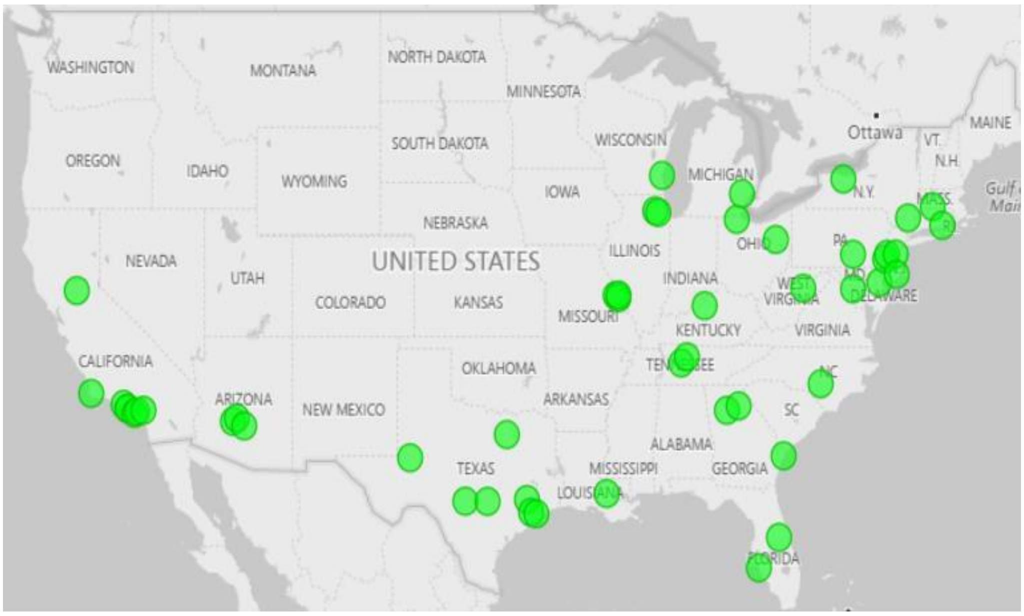
*** Past performance is not an indicator of future performance***

Performance and Growth table and chart are based on an investment made at the Fund's first issuance of units in June 2014 at $1:00 per unit and includes Unit Price growth plus cash Distributions. Performance figures and growth chart do not assume the re-investment of Distributions back into the Fund as the Fund was not open to re-investment. Unit Prices and Performance figures do not include the value of Foreign Income Tax Offsets (FITOs) which have been distributed in addition to cash. 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.

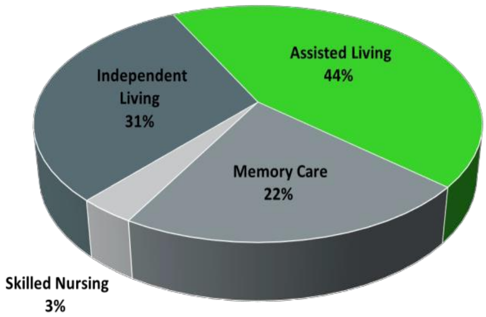
FUND DETAILS

Fund Size (AUDm):	$78.67m	Liquidity:	Nil - Closed-ended fund
APIR Code:	ETL0412AU	Fund Manager	Spire Capital Pty Limited
Commencement:	20 May 2014	Investment Manager:	Bridge Investment Group, LLC
Zenith Research Rating:	Highly Recommended (Original rating, now lapsed as closed)	Responsible Entity:	Equity Trustees Limited
Unit Price	$1.3506	Base Management Fee:	0.58% p.a. x NAV
Distribution Frequency:	Annually as at 30 June	Underlying Fees:	2% of Committed Equity
2018 Distribution (CPU):	8.31 + 0.37 FITOs	Underlying Performance Fee:	20% of realised profits after an 8% preferred return is paid to Limited Partners
2017 Distribution (CPU):	2.07 + 0.32 FITOs	Application Status:	CLOSED

REGIONAL BREAKDOWN*



ASSET TYPE*



**Underlying Fund investments by equity invested as at 31 March 2019*

Q4 INVESTOR LETTER FROM BRIDGE INVESTMENT GROUP

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

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

VIEWS ON THE SENIORS HOUSING MARKETS

Bridge Seniors Housing Fund Manager LLC ("Bridge") is implementing a strategy that is positioned to benefit from the confluence of aging baby boomers beginning to need or elect service-enriched seniors housing, high U.S. economic growth, a robust labor market, and moderately low interest rates.

As we exit the fourth quarter of 2018, Bridge's target markets continue to post strong fundamentals bolstered by a strong and growing 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 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. With an additional 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 seniors housing market has experienced a national decline in occupancy, primarily stemming from significant inventory growth over the last three years. Delivery of seniors housing in the NIC 99 top markets hit a recent peak in 2017 (Table 1.1). Although industry occupancy has fallen to just over 85% (Table 1.2), it ticked up slightly from Q3 2018 to Q4 2018. Absorption of supply remained solid at 2.5%, and construction starts continued to slow to 5.8% of supply during the quarter. With tightening credit markets limiting new development and the prospect of a rapidly-growing 75+ year old market associated with the baby boomers, absorption is expected to continue and accelerate. Rent growth for the industry rose to 3.0% annualized during the quarter, ahead of the U.S. inflation rate of 1.9% at the end of the quarter.

For our third-party managers who staff and manage our properties, the strong employment market and seniors housing supply growth has put pressure on the labor market, with talent sourcing and development becoming a key focus. As a result, labor costs grew 3.7% in assisted-living hourly wages in 2018, putting additional pressure on operating cash flows. We have found that these pressures are driving significant distinctions between our third-party managers in their ability to execute our plans. While much of our portfolio lies outside the geography of the supply growth, this paradigm of industry growth coupled with a tight labor market has diluted the trained talent pool at the property and middle- management level, regardless of geography. Bridge is responding by creating programs, information and, in some cases, temporary staffing, to build productivity, particularly in sales and marketing. Bridge also acquired a Seniors Housing property management company in December 2018 (Somerby Senior Living Services), and anticipates that this vertical integration option will allow for the accelerated transition of underperforming third-party managers, more direct control of sales and marketing processes, and greater opportunities to deliver results to our investors.

Table 1.1

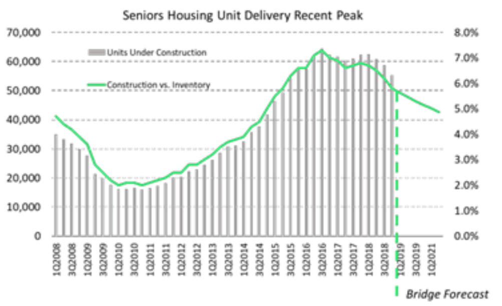


Table 1.2

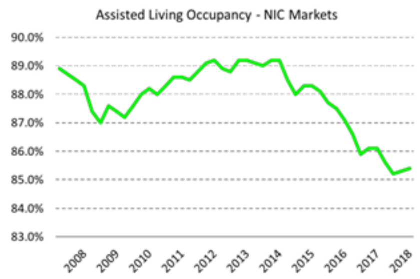
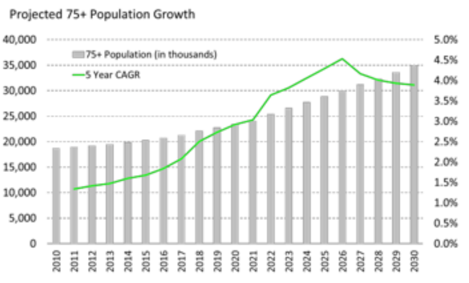


Table 1.3



Source: NIC Map Data Services

Bridge Seniors I has limited exposure to the markets with highest concentrations of supply growth, and experienced modest positive occupancy growth over the last year, although not the occupancy growth we had projected as the execution of the value-add investment strategy continued. The unprecedented long-term demographic trends continue to lend confidence to long-term demand and, assuming that supply remains in check, we expect to see occupancy growth as the population ages. We would note that the first baby boomers will begin to turn 75 in 2021, with the 75+ year old population continuing to grow significantly for the next 20 to 30 years (Table 1.3). This population continues to strengthen, as the number of seniors grows from 19.84 million in 2014 to 26.56 million in 2023.

INVESTMENT ACTIVITY & OPERATIONAL UPDATE

As of December 31, 2018, Bridge Seniors I has called 95% of the Partnerships' available capital, and has made 57 investments in 24 states across the U.S., with a total capital allocation of $1.7 billion. Bridge Seniors I is fully allocated at 95% of commitments, and we do not anticipate making any more new investments; however, planned capital investment, uninsured repair costs and performance enhancements into currently-owned assets may require additional capital calls, although we anticipate most capital needs will be substantially, if not entirely, funded from total cash flow.

While our overall portfolio occupancy has remained steady at 85% during Q4 2018, 47 of 53 properties owned at the end of the quarter are in local markets with current market occupancies of more than 88%, providing ample opportunity to enhance income.

We continue to actively manage the portfolio and have made a number of necessary changes to underperforming third-party managers to improve performance. Since Q4 2017, we have made management changes at 22 properties, which are being repositioned and, in many instances, rebranded. We expect to continue to refine the manager composition and are confident that the results will follow. As an example of positive results, nine properties were transitioned to Northstar Senior Living between July and December 2018, and Northstar has been successful in growing occupancy rapidly from 71% to 76% across those properties.

In December 2018, an affiliate of Bridge acquired an operating company, Somerby Senior Living Services ("Somerby"), a prominent management company based in the Southeast. As of March 1, 2019, Somerby managed 13 communities with an average occupancy of 94%. In addition to third party management, we may choose to use Somerby in manager transitions, and have already appointed Somerby as manager for our communities in Fayetteville, NC and Orlando, FL.

In addition to making changes in our third-party managers, Bridge is pushing the envelope of owner involvement in a sector which, like the hospitality sector, relies largely on third- party management companies. Bridge's actions include evaluating and implementing many new programs designed to add value and to help our third-party managers to more quickly identify and correct performance issues and to achieve our mutual performance goals. Most notably, Bridge's asset management team has sponsored sales training for 180 of the sales and leadership personnel at our communities. Other programs related to sales staff, sales training and lead generation are all underway. Given our observations of our assets and the competitive occupancies in their submarkets, we remain confident that we will see occupancy growth and more attractive cash flow from the portfolio as these efforts take hold.

Our greatest challenges have been with many of the Meridian-managed properties. We are in a continuing process of manager transitions, harvesting assets and right-sizing the debt for certain assets. For several transitioned assets, we have already seen improvement and have adjusted our estimates of value to reflect increased occupancy and lowered opinions of risk. However, much of our deployment has been through portfolio acquisitions, which have led us to certain markets which are non-strategic with respect to our overall portfolio strategy and which have market dynamics which limit our ability to add value. For several of those non-strategic properties, we have revisited our opinion of Net Operating Income and Risk, have adjusted valuations, and will likely prioritize them in the disposition schedule. Accelerating the non-strategic dispositions may also allow us to more efficiently refinance high-performing properties to lower interest rates/spreads and to increase distributions from our operating cash flow. One portfolio that has received particular attention has been our "Six Pack" portfolio, which includes several assets which will be outperformers and several which will be significant underperformers. Three properties (Crown Cove, Whittier and Raincross) were sold to a single buyer in February 2019 for an amount below the combined previously-indicated Fair Market Values (primarily driven by a heavy discount on the NOI potential in the crowded assisted-living market in Riverside, CA). These sales have provided liquidity for right-sizing the debt on other portfolio assets, reduced the leverage on two of the remaining Six Pack properties, and allowed for an agency term financing on the Thomas Circle asset, which will increase the cash flow potential for that asset. While well below our underwritten IRR, we believe this is a favorable outcome given the sub-par performance from Meridian and the overall goals of our portfolio.

The Bridge Seniors Fund I disposition activity is as follows:

- The Windham, a 200-unit IL/AL/MC community in Fresno, CA was sold on October 16th, 2018. The sale delivered an asset-level IRR return of 30% (1.75x multiple on $10.5M of total equity, which represent 1.9% of total invested capital).
- Three of the assets from the "Six Pack," Crown Cove, Whittier and Raincross, were sold on February 14th, 2019. On the basis of the allocations required by seller at purchase, the IRR returns for Crown Cove and Whittier will be 40% and -16% respectively. Because Raincross was sold at less than its allocated value, the IRR is also negative; however, since the returns have been based on the prior owner's allocation we do not view the IRR as meaningful in the context of the overall investment returns for the "Six Pack" portfolio, which is currently projected to be a 10.5% IRR (1.7x multiple) overall upon final liquidation. The combined sale represents 4.6% of invested capital based on the allocation previously noted.
- Three non-strategic properties in the Meridian Portfolio were sold in December 2018, including Riverside, a 110-unit AL community in Riverside, CA, Emerald Square in Oklahoma City, OK, and Willowood in Mustang, OK. With these dispositions, Bridge Seniors I eliminated T12 negative cash flow of $1.5 million. On the basis of the allocations required by the Seller at the time of purchase, Riverside, Emerald Square and Willowood were sold for less than their allocated value and, as a result, the IRR is negative; however, since the returns have been based on the prior owner's allocation we do not view the IRR as meaningful in the context of the overall investment returns for the "Meridian" portfolio, which is currently projected to be a 11% IRR (1.8x multiple) overall upon final liquidation. The combined sale represents 2.2% of called capital based on the allocation previously noted.
- Jamestown at Provo was sold on February 4th, 2019, delivering an 11% IRR return (1.4x multiple on $6.7M of equity, which represents 1.2% of called capital). This asset performed well but did not achieve its pro-forma due to the deferral of the planned expansion because of unanticipated new competitive entries.
- We are currently evaluating offers on our East Longmeadow, MA, asset and, if sold, is expected to generate an IRR of approximately 35% (2.0x multiple on $11.5M of equity, which represents 2.1% of invested capital).

The dispositions noted above represent 12% of called capital, which in several instances are based on allocations required by the sellers at purchase. These dispositions have allowed us to capture several superior returns, eliminate several dilutive and non-strategic assets, right-size certain loans, and to contribute toward a return of capital in the near future. We are also evaluating the potential disposition of another three to five assets, which are not included in the summary returns noted above.

While industry occupancy, early operating challenges and poor performance of third-party managers at many portfolio properties compounded the impact of interest rate increases and loan amortizations, which precluded us from delivering the cash flow we believed was possible, we remain confident that our overall fund performance will be positive compared with like-strategy investors, overall Seniors Housing REITS and other competitive-set investors. We will continue to work hard to make improvements to optimize our investments and deliver solid positive returns to our investors by actively managing this portfolio. We appreciate your support as our Partner and look forward to future success.

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

With Best Regards,

Phillip Anderson
Chief Investment Officer
Bridge Seniors I Funds

OVERVIEW

The Fund was established in 2014 and acts as an unhedged Australian feeder fund into the assets of of Bridge Seniors Housing & Medical Properties Fund LP ("Bridge Seniors I"). Bridge Seniors I is a US$737 million (equity) "buy, fix, sell" private equity real estate fund, investing in value-add US seniors housing and medical properties. The Fund has a US$51 million capital commitment to Bridge Seniors, of which 87.6% has now been called and invested, and owns a 6.91% share of a diversified current portfolio of 57 separate seniors housing assets across the US with over 6,500 units, which have been acquired for approximately US$1.7 billion. Bridge Seniors I's Investment Period expired in January 2018 and the fund is now in its Harvest Period, during which assets will be sold, as assets have been seasoned and 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.

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