

GRAVIS

UK LISTED PROPERTY

MONTHLY FACTSHEET

30 JUNE 2020

1

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.

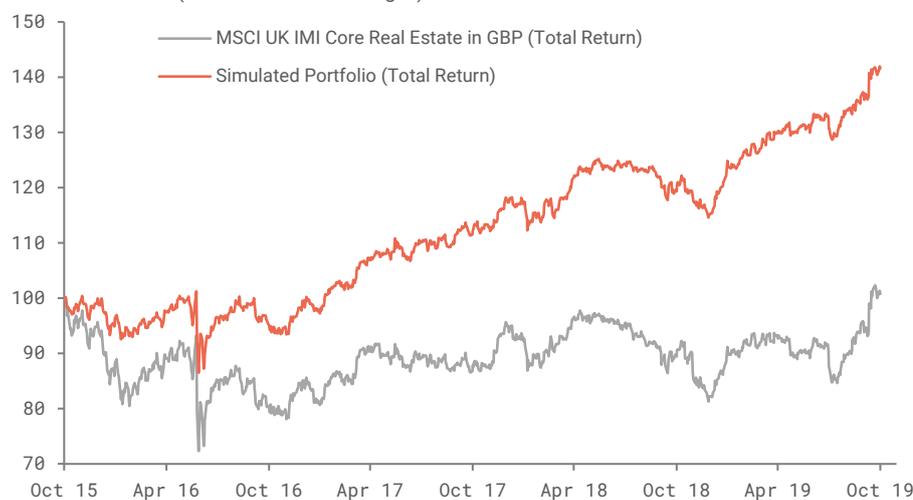
The Fund invests primarily in UK Real Estate Investment Trusts, is unconstrained, and currently excludes exposure to retail property companies. The Fund is advised by Gravis Advisory Limited who also advise the VT Gravis UK Infrastructure Income Fund and the VT Gravis Clean Energy Income Fund.

FUND OBJECTIVES

- To achieve capital growth through market cycles*
- 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 annum after charges.

PERFORMANCE CHART

Simulated Portfolio (Total Return after charges) 31/10/2015 – 31/10/2019



Hypothetical past performance is not necessarily indicative of future results.

Simulated performance after charges

Company overview

Name	VT Gravis UK Listed Property Fund
Regulatory Status	FCA Authorised NURS OEIC with PAIF Status
Sector	IA Property Other
Launch Date	31 October 2019
Fund Size	£26.04m
Net Asset Value per share as at 30 June 2020	A Acc (£): 94.24p A Inc (£): 92.67p F Acc (£): 94.68p F Inc (£): 93.11p
Share Classes	Income and Accumulation (£, \$, €)
Min. Investment	£100
Capped fund operating charges	0.7% (AMC & OCF)
Dividends	Quarterly
Objectives	4% dividend yield Capital growth Inflation protection
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

RETURNS

	RETURN*	VOLATILITY	CORRELATION	2015 ¹	2016	2017	2018	2019 ²
Simulated Portfolio (Total Return)	41.65%	10.88%	-	-1.27%	0.81%	18.76%	-2.40%	22.78%
MSCI UK IMI Core Real Estate GBP (TR)	0.79%	17.66%	0.93	-6.03%	-9.42%	12.43%	-14.04%	22.52%

*Returns from 31/10/2015 – 31/10/2019

¹Part period from 31/10/2015 – 31/12/2015

²Part period from 01/01/2019 – 31/10/2019

*We expect this to be a period of 7 years

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FUND ADVISER'S REPORT

In June, REIT investors subscribed for over £1bn of new issuance.

Over the course of June 2020, the NAV of the Fund increased by 2.45% (F Acc GBP). Since inception the Fund has declined by 5.32% outperforming the MSCI UK IMI Core Real Estate index that has declined by 19.68%.

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.

During the month Intu, the UK's largest shopping centre owner, entered administration. The deadly combination of growing e-commerce penetration challenging traditional shopping habits together with a mountainous debt pile have been exacerbated by the coronavirus pandemic. The terminal decline in market capitalisation from close to £5bn in 2015 to zero in 2020 serves as a high-profile reminder of the importance of stock picking within the REIT sector and as a justification for the Fund's differentiated position of continuing to have zero exposure to retail REITs.

While material uncertainty clauses issued by property valuers have led open ended direct property funds to suspend dealings many REITs have attracted additional investor support. Financially strong REITs owning and developing best in class assets have been successful in raising fresh capital to fund acquisition strategies and development pipelines. In June alone, real estate investors subscribed for more than £1bn of new equity issuance, the highest monthly issuance in over a decade. A clear sign of the important part that REITs are playing in building and owning the next generation of real estate assets whether they be purpose-built

student rooms, e-commerce distribution facilities or modern private rental accommodation.

In June, Unite Group, the largest owner and operator of purpose-built student accommodation in the UK raised £300m to capitalise on new development opportunities in key cities. Within the logistics sub-sector Segro raised £673m to take advantage of investment opportunities in, mostly pre-let, development projects together with acquisitions of additional investment assets. Warehouse REIT also successfully raised £153m to diversify its asset base of urban and last mile distribution warehouses.

On a selective basis the Fund participates in new equity offerings where the investment case is strong, the discount attractive, and the additional shares enhance the composition of the portfolio. Since inception the aggregate savings made through capturing the placing discount and not having to pay stamp duty or trading commission is circa 44bp. Coincidentally, these savings, achieved through active portfolio management, broadly offset the management charge since inception.

Looking ahead, the uncertain economic spill over effects of the coronavirus underline the importance of active stock picking. The Fund's diversified portfolio of financially sound, expertly managed, specialist REITs is likely to continue to benefit from the ownership and development of high-quality real estate in growing niches. As investor sentiment continues to improve those real estate companies with strong underlying rental cashflows are likely to continue to experience a recovery in their share price.

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.£3.2bn of assets in these sectors in the UK.

Gravis Advisory Limited is Investment Adviser to the c.£612m VT Gravis UK Infrastructure Income Fund, which is one of the only OEICs focusing on investment in the UK's infrastructure sector.

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.£900m 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.

Matthew Norris, CFA
Fund Adviser
Gravis Advisory Ltd
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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 UK qualifying 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.

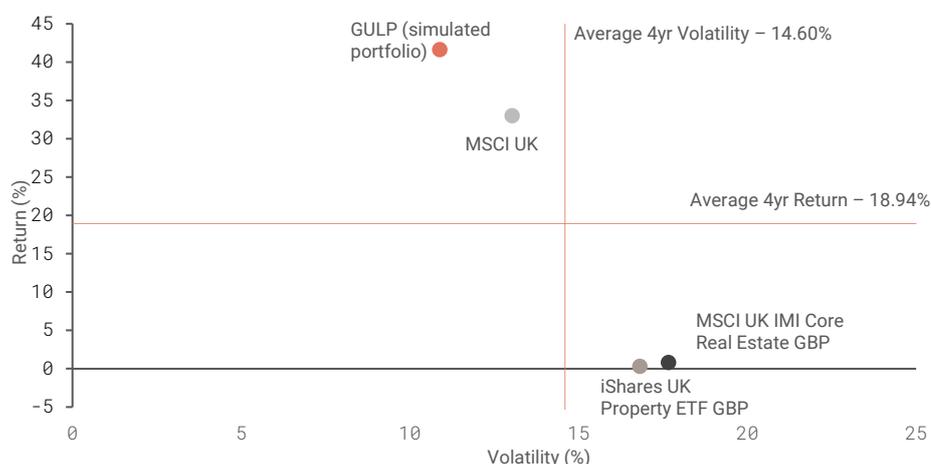
¹www.londonstockexchange.com/specialist-issuers/reits/reits.html

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RISK & REWARD – 4 YEARS

Returns and volatility – 31/10/2015 – 31/10/2019



Simulated portfolio vs MSCI UK GBP vs MSCI UK IMI Core Real Estate GBP vs iShares UK Property ETF GBP
Hypothetical past performance is not necessarily indicative of future results. Simulated performance after charges

	4YR TOTAL RETURN	4YR VOLATILITY	12 MONTH YIELD
Simulated Portfolio	41.65%	10.88%	3.73%
MSCI UK GBP	33.01%	13.03%	4.43%
iShares UK Property ETF GBP	0.31%	16.81%	3.02%
MSCI UK IMI Core Real Estate GBP	0.79%	17.66%	3.64%

Platforms

Aegon	Interactive Investor
AJ Bell	James Hay
Allfunds	Novia
Ascentric	Nucleus
Aviva	Old Mutual
Barclays SmartInvestor	Pershing
CoFunds	Raymond James
Fidelity	Sanlam
Funds Network	Standard Life
FNZ	Standard Life Elevate
Hargreaves Lansdown	Transact
Hubwise	Zurich

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Dealing

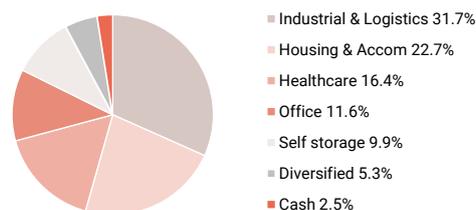
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HOLDINGS (As at 29 May 2020)

COMPANY

Segro Plc	8.57%
Unite Group Plc	7.82%
Grainger Plc	7.64%
Tritax Big Box REIT Plc	7.45%
Assura Plc	6.35%
Safestore Holdings Plc	5.03%
Primary Health Properties Plc	5.02%
GCP Student Living Plc	4.91%
Big Yellow Group Plc	4.82%
Londonmetric Property Plc	4.78%

Sector Breakdown



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