



Spire Capital Pty Ltd
ACN 141 096 120
AFSL 344365

Level 14, 25 Bligh Street
Sydney NSW 2000

T +61 2 9377 0755
F + 612 9377 0788
info@spirecapital.com.au

MONTHLY UPDATE

SPIRE USA ROC SENIORS HOUSING AND MEDICAL PROPERTIES FUND (AUD) March 2017

Key Fund Details

APIR Code:	ETL0412AU
Responsible Entity:	Equity Trustees Limited
Commencement:	20 May 2014 (NAV based Unit Pricing commenced 31 Dec 2015 following completion of capital raising)
Size:	A\$69.99 million
Rating:	Highly Recommended (Zenith Investment Partners) - Original rating, now lapsed as closed
Application Status:	CLOSED

Fund Profile

The Fund acts as an Australian feeder fund into the assets 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 83.0% has now been called and invested, and owns a 6.91% share of a diversified current portfolio of 56 separate seniors housing assets across the US, which have been acquired for approximately US\$1.6 billion.

Ordinary Unit Price and Performance (Net of Fees)

as at 31 March 2017 based upon underlying fund data as at 31 December 2016.

Unit Price	1 month	3 months	6 months	1 year	3 years (% p.a)	Since Inception (% p.a)
\$1.2015	3.90%	-2.28%	6.43%	6.50%	N/A	7.07%

Note on Performance Data:

During the capital raising period for the Fund, investors were issued units at different monthly Issue Prices. The Issue Price for each month was determined only by the value of the Australian Dollar (in US dollars), relative to the first issuance of units in June 2014 at \$1.00, at which time the Australian dollar was trading at US\$0.9407. If in a month that units were issued, the Australian dollar was higher than this amount, then units were issued at an Issue Price less than \$1.00 - so that the investor received more units in the Fund to reflect the stronger Australian dollar. And vice versa.

Therefore, individual investor performance will vary according to the Issue Price at which they were issued Units in the Fund.

Underlying Bridge Seniors I Investment / J-Curve Dashboard

As at 31 December 2016 (pre-US withholding tax)

Metric	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Committed Capital (USD)	15M	20M	25M	51M	51M	51M	51M	51M	51M
Called Capital %	11.2%	23.0%	24.2%	42.6%	42.6%	42.6%	64.8%	64.8%	75.9%
USD cash %	88.8%	77.0%	75.8%	57.4%	57.4%	57.4%	35.2%	35.2%	24.1%
IRR on Called Capital	NM	3.6%	6.6%						
Equity Multiple on Called Capital	0.74x	0.90x	0.94x	0.96x	0.99x	0.99x	0.99x	1.04x	1.08x

Monthly update

The Unit Price and Performance Data for March 2017 is the first month which incorporates the Q4 2016 underlying Bridge Seniors I USD denominated Net Asset Values and data, as at 31 December 2016. The receipt of this data lags due to the US tax year ending on 31 December and the audit process which must be completed prior to release of Q4 Partner Statements.

The following movements occurred during Q4, all of which had a positive impact on underlying Bridge Seniors I USD NAV, and are a direct result of the Bridge Seniors I Program's continued acquisition of assets, and continued execution of value-add strategies for earlier assets acquired:

- Called Capital as a percentage of Committed Capital increased from 64.8% at the end of Q3 to 75.9% at the end of Q4;
- Internal Rate of Return (IRR) on Called Capital increased from 3.6% at the end of Q3 to 6.6% at the end of Q4;
- Equity Multiple on Called Capital increased from 1.04x at the end of Q3 to 1.08x at the end of Q4.

Also positively affecting the Unit Price during the month of March was the 0.79% decrease in the value of the Australian dollar against the USD dollar from US\$0.7688 to US\$0.7628. The Fund does not hedge currency exposure.

Below is a copy of the Investor Letter from the US manager Bridge Investment Group, which accompanied the Q4 Partner Statement.

Q4 Investor Letter

Please note all dollar amounts and returns are US Dollar denominated.

Dear Partner,

Thank you for your support of Bridge Seniors Housing & Medical Properties Fund LP ("Bridge Seniors I Funds" or the "Partnerships"). We are pleased to share with you the Quarterly Report of the Partnerships for the quarter ending December 31st, 2016. In this letter, we provide our views on the seniors housing market and an update on the Partnerships' investment activities to date.

In February 2017, Bridge Investment Group, formerly known as Bridge Investment Group Holdings LLC, introduced the company's new name and logo. The new branding was motivated by a desire to unify how stakeholders view us and to simplify our organization in a cohesive way. Bridge is taking this opportunity to strengthen its identity with an energetic and elevated logo that builds upon its owner/operator heritage. As part of this initiative, the name of ROC|Seniors Housing & Medical Properties Fund LP has changed to Bridge Seniors Housing & Medical Properties Fund LP. *(Note: There is no change to the name of the Australian feeder fund).*

VIEWS ON THE SENIORS HOUSING MARKET

Stabilized occupancy in the U.S. seniors housing market remained at 90.8% during Q4. A recovering housing market and strengthening economy have acted as short-term demand drivers, although we have seen some near term slow down in absorption in certain markets. The unprecedented long-term demographic trends continue to lend confidence to stable occupancy growth, and will necessitate additional units as the population age accelerates over the next 30 years. Rate growth for the industry remained at 3.4% annualized during the quarter, and the markets in which Bridge Seniors I Funds is currently invested are experiencing an even greater rent growth than the national average at nearly 4%. While the Fund is over 90% allocated as noted below, we continue to see highly attractive investments which are largely "off market" and believe the current environment remains favorable for investing capital in the seniors housing and medical properties sectors.

INVESTMENT ACTIVITY UPDATE

As of December 31, 2016, Bridge Seniors I Funds had called 75% of the Partnerships' available capital and had made 53 investments in 22 states across the U.S. The 53 investments owned by Bridge Seniors I Funds as of the end of Q4, have a total capital allocation of \$1.5 billion. With capital investment completed at most of our assets, we anticipate increased absorption and, based on current estimates through 2021, are projecting an average three-year cash-on-cash return of 10% and an asset-level IRR in the 19% range. During the quarter ending December 31, 2016, the Partnerships acquired three assets including:

- *East Longmeadow, a 126-unit assisted living community in East Longmeadow, MA*
- *Watercrest at Lake Nona, an 80-unit assisted living community in Lake Nona, FL*
- *River Glen at St. Charles, a 107-unit assisted living community in St. Charles, IL*

These investments were acquired on the fund's subscription line of credit, and capital was called subsequently in March 2017 bringing total capital called to 83%.

As of December 31, 2016, we had under contract three additional assets totaling \$100 million in purchase price and projected to utilize \$30 million of Partnerships equity. As a result, we were 90% allocated by the end of the year. All 56 investments currently owned or under contract by the Partnerships have a total capitalization price approximating \$1.6 billion including budgeted capex. We anticipate adding one or two investments during 2017 to bring the fund to full deployment by the end of the year.

We believe this portfolio reflects the strong fundamentals 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 I Funds expects to deliver.

Finally, we had tremendous attendance at our LP Annual meeting in Park City, which featured presentations by numerous Bridge executives, each of our CIOs and a keynote speech by David Brickman Executive Vice President and Head of Multifamily at Freddie Mac. Among his comments, David characterized Bridge as "one of the most important counterparties" to their business. We want to thank all who were able to attend.

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 I Funds. We look forward to continued success.

If you have any questions regarding Bridge Seniors I, please do not hesitate to contact us or our Australian partner Spire Capital.

With Best Regards,



Phil Anderson
Chief Investment Officer
Bridge Seniors I Funds

Note: A complete copy of the Q4 Bridge Seniors I Asset Summaries is available to investors and their advisers on request to Spire.

Manager Profiles

Bridge Investment Group Partners, LLC is the US based Investment Manager of the Fund. Bridge IGP is a specialist US real estate and real estate funds manager with over US\$6 billion in assets under management. Bridge IGP 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 IGP 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. Bridge uses this operating platform to add value through superior property value management.

Spire Capital Pty Ltd is the Australian Fund Manager. Spire via its Global Investment Series democratises and structures leading global institutional quality investment opportunities for the Australian private wealth and SMSF market.

For further information please contact Spire capital on (02) 9377 0755 or via email info@spirecapital.com.au.

"Equity Trustees Limited ("Equity Trustees"), ABN 46 004 031 298 and Australian Financial Services Licence Number 240975, is the Responsible Entity of the Fund. 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. 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")."