

## DOMUS IV

(DOMUS IV US, LLC & DOMUS US MULTIFAMILY REAL ESTATE TRUST No. 4)

### Quarterly Report Q2-2022

#### Quarter Highlights

- *EGI and NOI increased across the Portfolio*
- *Occupancies exceed 92% across the Portfolio*
- *Average rents increased across the Portfolio by 4.0%*
- *Tenant quality continues to improve since acquisition*
- *Renovations progressing on time and within budget*
- *Progressing HUD Loan re-financing for Highlands at the Lake asset with Madison asset already secured at a fixed rate of 2.2% for 35 years*
- *Highly confident of continuing strong performance into Q3 2022 and beyond*
- *Distribution of 1.15% was paid for Q2 2022*

The Domus IV Portfolio is performing to Plan both operationally and financially achieving another quarter of strong average rent growth,

Our financial and operational performance is set out in the tables below. All metrics continue to be in line with or exceed our expectations. We are highly confident of achieving our forecasts for the remainder of 2022.



**Bellevue West - Nashville, TN**



**Highlands at the Lake - Nashville, TN**



**The Madison - Mesa, AZ**

Nashville, TN and Phoenix, AZ are highly attractive markets that continue to outperform. Steady occupancy rates and strong rental growth are driven by both population and employment growth in these markets and we see no signs of this slowing. Tennessee is one of the best performing states experiencing in-bound migration from a younger demographic pursuing job opportunities and a lower overall cost of living.

We hope that you will be able to join our live Q2 2022 Investor Update Briefing and Q&A session via “Zoom” on Wednesday, August 24th at 4:00 PM Los Angeles time/ Thursday, August 25th at 9:00 AM Sydney time. If you have not received an invite link to the Zoom call, please contact us at [invest@geringercapital.com](mailto:invest@geringercapital.com).

Financial Statements for Q2 2022 will be uploaded to the Investor Portal by August 31st.

**Robert D. Geringer**  
 DOMUS US Multifamily  
 August 15th, 2022



**Bellevue West - Renovations**



**Bellevue West - Renovations**

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## Effective Gross Income (EGI)

EGI increased across the Portfolio by 1.7%. A notable 5.2% increase in EGI was achieved at The Madison and a solid 3.0% increase at Bellevue West. EGI for Q2 was \$3.6M.

EGI	2022		
	Q1	Q2	+/-%
<b>Bellevue West, TN</b>	\$2,114,532	\$2,177,398	3.0%
<b>Highlands at the Lake, TN</b>	967,023	941,506	-2.6%
<b>The Madison, AZ</b>	422,967	444,881	5.2%
<b>TOTAL WEIGHTED AVG</b>	<b>\$3,504,522</b>	<b>\$3,563,785</b>	<b>1.7%</b>

## Net Operating Income (NOI)

NOI increased across the Portfolio by 3.7%. Bellevue West achieved a substantial increase of 14.2%. Highlands at the Lake decreased by 17.8% due to accounting adjustments primarily relating to State Franchise Tax from 2021, the impact of which had not been reflected in previous accounts. These one-off accounting adjustments will not affect NOI for Q3 and beyond. NOI for Q2 was \$2.0M.

NOI	2022		
	Q1	Q2	+/-%
<b>Bellevue West, TN</b>	\$1,090,328	\$1,245,253	14.2%
<b>Highlands at the Lake, TN</b>	524,363	431,035	-17.8%
<b>The Madison, AZ</b>	296,769	297,236	0.2%
<b>TOTAL WEIGHTED AVG</b>	<b>\$1,911,461</b>	<b>\$1,973,524</b>	<b>3.7%</b>

## Delinquency / Collections

Total Delinquencies across the Portfolio decreased in Q2 and overall remain at acceptable levels. Tenant quality continues to improve at all assets.

Delinquency / Collections	2022				
	EoQ1	EoQ2	+/-	Q2 EGI	Q2 TCD/ EGI%
<b>Bellevue West, TN</b>	\$45,947	\$44,091	(\$1,856)	\$2,177,398	2.0%
<b>Highlands at the Lake, TN</b>	48,787	30,970	(17,817)	941,506	3.3%
<b>The Madison, AZ</b>	2,775	11,087	8,312	444,881	2.5%
<b>TOTAL</b>	<b>\$97,509</b>	<b>\$86,148</b>	<b>(\$11,362)</b>	<b>\$3,563,785</b>	<b>2.4%</b>

## Renovation Progress

Renovations are progressing at all three assets with 114 apartments completed. A further 26 apartments at Bellevue West, 2 Apartments at Highlands at the Lake and 3 apartments at Madison were in progress in Q2. Despite rising materials and labor costs the renovations are proceeding on time and within budget.

Unit Renovations	In		
	Completed	Progress	Remaining
<b>Bellevue West, TN</b>	26	26	84
<b>Highlands at the Lake, TN</b>	18	2	32
<b>The Madison, AZ</b>	70	3	23
<b>TOTAL</b>	<b>114</b>	<b>31</b>	<b>139</b>

## Occupancy

Weighted Average Occupancy is at 92.9% recording a negligible decrease over Q2. Occupancy improved at Madison taking it over the 90% threshold. All three assets are now comfortably over the 90% threshold. Bellevue West and Highlands at the Lake are well above their occupancy levels at acquisition.

Average Occupancy	2022		
	Q1	Q2	% Change
<b>Bellevue West, TN</b>	94.2%	92.5%	-1.8%
<b>Highlands at the Lake, TN</b>	96.1%	94.2%	-2.0%
<b>The Madison, AZ</b>	89.7%	92.1%	2.7%
<b>TOTAL WEIGHTED AVG</b>	<b>94.2%</b>	<b>92.9%</b>	<b>-1.4%</b>

## Average Rent per Unit

The Weighted Average Rent per unit increased 4.0% in Q2 building on a 3.2% increase in Q1. All three assets recorded solid rental gains. The Madison asset achieved a notable increase of 5.9%. Rents are comfortably keeping pace with inflation underpinned by strong tenant demand.

Average Rent per Unit	2022		
	Q1	Q2	% Change
<b>Bellevue West, TN</b>	\$1,363	\$1,419	4.1%
<b>Highlands at the Lake, TN</b>	1,331	1,371	3.0%
<b>The Madison, AZ</b>	1,486	1,574	5.9%
<b>TOTAL WEIGHTED AVG</b>	<b>\$1,367</b>	<b>\$1,422</b>	<b>4.0%</b>

## Distributions

A distribution of 1.15% was recently paid for Q2 2022 to both US and Australian investors. The distribution was impacted by higher interest costs incurred at Highlands at the Lake asset under the current loan facility.

We will address the Q2 distribution and future distribution outlook in more detail in the live Investor Presentation on Wednesday, August 24th at 4:00 PM Los Angeles time/ Thursday, August 25th at 9:00 AM Sydney time.