

GRAVIS

UK LISTED PROPERTY

MONTHLY FACTSHEET

30 SEPTEMBER 2024

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FUND OBJECTIVES

- To achieve capital growth through market cycles (we expect this to be a period of 7 years)
- To invest in a diversified portfolio of London Stock Exchange listed securities, consisting primarily of Real Estate Investment Trusts
- Avoids exposure to retail property companies
- To deliver income expected to be 4% per annum¹

PERFORMANCE CHART

VT Gravis UK Listed Property (PAIF) Fund – A Acc GBP (Total return after charges)
31.10.2019 – 30.09.2024



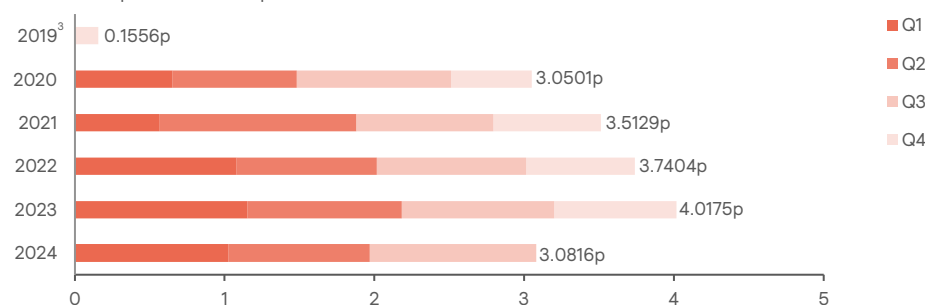
RETURNS

	SINCE INCEPTION	3 YEAR	12 MONTH	3 MONTH	1 MONTH	YTD	VOLATILITY
VT Gravis UK Listed Property	2.55%	-15.19%	21.17%	9.01%	2.22%	3.67%	22.13%
MSCI UK IMI Core Real Estate	-11.40%	-14.27%	22.91%	5.83%	2.04%	2.92%	24.71%
MSCI World IMI Core Real Estate	3.68%	2.78%	18.46%	9.42%	0.97%	7.06%	18.66%

Past performance is not necessarily indicative of future results
Fund launched on 31 October 2019
Fund performance is illustrated by the A GBP Net Accumulation share class

DIVIDENDS

Dividends⁴ paid since inception for A GBP Income share class.



Fund overview

Name	VT Gravis UK Listed Property (PAIF) Fund
Regulatory Status	FCA Authorised UK NURS OEIC with PAIF Status
Sector	IA Property Other
Launch Date	31 October 2019
Fund Size	£115.80m
Number of holdings	21
Share Classes	Income and Accumulation (E, \$, €)
Min. Investment	A: £100 F: £100
Net Asset Value per share	A Acc (E): 102.55p A Inc (E): 84.58p
Trailing 12-month net yield	A Inc (E): 4.61%
Annual Management Charge	0.70%
Capped fund OCF ²	0.70%
Dividends Paid	End of Jan, Apr, Jul, Oct
Classification	Non-complex
Liquidity	Daily dealing
ISINs	A Acc (E): GB00BK8VW755 A Inc (E): GB00BK8VW532
Feeder ISINs	F Acc (E): GB00BKDZ8Y17 F Inc (E): GB00BKDZ8V85

1. This is an unofficial target and there is no guarantee it will be achieved. Per annum by reference to launch price of £1.00 per unit, payable quarterly, one month in arrears.

2. OCF for all share classes is capped at the AMC, as per the KIID. Any costs in excess of the OCF/AMC will be paid by the Investment Adviser.

3. Part period from 31.10.2019 – 30.11.2019.

4. As of 30.06.2021, the Fund's financial year was changed to align with calendar quarters, resulting in a change to distribution dates. Subsequently 5 distributions were actually made in 2021 (of which 2 were in the second quarter period). Ex-dividend dates are now Dec, Mar, Jun and Sept.

All data, source: Valu-Trac Investment Management, MSCI Inc and Reuters.

FUND ADVISER'S REPORT

Over the course of September 2024, the NAV of the Fund increased by 2.22% (A Acc GBP). Year to date the Fund has appreciated by 3.67% (A Acc GBP), outperforming the UK Real Estate Index¹ which has returned 2.92%. Since its launch, the Fund has increased by 2.55% (A Acc GBP), outperforming the UK Real Estate Index¹ which has fallen by 11.40% in the same period.

The strategy of the Fund is to invest in a diversified portfolio of thematic real assets. The Fund's 21 investments are set to benefit from four socio-economic mega trends: ageing population (17.7% portfolio weight), digitalisation (44.3% portfolio weight), generation rent (28.1% portfolio weight), and urbanisation (6.8% portfolio weight).

Within each mega trend, the Investment Adviser undertakes fundamental research to identify the most attractive investment opportunities. Combining top-down analysis of socio-economic mega trends with bottom-up fundamental research has yielded good results for the Fund.

While the Bank of England voted to hold interest rates at 5% at their latest meeting in September, Governor Andrew Bailey said, interest rates are "now gradually on the path down", and inflation had "come down a long way" but warned the Bank would need to see more evidence that it will remain low before cutting rates further. The decision to hold rates came as prices continued to rise slightly faster than the Bank's target, with inflation remaining at 2.2% last month. Markets are expecting further rate cuts in November, with two more interest rates decisions scheduled from the Bank of England this year. Declining interest rates are good news for the financing of real estate.

During the month, all four mega trends generated positive returns. The strongest performing mega trend was ageing population, returning 5.6%². This was followed by the urbanisation mega trend, which returned 4.8%². The generation rent and digitalisation megatrends also performed positively, delivering 2.5%² and 1.4%² respectively.

In the digitalisation mega trend, Segro (portfolio weight 7.95%), announced a recommended all-share merger with Tritax Eurobox (portfolio weight 1.78%). While the deal represents a 27% premium to the undisturbed Eurobox share price, it is at a 14% discount to NAV. This seems opportunistic given the high quality of Eurobox's assets, the rental growth achieved and the possible improvement in future asset values. After the month-end, Brookfield made a counter bid at a 6% premium to the implied value of the Segro offer but still at a discount to the last report NAV. This takeover activity is a clear sign that investor sentiment is improving for high quality next generation assets.

Meanwhile, Urban Logistics PLC (portfolio weight 5.01%), benefitting from the recent fall in interest rates, announced it was refinancing its existing £151 million debt facility with a new £190 million facility at a rate of 4.48% until August 2025, increasing to 4.98% until its August 2027 maturity.

In the generation rent mega trend, PRS REIT (portfolio weight 5.65%) reached a partial agreement with activist shareholders seeking to narrow the discount between the share price and the true worth of its portfolio of over five thousand, modern, single family rental homes. The stock rallied 8.5%² during the month, having already risen 15.4%² in the previous month. The Investment Adviser continues to see significant upside in the stock.

UK REITs have rallied 25% from their multi-year lows hit last October as both circumstances and sentiment across markets improves. There is no doubt that exciting times lie ahead for this sector. Rents are growing, and the brake on speculative new developments triggered by the high inflationary period in 2022 and 2023 has meant that the supply of newly finished buildings remains constrained. Valuation yields for most property types have stabilised with valuers reporting stable or improving investor sentiment. Listed valuations remain mostly attractive (e.g. ageing population, digitalisation, and generation rent) as evidenced by Segro's offer to acquire Tritax EuroBox plc. We are now at a pivotal point for the asset class, with greater investment needed in specialist listed real estate to respond to social and economic changes and increased demographic shifts. Against this optimistic background it wouldn't be a surprise if more investors see the benefits of holding REITs, or indeed a fund of REITs, within a multi-asset portfolio.

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Investment Adviser

Gravis Advisory Ltd is owned and managed by Gravis Capital Management Ltd ("Gravis").

Gravis Capital Management was established in May 2008 as a specialist investor in property and infrastructure and now manages c.£2.5bn of assets in these sectors in the UK.

Gravis Advisory Ltd is also the Investment Adviser to the c.£576m VT Gravis UK Infrastructure Income Fund, the c.£308m VT Gravis Clean Energy Income Fund and the c.£28m VT Gravis Digital Infrastructure Income Fund.

Fund Adviser

Matthew Norris, CFA is lead adviser to the VT Gravis UK Listed Property Fund and the VT Gravis Digital Infrastructure Income Fund. Matthew has over two decades investment management experience and has a specialist focus on real estate securities. He was previously at Grosvenor with responsibility for investing in global real estate securities including the highly successful global logistics strategy. He joined Grosvenor from Fulcrum Asset Management and Buttonwood Capital Partners where he ran international equity strategies which incorporated exposure to real estate equities.

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Dealing

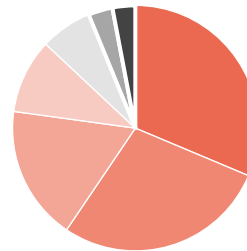
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¹ MSCI UK IMI Core Real Estate Net Total Return GBP.
² Defined as the calendar month, as opposed to the valuation month.

TOP 10 HOLDINGS

COMPANY	WEIGHTING
SEGRO PLC	7.95%
Tritax Big Box REIT PLC	7.93%
Unite Group PLC	7.84%
Grainger PLC	7.77%
Londonmetric Property PLC	6.25%
PRS REIT PLC	5.65%
Urban Logistics REIT PLC	5.01%
Empiric Student Property PLC	4.98%
Big Yellow Group PLC	4.92%
Safestore Holdings PLC	4.92%

SECTOR BREAKDOWN



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