

QUANTUM PROPERTY SYNDICATE NO.11 & QUANTUM PROPERTY TRUST NO.11 SPECIAL MEETING REPORT - JULY 2007

MANAGERS OVERVIEW

On behalf of Quantum Syndicate Management Ltd, we provide this special report to investors of the Quantum Property Syndicate No.11 and Quantum Property Trust No.11.

Summary of the key points of the special report are:

- > Investor meeting to be held 1 August 2007; and
- > Resolution to sell the property for \$19.15 million

SPECIAL MEETING

The Manager hereby circulates a notice of a special meeting of investors as detailed below:

Date	Wednesday, 1 August 2007
Time	5:00pm
Venue	Quantum Offices Level 9, 49-51 York Street SYDNEY NSW 2000
Purpose	To discuss and vote on the proposed resolutions

The agenda will be to table the resolutions for discussion and with the vote to be held after discussion. Any investors not able to attend should complete the attached circulating resolution form and return to the Manager prior to the meeting.

RESOLUTIONS

Resolutions to be voted upon at the special meeting:

1. Resolve to sell the property at or near to \$19.15 million

To consider and if thought fit, pass the following resolution as a special resolution:

"that the Responsible Entity, Quantum Syndicate Management Ltd be authorised to instruct the Custodian, Australian Executor Trustees Ltd, to enter into a contract for sale and other documents relating to the proposed transaction to sell the property, 155 Queen Street Brisbane at a sale price at or near \$19.15 million."

2. Resolve to de-list the Trust units from the NSXA

To consider and if thought fit, pass the following resolution as a special resolution:

"that should resolution 1 be passed, the unit holders of the Trust authorise the Responsible Entity, Quantum Syndicate Management Ltd to apply to the NSXA to remove the ordinary units of the trust from the official list."

ANALYSIS OF RESOLUTION 1

As noted at the 2006 AGM the Manager receives a number of enquiries to sell the property, and it was agreed at that meeting that if an offer was received above \$18 million it was to be put to a formal investor vote. The Manager has been approached by a Queensland purchaser to acquire the property through Jones Lang LaSalle in Brisbane. The terms of that offer are as follows:

Price	\$20 million
Rent Guarantee	\$0.85 million to be paid by the Syndicate as a rebate at settlement
Due Diligence	45 days to 10 August 2007
Deposit	\$660,000, \$165,000 paid now, with the balance paid after due diligence date
Settlement	90 days after due diligence, 8 November 2007
Other	Subject to investors approval

The Manager has or will have entered into an option deed with the purchaser based upon the above terms, which provides that investor approval must be given granted prior to the due diligence date otherwise the option comes to an end and is not enforceable.

Analysis of the sale offer:

Net Price	\$19.15 million
Rate/sqm	\$4,959
Initial Yield	6.03%
Increase in Value from Purchase	74.89%
CBD Office Market Yields	6-7%

Analysis of investor returns from the sale offer:

	Owners	Unit Holders
Return of capital from:		
> Proceeds of sale	\$4,302,805	\$5,447,195
> Cash distributions	\$0	\$390,000
Capital Return (Before Tax)	\$4,302,805	\$5,867,195
<i>Return on Investment</i>	176.34%	188.05%
> Tax refunds/(payable) ^	\$419,184	(\$363,300)
Capital Return (After Tax)	\$4,439,282	\$5,503,595
<i>% of capital invested</i>	193.52%	176.40%
Total return (pa from inception)	22.73%	26.21%

^ Tax is based upon the relevant top marginal rate for Owners and 15% for Unit Holders.

ANALYSIS OF RESOLUTION 2

As required under the listing rules of the NSXA, should investors agree to sell the property, the purpose of the Trust will come to an end the units will be removed from the exchange. This resolution will only be voted on if resolution 1 is passed, and is only relevant to the Unit Holders of the Trust.

MANAGERS DISCLOSURE

The Manager discloses that the same purchaser has offer to purchase another Quantum property, these offers are independent of each other and are not affected by the outcome of either offer.

INVESTOR INFORMATION

Further information, including past quarterly reports and other updates can be obtained from the Quantum website, www.quantumgroup.com.au or please contact Quantum on (02) 8823 5222.

We would like to thank you for your continued support and look forward to reporting to investors over the coming financial year.

Disclaimer:

This special update does not include all the disclosures of the annual or half yearly financial reports. Accordingly, it should be read in conjunction with the annual and half yearly reports and any further announcements made by the Syndicate or Trust. The information contained in this update is intended to provide general financial information only. Quantum Syndicate Management Ltd does not warrant or represent that the information in this update is free from errors or omissions or, as no account is taken of your individual objectives, financial situation, and investment needs, is suitable for your intended use.