LDR Real Estate Value-Opportunity Fund

LDR CAPITAL MANAGEMENT

QUARTERLY LETTER – Q4.2024

Dear LDR Real Estate Value-Opportunity Investor:

Executive Summary

- ***Returns for the LDR Value-Opportunity Fund exceeded relevant REIT indexes in both Q4.2024 and calendar year 2024***
- ***We believe 2025 has the potential to be another positive performance year for REIT equities***
- ***The LDR Real Estate Value-Opportunity Fund is strategically positioned to take advantage of selected powerful property trends***

Market Review

Public Real Estate as an asset class had a difficult Q4.2024 in reaction to an uptick in long-term interest rates. Specifically, the LDR Value-Opportunity Fund was down -3.88% in Q4.2024 and up 9.42% in calendar year 2024. In comparison, the FTSE NAREIT All Equity REITs Total Return Index was down -8.15% in Q4 and up 4.92% in calendar year 2024 and the Morningstar Real Estate Sector Index was down -7.92% in Q4 and up 5.03% in calendar year 2024.

Performance 31-Dec-24	Total Return Q4 24	Total Return 1 Year	Annualized Return 3 Year	Annualized Return 5 Year	Annualized Return 10 Year
LDR Capital Management Real Estate Value-Opportunity Fund Class I	-3.88%	9.42%	-1.64%	5.17%	4.63%
LDR Capital Management Real Estate Value-Opportunity Fund Class P	-4.00%	9.08%	-1.90%	4.89%	4.36%
FTSE NAREIT All Equity REITs Index	-8.15%	4.92%	-4.28%	3.29%	5.83%
Morningstar Real Estate Sector Index	-7.92%	5.03%	-4.39%	2.97%	5.14%

*LDR Capital Management fund results are **net of expenses and fees** and reflect the reinvestment of dividends and capital gains. Index returns are reported **before expenses and fees** and also reflect the reinvestment of dividends and capital gains.* ***The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance, please call 800-527-9525.***

See Page 6 for additional information and footnotes.

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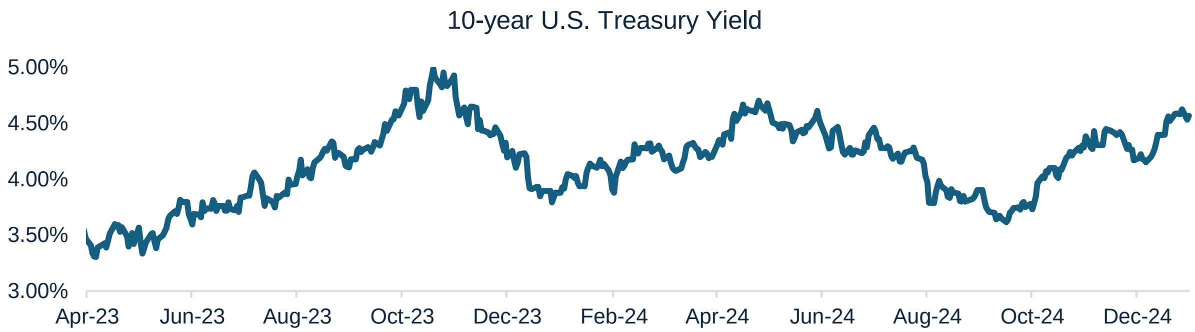
The primary driver to negative returns within public real estate in the fourth quarter was the directional change in interest rates. Specifically, 10-year US Treasury rates rose in the fourth quarter from 3.78% to 4.57%. This rapid rise in longer-term interest rates fundamentally impacts the discounted value of real estate cash flows. As such, the 79 basis point (or 0.79%) rise in interest rates served as a catalyst for a decline in REIT shares prices in Q4.2024.



Source: Bloomberg as of 12/31/2024

Looking ahead, we believe 2025 has the potential to be another positive return year for REITs. Drivers to REIT shares in 2025, in our opinion, include the following:

1) ***Stabilization of earnings growth in 2024 and a reacceleration of growth in 2025.*** Street expectations now call for the REIT universe same property cash flow growth to be up 3.3% in 2025. Further, market expectations call for every major property sector to experience positive same property growth in 2025. This breath of earnings lays the groundwork for solid results within the universe. REIT earnings growth in 2025 is expected to be partially offset (170 basis points) by higher interest expense for REITs as many companies refinanced their debt stack in 2024 ($40.8 billion of new debt issuance in 2024) at higher rates. Once the offset to higher interest rates plays through income statements, expectations call for higher levels of earnings growth in 2025. Specifically, total Funds From Operations (or FFO) per share growth is expected to come in at 1.8% in 2024 – but accelerate to 4.8% in 2025.

2) ***Increased transactions volumes as private markets begin to loosen.*** REITs raised almost $77.2 billion of capital in 2024 and now carry rock solid balance sheets, on average. These companies are certainly prepared to pounce on private assets as the market loosens. Further, aside from the multifamily market, all other property sectors trade at cap rates BELOW private market levels, thereby offering public companies a cost of capital capability to acquire properties at a positive returns on investment. As such, we expect greater volumes of transactions in 2025 for REITs, thereby adding another layer to growth in the industry over the next two years.

3) A drop off in new commercial real estate supply in 2025 and 2026. One positive byproduct of the higher interest rate and inflationary environment is a slowdown in commercial real estate supply. Developers have experienced higher costs of capital and higher costs of raw materials. As such, forward commercial real estate starts are declining and should be down for the foreseeable future. This reduction in new supply should most certainly provide a foundation for stable operating fundamentals for public REITs.

4) A turn in the office market may soon be in the cards. Dare we say it? Could the dreaded office market actually begin to see a pivot? We believe so. Work from home trends have stabilized across the country, and employers are now incrementally pushing employees to return to the office; employees are also showing willingness to return to the office with greater frequency. Further, the volume of private market office transactions is increasing, creating price transparency and liquidity for the asset class. All this leads to a pivot in the market – which could provide a catalyst for the dreaded public REIT office sector. At a minimum, this trend should no longer engender a psychological and quantitative drag on the overall REIT market.

Bottom line, we believe public REITs are well positioned for positive total return performance in 2025-26. Earnings trends are positive, commercial real estate transaction activity is increasing, the decline in private market real estate values appears to be reversing and private market CRE debt issues are starting to find solutions. This all lays the groundwork for more positive performance by REITs in the public marketplace going forward.

Performance Review

During Q4.2024, The LDR Real Estate Value Opportunity Fund generated a net return of -3.88%, exceeding comparable Indexes. In comparison, the FTSE NAREIT All Equity REITs Index was down –8.15% in Q4.2024 and the Morningstar Real Estate Sector Index was down -7.92% in Q4.2024.

Calendar year 2024, The LDR Real Estate Value Opportunity Fund generated a net return of 9.42% - also far exceeding comparable Indexes. In comparison, the FTSE NAREIT All Equity Index was up 4.92% in 2024 and the Morningstar Real Estate Sector Index was up 5.03% in 2024.

Attribution Analysis

Top Five Equity Returns*	Q4, 2024	Bottom Five Equity Returns*	Q4, 2024
Brandywine Realty Trust	+6%	Alexander & Baldwin Inc	-6%
Equinix, Inc.	+6%	American Tower Corp	-7%
Seaport Entertainment Group Inc.	+3%	Kennedy-Wilson Holdings Inc.	-9%
Independence Realty Trust Inc.	+3%	Healthpeak Properties Inc.	-10%
Community Healthcare Tr Inc	+2%	Vertiv Holdings	-15%

**Source: Bloomberg, LDR Capital Management as of 12/31/2024*

**Returns are Price Only. For informational purposes only, the specific investments shown represent only the top contributors and detractors for the relevant performance time period. The selection criteria used to determine the top contributors and detractors remains the same across performance measurement periods. Past performance may not be indicative of future results.*

Portfolio Positioning

The LDR Real Estate Value-Opportunity Strategy is strategically positioned to take advantage of selected powerful property trends. Further, this Fund continues to be positioned well outside the parameters of the REIT Indexes/ETFs.

From a product perspective, the Fund holds 90.6% of net asset value (NAV) in concentrated real estate equity positions, 8.1% in select high yielding real estate preferred issues, and the remaining 1.3% in cash. This Fund is not leveraged. We describe each allocation of capital below. The portfolio positioning is concentrated with 19 equity positions (90.6% of NAV) and 11 REIT preferred issues (8.1% of NAV).

The equity component of the Fund was down -3.33% for the quarter and was up 12.12% in the calendar year – in both cases far outperforming related Index and ETFs.

The Fund’s REIT preferred positions contributed positively to Q4 and full year 2024 returns with dividend income and price appreciation exceeding related REIT equity index and ETF returns. The preferred component was up 0.35% for the quarter and was up 20.41% for the calendar year.

Equity Positioning. The Fund’s common equity investments are concentrated in four major thematic property segments: technology, residential, shopping centers, health care. The Fund also hold a series of special situations positions.

Technology (20% of NAV) – It should be no surprise to anyone that the demand to store digital data and to train and apply AI models is increasing at a rapid pace. Service users and cloud providers have said that the supply of physical data center space is only adequate to meet current demand. We thus see growth in demand for both existing technology-driven real estate space and well as growth in demand for future development. Accordingly, the Fund has allocated 20% of NAV to this property sector.

Residential (14% of NAV) – The United States is under-housed and in need of affordable housing. As well, it's been reported that it is cheaper to rent an apartment than to buy a house in as many as 90% of metropolitan markets across the country. All this suggests a tremendous opportunity for this Fund to take advantage of powerful trends and capital formation in the all-important US housing market. Accordingly, the Fund has allocated 14% of NAV to this property sector.

Shopping centers (19% of NAV) – Necessity-based community centers have exhibited one of the most stable set of fundamentals over the past few years within all of commercial real estate. Operators report record leasing and tenants report a lack of new supply. In turn, the shopping center market has been producing stable 92+% occupancy rates and stable 3-4% operating income growth. Private equity has taken notice and begun to allocate capital this way via increased property transactions and even one pending public company privatization. We expect more to come and, as such, have allocated 19% of Fund NAV to this property sector.

Healthcare (16% of NAV) – The aging of the U.S. population is an ongoing powerful demographic trend. Along with a "recovery" trend from COVID-19 related issues, the healthcare property segment is poised for a multiyear cyclical recovery as well as a longer-term secular growth opportunity. For those reasons the Fund allocated 16% of NAV to this property sector.

Special situations (22% of NAV) – We are always on the lookout for interesting discrete securities that have the potential to produce acceptable risk-adjusted returns. At present, 5 equity securities fit that bill, representing 22% of Fund NAV.

The Fund's preferred positions represent 8% of NAV. These issues now generate an average yield on invested capital (as defined by current dividend distribution divided by the closing price of each underlying security) of 8.1% and thereby provide the Fund an opportunity to increase portfolio cash flow with the potential for continued repricing upside.

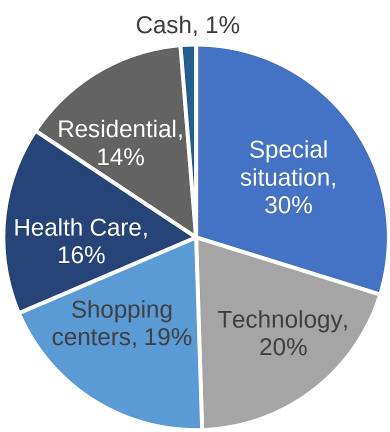
Given the positive emerging trends in both the public and private real estate markets, the Fund's cash position (now at 1% of NAV) will remain low.

Top Common Equity Holdings (1)

As of December 31, 2024

LDR Real Estate Value-Opportunity Fund		FTSE NAREIT All Equity REITS Index	
Equinix Inc.	5.6%	Prologis, Inc.	6.9%
Community Healthcare Trust Inc.	5.4%	Equinix Inc.	6.4%
Digital Realty Trust Inc.	5.2%	American Tower Corporation	6.0%
Starwood Property Trust Inc.	5.2%	Welltower Inc.	5.5%
CTO Realty Growth Inc.	5.2%	Digital Realty Trust, Inc.	4.1%
Healthcare Realty Trust Inc.	5.2%	Simon Property Group, Inc.	3.9%
Healthpeak Properties Inc.	5.2%	Public Storage	3.7%
American Tower Corp	5.0%	Realty Income Corporation	3.3%
Howard Hughes Holdings Inc.	5.0%	Crown Castle Inc.	2.8%
Urban Edge Properties	4.9%	Extra Space Storage Inc.	2.2%
Portfolio Top 10	52.0%	Index Top 10	44.8%
Portfolio REIT Preferreds	8.1%	Index REIT Preferreds	0.0%
Portfolio Cash	1.3%	Index Cash	0.0%

(1) It should not be assumed that investment decisions identified will be profitable.
References provided nay not be representative of investments that will be made in the future.



Expense Ratios

Share Class	Gross Fee
Class I: HLRRX	2.40%
Class P: HLPPX	2.77%
Class Z: HLZZX	2.32%

As always, thank you for your continued interest and support.

Sincerely,

Edward W. Turville, CFA
Portfolio Manager

Larry Raiman
Managing Principal

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Footnotes and Other Important Disclosures

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Indices
***FTSE NAREIT All Equity REITs Index** is a free-float adjusted, market capitalization-weighted index of U.S. equity REITs.*
It is not possible to invest directly in an index. Any indices and other financial benchmarks shown are provided for illustrative purposes only and are unmanaged. Investors cannot invest directly in an index.
***Morningstar Real Estate Sector Index** measures the performance of mortgage companies, property management companies, and REITs in the United States.*

Mutual Funds and ETFs investing involves risk. Principal loss is possible.

REIT Risk. REITs are pooled investment vehicles which include equity REITs and mortgage REITs. The fund is subject to risks similar to those associated with the direct ownership of real estate, including changing economic conditions, declining real estate values, and liquidity and interest rate risk.

Leverage Risk. The Fund may use leverage in executing its investment strategy. Leverage will increase the volatility of the Fund's performance and its risk. There can be no assurance that leveraging strategy will be successful.

Short Sales Risk. The Fund may engage in short sales of securities and index funds in executing its investment strategy. Such practices can, in certain circumstances, substantially increase the impact of adverse price movements on the Fund's portfolio. Short sales may involve substantial risk and leverage.

Investors should consider the investment objectives, risks, charges, and expenses carefully before investing. Investments must be proceeded or accompanied by a prospectus. For a prospectus with this and other information about the fund, please call 800-527-9525 or visit the Fund's website at www.ldrfunds.com. Please read the prospectus carefully before investing.

Fund holdings and sector allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Please see the Schedule of Investments in this report for a complete list of fund holdings. Dividends are not guaranteed and may fluctuate.

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