

### OVERVIEW

- To achieve capital growth through market cycles<sup>1</sup>
- 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<sup>2</sup>

### PERFORMANCE CHART

VT Gravis UK Listed Property (PAIF) Fund – A Acc GBP (Total Return after charges)  
31/10/2019 – 31/12/2021



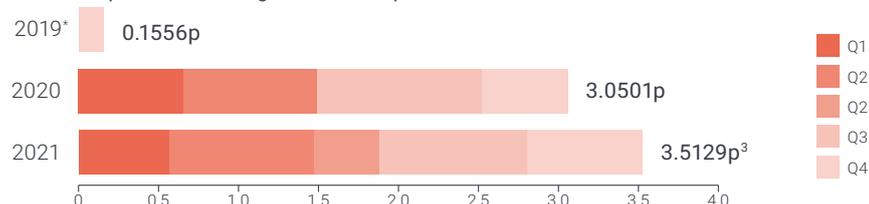
### RETURNS

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY	YIELD*
VT Gravis UK Listed Property A Acc	4.49%	9.32%	16.19%	30.13%	32.19%	23.80%	2.68%
MSCI UK IMI Core Real Estate	3.98%	11.00%	16.17%	28.11%	14.71%	24.95%	2.40%
MSCI World IMI Core Real Estate	3.88%	9.58%	11.80%	27.70%	10.54%	21.88%	3.09%

Past performance is not necessarily a guide to future performance.  
Fund launched on 29 October 2019. \*12 month trailing net yield.

### DIVIDENDS

Dividends paid net of charges since inception to 31 December 2021 for A GBP Income share class.



\* Part period from 29 October 2019 to 30 November 2019.  
Distributions shown are for the A Inc Share Class.

Fund information	
<b>Fund name</b>	VT Gravis UK Listed Property (PAIF) Fund
<b>Regulatory status</b>	FCA Authorised UK NURS OEIC with PAIF status
<b>Sector</b>	IA Property Other
<b>Launch date</b>	31 October 2019
<b>Fund size</b>	£80.04m
<b>Share classes</b>	Income & Accumulation (£, \$, €)
<b>Min. investment</b>	£100
<b>Net Asset Value per share as at 31 December 2021</b>	A Acc (£): 132.19p A Inc (£): 123.93p F Acc (£): 134.18p F Inc (£): 125.77p
<b>Trailing 12 month net yield as at 31 December 2021</b>	A Inc: 2.68% F Inc: 2.67%
<b>Capped fund operating charges</b>	0.7% (AMC & OCF)
<b>Dividend pay dates</b>	end of Jan, Apr, July, Oct
<b>Classification</b>	Non-complex
<b>Liquidity</b>	Daily dealing
<b>ISINs – PAIF</b>	A Acc (£): GB00BK8VW755 A Inc (£): GB00BK8VW532
<b>ISINs – Feeder</b>	F Acc (£): GB00BKDZ8Y17 F Inc (£): GB00BKDZ8V85

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. As of 30 June 2021 the Fund's financial year end has been changed to align with calendar quarters, resulting in a change to distribution dates. In 2021 there are 13 months of distributions, the first of which will be paid on 31 July 2021. Ex-dividend dates are now December, March, June and September.
- All data, source: Valu-Trac Investment Management, MSCI Inc and Reuters

**FUND ADVISER'S REPORT**

**The 10% growth in the annualised Fund distribution can be viewed as evidence of the mission critical nature of many of the assets to which the Fund is exposed**

Over the course of December 2021, the NAV of the Fund increased by 4.49% (A Acc GBP), the eleventh positive month for the year, and a reflection of the upbeat investor sentiment towards the socio-economic mega trends to which the Fund is exposed. Over the last year the Fund has increased by 30.13% (A Acc GBP). This propels the increase since launch to 32.19% (A Acc GBP), significantly outperforming both the UK Real Estate Index<sup>1</sup>, which has increased by 14.71%, and the Global Real Estate Index<sup>2</sup> which has increased by 10.54%.

The strategy of the Fund is to invest in a diversified portfolio of specialist real estate companies that are likely to benefit from four socio-economic mega trends: digitalisation (51.5% portfolio weight), generation rent (20.7% portfolio weight), ageing population (18.7% portfolio weight) and urbanisation (6.3% portfolio weight).

Commitment to this strategy has been crucial to delivering reliable income, growing capital during the periods of coronavirus related market turbulence experienced in 2021, and to outperforming the broader UK listed property market.

The Investment Adviser undertakes fundamental research to identify the most attractive investment opportunities within each mega trend. The combination of top-down analysis of socio-economic mega trends and bottom-up fundamental research has yielded very good results with an annualised return since inception of 13.72%.

At the end of December, the Fund declared a quarterly distribution of 0.7189p (A Inc GBP), this is the fifth distribution of 2021. In aggregate, the trailing 12-month distributions represent a yield of 2.68% and, on a comparable calendar year basis, this represents just over 10% growth year-on-year.

The growth in the dividends can be viewed as evidence of the mission critical nature of many of the assets in which the Fund invests. These modern, purpose-built assets have, in the main, remained occupied and operational during the pandemic enabling the investments within the Fund to collect a very high proportion of their contractual rent rolls.

At the start of 2021 the digitalisation mega trend was the largest portfolio weight and has delivered the highest returns over the course of 2021 and the overweight to this sector was based on in-house research that identified modern warehouses as a prime beneficiary from the growth of the digital world and the surge in internet shopping.

Coronavirus restrictions accelerated the adoption of e-commerce and online retail sales represented 26.9% of total retail sales in November 2021, a level which had been forecast by 2024. Increasing e-commerce sales have increased tenant demand for both big box e-commerce fulfilment centres and last mile urban logistics asset, fuelling further rental growth.

Over the course of 2021 this positive trend has rewarded investors and companies such as Segro (8.94% portfolio weight), a leading owner and developer of modern warehousing across the UK and continental Europe, delivered a 55.07% total return; Warehouse REIT (4.39% portfolio weight), the owner of urban and last-mile warehouse across the UK, generating a 53.63% total return; and, Tritax Big Box (7.65% portfolio weight), a leading owner and developer of big box logistics assets, producing 53.13% total return.

As we enter 2022 the stock market continues to oscillate. In the short-term this is between the risks associated with elevated levels of inflation and the optimism linked to successful mass vaccinations and continued economic growth.

The prospect of the Bank of England further increasing interest rates is likely to put pressure on asset values. However, for the Fund, as a long-term investor, what matters more than the short-term market movements is maintaining exposure to powerful socio-economic mega trends.

For 2022 the Investment Adviser expects continuing strong occupational demand for modern rental accommodation, self-storage, and urban logistics assets to lead to further dividend growth in the year ahead.

It is likely that over the course of the coming year there will be an increasing focus on how the built environment contributes to climate change. This is likely to result in a bifurcation in investment returns with the greenest buildings viewed as the most prime investments. The Fund remains positioned on the right side of climate change with 49% of the portfolio already awarded an energy performance certificate rating of A+ to B versus only 11% for the whole commercial property market.

In summary, the Investment Adviser believes that the portfolio continues to be very well positioned to capture the continuing growth of specialist real estate companies generating reliable income, managed by dedicated and focused experts.

**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.£3bn of assets in these sectors in the UK. Gravis Advisory Limited is Investment Adviser to the c.£842m VT Gravis UK Infrastructure Income Fund, the c.£396m VT Gravis Clean Energy Income Fund, the c.£80m VT Gravis UK Listed Property (PAIF) Fund and the c.£39m VT Gravis Digital Infrastructure 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 GBP.  
2. MSCI World IMI Core Real Estate Net Total Return GBP.

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**CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON**

29 October 2019 – 31 December 2021

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Listed Property Fund (A GBP Acc)	-	32.2%	23.8%	2.68%
MSCI UK IMI Core Real Estate	0.76	14.7%	25.0%	2.40%
MSCI World IMI Core Real Estate	0.50	10.5%	21.9%	3.09%

Past performance is not necessarily a guide to future performance.

**TOP 10 HOLDINGS ON 31 DECEMBER 2021**

HOLDING	WEIGHT
SEGRO PLC	8.94%
Tritax Big Box REIT PLC	7.65%
Unite Group PLC	7.09%
Urban Logistics Reit PLC	6.94%
Assura PLC	6.34%
Londonmetric Property PLC	6.29%
Safestore Holdings PLC	5.92%
Grainger PLC	5.72%
Big Yellow Group PLC	5.58%
Primary Health Properties PLC	4.50%

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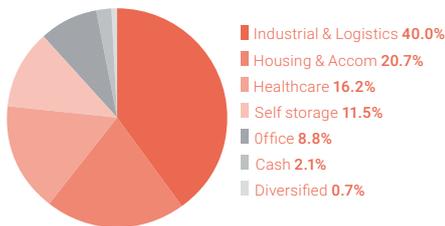
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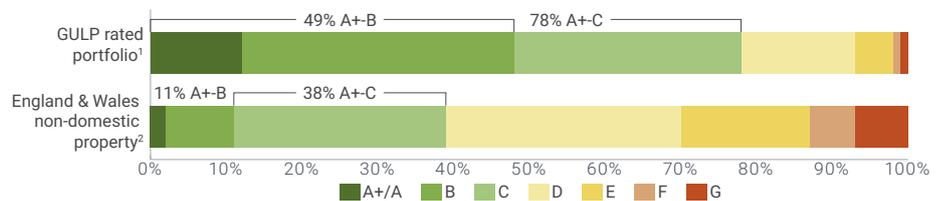
**Dealing**

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**SECTOR BREAKDOWN**



**EPC RATING BREAKDOWN**



Government Minimum Energy Efficiency Standards require non-domestic properties to have a minimum EPC rating of B by 2030, with an interim target of EPC C by 2027.

1. Gravis analysis.
2. Ministry of Housing Communities and Local Government.

**DISCLAIMER**

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