

Fund	YTD 2024	Q2 2024	1 Year	3 Year	5 Year	Incept*
Starlight Global Real Estate Fund, Series F*	0.0%	- 1.3%	0.0%	- 2.9%	1.2%	1.9%

*Inception date October 2018. Source: Starlight Capital, as of June 30, 2024.

Performance Summary

- In the second quarter of 2024, Starlight Global Real Estate Fund, Series F (the Fund) returned -1.3%. Year to date, the Fund has returned -0.03%.
- Active management led us to initiate positions in healthcare and retail REITs that added to portfolio performance.
- We view the current market conditions as an opportunity for long-term investors to enter the market at potentially more attractive valuations.

Contributors and Detractors

Q2 2024 Top Five Contributors		
Stock	Contribution to Return	Average Weighting
VENTAS INC	+ 0.5%	2.8%
WELLTOWER INC	+ 0.4%	2.8%
AGREE REALTY CORP	+ 0.3%	2.4%
KITE REALTY GROUP TRUST	+ 0.2%	2.4%
HEALTHPEAK PROPERTIES INC	+ 0.2%	2.0%

Q2 2024 Bottom Five Contributors		
Stock	Contribution to Return	Average Weighting
PROLOGIS INC	- 0.5%	4.5%
GRANITE REAL ESTATE INVESTMENT TRUST	- 0.5%	3.8%
CROWN CASTLE INC	- 0.4%	0.7%
INTERRENT REAL ESTATE INVESTMENT TRUST	- 0.3%	3.4%
SBA COMMUNICATIONS CORP	- 0.3%	3.9%

Source: Starlight Capital & Bloomberg Finance L.P. As of June 30, 2024.

Our active management approach led us to add new positions in healthcare and retail REITs providing immediate returns to the Fund. Ventas, Welltower and Healthpeak are all exposed to seniors' housing, which is enjoying rising occupancies and rents as the sector continues to recover from the global pandemic. Longer-term, the continued aging of the US population will add to the demand for seniors' housing assets which will benefit all three REITs. New retail positions Agree and Kite also added to Fund performance as investors understand that a resilient labour market will continue to support consumer spending.

Industrial REITs like Prologis and Granite pulled back as investors reduced exposure to economically sensitive names with exposure to Europe. Cell tower and datacentre REITs such as Crown Castle and SBA Communications briefly corrected as the potential for short term rate cuts was reduced however, the demand for data storage and communications infrastructure remains robust, driven by AI, streaming and e-commerce.

Portfolio Update

Sector	Portfolio Weight %	Top %Q/Q Changes
Health Care REITs	7.1%	+ 6.5%
Retail REITs	15.7%	+ 2.0%
Other Specialized REITs	1.5%	+ 1.5%
Residential REITs	18.1%	- 2.4%
Specialized REITs	15.2%	- 6.9%

Source: Starlight Capital & Bloomberg Finance L.P. As of June 30, 2024.

In Q2, we reduced our holdings in residential and specialized REITs as we expected them to be weak if the Federal Reserve Bank did not cut rates at meetings in April or June. We used the proceeds to initiate positions in US healthcare and retail REITs, recognizing their resilient performance and growth potential.

Fund Outlook

As we look ahead, Starlight remains optimistic about the short- and long-term outlooks for the global real estate market. The global synchronized rate hike cycle is over and a global synchronized rate cut cycle is poised to unfold.

Global real estate is trading at material discounts to net asset value with low leverage, low payout ratios and rising earnings. Several real estate sectors show strong fundamentals with high occupancies and rent growth supported by resilient demand and low new supply. These sectors include healthcare, residential, industrial, cell towers and datacentres. We remain committed to our disciplined investment approach and we invite you to partner with us on this journey toward achieving our shared investment goals.

Source: Starlight Capital

Invest With Us

For more information on our investment solutions, learn more at starlightcapital.com or speak to our Sales Team.



For more information, please visit StarlightCapital.com

Important disclaimer.

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