



Performance Update – December 2018

QRI Highlights

Net Return (p.a.)

Current month	Since inception ¹
0.90%	1.20%
Current Month Distribution	Current NAV
\$0.001534/unit	\$1.6006

QRI Snapshot – Key metrics as at 31 December 2018

Market Cap	\$247m
Trust NAV	\$231m
Unit Price	\$1.71
Unit NAV	\$1.6006
Total Investments	2
Total Loans*	16
Weighted LVR*	64%
Weighted loan maturity*	0.9 years
Loans in arrears**	-
Fixed / Floating interest exposure	14% / 86%

* Represents total loans in the portfolio on a look through basis, via investments in direct loans² and wholesale funds managed by Associates of the Manager.

** Represents % of portfolio in arrears by 90 days or more.

Investment Objective

To achieve a Target Return of 8% p.a. (net of fees and expenses), and provide monthly cash income, capital preservation and portfolio diversification³.

Investment Strategy

The Trust will seek to achieve the Investment Objective by investing in a portfolio of investments that offers exposure to real estate loans secured by first and second mortgages, predominantly located in Australia.

Key Information

Target Return	8.0% p.a. (net)
Investment Type	Listed Investment Trust
IPO Date	27 November 2018
Distributions ³	Monthly
Unit Pricing	Monthly

QRI Historical Performance⁴

	Nov '18 ⁵	Dec '18	Jan '19	Feb '19	Mar '19	Apr '19	May '19	Jun '19	Inception
Net Return (% p.a.)	2.24%	0.90%	-	-	-	-	-	-	1.20%
Distribution (% p.a.)	-	1.13%	-	-	-	-	-	-	0.87%
Distribution (¢/unit)	-	0.1534	-	-	-	-	-	-	0.1534

Commercial Real Estate Debt Market Update

We continue to observe the impact of tightened bank credit in the commercial real estate finance market and the consequential lack of available liquidity to borrowers. Borrowers are therefore seeking out alternative lenders to finance their property transactions and as a result, the Manager has seen a good flow of new loan opportunities which are currently in due diligence despite the market moving into the traditionally slower holiday period. These opportunities span the investment thesis of the Trust, including senior residential construction loans, senior commercial investment loans and senior land loans.

Recent commentary on the residential property market has focused on declines in prices and lower building starts, especially in core capital cities. However, these declines are coming off a high base, and the market continues to recalibrate following a long period of growth.

The Manager considers that this resetting of the market will be gradual and excess residential property will be absorbed in an orderly manner such that base values, prices and rental levels are re-established for the move into the next cycle. Valuation of security is but one aspect of assessing a new loan by the Manager and it should be noted that a key feature of the proposed loans in the QRI portfolio is their relatively short term tenor hence the Manager will be writing new loans at prevailing market conditions.

The office and industrial markets continue to demonstrate resilience and assets are keenly sought by private and institutional buyers.

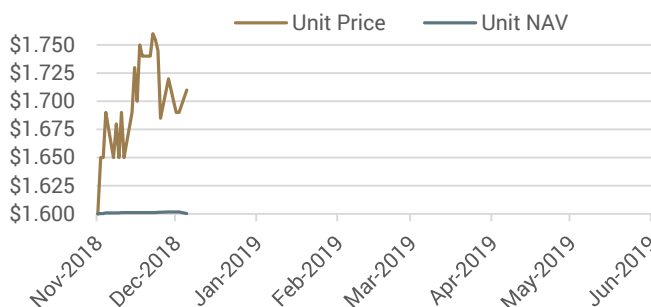
Investment Activity

Consistent with the 6 month initial investment timeline indicated in the Trust's PDS, the Manager has commenced progressive deployment of capital raised. The Manager is committed to maintaining a disciplined investment process, balanced with increasing the portfolio's performance toward the Target Return.

As at 31 December 2018, 29% of Trust capital has been committed to investments which include an investment in the Qualitas Senior Debt Fund totaling \$44m and a direct first mortgage (senior) loan position². The Qualitas Senior Debt Fund provides exposure to an established portfolio of 15 loans, with a further loan having been allocated that will be invested in future months. The Trust Loan Receivable has also been drawn in full.

The Manager is pleased to advise that the first distribution was declared a month after listing, within the three months indicated in the Trust's PDS. This distribution was paid on 10 January 2019. Distributions are expected to increase in line with deployment of capital.

Unit Price vs NAV

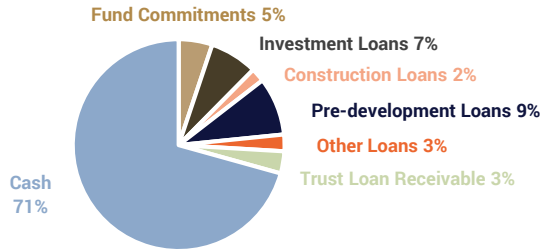




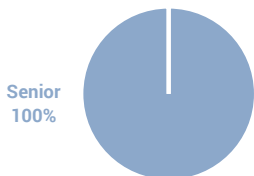
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Portfolio Diversification⁶

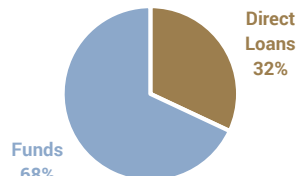
Portfolio Composition⁷



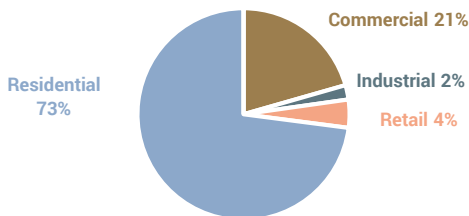
Loan Classification⁸



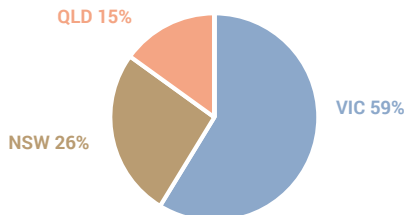
Investment Type⁸



Property Sector Diversification⁸



Geographic Diversification⁸



Research



Notes

- [1] Since IPO 27 November 2018.
- [2] All investments including direct loans are made by the Sub-Trust. The Sub-Trust is wholly owned by the Trust.
- [3] This is a target return only. There is no guarantee the Trust will meet its Investment Objective. Payment of monthly cash income is a goal of the Trust only. The Trust reserves the discretion to amend its distribution policy.
- [4] Past performance is not a reliable indicator of future performance.
- [5] November 2018 represents performance for the period from date of issue of units, being 22 November 2018, to month end.
- [6] The portfolio statistics are determined on a look-through basis having regard to the loans in the underlying Qualitas Funds. The classifications of these diversification parameters are determined by the Manager.
- [7] Fund Commitments represent uninvested Trust capital amounts that have yet to be invested in direct loans by the underlying funds.
- [8] Excludes Trust Loan Receivable & cash.

About the Manager

Established in 2008, Qualitas has a 10-year track record in the real estate sector and currently manages approximately \$2.2 billion in committed capital.

Comprising over 70 investment and fiduciary professionals, Qualitas has a disciplined approach to generating strong risk-adjusted returns for its investors.

Qualitas' investment strategies include senior and mezzanine debt, preferred and ordinary equity investments in real estate development, value-add, repositioning, special situations and other opportunistic transactions.

Key Service Providers

Manager QRI Manager Pty Ltd – an authorised representative of Qualitas Securities Pty Ltd

Responsible Entity The Trust Company (RE Services) Limited

Investor Queries

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