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CEO & CIO

Fund	YTD 2025	Q3 2025	1 Year	3 Year	5 Year	Incept*
Starlight Global Real Estate Fund, Series F	10.3%	4.4%	3.1%	6.6%	4.3%	4.0%

*Inception date October 2018. Source: Starlight Capital, as of September 30, 2025.

Performance Summary

- Over the third quarter of 2025, Starlight Global Real Estate Fund, Series F (the Fund) returned 4.4%. Year to date, the Fund returned 10.3%.
- Central banks in Canada and the U.S. have begun cutting interest rates, easing refinancing pressures on REIT balance sheets. The sector remains favourably positioned with stable dividends and exposure to several long-term, structural drivers.
- Industrial REITs, Health Care REITs and Retail REITs were the top sector contributors to Fund performance in the quarter, which was slightly offset by a decline in Telecom Tower REITs, Multi-Family Residential REITs and Single-Family Residential REITs.
- Looking ahead, we will continue to allocate capital to sectors supported by long-term, structural drivers such as aging baby boomers and data proliferation. This will be supported by tactical stock selection where we identify businesses that have been mis-priced by the market and represent good value longer term. The Fund will continue to be overweight dividend growers to support its attractive, tax-efficient monthly yield.

Market Overview

In the third quarter of 2025, global markets delivered mixed performance amid evolving economic conditions. Real Estate Investment Trusts (REITs) delivered modest gains, trailing the broader U.S. equity market. This underperformance reflects REITs' sensitivity to interest rate movements and sector-specific dynamics.

Central banks in Canada and the US have begun cutting interest rates. Inflation has moderated in both countries, creating room for easing monetary policy, while employment trends remain mixed: Canada shows labour market strength, whereas U.S. employment is showing early signs of cooling.

These developments support REIT valuations and investors should continue to gravitate to the sector for tax-efficient, distributions and capital appreciation driven by long-term, structural drivers.

Contributors and Detractors

Q3 2025 Top Five Contributors			Q3 2025 Top Five Detractors		
Stock	Average Weighting	Contribution to Return	Stock	Average Weighting	Contribution to Return
HELIOS TOWERS PLC	3.5%	0.8%	SBA COMMUNICATIONS CORP	2.6%	-0.4%
WELLTOWER INC	4.1%	0.7%	KILLAM APARTMENT REAL ESTATE INVESTMENT TRUST	4.1%	-0.3%
BPOCN 4.536 PERP	3.8%	0.5%	AMERICAN TOWER CORP	2.7%	-0.3%
GRANITE REAL ESTATE INVESTMENT TRUST	4.2%	0.5%	CAN APARTMENT PROP REAL ESTATE INVESTMENT TRUST	3.4%	-0.3%
CHARTWELL RETIREMENT RESIDENCES	4.8%	0.5%	INVITATION HOMES INC	1.6%	-0.1%

Source: Starlight Capital & Bloomberg Finance L.P. As of September 30, 2025.

Helios Towers is the top performer in Q3 2025 as it continues to benefit from strong secular demand for digital infrastructure in Africa. CEO Tom Greenwood recently highlighted that AI-driven data consumption across the continent is expected to “quintuple over the next five years,” signaling a significant growth runway. With more than 75% of sub-Saharan Africa still offline, adoption of mobile and data services remains in its early stages. For Helios Towers, this translates into multiple growth drivers: higher tenancy per tower as networks densify, increased value from power-as-a-service and uptime premiums, improved pricing mix through sustained utilization and co-location, and accelerated new site rollouts. This name remains a growth story with a positive outlook ahead.

Welltower was another top contributor to fund performance in Q3 2025, driven by ongoing momentum and the strength of its growth-oriented business model. Demand from the aging baby boomer population continues to act as a key catalyst, with limited near-term supply growth. Welltower is delivering double-digit Net Operating Income (NOI) growth while strategically expanding into high-potential locations, positioning the company for sustained long-term growth.

On the detractor side, **SBA Communications** has underperformed the fund recently, primarily reflecting its cyclical nature. As a tower infrastructure company, its results are closely linked to wireless carriers' network investment cycles, which have slowed in the near term. Additional headwinds include elevated interest rates, rising leverage, and the absence of major new leases, which have collectively pressured short-term growth. Despite these factors, SBA's underlying business remains strong, and the long-term outlook continues to benefit from structural trends in mobile and data demand. Many of these challenges translate to **American Tower** as well, which is why both names have been detractors in the quarter.

Portfolio Update

Sector	Portfolio Weight %	Top %Q/Q Changes
Industrial REITs	16.7%	1.6%
Communication Services	4.2%	1.1%
Health Care Facilities	2.4%	1.1%
Retail REITs	14.6%	1.1%
Health Care REITs	8.3%	-1.7%
Specialized REITs	7.8%	-2.1%

Source: Starlight Capital & Bloomberg Finance L.P. As of September 30, 2025. Excludes Cash and Cash Equivalents.

Industrial REITs have been the top performers in the portfolio this quarter, reflecting our strategic positioning in a sector showing signs of renewed leasing strength. Several industrial names had recently been trading near valuation bottoms, presenting an attractive entry point. Recognizing these inflection points, we proactively increased allocations ahead of a potential rebound in stock performance. This strategy has started to be validated by recent earnings reports, including **Prologis**, whose management highlighted that fundamentals in key markets are stabilizing and that the sector may have reached a bottom. These developments underscore the resilience of industrial real estate, driven by strong e-commerce demand, supply chain optimization, and limited new logistics supply.

During the third quarter, the Fund's exposure to specialized REITs, primarily tower names such as **SBA Communications** and **American Tower**, was modestly reduced. While the sector continues to demonstrate resilient fundamentals supported by ongoing growth in mobile data demand, near-term leasing activity has moderated as carriers adjust post-5G network investments. Our shift reflected a rotation toward higher-growth opportunities rather than a change in conviction around the long-term attractiveness of the tower model. We increased our position in **Helios Towers**, which offers exposure to faster-growing emerging markets and has delivered strong performance year-to-date (over 60%), allowing us to maintain participation in the tower theme through a more dynamic growth vehicle.

Fund Outlook

Looking ahead, we will continue to allocate capital to sectors supported by long-term, structural drivers such as aging baby boomers and data proliferation. This will be supported by tactical stock selection where we identify businesses that have been mis-priced by the market and represent good value longer term. The Fund will continue to be overweight dividend growers to support its attractive, tax-efficient monthly yield.

Source: Starlight Capital

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