



Performance Update – January 2020

QRI Highlights

Net Return (% p.a.)

1 month (%) p.a. ⁹	6.05%
Since inception ¹	5.00%

Distribution

Current month	\$0.008233 / unit
Current month % p.a.	6.08%

QRI Key Metrics as at 31 January 2020

Market Cap	\$366m
Trust NAV	\$361m
Invested Capital	\$324m
Unit Price	\$1.625
Unit NAV	\$1.6008
Total Invested positions ²	14
Total Loans ³	31
Weighted LVR ⁴	65%
Weighted loan maturity ³	0.8 years
Loans in arrears ⁵	-
Fixed / Floating interest exposure	84% / 16%

Key Information⁶

Target Return	8.0% p.a. (net)
Investment Type	Listed Investment Trust
IPO Date	27 November 2018
Distributions	Monthly
Unit Pricing	Monthly
Distribution Reinvestment Plan (DRP)	Yes

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 diversification⁶.

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.

Market Update and Investment Activity

Lending activity in the commercial real estate (CRE) debt market continued its good momentum after the summer holiday period off the back of last year's increased activity, improving sentiment and stable property prices. The Manager is closely observing any economic impact of the Australian bushfires and the recent coronavirus on market conditions and the Trust's loan portfolio performance.

Given the Manager's on ground market presence and established networks, the Manager is able to continue to source CRE loan opportunities in the current competitive environment. Bank real estate lending is also expected to remain patchy, which is favourably supporting borrower demand for alternative lending.

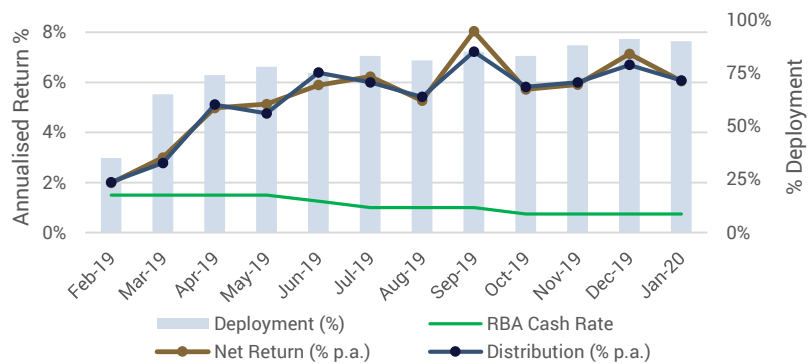
As of 31 January 2020, the Trust's capital invested reduced slightly to 90% since last month due to the scheduled repayment of a mezzanine loan. Remaining uncommitted capital is earmarked for two loans of which investment approval was achieved on one during the month. Both of these new loans are now expected to settle by March.

The Trust's January net return was 6.05% p.a. attributed to base interest income and distributions. There were no loan establishment fees as no new loans were settled, which was reflected in the January distribution return of 6.08% p.a. paid to unitholders.

The Trust's portfolio continues to reflect a lower risk return profile of predominantly senior loans (i.e. 90% of the invested portfolio), underweight to mezzanine loans (below the Manager's target range 20-35%) and 100% exposure to Australia. The Trust's NAV remains stable following the Manager's regular loan review which resulted in no impairments made to the loans within the Trust's portfolio.

QRI Historical Performance⁷

	1 Mth	3 Mth	6 Mth	12 Mth	Inception ¹
Net Return (%)	0.51%	1.60%	3.09%	5.52%	5.95%
Net Return (% p.a.)	6.05%	6.39%	6.15%	5.52%	5.00%
Distribution (¢/unit)	0.8233	2.5228	5.0015	8.5992	8.9942



*Past performance is not a reliable indicator of future performance.

Unit Price vs NAV

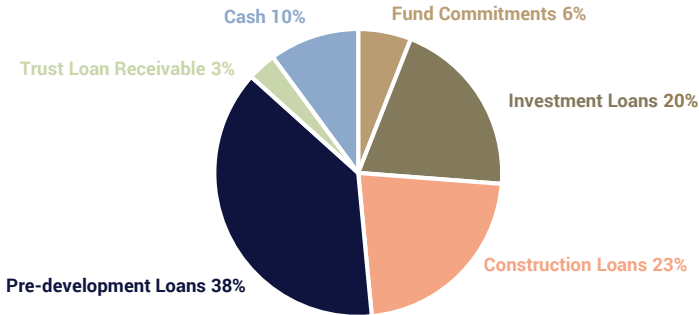




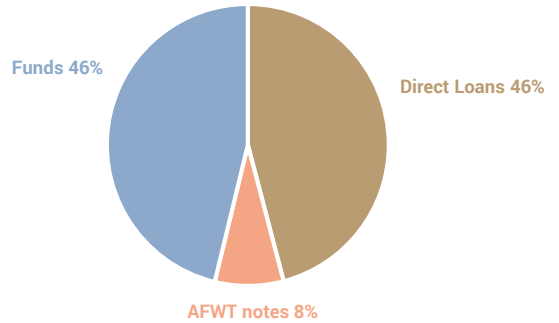
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Portfolio Diversification⁸

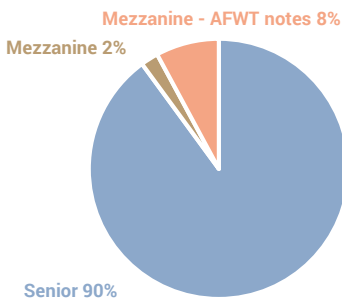
Portfolio Composition⁹



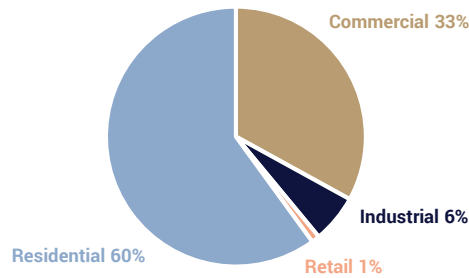
Investment Type¹⁰



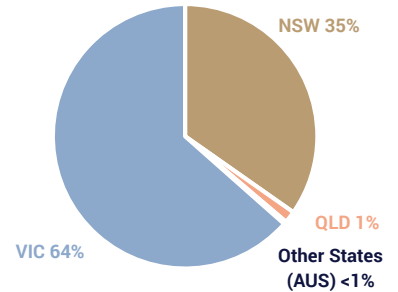
Loan Classification¹⁰



Property Sector Diversification¹¹



Geographic Diversification¹¹



About the Manager

Established in 2008, Qualitas has an 11-year track record in the real estate sector and currently manages \$2.5 billion in committed capital. 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.

Investor Queries

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Platforms

Macquarie, BT Panorama, Netwealth, AMP North, HUB24.

Upcoming Investor Events & Key Dates

NA

Key Service Providers

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

Responsible Entity The Trust Company (RE Services) Limited

Research





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Monthly Historical Performance

Net Return (%)

Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
FY19	-	-	-	-	0.02%	0.08%	0.12%	0.15%	0.25%	0.41%	0.44%	0.49% ¹²	1.96%
FY20	0.53%	0.45%	0.66% ¹²	0.49% ¹²	0.49%	0.61%	0.51%	-	-	-	-	-	3.74%

Distributions (¢/unit)

Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
FY19	-	-	-	-	-	0.1534	0.2416	0.2464	0.3784	0.6719	0.6463	0.8397 ¹³	3.1777
FY20	0.8150	0.7370	0.9511 ¹³	0.7906	0.7896	0.9099	0.8233	-	-	-	-	-	5.8165

Notes

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[1] Since IPO 27 November 2018. Annualised return is based on average month end NAV.

[2] All investments including direct loans are made by the Sub-Trust. The Sub-Trust is wholly owned by the Trust.

[3] Represents total loans in the portfolio on a look through basis, via investments in direct loans and Qualitas wholesale funds. Excludes the AFWT loan portfolio.

[4] Represents total LVR of loans in the portfolio on a look through basis, via investments in direct loans, Qualitas wholesale funds and AFWT loan portfolio.

[5] Represents % of loan portfolio on look through-basis (excluding AFWT loan portfolio) in arrears by 90 days or more.

[6] 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.

[7] Deployment represents the % of the Trust's total capital that has been committed and invested as at month end in investments, including the Trust Loan Receivable.

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[8] The portfolio statistics are determined on a look-through basis having regard to the loans in the underlying Qualitas Funds and the AFWT portfolio as indicated. The classifications of these diversification parameters are determined by the Manager. Figures stated are subject to rounding.

[9] Fund Commitments represent uninvested Trust capital amounts that have yet to be invested in direct loans by the underlying funds.

[10] Excludes Trust Loan Receivable & cash. The Manager classifies the AFWT subordinated notes as mezzanine as it ranks behind senior noteholders.

[11] Excludes Trust Loan Receivable & cash. Adjusted for AFWT loan portfolio.

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[12] Net Return calculated based on weighted average NAV.

[13] Calculated based on units entitled to the distribution. The units entitled to the September 2019 distribution excludes units issued under the Wholesale and Early Retail Entitlement Offers.

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