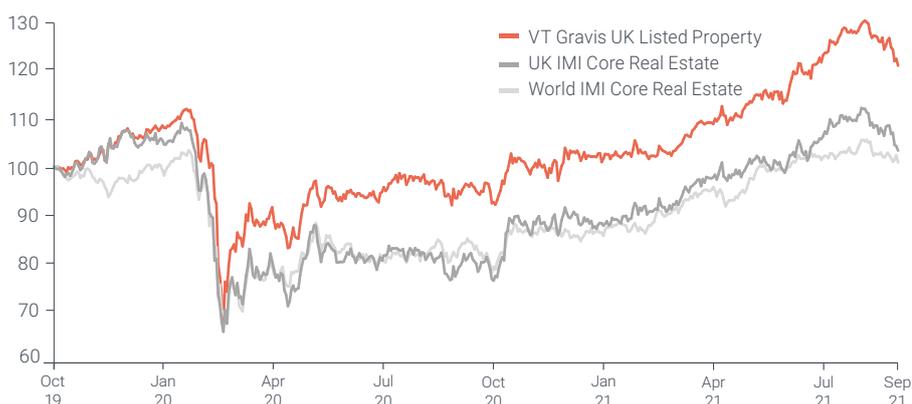


### OVERVIEW

- 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 – 30/09/2021



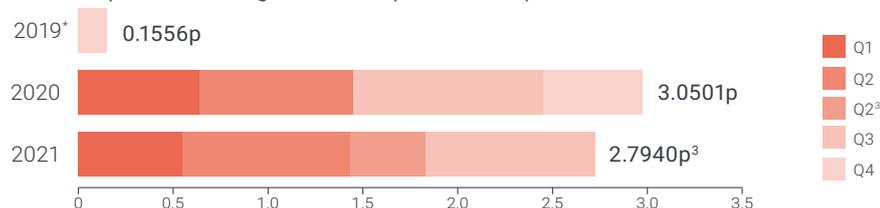
### RETURNS

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY	YIELD*
VT Gravis UK Listed Property A Acc	-6.19%	6.28%	16.03%	29.34%	20.92%	25.00%	2.76%
MSCI UK IMI Core Real Estate	-6.68%	4.66%	12.19%	32.28%	3.34%	26.02%	2.43%
MSCI World IMI Core Real Estate	-3.53%	2.03%	11.55%	24.10%	0.87%	22.87%	3.01%

Past performance is not necessarily a guide to future performance.  
Fund launched on 31 October 2019. \*12 month trailing net yield.

### DIVIDENDS

Dividends paid net of charges since inception to 30 September 2021 for A GBP Income share class.



\* Part period from 31 October 2019 to 20 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>	£63.99m
<b>Share classes</b>	Income & Accumulation (£, \$, €)
<b>Min. investment</b>	£100
<b>Net Asset Value per share as at 30 September 2021</b>	A Acc (£): 120.92p A Inc (£): 114.02p F Acc (£): 122.52p F Inc (£): 115.52p
<b>Trailing 12 month net yield as at 30 September 2021</b>	A Inc: 2.76% F Inc: 2.76%
<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**

**Focusing on specialist REITs with the potential to deliver growing dividends should position the Fund well regardless of whether inflationary pressures persist**

Over the course of September 2021, the NAV of the Fund decreased by 6.19% (A Acc GBP), the first down month for the Fund in 11 months. Despite this dip the Fund delivered positive performance for the third quarter, with the NAV up 6.28% (A Acc GBP), a reflection of the strong positive investor sentiment towards the socio-economic mega trends to which the Fund is exposed. Since launch the Fund has increased by 20.92% (A Acc GBP), significantly outperforming both the UK Real Estate Index<sup>1</sup>, which has increased by 3.34%, and the Global Real Estate Index<sup>2</sup> which has increased by 0.87%.

At the end of September, the Fund declared a quarterly distribution of 0.9160p (A Inc GBP), this is the fourth distribution of 2021. In aggregate, the trailing 12-month distributions represent a yield of 2.76%. To maintain their general tax-exempt status, UK real estate investment trusts (REITs) are required to distribute 90% of rental profits. Over the past decade, reinvesting this income has created a significant compounding benefit for investors. While the appreciation in UK real estate share prices<sup>3</sup> has delivered a 5.92% annualised return, the power of compounding income increases investor returns to 9.17%<sup>1</sup> and surpasses the 7.70% compound annual total returns generated by the broader UK stock market<sup>4</sup>.

During the month, several investments declared dividends. Within the ageing population mega trend, Impact Healthcare REIT (2.64% portfolio weight), the owner of high-quality care homes across the UK, declared a 1.9% annual increase in its quarterly dividend payment. The REIT seeks to grow its target dividend in line with the contractual inflation-linked rental uplifts received in the prior financial year. 100% of the REIT's leases are inflation linked and it is extremely well positioned to benefit from the continued investment in modernising crucial care-based infrastructure supporting elderly people across the UK.

Within the urbanisation mega trend, Derwent London (2.63% portfolio weight), the design-led London-focused office REIT, reported improved first half results with increased rental guidance. This resulted in the REIT increasing its interim dividend by 4.5%.

The broad stock market sell-off in September reflected investor concerns about continuing supply disruptions and rising inflation. The Bank of England expects inflation to rise temporarily and to "fall back close to the 2% target in the medium term". Given that the bank's Monetary Policy Committee highlighted upside risks to its inflation projection it is worth highlighting the presence of inflation linked leases within the portfolio.

Multi-year leases offer investors inflation protection in the form of contractual rental escalators. For example, LXI REIT (2.66% portfolio weight), the specialist inflation-protected long income REIT, owns assets with a weighted average unexpired lease term of 22 years and 95% of their leases are either indexed-linked or contain fixed rental uplifts. Within the digitalisation mega trend, Tritax Big Box (portfolio weight 7.31%), owns assets with a weighted unexpired lease term of 13 years and circa 59% of these leases have contractual rental escalators linked to either inflation or fixed bumps.

In an inflationary environment REITs have an added financial advantage, their debt is typically fixed rate, whereas their income is growing. For the Fund, the average tenor of the debt is 6.0 years with a weighted average interest rate of only 2.6%. 79% of the debt issued by the companies within the Fund is either fixed or capped, potentially providing an additional layer of protection for investors.

Looking forward, the Investment Adviser believes that focusing on specialist REITs that own and develop assets underpinned by strong socio-economic mega trends, with the potential to deliver growing dividends, should position the Fund well regardless of whether inflationary pressures persist.

**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.£3.9bn of assets in these sectors in the UK. Gravis Advisory Limited is Investment Adviser to the c.£790m VT Gravis UK Infrastructure Income Fund, the c.£361m VT Gravis Clean Energy Income Fund, the c.£64m VT Gravis UK Listed Property (PAIF) Fund and the c.£25m 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.
3. MSCI UK IMI Core Real Estate Price index.
4. MSCI UK IMI Net Return Local index.

**Matthew Norris, CFA**  
Investment Adviser  
Gravis Advisory Ltd  
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**CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON**

31 October 2019 – 30 September 2021

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Listed Property Fund (A GBP Acc)	–	20.9%	25.0%	2.76%
MSCI UK IMI Core Real Estate	0.77	3.3%	26.0%	2.43%
MSCI World IMI Core Real Estate	0.51	0.9%	22.9%	3.01%

Past performance is not necessarily a guide to future performance.

**TOP 10 HOLDINGS ON 30 SEPTEMBER 2021**

HOLDING	WEIGHT
SEGRO PLC	8.42%
Tritax Big Box REIT PLC	7.31%
Unite Group PLC	7.07%
Grainger PLC	5.76%
Assura PLC	5.69%
Urban Logistics Reit PLC	5.66%
Safestore Holdings PLC	5.60%
Big Yellow Group PLC	5.25%
Londonmetric Property PLC	5.01%
Primary Health Properties PLC	4.80%

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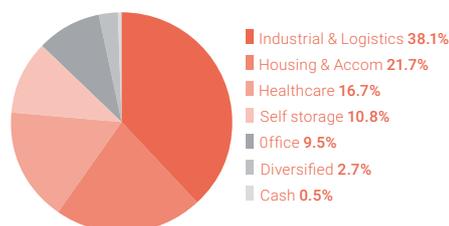
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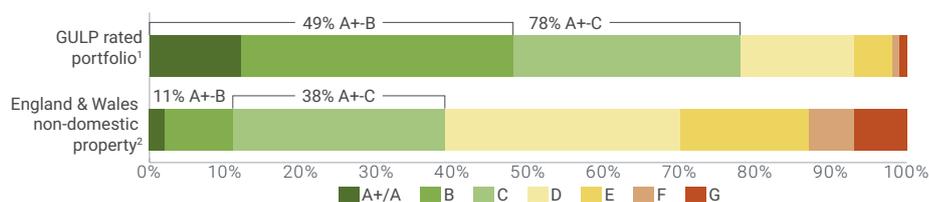
**Dealing**

Valu-Trac 01343 880344  
GULP@valu-trac.com  
Available on all major platforms

**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.

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Value of investments can fall as well as rise and you may not get back the amount you have invested. Income from an investment may fluctuate in money terms. If the investment involves exposure to a currency other than that in which acquisitions of the investments are invited, changes in the rates of exchange may cause the value of the investment to go up or down. Past performance is not necessarily a guide to future performance. Any opinions expressed in this report are subject to change without notice and Valu-Trac Investment Management Limited is not under any obligation to update or keep current the information contained herein. Sources for all tables and graphs herein are Valu-Trac Investment Management unless otherwise indicated. The information provided is "as is" without any express or implied warranty of any kind including warranties of merchantability, non-infringement of intellectual property, or fitness for any purpose. Because some jurisdictions prohibit the exclusion or limitation of liability for consequential or incidental damages, the above limitation may not apply to you.

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