

GRAVIS

UK LISTED PROPERTY

MONTHLY FACTSHEET

29 JANUARY 2021

OVERVIEW

The VT Gravis UK Listed Property Fund (the "Fund") is a Non UCITs Retail Scheme (NURS) Open Ended Investment Company (OEIC) with Property Alternative Investment Fund (PAIF) status.

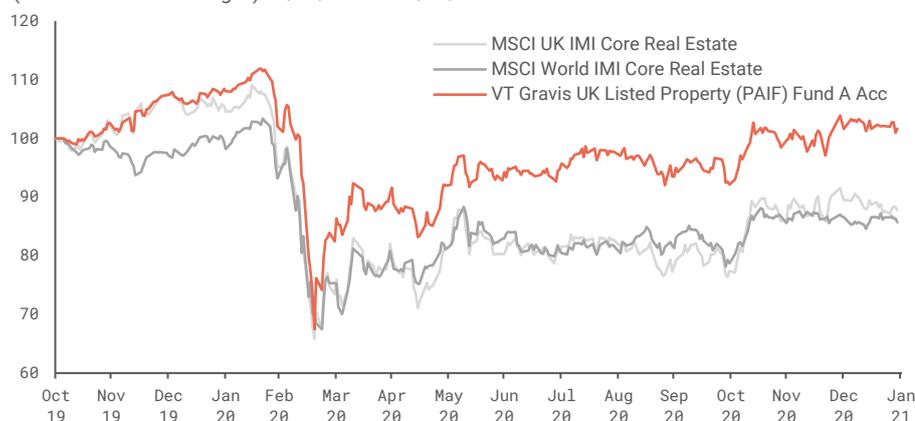
The Fund invests primarily in UK Real Estate Investment Trusts, is unconstrained, and currently excludes exposure to retail property companies.

FUND OBJECTIVES

- To achieve capital growth through market cycles¹.
- To invest in a diversified portfolio of London Stock Exchange listed securities, consisting primarily of Real Estate Investment Trusts and potentially some bonds and closed ended funds.
- Avoid exposure to retail property companies at launch.
- Aims to deliver a regular income expected to be 4% per annum².

PERFORMANCE CHART

(Total Return after charges) 31/10/2019 – 29/01/2021



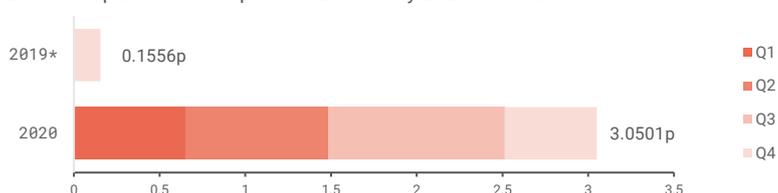
The Fund was launched on 31 October 2019. Past performance is not necessarily indicative of future results.

RETURNS

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY	YIELD
VT Gravis UK Listed Property A Acc	0.09%	10.35%	6.19%	-5.91%	1.67%	29.62%	3.10%
MSCI UK IMI Core Real Estate	-1.95%	13.47%	7.61%	-16.09%	-12.21%	30.26%	2.57%
MSCI World IMI Core Real Estate	-1.00%	8.90%	6.52%	-12.73%	-14.31%	27.27%	3.56%

DIVIDENDS

Dividends paid since inception to 29 January 2021 for a GBP Income share class.



* Part period from 31.10.2019 – 30.11.2019. Distributions shown are for the A Inc Share Class.

Fund information

Name	VT Gravis UK Listed Property (PAIF) Fund
Regulatory Status	FCA Authorised NURS OEIC with PAIF Status
Sector	IA Property Other
Launch Date	31 October 2019
Fund Size	£33.89m
Share Classes	Income and Accumulation (£, \$, €)
Min. Investment	£100
Net Asset Value per share as at 31 December 2020	A Acc (£): 101.67p A Inc (£): 98.34p F Acc (£): 102.55p F Inc (£): 99.23p
Trailing 12-month net yield³	A: 3.10% F: 3.09%
Capped fund operating charges	0.7% (AMC & OCF)
Dividend pay dates	end of Dec, Mar, Jun, Sept
Classification	Non-complex
Liquidity	Daily dealing
ISINs	A Acc (£): GB00BK8VW755 A Inc (£): GB00BK8VW532 A Acc (\$): GB00BK8VYN55 A Inc (\$): GB00BK8VMH57 A Acc (€): GB00BK8VW862 A Inc (€): GB00BK8VW649
Feeder ISINs	F Acc (£): GB00BKDZ8Y17 F Inc (£): GB00BKDZ8V85 F Acc (\$): GB00BKDZ9049 F Inc (\$): GB00BKDZ8X00 F Acc (€): GB00BKDZ8Z24 F Inc (€): GB00BKDZ8W92

1. We expect this to be a period of 7 years
2. 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.
3. Published dividends are net of charges which are taken from income.

FUND ADVISER'S REPORT

For the Fund, as a long-term investor, what matters more than the short-term movements is maintaining exposure to powerful socio-economic mega trends.

Over the course of January 2021, the NAV of the Fund increased by 0.09% (A Acc GBP) and since launch the Fund has increased by 1.67%, outperforming both the UK real estate index¹, which has declined by 12.21%, and the global real estate index² which has declined by 14.31%.

The strategy of the Fund is to invest in a diversified portfolio of specialist real estate companies that are likely to benefit from four strong socio-economic mega trends: ageing population, digitalisation, generation rent and urbanisation. Simultaneously, the Fund minimises exposure to the challenging consumer trends continuing to affect retail real estate. This approach to identifying the best REITs within secular mega trends means that the Fund benefits from low portfolio turnover even in times of elevated uncertainty.

The third national lockdown and social distancing measures implemented in response to the pandemic have varying impacts on real estate and on the ability of landlords to collect rent. Factors influencing rent collection include whether a property can open, the degree to which the property is critical to a tenant's business, and the extent to which the building is affected by social distancing measures.

Almost all of the properties the Fund has exposure to remain open and accessible to tenants. The roll-out of the coronavirus vaccine has highlighted the importance of the healthcare assets, especially the hundreds of GP surgeries owned by Assura and Primary Health Properties. During the month, Assura issued a trading update highlighting that "rent collection continues as normal". The two care home REITs within the portfolio benefitted from the continued exceptional efforts of their operators to care for their elderly residents. Impact Healthcare, the owner of 106 care homes let to 11 operators, reported "100% rent collection for 2020".

Lockdown restrictions have forced all non-essential retailers to close their shops again. The retail sector continues to be heavily affected by the repeated restrictions and changing consumer behaviours. According to the Office for National Statistics, clothing

stores reported the largest annual sales fall on record in 2020 at negative 25.1%. A very visible example of the challenges facing retailers was the collapse of Arcadia, the owner of Topshop. Such collapses have negative consequences for retail landlords. For example, Hammerson, the shopping centre REIT, reported that only 41% of rent for the first quarter has been collected. With no signs of the headwinds abating for shopping centres the Fund continues to avoid this sub-sector.

The beneficiary of changing consumer behaviours is captured in the Fund's digitalisation mega trend. As shoppers have moved their purchases online tenants have demanded more space for their e-commerce operations, good news for rental growth, and institutional investors have sought to deploy more capital within the sector, good news for valuation yields.

According to the Office for National Statistics, online sales represented 29.6% of all retail sales in December, this represented 46.1% year on year growth, the largest annual increase since 2008. Sitting in the sweet spot of these changing trends are the type of modern logistics assets owned and developed by REITs including portfolio holdings Segro and Tritax Big Box, the top two positions in the Fund with weights of 8.58% and 8.31%, respectively.

Looking ahead, there are increasing signs that the vaccination programme is being implemented successfully. For the Fund, as a long-term investor, what matters more than the short-term movements is maintaining exposure to powerful socio-economic mega trends. This exposure is achieved through a diversified portfolio of financially sound, expertly managed, specialist REITs owning high-quality real estate in critical niches.

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Investment Adviser

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

Gravis was established in May 2008 as a specialist investor in property and infrastructure and now manages c.£3.3bn of assets in these sectors in the UK.

Gravis Advisory Limited is also the Investment Adviser to the c.£718m VT Gravis UK Infrastructure Income Fund and the c.£248m VT Gravis Clean Energy Income Fund.

Fund Advisers

Matthew Norris, CFA is the lead adviser to the VT Gravis UK Listed Property Fund.

Matthew has more than two decades investment management experience and has a specialist focus on real estate securities.

He served as an Executive Director of Grosvenor Europe where he was responsible for global real estate securities strategies. He joined Grosvenor following roles managing equity funds at Fulcrum Asset Management and Buttonwood Capital Partners.

Matthew holds a BA (Hons) degree in Economics & Politics from the University of York, the Investment Management Certificate and is a CFA charterholder.

He also provides expert input to research projects run by EPRA, which focus on the importance of emergent real estate sectors.

Nick Barker is the strategic adviser to the fund. Nick is the lead manager of the c.£1bn GCP Student Living REIT.

He is a qualified member of RICS and headed up the Alternative Property division at Schroders.

Nick joined Gravis in 2016 and has accumulated over 16 years of investment experience in the property sector.

¹ MSCI UK IMI Core Real Estate Net Total Return Local index.

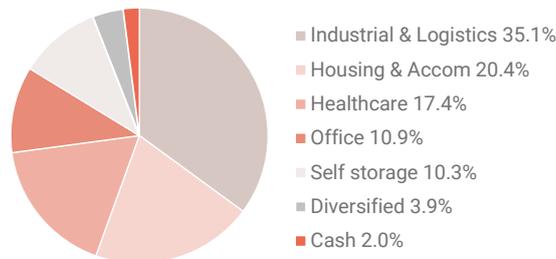
² MSCI World Real Estate Net Total Return Local index.

REITS BRIEFING¹

- A UK Real Estate Investment Trust (REIT) is a London Stock Exchange listed closed ended publicly traded company that provides investors with tax efficient exposure to property assets.
- A REIT can invest in a wide variety of property.
- REIT shares can be traded daily without the liquidity risk often experienced by open ended funds which own direct property.
- UK REIT status exempts the company from corporation tax on profits and gains from qualifying UK property rental businesses.
- A UK REIT must distribute at least 90% of its taxable income to investors. Distributions are treated as property rental income rather than dividends. Taxation of income from property is moved from the corporate level to the investor level, benefitting ISA, SIPP and Bond investors.

¹www.londonstockexchange.com/specialist-issuers/reits/reits.html

SECTOR BREAKDOWN



HOLDINGS

Top 10 Holdings (as at 29 January 2021)

HOLDING	Percentage
SEGRO PLC	8.58%
Tritax Big Box REIT PLC	8.31%
Grainger PLC	7.11%
Assura PLC	7.03%
Unite Group PLC	6.28%
Urban Logistics Reit PLC	5.86%
Warehouse REIT PLC	5.63%
Safestore Holdings PLC	5.43%
Primary Health Properties PLC	5.07%
GCP Student Living PLC	5.02%

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Ascentric	Novia
Aviva	Nucleus
Barclays SmartInvestor	Old Mutual
CoFunds	Pershing
Embark	Raymond James
Fidelity	Sanlam
Funds Network	Standard Life
FNZ	Standard Life Elevate
Hargreaves Lansdown	Transact

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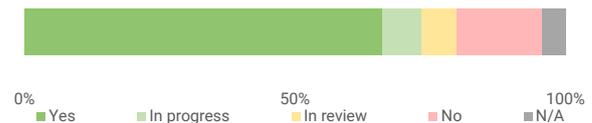
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PORTFOLIO WEIGHT BY ESG METRIC



Data as at end of July 2020. Underlying data will be updated on an annual basis. Holdings ranked by size. Graphics show proportion of 'Yes', 'No', 'In progress', 'In review', 'No' and 'N/A' by holding weight. For more information see [here](#).

Users are therefore warned not to rely exclusively on the comments or conclusions within the report but to carry out their own due diligence before making their own decisions.

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