ASX Release

Qualitas Real Estate Income Fund (ASX: QRI) Investment Update

1 October 2019 - As announced on 11 September 2019, the 1-for-1 Accelerated Non-Renounceable Entitlement Offer (**Entitlement Offer**) to raise up to $266 million of new capital for the Qualitas Real Estate Income Fund (**Trust** or **QRI**) continues, with the Retail Entitlement and Shortfall Offers currently open. Approximately $40m in additional units were issued on 26 September 2019 under the Wholesale Entitlement Offer and Early Retail Entitlement Offer.

QRI Manager Pty Ltd (**Manager**), the investment manager of the Trust, is pleased to announce that the Trust committed $39m of the new capital into the Qualitas Senior Debt Fund (**QSDF**) on 30 September 2019. As a result, the Trust's capital is now 98% deployed as of today.

The Manager continues to see strong demand for commercial real estate loans, with a current pipeline worth approximately $450m. The majority of these opportunities are suitable, or earmarked for investment by the Trust directly or the QSDF (in which QRI invests).

Investment allocations and approvals are being progressed for mandated[1] deals, which comprise approximately 30% of this pipeline. Subject to completion of due diligence, investment approvals and the Trust and/or QSDF being allocated these deals for investment, the Manager expects that the majority of the mandated deals will reach settlement by the end of this year.

"We are currently in a very busy period for the market and we continue to see strong underlying demand for real estate loans across all sectors, which is evidenced by a robust pipeline. We consider demand to be significantly higher compared to the period when QRI listed on the Australian Securities Exchange, almost a year ago," said Mr Tim Johansen, Managing Director, Global Head of Capital, Qualitas.

Ends

About the Offer

The Entitlement Offer is an accelerated, non-renounceable, pro rata offer of one new fully paid ordinary unit for every one existing unit in the Trust to existing eligible unitholders at an Offer Price of $1.60 per new unit (**Entitlement Offer**). If there is a shortfall under the Entitlement Offer, the shortfall may be placed at the discretion of the Responsible Entity to new wholesale and retail investors.

The Product Disclosure Statement ("PDS")for the Offer has been lodged with ASIC and is available from the ASX or the Trust's website https://www.qualitas.com.au/listed-investments/entitlement-offer-2019/ The PDS was dispatched to eligible retail unitholders as at the record date (7pm AEST on 13 September 2019) who were not invited to participate in the

[1] Mandated deals are those where the Borrower has formally engaged Qualitas to provide a facility on agreed terms and to proceed with formal investment approvals.

Wholesale Entitlement Offer. Investors should consider the PDS in deciding whether to acquire, or continue to hold, units in the Trust.

About Qualitas Real Estate Income Fund

The Qualitas Real Estate Income Fund ("**Trust**" or "**QRI**") seeks to provide monthly income[2] and capital preservation by investing in a portfolio of investments that offers exposure to real estate loans secured by first and second mortgages, predominantly located in Australia.

About the Manager

QRI Manager Pty Ltd is the Manager of the Trust, and is wholly owned by the Qualitas Group ("**Qualitas**").

Established in 2008, Qualitas has an 11-year track record in the real estate sector and currently manages approximately $2.3 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.

About the Trust Company (RE Services) Limited

The Responsible Entity of the Trust is The Trust Company (RE Services) Limited, a wholly owned member of the Perpetual Group ("**Perpetual**"). Perpetual has been in operation for over 130 years and is an Australian public company that has been listed on the ASX for over 50 years.

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Notices and disclaimers

This communication has been issued by The Trust Company (RE Services) Limited (ACN 003 278 831) (AFSL 235150) responsible entity of The Qualitas Real Estate Income Fund (ARSN 627 917 971) (Trust) and has been prepared by QRI Manager Pty Ltd (ACN 625 857 070) (AFS Representative 1266996 as authorised representative of Qualitas Securities Pty Ltd (ACN 136 451 128) (AFSL 34224)) as the Investment Manager for the Trust..

This communication contains general information only and does not take into account your investment objectives, financial situation or needs. It does not constitute financial, tax or legal advice, nor is it an offer, invitation or recommendation to

[2] There is no guarantee the Trust will meet its Investment Objective. The payment of monthly cash income is a goal of the Trust only.

subscribe or purchase a unit in QRI or any other financial product. Before acting on any information contained in this communication, you should consider whether it's appropriate to you, in light of your objectives, financial situation or needs.

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