



# USQ Core Real Estate Fund

Annual Report  
March 31, 2026

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March 31, 2026 (Unaudited)

Dear Shareholder,

We are pleased to present this annual report for the USQ Core Real Estate Fund (the “Fund”) for the fiscal year ending March 31, 2026 (the “Reporting Period”). The report includes a discussion of Fund performance, a schedule of the Fund’s investments, and its audited financial statements.

As you are aware, the Fund has undergone certain operational changes since the last annual report was presented. The Plan of Liquidation was approved by the Board of Trustees in October 2025, and management has begun to sell the Fund’s portfolio of private equity real estate investments. Although repurchases are currently suspended, periodic liquidating distributions will be made to shareholders as sufficient funds become available in the Fund. No action is required on your part, shareholders can expect to receive pro-rata distributions as the Liquidation Plan advances.

### Market Review

The Reporting Period was defined by extreme volatility followed by a resilient economy. The announcement of “Liberation Day” tariffs on April 2, 2025 triggered a sharp spring selloff, with the S&P 500 dropping nearly 12% in four days. Markets later staged a historic rebound after a 90-day reprieve and more targeted trade negotiations stabilized sentiment. Growth in 2025 was heavily driven by the “AI/Technology Diffusion” theme and record-high U.S. defense spending. After a long pause, the Fed initiated a measured easing cycle, cutting interest rates three times in late 2025 (September, November, and December) by a total of 0.75%. A 43-day federal government shutdown (October–November) introduced further volatility and delayed critical economic data, making the Fed’s “data-dependent” path more challenging. The Fed paused its rate-cutting cycle, maintaining the federal funds rate at 3.5%–3.75%. Geopolitical tensions erupted at the end of February with U.S.-Israeli strikes on Iran. This led to the closure of the Strait of Hormuz, causing WTI crude oil to surpass \$100 per barrel and briefly raised G20 inflation projections to 4.0% for 2026. While Fed officials are still signaling a long-term bias toward cutting, market expectations by late March had dropped to zero rate cuts for the remainder of 2026.

Despite this complex environment, the S&P 500 Index demonstrated resilience with a total return of +17.80% during the Reporting Period. Conversely, the fixed income market faced headwinds; the Bloomberg U.S. Aggregate Bond Index posted a one-year total return of +4.35%, despite enduring its worst month in years with a -4.5% drop in April 2025. While yields initially fell in February 2026, a late-quarter spike in inflation concerns drove the 10-year Treasury yield back up to 4.3% by March. The commercial real estate sector regained its footing with the NCREIF Fund Index – Open-end Diversified Core Equity (the “NFI-ODCE”) gaining +3.11% over the Reporting Period and is poised for continued recovery. Fundamentals are stabilizing due to lower new supply, and increased transaction volume has created greater clarity on values. We believe commercial real estate performance is well-positioned to remain positive, supported by robust income, strengthening fundamentals, and a significant pullback in new supply.

### Manager Discussion of Fund Performance

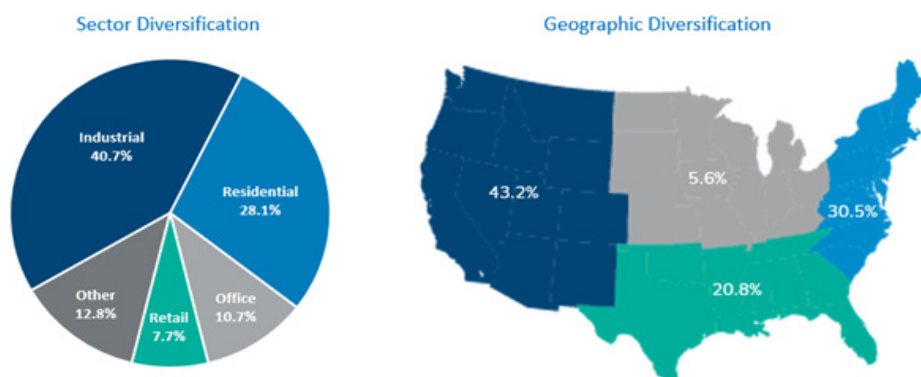
For the year ended March 31, 2026, the Fund’s Class I shares delivered a total return of +0.99%. During the same period, broad-based equity markets delivered a positive return of +17.80% (S&P 500 Index), while fixed income posted a return of +4.35% (Bloomberg U.S. Aggregate Bond Index).

There were no new investments made during the Reporting Period and management placed full redemption requests for the entire portfolio. We have successfully exited eight investments and the Fund is currently receiving partial redemption payments from the remaining investments, except for the U.S. Government Building Fund which is currently gated.

In June and September of 2025, the Fund made normal quarterly distributions to shareholders totaling \$0.438 per share of Class I. In connection with the approval of the Plan of Liquidation in October, the Fund discontinued its practice of making targeted 1% quarterly distributions. The first liquidating distribution payment was made on December 30, 2025 in the amount of \$0.56 per share. On March 6, 2026, the Fund made a second distribution payment of \$4.886 per share. We expect a majority of these distributions will be treated

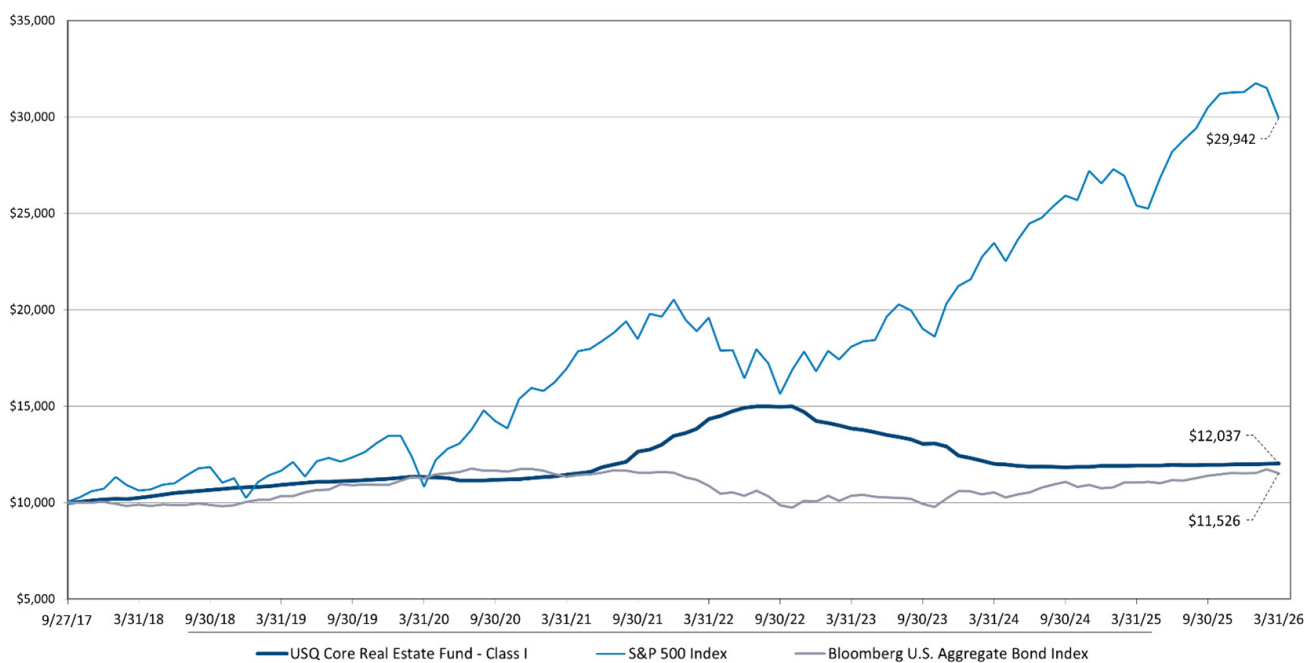
as a return of capital for tax purposes given the Fund’s investments in real estate which are generally exempt from corporate taxes and have favorable tax treatment on distributions. See additional disclosures below regarding the character of the distributions. We are currently unable to confirm the amount or timing of future distributions to shareholders. However, shareholders should be prepared for the possibility that final liquidation may not occur until 2027, or later.

Below are the Fund’s current sector allocations and geographic weightings, which have not changed materially since the beginning of the Reporting Period.



*Portfolio sector and geographic weightings are with respect to the portion of the Fund invested in private funds as of 4/1/26 and are subject to change. Diversification does not ensure profit or prevent losses.*

**Growth of Assumed \$10,000 Investment**



*The graph shown above represents historical performance of a hypothetical investment of \$10,000 in the Fund since inception. Past performance is not indicative of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Investing involves risk, including loss of principal. Fund*

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performance includes reinvestment of distributions and reflects management fees and other expenses. The Fund return does not reflect the deduction of all fees, including third-party brokerage commissions or third-party investment advisory fees paid by investors to a financial intermediary for brokerage services. If the deduction of such fees was reflected, the performance would be lower. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. An investment cannot be made in an index, which is unmanaged and has returns that do not reflect any trading, management, or other costs.

**The Fund's performance\* compared to its benchmarks for the periods ended March 31, 2026.**

	1 Year	3 Year	5 Year	Since Inception 9/27/2017
USQ Core Real Estate Class I (USQIX) <sup>1</sup>	0.99%	-4.68%	1.03%	2.20%
S&P 500 Index	17.80%	18.32%	12.06%	13.76%
Bloomberg U.S. Aggregate Bond Index	4.35%	3.63%	0.31%	1.68%
MSCI U.S. REIT Index	6.79%	9.13%	5.80%	5.96%
NFI-ODCE <sup>2</sup>	3.11%	-2.81%	2.34%	3.23%

<sup>1</sup> Effective as of the close of business on December 12, 2025, the outstanding Class L shares of the Fund were converted to Class I shares of the Fund.

<sup>2</sup> Since Inception performance of the NFI-ODCE is as of 10/2/2017, due to quarterly calculation of the index.

\* Fund returns reflect actual fee waivers for the time periods represented. Had fees and expenses not been waived, returns would have been lower. See the prospectus for more information on current fees and expenses. All investing involves risk, including the possible loss of principal. The Fund's Amended and Restated Expense Limitation Agreement with Union Square Capital Partners, LLC was terminated effective after the close of business on October 31, 2025. Class I has a total annual operating expense of 1.01%, per the prospectus supplement dated October 31, 2025 to the prospectus dated July 29, 2025.

**The performance quoted represents past performance. Past performance does not guarantee future results. The current performance may be lower or higher than the performance data quoted. The investment return and principal value of the Fund will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost. Performance data current to the most recent month end may be obtained by calling 1-833-877-3863 or visit the Fund's website at [www.usq.com](http://www.usq.com).**

Management remains focused on liquidating the remaining portfolio expeditiously while preserving value for shareholders.



G. Keith Downing  
President and Treasurer

*This letter represents the opinions of the Fund's management and are subject to change, are not guaranteed and should not be considered recommendations to buy or sell any security. The information provided is not intended to be, and is not, a forecast of future events, a guarantee of results, or investment advice.*

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**Indexes**

**Bloomberg U.S. Aggregate Bond Index** The Bloomberg U.S. Aggregate Bond Index is an unmanaged market value-weighted index for U.S. dollar denominated investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year.

**MSCI US REIT Index** is a free float-adjusted market capitalization index that is comprised of equity REITs. With 117 constituents, it represents about 99% of the US REIT universe and securities are classified in the Equity REITs Industry (under the Real Estate sector) according to the Global Industry Classification Standard (GICS®). It however excludes Mortgage REIT and selected Specialized REITs.

**NFI-ODCE** The NCREIF Fund Index — Open-end Diversified Core Equity (NFI-ODCE) consists of private real estate equity funds that meet certain criteria with respect to such things as leverage (less than 35%), operations (at least 75% invested in properties that are 75% or more leased), sector and geographic diversification, and investment in core real estate (at least 75% in office, industrial, apartment, and retail properties).

**S&P 500 Index** S&P 500 Index is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance.

One cannot invest directly in an index.

**Risk Disclosures**

Investing in the Fund's shares involves substantial risks, including the risks set forth in the "Risk Factors" section of this prospectus, which include, but are not limited to the following:

- Investing in real estate entails special risks, including (i) changes in general economic and market conditions; (ii) changes in the value of real estate properties; (iii) risks related to local economic conditions, overbuilding and increased competition; (iv) increases in property taxes and operating expenses; (v) changes in zoning laws; (vi) casualty and condemnation losses; (vii) variations in rental income, neighborhood values or the appeal of property to tenants; (viii) the availability of financing and (ix) changes in interest rates and leverage. There are also special risks associated with particular real estate sectors, or real estate operations generally.
- The Fund is not intended to be a complete investment program, but instead as a way to help investors diversify into real estate. Diversification does not ensure a profit or guarantee against a loss.
- There currently is no secondary market for the Fund's shares and the Adviser does not expect that a secondary market will develop.

**Other Important Disclosures**

Shareholders should not assume that the source of a distribution from the Fund is net profit. A portion of the distributions consist of a return of capital based on the character of the distributions received from the underlying holdings, primarily Real Estate Investment Trusts. The final determination of the source and tax characteristics of all distributions will be made after the end of the year. Shareholders should note that return of capital will reduce the tax basis of their shares and potentially increase the taxable gain, if any, upon disposition of their shares. Distribution rates are not performance and there is no assurance that the Fund will continue to declare distributions or that they will continue at these rates.

The USQ Core Real Estate Fund is a continuously-offered, non-diversified, registered closed-end fund with limited liquidity.

March 31, 2026

Description	Shares	Fair Value
<b>REAL ESTATE INVESTMENTS — 93.6%</b>		
<b>Private Equity Real Estate Funds — 93.6% <sup>(a)</sup></b>		
AEW Core Property (U.S.), LP <sup>(b)</sup>	7,445	\$ 7,668,329
ARA Core Property Fund, LP <sup>(b)</sup>	22	2,652,680
ASB Allegiance Real Estate Fund, LP <sup>(b)</sup>	3,544	4,709,388
Barings Core Property Fund LP <sup>(b)</sup>	30,867	3,522,979
BGO Daily Value Fund - Class F <sup>(b)</sup>	165,399	2,096,880
BGO Diversified US Property Fund LP <sup>(b)</sup>	2,678	6,618,958
BlackRock US Core Property Fund, LP <sup>(b)(c)</sup>	—	8,810,854
CBRE U.S. Core Partners, LP <sup>(b)</sup>	6,985,921	10,382,862
CIM UII Onshore, LP <sup>(b)</sup>	6,070	7,364,981
Clarion Lion Properties Fund, LP <sup>(b)</sup>	8,542	12,891,872
GWL US Property Fund LP <sup>(b)(c)</sup>	—	10,315,715
Invesco Core Real Estate - U.S.A., LP <sup>(b)</sup>	21	3,196,940
Lion Industrial Trust <sup>(b)</sup>	738	2,772,127
Prime Property Fund, LLC <sup>(b)</sup>	434	8,267,923
Principal Enhanced Property Fund, LP <sup>(b)</sup>	111,867	1,470,848
PRISA LP <sup>(b)</sup>	3,403	7,305,503
Prologis Targeted U.S. Logistics Fund, LP <sup>(b)</sup>	1,924	5,480,626
RREEF America II LP <sup>(b)</sup>	42,987	5,470,758
RREEF Core Plus Industrial Fund LP <sup>(b)</sup>	17,968	3,994,984
Strategic Property Fund <sup>(b)</sup>	576,474	6,720,070
Trumbull Property Fund LP <sup>(b)</sup>	625	5,525,856
U.S. Real Estate Investment Fund, LLC <sup>(b)</sup>	3,107	3,612,149
U.S. Real Property Income Fund, LP <sup>(c)(d)</sup>	—	36,207
US Government Building Fund <sup>(b)(c)</sup>	—	5,280,200
<b>TOTAL REAL ESTATE INVESTMENTS (Cost \$127,770,044)</b>		<b>136,169,689</b>
<b>SHORT-TERM INVESTMENTS</b>		
<b>MONEY MARKET FUNDS — 1.1%</b>		
Invesco Government & Agency - Institutional Class, 3.58% <sup>(e)</sup>	326,255	\$ 326,255
JPMorgan US Government Money Market Fund - Class Premier, 3.30% <sup>(e)</sup>	1,226,607	1,226,607
<b>TOTAL SHORT-TERM INVESTMENTS (Cost \$1,552,862)</b>		<b>1,552,862</b>
<b>TOTAL INVESTMENTS — 94.7% (Cost \$129,322,906)</b>		<b>\$ 137,722,551</b>
<b>Other Assets in Excess of Liabilities — 5.3%</b>		<b>7,692,038</b>
<b>TOTAL NET ASSETS — 100.0%</b>		<b>\$ 145,414,589</b>

Percentages are stated as a percent of net assets.

LLC - Limited Liability Company

LP - Limited Partnership

<sup>(a)</sup> Securities considered illiquid and restricted. As of March 31, 2026 the value of these investments was \$136,169,689 or 93.6% of the Fund's net assets.

<sup>(b)</sup> In accordance with ASC 820-10, Private Investment Funds are valued using the practical expedient methodology

<sup>(c)</sup> Partnership is not designated in units. Ownership interest in each security is less than 2.5% at March 31, 2026.

<sup>(d)</sup> Fair Value estimated using Fair Valuation Procedures adopted by the Board of Trustees (See Notes to Financial Statements).

<sup>(e)</sup> The rate shown represents the 7-day annualized yield as of March 31, 2026.

The accompanying notes are an integral part of these financial statements.

March 31, 2026

**Assets**

Investments at fair value (cost \$129,322,906)	\$ 137,722,551
Dividends receivable	631,816
Receivable for investments sold	7,274,540
Interest receivable	35,286
Prepaid assets and other assets	9,535
<b>Total assets</b>	<b>145,673,728</b>

**Liabilities**

Payable to Adviser, net of waiver (Note 3)	84,621
Administration fees payable (Note 3)	47,620
Audit fees payable	37,273
Transfer agency fees payable (Note 3)	34,485
Trustees' fees payable (Note 3)	21,310
Service fees payable	13,311
Compliance fees payable	6,500
Reports to shareholders payable	4,705
Legal fees payable	4,500
Accrued expenses and other liabilities	4,814
<b>Total liabilities</b>	<b>259,139</b>
<b>Net assets</b>	<b>\$ 145,414,589</b>

*Commitments and Contingencies (See Note 7).*

**Net Assets Consist of**

Paid-in capital	\$ 129,608,739
Total distributable earnings	15,805,850
<b>Net assets</b>	<b>\$ 145,414,589</b>

**Class I**

Net assets applicable to outstanding shares	<u>\$ 145,414,589</u>
Shares of beneficial interest outstanding (unlimited shares authorized, no par value)	<u>8,902,161</u>
Net asset value per share outstanding	<u>\$ 16.33</u>

*The accompanying notes are an integral part of these financial statements.*

Year Ended March 31, 2026

<b>Investment Income</b>	
Dividend income	\$ 595,374
Prior year dividend income reclassification (Note 2)	(789,972)
Interest	8,063
<b>Total investment income</b>	<b>(186,535)</b>
<b>Expenses</b>	
Management fees	1,290,068
Interest Expense (Note 8)	923,884
Shareholder service fees - Class I	229,390
Administrator fees	151,904
Professional fees	108,714
Transfer agent fees	108,174
Trustees' fees	80,144
Compliance fees	78,000
Registration fees	68,612
Reports to shareholders	34,908
Custodian fees and expenses	24,891
Insurance expense	22,647
<b>Total expenses</b>	<b>3,121,336</b>
Less fees waived/expense reimbursement by Adviser (Note 3)	(184,655)
<b>Net Fund Expenses</b>	<b>2,936,681</b>
<b>Net Investment Income/(Loss)</b>	<b>(3,123,216)</b>
<b>Realized and Unrealized Gain/(Loss) on Investments</b>	
Long term capital gain distributions	993,293
<b>Net realized gain/(loss) on investments</b>	<b>1,322,981</b>
<b>Net realized gain/(loss)</b>	<b>2,316,274</b>
<b>Net change in unrealized appreciation/(depreciation) of investments</b>	<b>3,031,536</b>
<b>Net Realized and Unrealized Gain/(Loss) on Investments</b>	<b>5,347,810</b>
<b>Increase/(Decrease) in Net Assets Resulting from Operations</b>	<b>\$ 2,224,594</b>

The accompanying notes are an integral part of these financial statements.

	Year Ended March 31, 2026	Year Ended March 31, 2025
<b>Operations</b>		
Net investment income/(loss)	\$ (3,123,216)	\$ (1,992,736)
Net realized gain/(loss)	2,316,274	(3,171,540)
Net change in unrealized appreciation/(depreciation) on investments	3,031,536	4,572,127
Increase/(Decrease) in Net Assets Resulting from Operations	2,224,594	(592,149)
<b>Distributions to Shareholders</b>		
From distributable earnings		
Class I	(1,208,289)	—
Class L	(85)	—
From return of capital		
Class I	(51,445,887)	(8,248,899)
Class L	(3,602)	(7,908)
Increase/(decrease) in net assets from distributions	(52,657,863)	(8,256,807)
<b>Capital Share Transactions</b>		
<b>Class I</b>		
Proceeds from sales of shares	6,721,807	15,882,099
Distributions reinvested	1,135,281	2,283,670
Cost of shares redeemed	(34,293,488)	(35,271,243)
Proceeds from Class L exchange (Note 1)	179,903	—
Proceeds from shares issued in fund reorganization	—	100,234,375
Net increase/(decrease) from capital shares transactions	(26,256,497)	83,128,901
<b>Class L</b>		
Proceeds from sales of shares	1,090	1,488
Distributions reinvested	2,597	4,743
Cost of shares redeemed	—	(88,014)
Cost of shares redeemed from exchange to Class I Shares (Note 1)	(179,903)	—
Proceeds from shares issued in fund reorganization	—	147,779
Net increase/(decrease) from capital shares transactions	(176,216)	65,996
Net increase/(decrease) in net assets	(76,865,982)	74,345,941
<b>Net Assets</b>		
Beginning of year	222,280,571	147,934,630
End of year	\$ 145,414,589	\$ 222,280,571

The accompanying notes are an integral part of these financial statements.

	Year Ended March 31, 2026	Year Ended March 31, 2025
<b>Other Information</b>		
<b>Beneficial Interest Transactions:</b>		
<b>Class I</b>		
Beginning shares	10,105,978	6,407,209
Shares sold	307,723	710,500
Distributions reinvested	52,377	102,707
Shares redeemed	(1,572,165)	(1,569,912)
Shares issued from Class L exchange (Note 1)	8,248	—
Shares issued in fund reorganization	—	4,455,474
Net increase/(decrease) in shares outstanding	(1,203,817)	3,698,769
Ending shares	8,902,161	10,105,978
<b>Class L</b>		
Beginning shares	8,079	5,207
Shares sold	50	67
Distributions reinvested	119	212
Shares redeemed	—	(3,953)
Shares redeemed in exchange to Class I Shares (Note 1)	(8,248)	—
Shares issued in fund reorganization	—	6,546
Net increase/(decrease) in shares outstanding	(8,079)	2,872
Ending shares	—	8,079

*The accompanying notes are an integral part of these financial statements.*

As of March 31, 2026

**Cash Flow from Operating Activities:**

Net increase/(decrease) in net assets resulting from operations	\$ 2,224,594
Adjustments to reconcile net increase/(decrease) in net assets resulting from operations to net cash provided by/(used in) operating activities:	
Purchase of investments	(81,087)
Proceeds from sales	99,118,538
Net sales of short-term investments	620,511
Long term capital gain distributions	(993,293)
Net realized (gain)/loss on investments	(1,322,981)
Net change in unrealized (appreciation)/depreciation of investments	(3,031,536)
Return of capital distributions received	5,032,774
Long term capital gain distributions received	993,293
(Increase)/decrease in assets:	
Receivable for investments sold	(5,980,789)
Receivable for capital shares sold	14,669
Dividends receivable	525,352
Interest receivable	(30,723)
Prepaid expenses and other assets	28,650
Increase/(decrease) in liabilities:	
Payable to Adviser, net of waiver	(18,820)
Audit fees payable	(12,477)
Trustees' fees payable	(11,754)
Administration fees payable	20,073
Transfer agency fees payable	11,568
Reports to shareholders payable	(9,545)
Service fees payable	13,311
Interest payable	(10,540)
Accrued expenses and other liabilities	(18,197)
<b>Net cash provided by/(used in) in operating activities</b>	<b>97,081,591</b>

**Cash Flows from Financing Activities:**

Proceeds from shares sold	6,902,800
Payment on shares redeemed	(34,473,390)
Cash distributions paid	(51,519,985)
Net proceeds from line of credit borrowings/(paydowns)	(17,991,016)
<b>Net cash provided by financing activities</b>	<b>(97,081,591)</b>

**Net increase/(decrease) in cash**

—

**Cash, beginning of year**

—

**Cash, end of year**

\$

—

Supplemental Disclosure of non-cash activity:

Non-cash financing activities not included herein consist of reinvestment of distributions of \$1,137,878.

*The accompanying notes are an integral part of these financial statements.*

# USQ Core Real Estate Fund - Class I<sup>(1)</sup>

# Financial Highlights

For a Share Outstanding Throughout the Years Presented

	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Net Asset Value, Beginning of Year<sup>(2)</sup></b>	\$ 21.98	\$ 23.07	\$ 27.67	\$ 29.86	\$ 24.81
<b>Income from Investment Operations</b>					
Net investment income/(loss) <sup>(3)</sup>	(0.34)	(0.24)	(0.13)	(0.02)	(0.11)
Net realized and unrealized gain/(loss) on investments	0.58	0.05	(3.45)	(0.97)	6.25
Total income/(loss) from investment operations	0.24	(0.19)	(3.58)	(0.99)	6.14
<b>Distributions to Shareholders</b>					
From net investment income	—	—	(0.15)	(0.37)	(0.11)
From net realized gains	(0.14)	—	—	—	—
From return of capital	(5.75)	(0.90)	(0.87)	(0.83)	(0.98)
Total distributions	(5.89)	(0.90)	(1.02)	(1.20)	(1.09)
<b>Increase/(Decrease) in Net Asset Value</b>	(5.65)	(1.09)	(4.60)	(2.19)	5.05
<b>Net Asset Value, End of Year<sup>(2)</sup></b>	\$ 16.33	\$ 21.98	\$ 23.07	\$ 27.67	\$ 29.86
<b>Total Return<sup>(2)(4)</sup></b>	1.18%	(0.81)%	(13.19)%	(3.53)%	25.29%
<b>Supplemental Data and Ratios</b>					
Net assets, end of year (000s)	\$ 145,415	\$ 222,102	\$ 147,814	\$ 201,147	\$ 189,503
Ratio of expenses to average net assets, including interest expense					
before waiver <sup>(5)</sup>	1.57%	1.85%	1.39%	N/A	N/A
after waiver <sup>(5)</sup>	1.48%	1.68%	1.16%	N/A	N/A
Ratio of expenses to average net assets, excluding interest expense					
before waiver <sup>(5)</sup>	1.11%	1.13%	1.16%	1.08%	1.31%
after waiver <sup>(5)</sup>	1.02%	0.96%	0.94%	0.92%	0.91%
Ratio of net investment income/ (loss) to average net assets					
before waiver <sup>(5)</sup>	(1.67)%	(1.22)%	(0.71)%	(0.23)%	(0.79)%
after waiver <sup>(5)</sup>	(1.58)%	(1.06)%	(0.49)%	(0.07)%	(0.39)%
Portfolio turnover rate	0.04%	0.03%	1.09%	4.12%	0.13%

(1) Effective as of the close of business on December 12, 2025, the outstanding Class L shares of the Fund were converted to Class I shares of the Fund. See Note 1.

(2) Includes adjustments in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and returns based upon those net asset values may differ from the net asset values and returns for shareholder transactions.

(3) Calculated using the average shares method.

(4) Total returns shown are historical in nature and assume changes in share price and reinvestment of dividends and capital gains distributions, if any. Had the Adviser not waived/reimbursed a portion of Fund expenses, total returns would have been lower.

(5) Ratios do not include expenses of underlying private investment funds in which the Fund invests.

The accompanying notes are an integral part of these financial statements.

## 1. ORGANIZATION

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The USQ Core Real Estate Fund (the “Fund”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a non-diversified, closed-end management company. The Fund engages in a continuous offering of shares and operates as an interval fund that offers quarterly repurchases of shares at net asset value (“NAV”). The Fund’s investment adviser is Union Square Capital Partners, LLC (the “Adviser”). The investment objective of the Fund is to generate a return comprised of both current income and capital appreciation with moderate volatility and low correlation to the broader markets.

The Fund is organized as a statutory trust under the laws of the State of Delaware. The Fund commenced operations on September 27, 2017.

On October 29, 2025, the Fund, based upon the recommendation of the Adviser, approved a plan of liquidation for the Fund (the “Liquidation Plan”). After considering a variety of factors, the Board of Trustees of the Fund concluded that it would be advisable and in the best interest of the Fund and its shareholders that the Fund be closed and liquidated. As a result of the adoption of the Liquidation Plan, the Fund is no longer actively pursuing its stated investment objective. Shareholders will receive one or more payments representing the shareholder’s proportionate interest in the net assets of the Fund, after the Fund has paid or provided for all taxes, expenses and any other liabilities, subject to any required withholdings. While the Fund has begun liquidating its portfolio, at this time, there is no estimate of when the liquidation will be completed.

Sales of the Fund’s shares were suspended effective October 29, 2025. Effective as of the close of business on December 12, 2025, the outstanding Class L shares of the Fund were converted to Class I shares of the Fund.

Effective October 31, 2025, the Fund’s quarterly repurchase offers and the Fund’s target 1% quarterly dividend practice were suspended through the final distribution of the Fund’s assets pursuant to the Liquidation Plan.

## 2. SIGNIFICANT ACCOUNTING POLICIES

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The following is a summary of significant accounting policies followed by the Fund in preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Fund is an investment company and, accordingly, follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, Financial Services - Investment Companies.

### Valuation of Private Investment Funds

The private institutional real estate investment funds in which the Fund invests (“Private Investment Funds”) are not publicly traded. The Private Investment Funds measure their investment assets at fair value and report a NAV per share on a calendar quarter basis. In accordance with ASC 820, the Fund applies the practical expedient to value its investments in Private Investment Funds at their respective NAVs at each quarter – as this method more accurately estimates the actual value of each Private Investment Fund at quarter-end. For non-calendar quarter-end days, the Adviser, as the Board of Trustees’ “valuation designee” under 1940 Act Rule 2a-5, may consider certain information provided by a Private Investment Fund’s investment manager to determine the estimated value of the Fund’s holdings in such Private Investment Funds. The valuation provided by the investment manager as of a specific date may vary from the actual sale price that may be obtained if such investment were sold to a third party. To determine the estimated value of the Fund’s investment in Private Investment Funds, the Adviser considers, among other things, information provided by the Private Investment Funds, including quarterly unaudited financial statements.

**Valuation of Public Investments**

Readily marketable portfolio securities listed on the New York Stock Exchange (“NYSE”) are valued at the last sale price reflected on the consolidated tape at the close of the NYSE on the business day as of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the closing bid and ask prices on such day. If no bid or ask prices are quoted on such day or if market prices may be unreliable because of events occurring after the close of trading, then the security is valued by such method as the Adviser shall determine in good faith to reflect its fair market value. Readily marketable securities not listed on the NYSE but listed on other domestic or foreign securities exchanges are valued in a like manner. Portfolio securities traded on more than one securities exchange are valued at the last sale price on the business day as of which such value is being determined as reflected on the consolidated tape at the close of the exchange representing the principal market for such securities. Securities trading on The NASDAQ Stock Market (“NASDAQ”) are valued at the NASDAQ official closing price.

**Third-Party Pricing Agents**

The Adviser may contract with independent, third-party pricing agents to provide primary and secondary valuation coverage. Generally, there will be only one primary pricing agent identified for each type of security within the Fund’s portfolio.

**Use of Independent Brokers to Value Securities**

If a security price cannot be obtained from an independent, third-party pricing agent, the Adviser shall seek to obtain a bid price from at least one independent broker. The Adviser shall report to the Board on any use of an independent broker to value securities.

**Fair Value Pricing Procedures**

Securities for which market prices are not “readily available,” or which cannot be valued using the methodologies described in these procedures, will be valued in accordance with the Adviser’s Valuation Policy as approved by the Board. Notwithstanding the foregoing, a security shall not be required to be fair valued in accordance with the Adviser’s Valuation Policy if the aggregate impact to the Fund’s NAV would be less than \$0.01. For purposes of measuring the \$0.01 threshold, it is assumed that all securities that would otherwise be required to be fair valued were worthless to provide a hypothetical worst-case scenario. In such cases, the most recent available market value for such security may be used.

**Fair Value Measurements**

In applying the valuation procedures described in this Valuation Policy, the Adviser maximizes the use of “observable” versus “unobservable” inputs in markets which are active or markets where there has not been a significant decrease in the volume and frequency of transactions, as stressed by ASC Topic 820. Observable inputs are defined as inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are defined as inputs that reflect the Adviser’s own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances. To clarify observable versus unobservable inputs and increase consistency and comparability in Fair Value measurements, ASC Topic 820 establishes a Fair Value hierarchy (the “Fair Value Hierarchy”) that prioritizes valuation inputs into three levels, which is utilized by the Adviser. The Fair Value Hierarchy is described below in further detail.

*Level 1* - Level 1 inputs (“Level 1 Inputs”) are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Adviser has the ability to access at the valuation date. As defined in ASC Topic 820, an active market (“Active Market”) for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The portfolio has investments in actively traded securities and therefore are valued through the use of Level 1 Inputs in accordance with the Fair Value Hierarchy. In accordance with ASC Topic 820, when applicable Level 1 Inputs are available for a particular security, the Fair Value of the security is equal to the quoted price multiplied by the quantity held. Adjustments are not applied to the quoted price due to the size of a position relative to trading volume (i.e., blockage).

March 31, 2026

*Level 2* - Level 2 inputs (“Level 2 Inputs”) are inputs other than quoted prices included within Level 1 Inputs that are observable for the asset or liability, either directly or indirectly. Level 2 Inputs can include: quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, volatilities, prepayment speeds, loss severities, credit risks, default rates, etc.); and observable market-based inputs.

*Level 3* - Level 3 inputs (“Level 3 Inputs”) are unobservable inputs for the asset or liability. Unobservable inputs are used in the absence of observable inputs. Level 3 Inputs reflect the Adviser’s own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

These inputs are summarized in the three broad levels that follow.

Investments in Securities at Value	Level 1	Level 2	Level 3	Investments Valued at Net Asset Value <sup>(a)</sup>	Total
Private Equity Real Estate Funds	\$ —	\$ —	\$ 36,207	\$136,133,482	\$136,169,689
Short-Term Investments	1,552,862	—	—	—	1,552,862
<b>Total</b>	<b>\$ 1,552,862</b>	<b>\$ —</b>	<b>\$ 36,207</b>	<b>\$136,133,482</b>	<b>\$137,722,551</b>

(a) In accordance with ASC 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Assets & Liabilities.

The following is a reconciliation of assets in which Level 3 inputs were used in determining value:

Investments in Securities at Value	Beginning Fair Value March 31, 2025	Change in Unrealized Appreciation (Depreciation)	Sales or Distributions	Net Realized Gain (Loss)	Net Transfers into Level 3 on March 31, 2026 <sup>(b)</sup>	Ending Fair Value March 31, 2026
U.S. Real Property Income Fund, LP	\$ 585,495	\$ (147,635)	\$ (401,653)	\$ —	\$ —	\$ 36,207
<b>Total</b>	<b>\$ 585,495</b>	<b>\$ (147,635)</b>	<b>\$ (401,653)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 36,207</b>

(b) Transfers into or out of Level 3 can be attributed to changes in the availability of pricing sources and/or in the observability of significant inputs used to measure the fair value of those instruments. The inputs and techniques used in the determination of fair value for Level 3 investments is presented when the Fund has a significant amount of Level 3 investments at the beginning or end of the period.

### Use of Estimates

The preparation of the financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements. The Fund believes that these estimates utilized in preparing the financial statements are reasonable and prudent; however, actual results could differ from these estimates.

**Indemnifications**

In the normal course of business, the Fund enters into contracts that contain a variety of representations which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund expects the risk of loss to be remote.

**Federal Income Taxes**

The Fund intends to continue to qualify as a regulated investment company and comply with the provisions available to certain investment companies as defined in Subchapter M of the Internal Revenue Code of 1986, as amended, and to make distributions from net investment income and from net realized capital gains sufficient to relieve it from all, or substantially all, federal income taxes.

The Fund evaluates tax positions taken (or expected to be taken) in the course of preparing the Fund's tax provisions to determine whether these positions meet a "more-likely-than-not" standard that, based on the technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the "more-likely-than-not" recognition threshold is measured to determine the amount of benefit to recognize in the financial statements.

As of September 30, 2025, the Fund's most recent tax year end, the Fund did not have a liability for any unrecognized tax benefits. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expenses in the Statement of Operations. The Fund files U.S. federal, state, and local tax returns as required. The Fund's tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations which is generally three years after the filing of the tax return for federal purposes and four years for most state returns. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

**Investment Transactions**

Investment security transactions are accounted for on trade date. Gains and losses on securities sold are determined on a specific identification basis.

**Distributions to Shareholders**

Distributions from investment income are declared and paid quarterly. Distributions from net realized capital gains, if any, are declared and paid annually and are recorded on the ex-dividend date. The character of income and gains to be distributed is determined in accordance with income tax regulations, which may differ from GAAP. Shareholders will be informed of the tax characteristics of the distributions after the close of each fiscal year.

**Investment Income**

Interest income is accrued and recorded on a daily basis including amortization of premiums, accretion of discounts, and income earned from money market funds. Dividend income is recorded on the ex-dividend date, except that certain dividends from private investment funds are recorded as soon as the information is available to the Fund. Distributions received from the Fund's investments in private investment funds generally are comprised of investment income, capital gains, and return of capital. For financial statement purposes, the Fund uses investment income, capital gains, and return of capital estimates to allocate the distribution income received. Such estimates are based on historical information available from each private investment and other industry sources. These estimates may subsequently be revised based on information received from the private investment funds after their tax reporting periods are concluded, as the actual character of these distributions is not known until after the fiscal year end of the Fund. The Fund estimates the allocation of investment income, capital gains, and return of capital for the distributions received from private investment funds with the Statement of Operations. For the year ended March 31, 2026, the Fund has estimated approximately 13.4%, 15.5%, and 71.1% of the distributions from private investment funds to be investment income, capital gains, and return of capital, respectively. The Fund

records the character of distributions received during the year based on estimates available. The characterization of distributions received by the Fund may be subsequently revised based on the information received from the private investment funds after their tax reporting periods conclude.

### Segment Reporting

The Fund has one reportable segment. An operating segment is defined as a component of a public entity that engages in business activities from which it may recognize revenues and incur expenses, has operating results that are regularly reviewed by the public entity's chief operating decision maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance, and has discrete financial information available. The Fund operates under one operating segment and reporting unit. In connection with the adoption of ASU 2023-07, the Fund's Treasurer and Principal Financial Officer acts as the Fund's CODM and is responsible for assessing the performance of the Fund's single segment and deciding how to allocate the segment's resources. To perform this function, the CODM reviews the information in the Fund's financial statements. The Fund's adoption of this guidance did not have a material impact on the Fund's financial position, results of operations or cash flows.

### 3. MANAGEMENT FEES AND OTHER RELATED PARTY TRANSACTIONS AND OTHER FEES

The Adviser serves as the investment adviser to the Fund. Under the terms of the Investment Advisory Agreement (the "Agreement"), the Adviser, subject to the supervision of the Board of Trustees (the "Board"), provides or arranges to be provided to the Fund such investment advice as it deems advisable and will furnish or arrange to be furnished a continuous investment program for the Fund consistent with the Fund's investment objectives and policies. As compensation for its management services, the Fund agrees to pay to the Adviser a monthly fee in dollars at the annual rate of 0.65% (as a percentage of daily net assets) on assets up to \$500 million, 0.50% on assets of \$500 million and more but less than \$1 billion, 0.40% on assets of \$1 billion and more but less than \$5 billion, and 0.30% on assets of \$5 billion and more, payable at the end of each calendar month. During the year ended March 31, 2026, the Fund accrued \$1,290,068 in management fees.

Pursuant to an Amended and Restated Expense Limitation Agreement, through October 31, 2025 the Adviser had agreed to waive its fees and/or pay Fund expenses so that the total annual operating expenses of the Fund for Class I and Class L shares (excluding taxes, interest, trading costs, acquired fund fees and expenses, distribution fees, and shareholder servicing expenses), as a percentage of average daily net assets, do not exceed 0.85%. The Fund's Amended and Restated Expense Limitation Agreement with the Adviser was terminated by mutual agreement by the Fund and the Adviser, with the consent of the Board, effective after the close of business on October 31, 2025. As a result, the Adviser is no longer obligated to waive its fees and/or pay Fund expenses. Since the inception of the Fund, the Adviser has not recouped any previously waived fees for the Fund and the Adviser will not seek recoupment of the previously waived fees in the future. The Adviser continued to voluntarily waive its fees through November 30, 2025. Fees waived under this voluntary waiver are not subject to recoupment by the Adviser.

Certain Officers of the Fund are also Officers of the Adviser. Officers, other than the Chief Compliance Officer, affiliated with the Adviser are not compensated by the Fund for their services. The Adviser also provides a Chief Compliance Officer to the Fund. For these services, the Fund pays the Adviser a monthly fee of \$6,500, which is included in Compliance fees in the Statement of Operations.

Quasar Distributors, LLC ("Quasar"), a wholly-owned broker-dealer subsidiary of Foreside Distributors, LLC and an indirect subsidiary of Foreside Financial Group, LLC ("Foreside" (d/b/a ACA Group)), served as the Fund's distributor through October 31, 2025. The Fund has adopted a plan of distribution consistent with Rule 12b-1 of the 1940 Act applicable to Class L shares. Under the plan, 12b-1 distribution fees at an annual rate up to 0.25% of average daily net assets of Class L shares may be paid to the distributor or others for distribution services. For the year ended March 31, 2026, the Fund had not incurred any 12b-1 fees. The Fund has also adopted a

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shareholder servicing plan applicable to Class I and Class L shares. Shareholder servicing fees at an annual rate up to a maximum of 0.25% and 0.25% of average daily net assets of Class I and Class L shares are paid for shareholder services, respectively. For the year ended March 31, 2026, the Fund incurred shareholder servicing fees of \$229,390 for Class I.

The custodians to the Fund are U.S. Bank, N.A. and UMB Bank, N.A. The administrator and transfer agent to the Fund is U.S. Bancorp Fund Services, LLC, d/b/a U.S. Bank Global Fund Services (“Fund Services”). See the effect of expenses on Statement of Operations.

#### 4. INVESTMENT TRANSACTIONS

The cost of purchases and proceeds from the sale of securities, other than short-term securities, for the year ended March 31, 2026 amounted to \$81,087 and \$99,118,538, respectively.

#### 5. TAX BASIS INFORMATION

The amount and character of income and capital gain distribution to be paid, if any, are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. These differences are primarily due to differences in the timing of recognition of gains or losses on investments. Permanent book and tax basis differences, if any, may result in reclassifications to total distributable earnings and additional paid-in capital.

The following reclassifications, which had no impact on results of operations or net assets, were recorded to reflect tax character.

	Paid-in Capital	Total Distributable Earnings
	\$ (1,564,731)	\$ 1,564,731

Under current tax law, net capital losses realized after October 31st and net ordinary losses incurred after December 31st may be deferred and treated as occurring on the first day of the following fiscal year. As of September 30, 2025, the Fund deferred, on a tax basis, late-year investment losses of \$2,624,118.

As of March 31, 2026, the unrealized appreciation and depreciation of investments, based on cost for federal income tax purposes, were as follows:

	Investments
Cost of investments for tax purposes	\$ 122,496,866
Gross tax unrealized appreciation	\$ 21,471,034
Gross tax unrealized depreciation	(6,245,349)
Net tax unrealized appreciation (depreciation)	\$ 15,225,685

March 31, 2026

As of September 30, 2025, the Fund’s most recent tax year end, the tax basis of distributable earnings (accumulated deficit) were as follows:

	Investments
Undistributed ordinary income	\$ —
Undistributed long-term capital gains	—
Tax accumulated earnings	\$ —
Accumulated capital and other losses	(2,624,118)
Unrealized appreciation on investments	\$ 18,048,258
Total accumulated earnings	<u>\$ 15,424,140</u>

Difference between book and tax basis net unrealized appreciation relates to outstanding partnership basis adjustments.

During the tax years ended September 30, 2025 and September 30, 2024, the tax character of distributions paid by the Fund was as follows:

	Tax Year Ended September 30, 2025	Tax Year Ended September 30, 2024
Ordinary income	\$ —	\$ —
Long-term capital gain	2,160,416	2,026,586
Return of capital	6,477,212	4,891,174
	<u>\$ 8,637,628</u>	<u>\$ 6,917,760</u>

**6. REPURCHASE OFFERS**

Prior to October 31, 2025, the Fund operated as an interval fund pursuant to Rule 23c-2 under the 1940 Act and, as such, had adopted a fundamental policy to make quarterly repurchase offers, at NAV, of no less than 5% and no more than 25% of the Fund’s shares outstanding on the Repurchase Request Deadline (as defined below). There was no guarantee that shareholders would be able to sell all of the shares they desired to sell in a quarterly repurchase offer, although each shareholder had the right to require the Fund to purchase at least 5% of such shareholder’s shares in each quarterly repurchase. Liquidity was provided to shareholders only through the Fund’s quarterly repurchases. Shareholders were notified in writing of each quarterly repurchase offer and the date the repurchase offer ends (the “Repurchase Request Deadline”). Shares were repurchased at the NAV per share determined as of the close of regular trading on the Repurchase Request Deadline. Effective October 31, 2025, the Fund discontinued its policy of making quarterly repurchase offers.

During the year ended March 31, 2026, the Fund completed three repurchase offers. In each offer, the Fund offered to repurchase up to 5% of the number of its outstanding shares as of the Repurchase Pricing Dates. The result of the repurchase offers are as follows:

<b>Commencement Date</b>	April 4, 2025	July 3, 2025	October 3, 2025
<b>Repurchase Request Deadline</b>	April 25, 2025	July 25, 2025	October 24, 2025
<b>Repurchase Pricing Date</b>	April 25, 2025	July 25, 2025	October 24, 2025
<b>Amount Repurchased</b>	\$ 12,579,250	\$ 10,741,429	\$ 10,415,236
<b>Shares Repurchased</b>	571,784	492,500	481,518

March 31, 2026

**7. RESTRICTED SECURITIES**

Restricted securities include securities that have not been registered under the Securities Act of 1933, as amended, and securities that are subject to restrictions on resale. The Fund may invest in restricted securities that are consistent with the Fund's investment objective and investment strategies. Investments in restricted securities are valued at NAV as practical expedient for fair value, or fair value as determined in good faith in accordance with procedures adopted by the Board. It is possible that the estimated value may differ significantly from the amount that might ultimately be realized in the near term, and the difference could be material.

As of March 31, 2026, the Fund invested in the following restricted securities:

Initial Acquisition Date	Cost	Fair Value	Private Investment Funds	Redemption Frequency <sup>(1)</sup>	Commitments as of March 31, 2026
1/2/2018	\$ 7,410,524	\$ 7,668,329	AEW Core Property (U.S.), LP	Quarterly	\$ 0
10/2/2017	2,376,891	2,652,680	ARA Core Property Fund, LP	Quarterly	0
10/2/2017	5,615,616	4,709,388	ASB Allegiance Real Estate Fund, LP	Quarterly	0
10/2/2017	3,628,881	3,522,979	Barings Core Property Fund LP	Quarterly	0
10/18/2019	1,938,506	2,096,880	BGO Daily Value Fund – Class F	Daily	0
10/2/2017	5,513,815	6,618,958	BGO Diversified US Property Fund LP	Quarterly	0
10/2/2017	9,743,513	8,810,854	BlackRock US Core Property Fund, LP	Quarterly	0
10/2/2017	7,840,800	10,382,862	CBRE U.S. Core Partners, LP	Quarterly	0
7/1/2021	7,685,222	7,364,981	CIM UII Onshore, LP	Quarterly	0
10/2/2017	12,054,671	12,891,872	Clarion Lion Properties Fund, LP	Quarterly	0
10/2/2017	9,923,167	10,315,715	GWL US Property Fund LP	Quarterly	0
10/1/2018	3,802,053	3,196,940	Invesco Core Real Estate – U.S.A., LP	Quarterly	0
7/1/2020	1,643,209	2,772,127	Lion Industrial Trust	Quarterly	0
6/30/2022	8,304,875	8,267,923	Prime Property Fund, LLC	Quarterly	0
7/1/2019	1,371,670	1,470,848	Principal Enhanced Property Fund, LP	Quarterly	0
10/2/2017	5,265,345	7,305,503	PRISA LP	Quarterly	0
1/1/2020	3,612,193	5,480,626	Prologis Targeted U.S. Logistics Fund, LP	Quarterly	0
10/2/2017	4,935,300	5,470,758	RREEF America II LP	Quarterly	0
4/1/2019	2,325,906	3,994,984	RREEF Core Plus Industrial Fund LP	Quarterly	0
4/1/2022	7,676,840	6,720,070	Strategic Property Fund	Quarterly	0
10/2/2017	6,653,616	5,525,856	Trumbull Property Fund LP	Quarterly	0
10/1/2019	3,556,660	3,612,149	U.S. Real Estate Investment Fund, LLC	Quarterly	0
7/2/2018	94,974	36,207	U.S. Real Property Income Fund, LP	None	0
11/1/2018	4,795,797	5,280,200	US Government Building Fund	Quarterly	0

(1) Redemption notices for the Private Investment Funds is 90 days or less. While redemptions can be requested at the frequency listed above, there is no guarantee the Fund will be paid all or any of the redemption amount at the time requested. Each of the following Private Investment Funds can temporarily suspend redemptions or pay out a pro-rata portion of redemption requests if the general partner or its respective Board deems it in the best interest of its shareholders.

**8. LINE OF CREDIT**

On November 19, 2025, the Fund's credit facility with Royal Bank of Canada ("RBC") was terminated. The Fund paid off all fees and no longer has any outstanding obligations under the RBC arrangement as of the termination date. From April 1, 2025 through September 10, 2025, borrowings under the RBC agreement were subject to a maximum borrowing amount of \$50 million. On September 10, 2025,

the Fund entered into an amendment to the credit agreement which decreased the lender's total commitment from \$50 million to \$40 million. Borrowings under the arrangement bore interest at the 3-month SOFR plus 1.75% at the time of borrowing. During April 1, 2025 through November 19, 2025, the Fund incurred \$509,369 of interest and \$414,515 of commitment fees, which is included in interest expense in the financial statements. Average borrowings and the average interest rate for the days the line of credit was outstanding during the period ended November 19, 2025 were \$13,163,672 and 6.00%, respectively. The largest amount outstanding during the period ended November 19, 2025 was \$26,575,299.

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**9. RISKS AND UNCERTAINTIES**

In the normal course of business, the Fund faces certain risks and uncertainties. For a comprehensive list of potential risks the Fund may be subject to, please refer to the Supplemental Information included at the end of this Report and the Fund's Prospectus and Statement of Additional Information.

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**10. SUBSEQUENT EVENTS**

Subsequent events after the date of the Statement of Assets and Liabilities have been evaluated through the date the financial statements were issued. Management has determined that no events or transactions occurred requiring adjustment or disclosure in the financial statements other than the above.

To the Shareholders and Board of Trustees of  
USQ Core Real Estate Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of USQ Core Real Estate Fund (the “Fund”) as of March 31, 2026, the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of March 31, 2026, the results of its operations and its cash flows for the year then ended, the changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of March 31, 2026, by correspondence with the custodians and underlying fund administrators. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Fund’s auditor since 2017.

*Cohen & Company, Ltd.*

COHEN & COMPANY, LTD.

Cleveland, Ohio

May 29, 2026

March 31, 2026 (Unaudited)

*The following information in this annual report is a summary of certain changes since October 31, 2025. This information may not reflect all of the changes that have occurred since you purchased the USQ Core Real Estate Fund (the "Fund").*

After careful consideration, the Board of Trustees of USQ Core Real Estate Fund concluded that it was in the best interests of the Fund and its shareholders that the Fund liquidate. Effective October 31, 2025:

- (1) The Fund will not accept any request to purchase shares
- (2) The Fund will not pursue its stated investment objective
- (3) The Fund's targeted 1% quarterly dividend practice is discontinued
- (4) The Fund's automatic dividend reinvestment program is terminated
- (5) The Fund will not invest at least 80% of its net assets in real estate securities
- (6) The Fund will not conduct quarterly repurchase offers

The Fund began liquidating its portfolio and will invest in cash equivalents until all assets have been distributed to shareholders. Because the Fund's portfolio is composed primarily of illiquid securities that are not listed on an exchange, or traded in an active secondary market, liquidation of the portfolio is expected to take over a year.

Trustees Fairchild and Mooney have concluded their service to the Fund and references to them in the Prospectus and Statement of Additional Information should be disregarded.

Michael D. Achterberg and Thomas E. Miller have concluded their roles as Secretary and President and Principal Executive Officer, respectively. Mary K. Ziegler assumed the role of Secretary in addition to her current role of Chief Compliance, AML Compliance Officer. G. Keith Downing assumed the role of President and Principal Executive Officer in addition to his current role of Treasurer and Principal Financial Officer.

Effective October 31, 2025, G. Keith Downing serves as portfolio manager of the Fund and references to Mr. Achterberg and Mr. Miller in the Prospectus and Statement of Additional Information should be disregarded. As of October 31, 2025 Mr. Downing owned Fund shares in the range of \$100,001–\$500,000 based upon per share net asset value ("NAV"). Mr. Downing does not serve as a portfolio manager for any other accounts. Mr. Downing's principal occupation is Chief Operating Officer of the Adviser, a position held since the Adviser's 2017 inception.

The Fund terminated the Distribution agreement with Quasar Distributors, LLC effective October 31, 2025.

On December 12, 2025, the Fund's Class L shares were merged into Class I shares. References to Class L in the Prospectus and Statement of Additional Information should be disregarded.

The Board of Trustees terminated the Amended and Restated Expense Limitation Agreement with the Fund's investment adviser. As a result, the Adviser is no longer obligated to waive its fees and/or pay certain Fund expenses.

#### Investment Objective

The Fund's investment objective is to generate a return comprised of both current income and capital appreciation with moderate volatility and low correlation to the broader markets. As noted above, effective October 31, 2025, the Fund will not pursue its stated investment objective as it is in liquidation mode.

### Investment Policies

Historically, the Fund pursued its investment objective by strategically investing across private institutional real estate investment funds (“Private Investment Funds”), and may have also invested in a broad set of public real estate securities, including exchange traded funds (“ETFs”), index mutual funds (“Index Funds”) and closed-end funds and mutual funds (collectively with ETFs and Index Funds, “Public Investment Funds”), that invest principally, directly or indirectly, in real estate. Consequently, while the Fund is in the process of liquidation, its portfolio will be composed, in part, of securities purchased pursuant to its investment policies that were in place prior to the commencement of the liquidation process.

Both the Board of Trustees and shareholders representing a majority of shares approved discontinuing the Fund’s prior policy to invest at least 80% of its net assets in real estate securities; and its policy to operate as an interval fund making quarterly offers to repurchase at least 5% of Fund shares pursuant to Rule 23c-3 under the Investment Company Act of 1940, as amended (“1940 Act”).

The following are fundamental investment policies of the Fund. Fundamental policies may not be changed without shareholder approval.

- (1) The Fund may not borrow money, except as the 1940 Act may permit. The Fund may borrow money for investment purposes, for temporary liquidity, or to finance the repurchase of shares.
- (2) The Fund may not issue senior securities.
- (3) The Fund may not purchase securities on margin, but may sell securities short and write call options.
- (4) The Fund may not underwrite securities of other issuers in connection with the disposition of its portfolio securities. The Fund may invest in restricted securities (those that must be registered under the Securities Act before they may be offered or sold to the public) to the extent permitted by the 1940 Act.
- (5) The Fund may not invest more than 25% of the market value of its assets in the securities of companies or entities engaged in any one industry, except the real estate industry. This limitation does not apply to investment in the securities of the U.S. government, its agencies or instrumentalities, as well as to investments in investment companies that primarily invest in such securities. Under normal circumstances, the Fund invests over 25% of its total assets in the securities of companies or entities in the real estate industry.
- (6) The Fund may not purchase or sell commodities or commodity contracts, including futures contracts.
- (7) The Fund may not make loans to others.

### Investment Risks

*Real Estate Industry Concentration Risk.* The Fund does not invest in real estate directly, but, because the Fund concentrates its investments in securities of real estate investment trusts (“REITs”) and other real estate industry issuers, its portfolio will be significantly impacted by the performance of the real estate market and may experience more volatility and be exposed to greater risk than a more diversified portfolio. The value of companies engaged in the real estate industry is affected by: (i) changes in general economic and market conditions; (ii) changes in the value of real estate properties; (iii) risks related to local economic conditions, overbuilding, and increased competition; (iv) increases in property taxes and operating expenses; (v) changes in zoning laws; (vi) casualty and condemnation losses; (vii) variations in rental income, neighborhood values, or the appeal of property to tenants; (viii) the availability of financing and (ix) changes in interest rates and leverage. There are also special risks associated with particular real estate sectors, or real estate operations generally. To the extent that a significant portion of the Fund is invested directly or indirectly in real estate located in a particular geographic region or in a particular property type, the Fund is subject to greater risks of adverse developments specific to that geographic region or property type.

There are also special risks associated with particular real estate sectors or real estate operations generally, as described below:

*Retail Properties.* Retail properties are affected by the overall health of the economy and may be adversely affected by, among other things, the growth of alternative forms of retailing, bankruptcy, departure or cessation of operations of a tenant, a shift in consumer demand due to demographic changes, changes in spending patterns, and lease terminations. Many retail properties were adversely affected by mandated shutdowns imposed by state and local governments in response to the COVID-19 pandemic. Any additional shutdowns could have a similarly adverse impact. There continues to be uncertainty in the retail environment that could have an adverse impact on the value of retail properties.

*Office Properties.* Office properties are affected by the overall health of the economy, and other factors such as a downturn in the businesses operated by their tenants, obsolescence, and non-competitiveness.

*Industrial Properties.* Industrial properties are affected by the overall health of the economy and other factors such as downturns in the manufacture, processing, and shipping of goods.

*Residential Properties.* The value and successful operation of a multifamily property may be affected by a number of factors such as the location of the property, the ability of the management team, the level of mortgage interest rates, the presence of competing properties, adverse economic conditions in the locale, oversupply, and rent control laws or other laws affecting such properties. Changes in rent control or rent stabilization laws and regulations could adversely affect property values. Among other consequences, changes in rent control or rent stabilization laws could prevent property owners from raising rents sufficiently to offset increases in operating costs or from removing delinquent tenants.

*Interest Rate Risk.* Rising interest rates may cause the value of the Fund's portfolio to decline, due to higher costs of capital for real estate companies, which could negatively impact a real estate company's ability to meet its payment obligations. Additionally, real estate companies may use leverage (and some may be highly leveraged), which increases investment risk and the risks normally associated with debt financing and could adversely affect a real estate company's operations and market value in periods of rising interest rates. Increases in interest rates also typically lower the present value of a REIT's future earnings stream, and may make financing property purchases and improvements more costly. The risks associated with rising interest rates are heightened in view of the US Federal Reserve Bank's decision to raise the federal funds rates in 2022, and may continue to raise interest rates if considered necessary to reduce inflation to acceptable levels.

*Use of Leverage by Underlying Funds.* The Underlying Funds in which the Fund invests may utilize financial leverage, subject to the limitations of their charters and operative documents. In the case of Private Investment Funds, such funds are not subject to the limitations imposed by the Investment Company Act of 1940 regarding the use of leverage with respect to which registered investment companies, including the Fund, are subject. Leverage by Underlying Funds has the effect of potentially increasing losses.

*Private Investment Fund Risk.* The Fund's investment in Private Investment Funds will require it to bear a pro rata share of the vehicles' expenses, including management and performance fees. The fees the Fund pays to invest in a Private Investment Fund may be higher than if the manager of the Private Investment Fund managed the Fund's assets directly. The incentive fees paid by certain Private Investment Funds potentially create an incentive for its manager to make investments that are riskier and/or more speculative than those it might have made in the absence of an incentive fee. Private Investment Funds are not publicly traded and therefore may not be as liquid as other types of investments. Furthermore, Private Investment Funds, like the other Underlying Funds in which the Fund may invest, are subject to specific risks, depending on the nature of the vehicle and also may employ leverage such that their returns are more than one times that of their benchmark which will amplify losses suffered by the Fund when compared to unleveraged investments. For example, the Private Investment Funds need not have independent boards, shareholder approval of advisory contracts may not be required, they may leverage to an unlimited extent, and they may engage in joint transactions with affiliates. The majority of Private

March 31, 2026 (Unaudited)

Investment Funds permit redemptions only quarterly (the others are more frequent) and these withdrawal limitations restrict the Adviser's ability to terminate investments in Private Investment Funds. With respect to the frequency and amounts of redemptions paid to the Fund, there is no guarantee that the Fund will be paid all or any of the redemption amount at the time requested. Further, each of the Private Investment Funds can suspend redemptions or pay a pro-rata portion of redemption requests if the general partner or its respective board deems it in the best interest of its shareholders. If values are falling, the Fund may not be able to sell its Private Investment Funds and the value of Fund shares will decline. These characteristics present additional risks for shareholders.

*Valuation of Private Investment Funds.* Private Investment Funds are not publicly traded. Accordingly, the Adviser may consider information provided by the institutional asset manager to determine the estimated value of the Fund's investment therein. The valuation provided by an institutional asset manager as of a specific date may vary from the actual sale price that may be obtained if such investment were sold to a third party, if a secondary market for such investment existed. For information about the value of the Fund's investment in Private Investment Funds, the Adviser will be dependent on information provided by the Private Investment Funds, including quarterly unaudited financial statements, which if inaccurate could adversely affect the Adviser's ability to value accurately the Fund's shares. Accordingly, there can be no assurance that the stated NAV of the Fund, as calculated based on such information, will be accurate on any given date, nor can there be any assurance that the sale of any property would be at a price equivalent to the last estimated value of such property. Further, the NAV of the Fund, as determined based on the fair value of its investments in Private Investment Funds, may vary from the amount the Fund would realize on the withdrawal of its investments from the Private Investment Funds. Such discrepancies can result in shareholders experiencing a windfall or shortfall, or dilution of their interest in the Fund.

March 31, 2026 (Unaudited)

**1. PROXY VOTING POLICIES AND VOTING RECORD**

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A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities owned by the Fund and information regarding how the Fund voted proxies relating to the portfolio securities during the most recent 12-month period ended June 30 is available to shareholders without charge by visiting the Securities and Exchange Commission's ("SEC") web site at [www.sec.gov](http://www.sec.gov).

**2. QUARTERLY PORTFOLIO HOLDINGS**

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The Fund files a complete listing of portfolio holdings for the Fund with the SEC as of first and third quarters of each fiscal year on Form N-PORT, within 60 days after the end of the period. The filings are available on the SEC's website at <http://www.sec.gov>.

March 31, 2026 (Unaudited)

**Management of the Fund****Board of Trustees**

The management and affairs of the Fund are supervised by the Board. The Board currently consists of one individual, who is not an “interested person” of the Fund, as that term is defined in the 1940 Act (the “Independent Trustees”). The Board establishes policies for the operation of the Fund and appoints the officers who conduct the daily business of the Fund. The current Trustees and officers of the Fund and their years of birth are listed below with their addresses, present positions with the Fund, term of office with the Fund and length of time served, principal occupations over at least the last five years and other directorships/trusteeships held.

<b>Name, Year of Birth and Address</b>	<b>Position with the Fund</b>	<b>Term of Office and Length of Time Served</b>	<b>Principal Occupations During the Past Five Years</b>	<b>Number of Portfolios in Fund Complex Overseen by Trustee</b>	<b>Other Directorship/ Trusteeship Positions held by Trustee During the Past 5 Years</b>
<b>Independent Trustees</b>					
Havilah Mann, CPA (1975) 235 Whitehorse Lane Suite 200 Kennett Square, PA 19348	Trustee	Indefinite; Since 2017	Ms. Mann is a Certified Public Accountant, Fractional Chief Financial Officer and Business Development Advisor of HSM Resources (accounting infrastructure and internal control consulting services).	1	None

<b>Name, Year of Birth and Address</b>	<b>Position with the Fund</b>	<b>Term of Office and Length of Time Served</b>	<b>Principal Occupations During the Past Five Years</b>
<b>Officers Who Are Not Trustees</b>			
G. Keith Downing* (1972) 235 Whitehorse Lane Suite 200 Kennett Square, PA 19348	President and Principal Executive Officer; Treasurer and Principal Financial Officer	Indefinite; Since October 2025 and Since 2017, respectively	Mr. Downing is Chief Operating Officer of the Fund’s investment adviser (Union Square Capital Partners, LLC, the “Adviser”) since its inception in 2017.
Mary K. Ziegler * (1972) 235 Whitehorse Lane Suite 200 Kennett Square, PA 19348	Secretary; Chief Compliance Officer, AML Compliance Officer	Indefinite; Since October 2025 and Since 2018, respectively	Ms. Ziegler is Chief Legal and Compliance Officer of the Adviser since February 2018. She also serves as General Counsel of Chatham Financial Corp., an affiliate of the Adviser, since May 2020. From November 2019 to May 2020, Ms. Ziegler served as the Global Head of Compliance for Chatham Financial Corp., and from July 2019 to November 2019 she also served as Interim Chief Compliance Officer.

\* Each Officer of the Fund serves at the pleasure of the Board.

March 31, 2026 (Unaudited)

As the investment adviser for USQ Core Real Estate Fund (the “Fund”), Union Square Capital Partners, LLC (the “Adviser”) invests the assets of the Fund and manages their day-to-day business. We appreciate your business and the trust you have placed in us. Our privacy philosophy reflects the value of your trust. We are committed to protecting the personal data we obtain about you. On behalf of the Fund and the Adviser (collectively, “USQ”), we make the following assurance of your privacy.

**Not Using Your Personal Data for our Financial Gain**

USQ has never sold shareholder information to any other party, nor have we disclosed such data to any other organization, except as permitted by law. We have no plans to do so in the future. We will notify you prior to making any change in this policy.

**How We Do Use Your Personal and Financial Data**

We use your information primarily to complete your investment transactions. We may also use it to communicate with you about other financial products that we offer.

**The Information We Collect About You**

You typically provide personal information when you complete a USQ account application or when you request a transaction that involves USQ, either directly or through a brokerage firm. This information may include your:

- Name, address, and phone numbers
- Social security or taxpayer identification number
- Birth date and beneficiary information (for IRA applications)
- Basic trust document information (for trusts only)
- Account balance
- Investment activity

**How We Protect Your Personal Information**

As emphasized above, we do not sell information about current or former shareholders or their accounts to third parties. We occasionally share such information to the extent permitted by law to complete transactions at your request, or to make you aware of related financial products that we offer. Here are the details:

- To complete certain transactions or account changes that you direct, it may be necessary to provide identifying information to companies, individuals, or groups that are not affiliated with USQ. For example, if you ask to transfer assets from another financial institution to USQ, we will need to provide certain information about you to that company to complete the transaction.
- In certain instances, we may contract with non-affiliated companies to perform services for us, such as processing orders for share purchases and repurchases and distribution of shareholder letters. Where necessary, we will disclose information about you to these third parties. In all such cases, we provide the third party with only the information necessary to carry out its assigned responsibilities (in the case of shareholder letters, only your name and address) and only for that purpose. We require these third parties to treat your private information with the same high degree of confidentiality that we do.
- Finally, we will release information about you if you direct us to do so, if we are compelled by law to do so, or in other legally limited circumstances (for example, to protect your account from fraud).

**How We Safeguard Your Personal Information**

We restrict access to your information to those USQ representatives who need to know the information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to protect your personal information.

**Purchasing Shares of the Fund through Brokerage Firms**

USQ shareholders may purchase their shares through brokerage firms. Please contact those firms for their own policies with respect to privacy issues.

**What You Can Do**

For your protection, we recommend that you do not provide your account information, user name, or password to anyone except a USQ representative as appropriate for a transaction or to set up an account. If you become aware of any suspicious activity relating to your account, please contact us immediately.

**We'll Keep You Informed**

If we change our privacy policy with regard to disclosing your confidential information, we are required by law to notify you and provide you with a revised notice. You can access our privacy policy from our website.

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Investment Adviser

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