

Qualitas Real Estate Income Fund (ASX:QRI)

QRI completes core investment in Arch Finance Warehouse Trust notes

27 March 2019: The Manager is pleased to announce the completion of Qualitas Real Estate Income Fund's ("QRI" or "Trust") investment in up to \$24.6 million of subordinated loan notes in the Arch Finance Warehouse Trust (AFWT) note program, following approval from unitholders obtained at the Extraordinary General Meeting held on 25 March 2019.

The AFWT note program supports the funding of Arch Finance, a non-ADI commercial real estate mortgage originator in the sub-\$5m market. The AFWT has an existing income-generating, first-mortgage real estate loan portfolio of 197 loans totalling \$366 million (as at 31 January 2018). Arch Finance is wholly owned by the Qualitas Group.

"The investment in the AFWT note program is a core investment for QRI and demonstrates further progress in deployment of the Trust's Capital, in line with QRI's investment strategy and objectives.

"Importantly, the investment provides QRI with additional diversification benefits, while its risk adjusted returns are immediately accretive to the Trust's return profile," said Kathleen Yeung, CFO and Head of Strategy, Qualitas.

- Ends-

About Qualitas Real Estate Income Fund

The Qualitas Real Estate Income Fund ("Trust" or "QRI") seeks to provide monthly income¹ 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 QRI Manager Pty Ltd

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

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.

¹ There is no guarantee the Trust will meet its Investment Objective. The payment of monthly cash income is a goal of the Trust only

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.

For media enquires please contact:

Belinda White

Director, External Affairs

Mobile: 0421 193 668

Direct: 02 8073 0015

Email: belinda.white@qualitas.com.au

For investment enquiries please contact:

QRI Investor Relations

Phone: +61 3 9612 3900

Email: qri@qualitas.com.au

Trust Website: www.qualitas.com.au/invest

Disclaimer

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