



Performance Update – September 2021

QRI Highlights

Net Return¹ (% p.a.)

1 month (%) p.a.	5.33%
12 month (%) p.a.	6.09%

Distribution

Current month	\$0.007510 / unit
Current month % p.a.	5.71%

QRI investment benefits

- ✓ Experienced Institutional local based Manager
- ✓ Regular and stable monthly cash distributions²
- ✓ Return is an attractive premium³ to current low cash rate
- ✓ Capital preservation: loans / real property mortgages
- ✓ Exposure to the property market
- ✓ Simple credit strategy of investing in only Commercial Real Estate (CRE) loans

QRI Key Metrics as at 30 September 2021

Market Cap / Trust NAV	\$444m / \$428m
Invested Capital ⁴	\$388m
Unit Price	\$1.6600
Unit NAV	\$1.6019
Total Invested positions ⁵	16
Total Loans ⁶	30
Weighted LVR ⁷	65%
Weighted loan maturity ⁶	1.2 years
Loans in arrears ⁸	-
Fixed / Floating interest exposure	97% / 3%

Key Information⁹

Target Return	RBA Cash Rate ¹⁰ + 5.0% to 6.5% p.a. (net)
Investment Type	Listed Investment Trust
Distributions	Monthly
Unit Pricing	Weekly
Distribution Reinvestment Plan (DRP)	Yes - Activate

Investment Objective

To achieve the Target Return, and provide monthly cash income, capital preservation and portfolio diversification⁹.

Investment Strategy

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

Market Update and Investment Activity

In the current environment of COVID-19 risks and very low interest rates (which the RBA is expecting to hold for the next few years), APRA is focused on banks maintaining their tight lending standards. These conditions are conducive for the further expansion of the private CRE debt market as borrowers seek more flexibility and surety in funding. This demand is what underpins the Manager's current strong CRE debt pipeline of \$550m.

The Manager expects to see an increase in land loan opportunities early next year as sophisticated developers ready themselves for the next development cycle. Easing lockdown restrictions is naturally expected to have a positive effect on all property sectors.

As of 30 September 2021, the invested capital of the Trust was 91% which reduced slightly from last month due to loan repayments of \$7.8m, mainly comprising partial repayments across a number of residual stock and construction loans. The Trust has allocated \$20.2m of capital to a new investment loan and an increase to an existing construction loan, both were expected to settle in September but are expected to close in October.

The Trust's portfolio continues to perform in line with investment objectives with no interest arrears or impairments recorded on any loans. The Manager also continues to see residual stock loans consistently amortise as the residential sector continues to perform strongly.

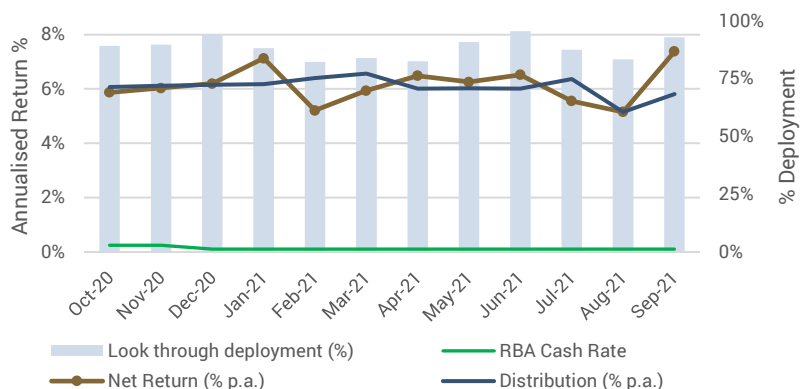
The Manager is pleased to deliver an attractive risk-adjusted return for the Trust with a September net return of 5.33% p.a. and distribution return of 5.71% p.a. achieved, in line with the current **Target Return of 5.10% to 6.60% p.a.**

The loan portfolio is performing and has met all investment objectives, with no impairments or interest arrears recorded as of the date of this release.

QRI Historical Performance

	1 Mth	3 Mth	6 Mth	12 Mth	24 Mth
Net Return (%) ¹	0.44%	1.50%	3.03%	6.09%	-
Net Return (% p.a.)	5.33%	5.96%	6.03%	6.09%	6.11%
Distribution (¢/unit)	0.7507	2.2395	4.6874	9.6527	19.3967
Distribution Return (% p.a.)	5.71%	5.55%	5.84%	6.02%	6.04%

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



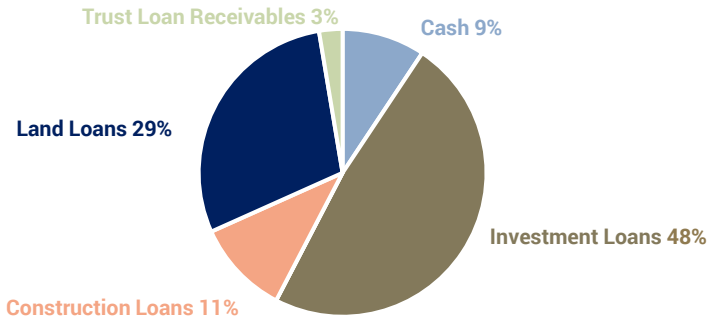
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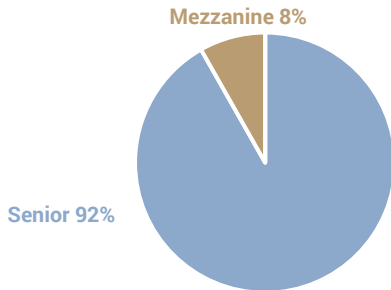
QRI Portfolio Diversification¹

Portfolio Composition

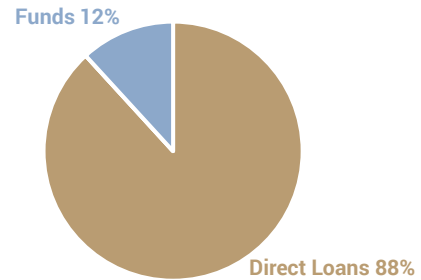


Category	\$ millions	%
Cash (QRI) uncommitted	32.5	7.6%
Cash (Qualitas funds) uncommitted	7.4	1.7%
Senior Debt Investment Loans	206.7	48.3%
Senior Debt Construction Loans	14.7	3.4%
Senior Debt Land Loans	124.4	29.1%
Mezzanine Debt Construction Loans	30.9	7.2%
Trust Loan Receivable	11.3	2.6%
Total	\$427.9	100%

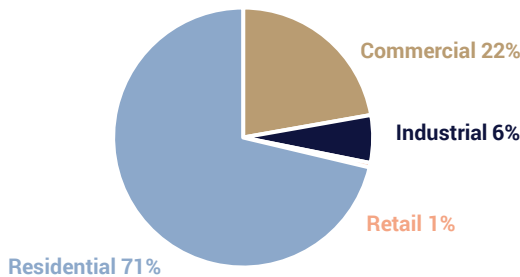
Loan Classification²



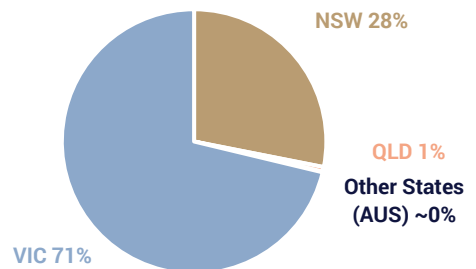
Investment Type²



Property Sector Diversification³



Geographic Diversification³



About the Manager

Established in 2008, Qualitas has a 13-year track record in the real estate sector and currently manages \$4.0 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.

Key Service Providers

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

Responsible Entity The Trust Company (RE Services) Limited

Platforms

Macquarie, BT Panorama, BT Wrap, Asgard, Netwealth, AMP North, HUB24, Mason Stevens

Upcoming Investor Events & Key Dates

28 October 2021: QRI September quarter portfolio update

Investor Queries

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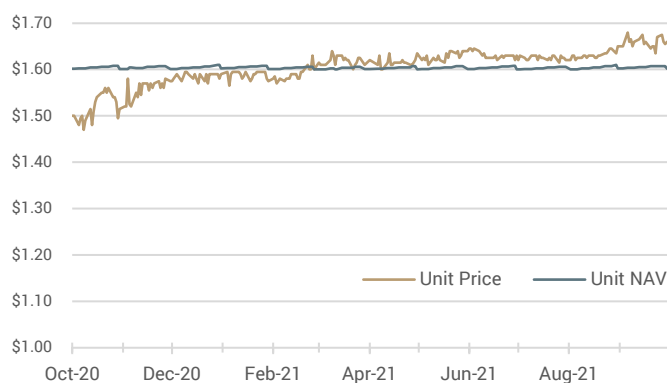
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Monthly Historical Performance

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Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
Distributions (c/unit)													
FY19	-	-	-	-	-	0.1534	0.2416	0.2464	0.3784	0.6719	0.6463	0.8397 ¹	3.1777
FY20	0.8150	0.7370	0.9511 ¹	0.7906	0.7896	0.9099	0.8233	0.7989	0.7539	0.8405	0.8152	0.7882	9.8132
FY21	0.7914	0.8469	0.7956	0.8289	0.8076	0.8373	0.8692	0.8060	0.8163	0.7927	0.8176	0.8376	9.8471
FY22	0.6994	0.7894	0.7507										2.2395
Net Return (%)													
FY19	-	-	-	-	0.02%	0.08%	0.12%	0.15%	0.25%	0.41%	0.44%	0.49% ²	1.96%
FY20	0.53%	0.45%	0.66% ²	0.49% ²	0.49%	0.61%	0.51%	0.49%	0.45%	0.55%	0.49%	0.51%	6.23%
FY21	0.50%	0.59%	0.48%	0.51%	0.51%	0.60%	0.44%	0.46%	0.55%	0.51% ²	0.55%	0.46%	6.16%
FY22	0.44%	0.63%	0.44%										1.51%

Unit Price vs NAV



Notes

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- [1] Net returns are calculated based on the daily weighted average NAV across the respective time periods.
- [2] The payment of monthly cash income is a goal of the Trust only and neither the Manager or the Responsible Entity provide any representation or warranty (whether express or implied) in relation to the payment of any monthly cash income.
- [3] The premium achieved is commensurate to the investment risk undertaken.
- [4] Invested Capital represents the amount of the Trust's total capital that has been committed and invested as at month end in loans (on a look through basis to the Qualitas Funds) and the Trust Loan Receivable.
- [5] All investments including direct loans are made by the Sub-Trust. The Sub-Trust is wholly owned by the Trust.
- [6] Represents total loans in the portfolio on a look through basis, via investments in direct loans and Qualitas wholesale funds.
- [7] Represents total LVR of loans in the portfolio on a look through basis, via investments in direct loans and Qualitas wholesale funds.
- [8] Represents % of loan portfolio on look through-basis in arrears by 90 days or more.
- [9] This is a target return only. There is no guarantee the Trust will meet its Investment Objective. The payment of monthly cash income is a goal of the Trust only and neither the Manager or the Responsible Entity provide any representation or warranty (whether express or implied) in relation to the payment of any monthly cash income. The Trust reserves the discretion to amend its distribution policy.
- [10] RBA cash rate is subject to a floor of 0%.

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- [1] The portfolio statistics are determined on a look-through basis having regard to the loans in the underlying Qualitas Funds as indicated. The classifications of these diversification parameters are determined by the Manager. Figures stated are subject to rounding.
- [2] Excludes Trust Loan Receivable & cash.
- [3] Excludes Trust Loan Receivable & cash.

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- [1] Calculated based on units entitled to the distribution. The units entitled to the Sep-19 distribution excludes units issued under the Wholesale and Early Retail Entitlement Offers.
- [2] Net Return calculated based on weighted average NAV.

Disclaimer

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