

To Our Shareholders:

In November of 2025, LDR Capital Management, LLC completed a strategic merger of the Altegris/AACA Opportunistic Real Estate Fund (RAAIX) into The LDR High Income Realty Fund (HLRRX). Along with the assets of the acquired Fund, the merger included a substantial \$109MM capital loss carryover*; an embedded asset that can now be utilized to potentially benefit HLRRX shareholders going forward in the form of higher tax advantaged annual distributions as well as tax-advantaged capital gains potential.

Who is managing the Fund?

LDR Capital Management serves as both Investment Advisor and Portfolio Manager of the Fund.

Our investment team brings over 100 years of combined experience across public real estate securities and REIT markets, with long-standing continuity and collaboration spanning more than two decades. We are further supported by Burl East, Senior Advisor, whose extensive experience in REITs and real estate securities adds valuable depth to our investment process.

How do we intend to utilize the capital loss carryforwards?

We intend to use these losses in a disciplined and tax-efficient manner to support long-term shareholder returns. We seek to accomplish this through two primary channels:

1. Tax-efficient income generation
2. Potential for capital appreciation that can be offset by tax loss carryforward

Tax-Efficient Income Strategy

As you may recall, while our existing investment objective remains unchanged, the Fund recently added a new component.

The Fund employs a covered call writing strategy on a portfolio of high-quality, large-capitalization REIT equity securities. This approach allows the Fund to potentially generate option premium income in addition to underlying REIT dividends. Because option premiums are treated as a short-term capital gain, realized gains from this activity may be offset by the Fund's capital loss carryforwards, (subject to certain tax rules and limitations) allowing distributions to be made with limited or no current federal tax impact.

Potential for Tax-Efficient Capital Appreciation

The Fund is constructed around established REIT issuers with durable asset bases, strong balance sheets, and ongoing access to capital. To the extent these holdings generate appreciation over time, realized gains may also be offset by the Fund's remaining capital loss carryforwards, potentially allowing NAV growth to occur in a tax-efficient manner for shareholders.

* Please refer to Footnotes and Other Important Disclosures for definition and details about the capital loss carryover.

Why Covered Calls?

Covered call writing enables the Fund to potentially:

- Generate income through option premiums collected upfront
- Enhance portfolio yield relative to dividend income alone
- Provide a degree of downside cushion through premium income

While this strategy may limit participation in sharp market rallies, we believe it is well-suited for investors seeking income, tax efficiency, and risk-managed exposure to public real estate markets.

Tax Characteristics of Fund Distributions

Potential investor returns may consist of a combination of:

- REIT dividends, which may include:
 1. Return of capital
 2. Long-term capital gains
 3. Section 199A-eligible income
- Option premium income, offset by capital loss carryforwards
- Realized capital gains, offset by available losses

The ability to deliver tax-advantaged distributions is dependent on the continued availability of capital loss carryforwards and applicable tax regulations.

We believe the positioning of The LDR High Income Realty Fund is truly unique and particularly compelling for current and future investors seeking income, tax efficiency, and professionally managed real estate exposure within a single vehicle.

We appreciate your continued confidence and investment partnership.

Sincerely,

LDR Capital Management

Footnotes and Other Important Disclosures

Mutual fund investing involves risk. Principal loss is possible. Past performance is not a reliable indicator of future results. The Fund concentrates its investments in the real estate industry, including investments in REITs. 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. 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 a leveraging strategy will be successful. 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, and high market volatility can increase these risks.

This newsletter is a publication of LDR Capital Management. The letter contains certain forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties which may cause actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by these forward-looking statements or projections. The letter should not be regarded as a complete analysis of the subjects discussed. All expressions of opinion reflect the judgment of the authors as of the date of publication and are subject to change.

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Information presented does not involve the rendering of personalized investment advice, but is limited to the dissemination of general information on products and services. Information presented is not an offer to buy or sell, or a solicitation of any offer to buy or sell the securities mentioned herein.

A capital loss carryover arises when investment losses are larger than capital gains in any one year – those unused losses can carry over and be utilized in future years. As such, any carryover losses can offset future potential capital gains until the losses have been fully utilized. Such capital gains include both the potential realized gains from the appreciation in the underlying securities holdings and any potential option premium received from covered call writing. For the LDR High Income Realty Fund, the capital loss carryover was brought into the Fund via the strategic merger of the Altegris/AACA Opportunistic Real Estate Fund (RAAIX) into the HLRRX in November 2025. Substantial losses were realized within the RAAIX. Consequently, both the assets of the RAAIX and this capital loss carryover transitioned to HLRRX. Risk to utilization of this capital loss carryover include: 1) If there are no capital gains in any particular year, and/or 2) There is no covered call option premium created to be offset by the capital losses.

By selling covered call options, the Fund limits its opportunity to profit from an increase in the price of the underlying stock above the exercise price but continues to bear the risk of a decline in the stock. A liquid market may not exist for options held by the Fund. If the Fund is not able to close out an options transaction, it will not be able to sell the underlying security until the option expires or is exercised. While the Fund receives premiums for writing the call options, the price it realizes from the exercise of an option could be substantially below a stock's current market price.

Nothing in this communication constitutes tax advice. Investors are urged and advised to consult their own tax adviser with respect to the tax consequences of an investment in the Fund.

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.ldrcapitalmgmt.com/mutual-funds. Please read the prospectus carefully before investing.