QUARTERLY UPDATE

April - June 2026

26 August 2026

US Masters Residential Property Group

Executive Summary

Welcome to the US Masters Residential Property Group's (**URF** or **Group**) Quarterly Report for the period 1 April 2026 to 30 June 2026.

The Group entered 2026 with the stated target of selling the remaining portfolio by the end of calendar year 2026. While this remains a target and is subject to prevailing market conditions and property specific factors, completion of the sales programme would represent the culmination of the strategic initiative commenced in 2023, aimed at realising value and returning capital to security holders as efficiently as possible. Pleasingly, the Group continued to make significant progress toward the achievement of this target, settling US$57.1 million in property sales during Q2 2026, bringing year-to-date sales to US$105.7 million for the six-month period ending 30 June 2026.

At the end of the quarter, the Group's portfolio comprised 74 properties. Of the remaining portfolio, 59 properties were under contract for sale, 12 properties were on the market for sale, and the remaining 3 properties are in the process of being prepared for listing.

The Group is reasonably confident that all or substantially all of the properties under contract for sale and the properties currently on the market for sale will close over the remainder of 2026. While there is some degree of counterparty risk with each sales contract, any delays or transaction terminations are more likely to stem from delays in local governmental bodies issuing pre-closing requirements (such as permit close outs). While these municipal risks exist, the Group has managed to successfully navigate its way through these challenges throughout the entirety of the sales programme and remains confident that it will continue to do so with the current contracts. With regards to properties currently on the market, the Group has seen an uptick in buyer activity following recent minor price adjustments, although late-summer typically remains a period of below average market activity in the Group's markets.

The Group's expectation is that there will likely be a very small stub of assets remaining at the end of the calendar year, which will most likely be at least partly composed of the three assets in the pre-listing phase referenced above. These assets have all faced lengthy delays stemming from the New York and New Jersey Hudson Country municipalities - including an eviction in a New York Premium townhome that was originally filed 14 months ago and has yet to see the tenant evicted due to continued delays with the housing court system. The Group continues to do everything in its power to resolve these bottlenecks but notes that if these municipal hurdles persist into the coming months, finalising their sale by year-end will be difficult.

As a result of property sales executed during the quarter, the Group repaid US$28.1 million of the Global Atlantic (GA) debt facility, bringing total debt repayments for the six-month period ending 30 June 2026 to US$52.5 million and the ending balance at 30 June 2026 to US$21.7 million. Subsequent to quarter end, the Group repaid the facility in full utilising net property proceeds generated by sales executed in July and the application against the outstanding balance of escrow balances on reserve with GA.

During Q2 2026, the Group paid a distribution of 4 cents per security, taking total distributions paid during H1 2026 to 14 cents. Subsequent to quarter end, the Group announced a further distribution of 4 cents per security. With the senior debt facility now repaid in full, the Group intends to continue to distribute available net sales proceeds as quickly as possible, subject to maintaining appropriate reserves.

Executive Summary

Looking at the operational performance of the Group for H1 2026:

- General and Administrative (G&A) expenses for the half-year period ending 30 June 2026 were $4.9 million, or $4.7 million excluding one-off legal and administrative costs associated with the dissolution of some of the Group's US corporate subsidiary entities, as well as $0.5m of expenses related to the retention of key personnel to oversee the wind down and liquidation of operations in the US.
- Excluding disposal costs and certain one-off items, Funds from Operations (FFO) for the half-year period ending 30 June 2026 was a loss of $6.6 million. As previously advised, the Group expects to incur a FFO loss as it continues to sell down the portfolio. In addition to lost revenue on properties held vacant for sale, properties in the sales pipeline continue to incur holding costs (such as property taxes and insurance) during the period in which they are marketed for sale.

Investors may contact the Investor Relations team at URFInvestorRelations@usmrpf.com or on (02) 8527 3612.

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Portfolio Composition

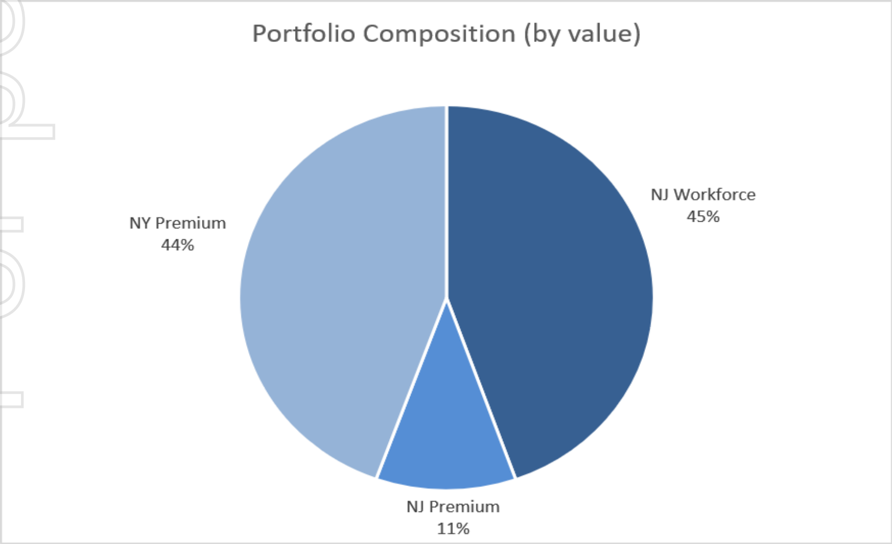
The net realisable value of the Group's portfolio as of 30 June 2026 was determined to be US$70.5 million.

In arriving at this value, 59 properties (or 80%) were marked to their contracted sales prices less estimated selling costs (net realisable value of US$56.2 million). A further 12 properties (or 16%) were marked to their current list price less estimated selling costs (net realisable value of US$9.0 million). The net realisable value of the remaining 3 properties (or 4%) was estimated to be US$5.3 million based on comparable selling prices, less estimated selling costs.

At 30 June 2026, the Group's portfolio by neighbourhood and market segment were as follows:

Location	Net Realisable Value ($US millions)	Property Count	Location	Net Realisable Value ($US millions)	Property Count
NJ Workforce	**$31.45**	**54**	**NY Premium**	**$31.39**	**14**
Bayonne	$10.46	17	Bedford-Stuyvesant	$5.96	3
Greenville	$8.29	15	Bushwick	$2.36	2
Jersey City Heights	$2.76	4	Crown Heights	$4.53	2
Journal Square	$1.87	3	Park Slope	$4.64	1
North Bergen	$2.89	5	Hamilton Heights	$5.03	2
Union City	$1.18	2	Harlem	$8.87	4
West Bergen	$3.40	7			
West New York	$0.59	1			
NJ Premium	**$7.71**	**6**			
Downtown	$4.33	3			
Weehawken	$3.38	3	**Total Portfolio**	**$70.55**	**74**

Source: US REIT. Figures may not sum due to rounding.



Asset Sales

Sales Pipeline

As at 30 June 2026, the Group's sales pipeline was as follows:

Category	New York Premium ($US millions)	New Jersey Premium ($US millions)	New Jersey Workforce ($US millions)	Total Net Realisable Value ($US millions)
Sales Pipeline	$4.13	$1.13	$0.00	**$5.26**
On the Market	$2.51	$0.00	$6.53	**$9.04**
Attorney Review or Under Contract	$24.74	$6.58	$24.93	**$56.25**
Total	**$31.39**	**$7.71**	**$31.45**	**$70.55**

Source: US REIT. Figures may not sum due to rounding.

Asset Sales

During Q2 2026, the Group closed on the sale of US$57.1 million in sales across 47 properties, taking the 2026 year-to-date sales to US$105.7 across 87 properties.

Q2 2026 Sales

Location	Sales Price[1] ($US millions)	Transaction Costs ($US millions)	Realised Value[2] ($US millions)	Book Value[3] ($US millions)	GA Loan Repayment[4] ($US millions)
Bayonne	$6.04	-$0.45	$5.58	$5.59	-$2.34
Bedford-Stuyvesant	$5.15	-$0.37	$4.78	$4.34	-$2.22
Bergen-Lafayette	$0.56	-$0.04	$0.52	$0.55	-$0.29
Bushwick	$2.65	-$0.19	$2.46	$2.53	-$1.96
Crown Heights	$2.04	-$0.15	$1.89	$1.96	-$1.15
Downtown	$6.45	-$0.54	$5.91	$5.69	-$2.86
Fort Greene	$4.10	-$0.34	$3.76	$3.81	-$1.86
Greenville	$3.57	-$0.28	$3.28	$3.30	-$1.34
Harlem	$13.16	-$1.04	$12.12	$11.56	-$8.79
Jersey City Heights	$2.10	-$0.19	$1.91	$1.93	-$0.68
Journal Square	$2.47	-$0.18	$2.29	$2.34	-$0.94
Lefferts Garden	$3.10	-$0.23	$2.87	$2.89	-$1.74
North Bergen	$1.30	-$0.09	$1.22	$1.20	-$0.43
Secaucus	$0.57	-$0.04	$0.53	$0.55	-$0.22
Union City	$0.61	-$0.03	$0.58	$0.56	-$0.25
West Bergen	$3.22	-$0.25	$2.97	$2.99	-$1.05
Total	**$57.06**	**-$4.40**	**$52.66**	**$51.78**	**-$28.11**

Source: US REIT. Figures may not sum due to rounding.

[1] There can be a slight timing difference between the closing of a property sale and the receipt of net sales proceeds. Proceeds in respect of property sales at or close to month end may be received in the subsequent month.

[2] Realised value is calculated as the sales price less transaction costs. Figures may not sum due to rounding.

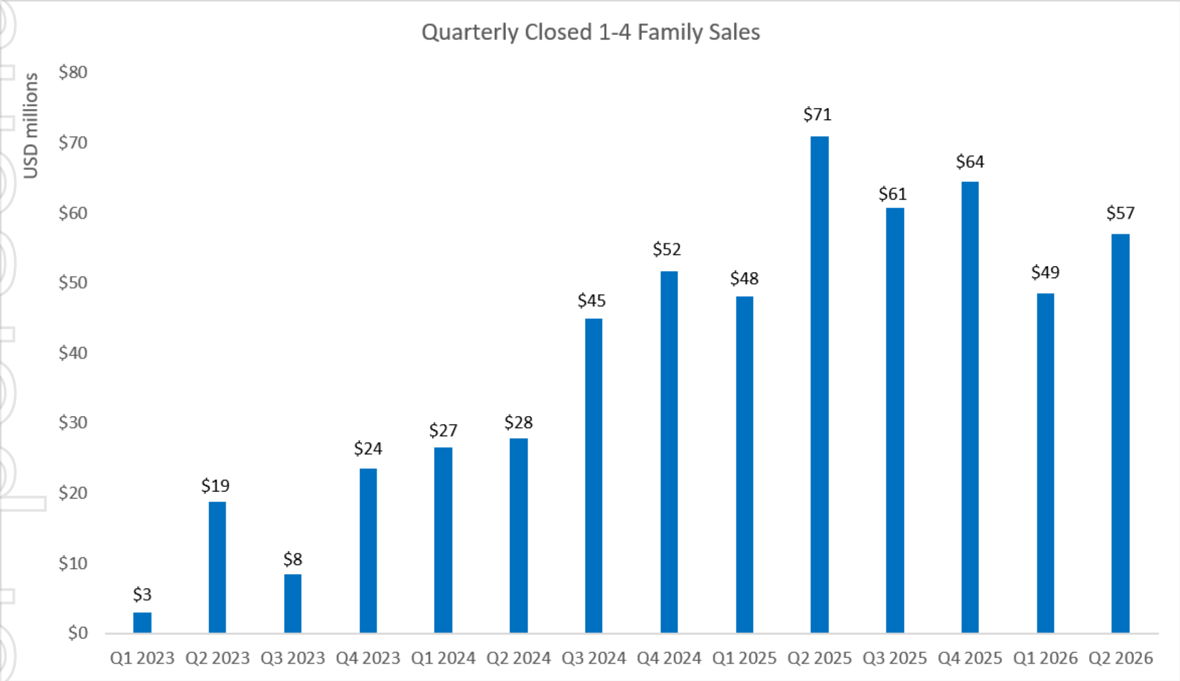
[3] Book value reflects net realisable value which is estimated fair value less estimated transaction costs.

[4] All net sales proceeds on July sales were applied against the outstanding principal balance until the loan was repaid in full.

Asset Sales

H1 2026 Sales

Location	Sales Price[1] ($US millions)	Transaction Costs ($US millions)	Realised Value[2] ($US millions)	Book Value[3] ($US millions)	GA Loan Repayment[4] ($US millions)
Bayonne	$9.61	-$0.74	$8.87	$8.94	-$3.86
Bedford-Stuyvesant	$17.41	-$1.29	$16.12	$15.52	-$8.81
Bergen-Lafayette	$1.97	-$0.14	$1.83	$1.86	-$0.91
Bushwick	$2.65	-$0.19	$2.46	$2.53	-$1.96
Crown Heights	$6.91	-$0.49	$6.42	$6.21	-$3.56
Downtown	$11.47	-$0.91	$10.56	$10.36	-$5.63
Fort Greene	$4.10	-$0.34	$3.76	$3.81	-$1.86
Greenville	$6.00	-$0.44	$5.55	$5.50	-$2.43
Harlem	$13.16	-$1.04	$12.12	$11.56	-$8.79
Jersey City Heights	$8.62	-$0.57	$8.05	$8.00	-$3.89
Journal Square	$7.57	-$0.51	$7.06	$7.15	-$3.60
Lefferts Garden	$3.10	-$0.23	$2.87	$2.89	-$1.74
North Bergen	$1.30	-$0.09	$1.22	$1.20	-$0.43
Secaucus	$0.57	-$0.04	$0.53	$0.55	-$0.22
Union City	$0.61	-$0.03	$0.58	$0.56	-$0.25
West Bergen	$5.08	-$0.35	$4.74	$4.72	-$1.82
Williamsburg	$5.55	-$0.36	$5.19	$5.16	-$2.76
Total	**$105.65**	**-$7.75**	**$97.90**	**$96.52**	**-$52.52**



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Capital Management

Due to the continued success of the sales programme, the Group was able to pay a 4-cent distribution to security holders during Q2 2026 (announcement here), bringing total distributions during H1 2026 to 14-cents. In addition, a further distribution of 4 cents was declared subsequent to quarter end (announcement here) and will be paid on or around 31 August 2026.

In relation to the buyback programme, no securities were purchased during Q2 2026, the Responsible Entity will continue to assess the potential for security buybacks dependent on market conditions.

During the quarter, the Group reduced its senior debt facility with GA by US$30.4 million (including the application of Exempt Property Payments made in prior periods), taking the year-to-date reduction to $57.0 million. At quarter end, the outstanding balance was US$21.7 million which was repaid in full subsequent to quarter end with July sales proceeds and the application against the balance of escrow balances on reserve with GA.

With the senior debt facility now repaid in full, the Group will continue to distribute available net sales proceeds as quickly as possible, subject to maintaining appropriate reserves.

As of 30 June 2026, the Group had broadly allocated its available capital as outlined in the table below.

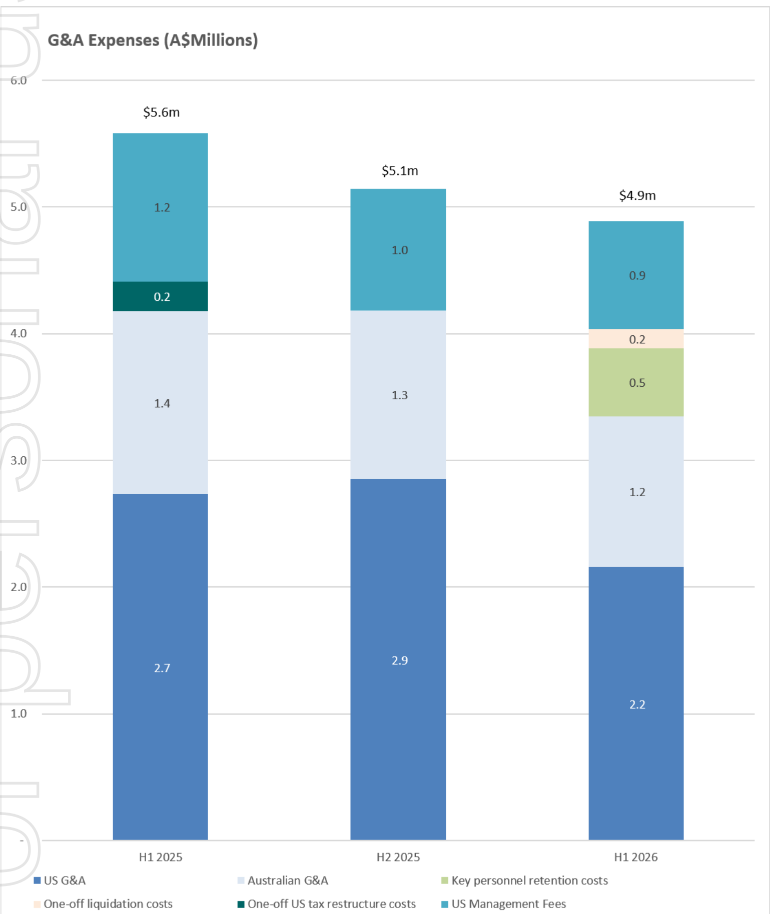
Capital Allocation	$A million
Cash Balance	$47.24
Comprised of:	
Cash held in the US	$38.79
Cash held in Australia	$8.45
Less: Global Atlantic Liquidity Covenant	-$14.56
Less: Working Capital	-$10.78
Less: AFSL Cash Reserve Requirement[1]	-$3.50
Less: Reserved for security buybacks	-$1.36
Cash Available for Capital Management Purposes	**$17.04**

Source: US REIT
Note: AUD/USD spot rate of 0.6869 as at 30 June 2026.
[1] Approximate cash reserve required by the Group under the terms of the AFSL.

General and Administrative (G&A) Expenses

G&A expenses for the half-year period ended 30 June 2026 were $4.9 million, or $4.7 million excluding one off costs associated with the aforementioned legal and administrative dissolution costs for certain US corporate subsidiary entities, as well as $0.5 million in expenses related to the retention of key staff members overseeing exit of US operations. This compares with G&A expenses in H1 2025 of $5.6 million and H2 2025 of $5.1 million.

During the quarter, on June 5th, the Group terminated the Administrative Services Agreement that was in place with K2 Asset Management (K2). The administrative and investor relations functions previously provided by K2 are now internalised within the Group. The internalisation of these functions is consistent with the Group's objective of actively seeking cost savings as it continues its orderly sell down of the portfolio.

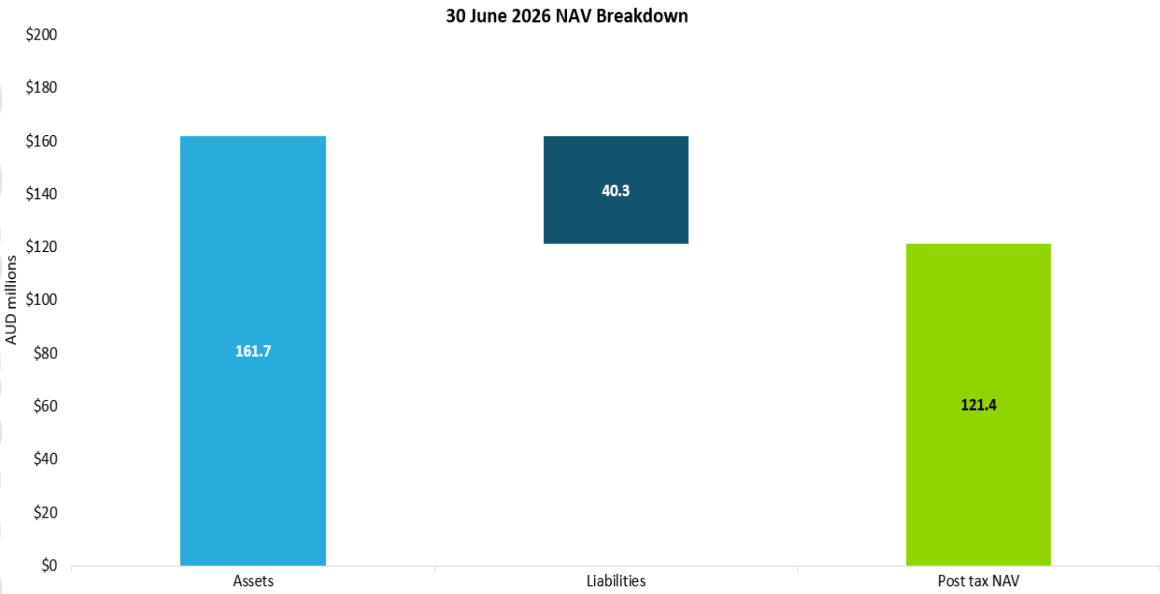


AUD/USD average rates of 0.6345, 0.6452 and 0.7026 for H1 2025, H2 2025 and H1 2026 respectively.
Source: US REIT. Figures may not sum due to rounding.

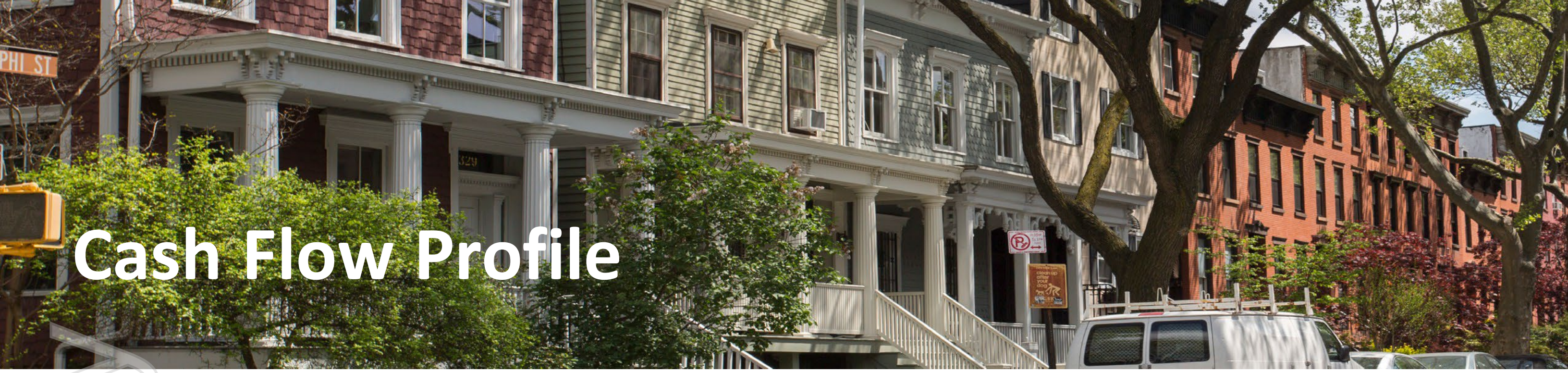
Net Asset Value (NAV)

As of 30 June 2026, the Group's NAV was $0.176 per stapled security.

As of 30 June 2026, there were 688,451,287 stapled securities on issue.



Source: US REIT. Figure may not sum due to rounding.



Cash Flow Profile

The following Funds From Operations (FFO) analysis outlines the Group's major operational cash-flow drivers. Non-cash items such as changes in underlying asset values and provisions, as well as capitalised expenses and distributions to security holders are excluded from the analysis. While these factors are vital to reviewing the Group's overall financial performance, the FFO analysis provides an overview of the cash flows from operations.

Due to the transaction costs incurred on property sales coupled with the drag on cash flows associated with the sell down of the portfolio (such as property taxes and insurance), it is expected that the Group will continue to incur a FFO loss as it executes the sales programme.

After excluding disposal costs, the Group's adjusted FFO loss was A$6.6 million for the half-year period ending 30 June 2026.

A$ Millions	2023	2024	2025	H1 2026
Revenue from Ordinary Operations	**44.1**	**37.0**	**18.6**	**2.8**
One-Off Income	**-**	**-**	**-**	**0.3**
Insurance Proceeds	**1.4**	**-**	**0.4**	**0.4**
Investment Property Expenses	(19.1)	(17.9)	(11.6)	(3.4)
Investment Property Disposal Costs	(5.6)	(16.4)	(32.6)	(12.6)
Equity Investment Disposal Costs	-	(0.8)	-	-
G&A	(11.6)	(11.3)	(10.5)	(4.7)
One-off US Tax Restructure Costs - G&A	-	-	(0.2)	-
One-off Liquidation Costs - G&A	-	-	-	(0.2)
One-Off LPT Costs - G&A	(0.5)	(1.6)	-	-
EBITDA	**8.7**	**(10.9)**	**(36.0)**	**(17.4)**
EBITDA (excluding disposal costs and one-off items)	**13.4**	**7.9**	**(3.5)**	**(5.5)**
Net Interest Expenses	(20.1)	(16.3)	(7.4)	(1.2)
Funds From Operations (FFO)	**(11.4)**	**(27.2)**	**(43.4)**	**(18.7)**
FFO (excluding disposal costs and one-off items)	**(6.7)**	**(8.4)**	**(10.9)**	**(6.6)**

Source: US REIT.
AUD/USD average rate of 0.6644, 0.6597, 0.6452 and 0.7026 for 2023, 2024, 2025 and H1 2026 respectively.
FFO is reported on a cash accounting basis. Figures in table may not sum due to rounding.

Board of the Responsible Entity

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Peter Shear INDEPENDENT DIRECTOR

Jack Lowenstein INDEPENDENT DIRECTOR

Sean Banchik INDEPENDENT DIRECTOR

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Important Information

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