



26 October 2006

REF: 251005 QPT11 AGM Results

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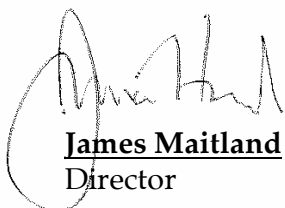
Dear Scott,

**RE: RESULTS OF ANNUAL GENERAL MEETING (AGM) 25 OCTOBER 2006**

The AGM of the Quantum Property Trust No.11 was held on Wednesday 25 October 2006, in conjunction with the AGM of the Quantum Property Syndicate No.11. We confirm that there were no formal resolutions voted upon at this years AGM, nor were any proposed at the meeting.

Attached is a copy of the information discussed and presented by the Directors of the Responsible Entity at the AGM. Any unit holder questions regarding the attached information should be directed to Quantum Syndicate Management Ltd on (02) 8823 5222.

Yours sincerely,



**James Maitland**  
Director



*Quantum Property Syndicate No.11 &  
Quantum Property Trust No.11  
Annual General Meeting 2007*

**Agenda:**

1. Achievements
2. Financial Performance
3. Property Performance
4. 2007 Outlook
5. General Business



### Achievements for 2006 Financial Year

- 24.31% increase in property value to \$16.1 million
- Total property value increased by 47.03% from purchase price of \$10.95m
- 100% occupancy
- Property gearing level of 51.01%
- Repaid 2<sup>nd</sup> mortgage in June 2006, via increase in 1<sup>st</sup> Mortgage (75% LVR on purchase price)
- Syndicate net asset backing of \$1.30
- Trust net asset backing of \$1.38

**SMART**INVESTMENT**TAKES**TIME



## Financial Performance

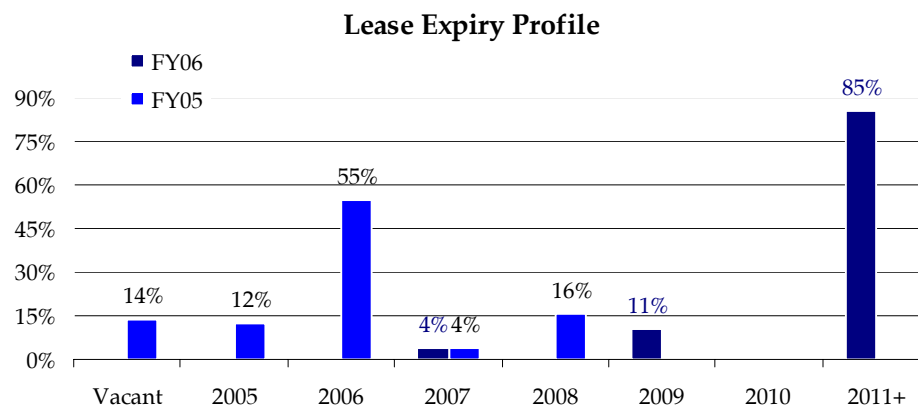
	<i>Syndicate</i>	<i>Trust</i>	<i>Combined Group</i>
Total assets	16,433,492	4,988,588	17,610,774
Net assets	16,284,718	4,304,436	9,244,805
Equity raised/ issued	12,480,000	3,120,000	5,560,000
Net asset backing	\$1.30	\$1.38	\$1.66
Net profit (before revaluations)	684,827	1,330,014	(42,521)
Earnings per interest (before reval.)	5.49	42.63	(0.76)
Revaluations	3,148,602	-	3,148,602
Revaluation earnings per interest	25.23	-	56.63
Total earnings per interest	30.72	42.63	55.86

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## Property Performance

- 6 new 5 year leases signed
- Brisbane leasing market continues to be strong
- Average incentive level of 14.8%
- Lift capex budget of \$160,000

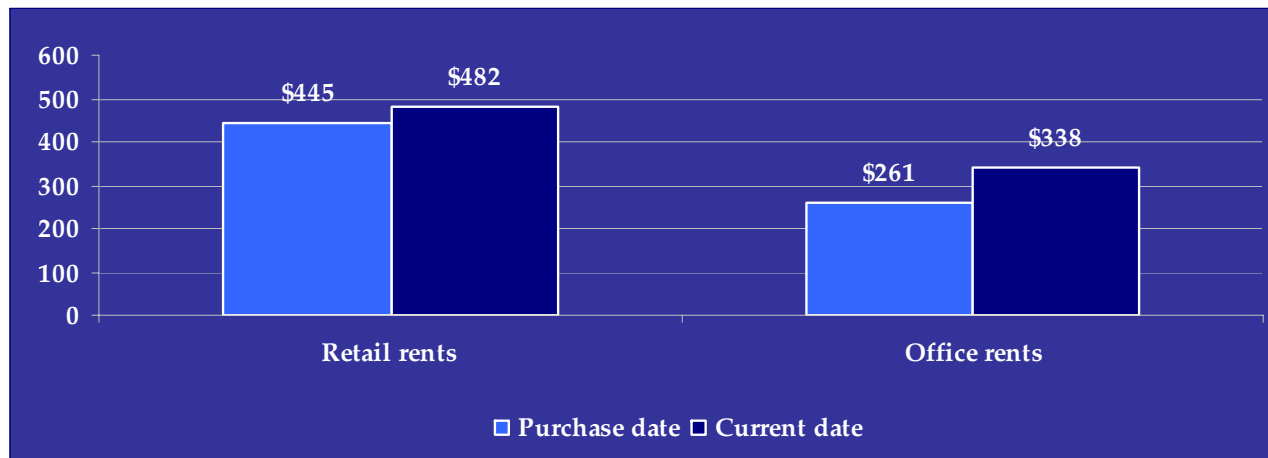


Net lettable area	3,930 sqm plus 28 cars
Tenants	Multi tenanted
Occupancy	100%
Weighted average lease expiry (by income)	5.50 years
Net property income	767,523
Acquisition price	10,950,000
Current valuation	16,100,000
Increase in value since acquisition	47.03%
Increase in value for current year	24.31%
Property gearing level	51.01%



## Property Performance (continued)

*Comparison of retail/office rents from purchase date vs current date*



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## Property Performance (continued)

### *Development Options*

- Nov/Dec 2005- Quantum discussed options with neighbours to:
  - ✓ Joint venture commercial tower; or
  - ✓ Purchase their buildings
- Neighbours decided not to pursue JV
- Current value of the property represents highest and best use at this stage



## Outlook for 2007 Financial Year

- New building record of \$450 psqm for level 5 tenant (5 year lease)
- Continue to focus on tenant management
- Manage the lease expiries on level 6
- Capex on the lift
- Trust cash distribution set at 10.00 cents per unit

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## General Business

### ➤ Questions

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## Future Property Deals

- Quantum Property Syndicate No.15 – Casuarina Beach, New Tweed Coast
- Quantum Property Syndicate No.16 – Gateway on Palmer, Townsville
- Quantum Property Syndicate No.17 – Albion, Brisbane
- QPOF – Quantum Property & Opportunity Fund

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