

The Advisors' Inner Circle Fund III

# Knights of Columbus Real Estate Fund

I Shares - KCRIX



## Annual Shareholder Report: October 31, 2024

This annual shareholder report contains important information about I Shares of the Knights of Columbus Real Estate Fund (the "Fund") for the period from November 1, 2023 to October 31, 2024. You can find additional information about the Fund at <https://www.kofcassetadvisors.org/resources/forms/#tab-1-application--account-forms>. You can also request this information by contacting us at 1-844-KC-FUNDS (1-844-523-8637). **This annual shareholder report describes changes to the Fund that occurred during the reporting period.**

### What were the Fund costs for the last year?

(based on a hypothetical \$10,000 investment)

<u>Fund Name</u>	<u>Costs of a \$10,000 investment</u>	<u>Costs paid as a percentage of a \$10,000 investment</u>
Knights of Columbus Real Estate Fund, I Shares	\$115	1.00%

### How did the Fund perform in the last year?

The Fund changed the vendor for its primary benchmark, from FTSE Russell to Bloomberg, as of February 29, 2024. All performance discussions and comparisons herein will consider that the fund was managed against the FTSE NAREIT Equity REITS Index for November, December, January and February, and the Bloomberg US 3000 REIT Index for the rest of the year.

The FTSE NAREIT Equity REITS Index rose +36.80% for the year ended October 31, 2024, while the Bloomberg US 3000 REIT Index rose +37.75%. The indices rose at the end of 2023, then were roughly flat for months until they picked up again starting in July. The Office REITs and Health Care REITs sub-industries led the way higher, up +68% and +52%, respectively. Mortgage REITs and Timber REITs brought up the rear, falling by -30% and -7%, respectively. Securities restricted from investment for Catholic principles had minimal impact, rising the same amount that unrestricted securities rose.

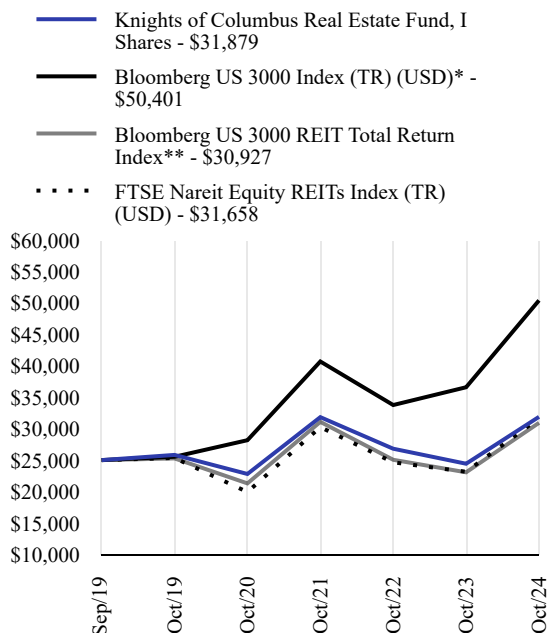
The Fund I Shares returned +30.53% during this period. Industrial REIT Rexford Industrial Realty, Inc. (4.5% Average Wgt., +2.5% Total Return) rose 2.5% but failed to keep up with peers. Real Estate Operating Company Kennedy-Wilson Holdings, Inc. (2.6%, -4.4%) finished lower. Their multi-family properties, particularly in California, dragged on performance and they also had to take asset mark-downs.

Retail REITs added value from allocation and selection. Overall retail spending in the US stayed stronger than expected. Acadia Realty Trust (3.7%, +77.8%) finished higher by 77.8%. The company posted solid earnings reports with strong same store net operating income growth and healthy cash rent spreads. Urban Edge Properties (1.0%, +32.7%) finished higher. They realized healthy same store net operating income growth along with high occupancy levels and remained active in acquiring and selling various properties.

The rate on 10-year treasury bonds currently stands at 4.42%, a level last seen in early July 2024. However, at that time, the Bloomberg US 3000 REIT Index was approximately 12% lower than today. With values of real estate investments highly dependent on the level and direction of interest rates, the large question looming is what happens to rates. The Bloomberg US 3000 REIT Index hit its 2024 peak in September as rates were bottoming and has pulled back some since. We are maintaining current positioning for now as we continue to assess macroeconomic trends and potential Trump Administration policies to gauge impacts on economic growth, inflation, and interest rates.

### How did the Fund perform since inception?

#### Total Return Based on \$25,000 Investment



#### Average Annual Total Returns as of October 31, 2024

<u>Fund/Index Name</u>	<u>1 Year</u>	<u>5 Years</u>	<u>Annualized Since Inception</u>
Knights of Columbus Real Estate Fund, I Shares	30.53%	4.30%	4.89%
Bloomberg US 3000 Index (TR) (USD)*	37.75%	14.57%	14.77%
Bloomberg US 3000 REIT Total Return Index**	34.12%	4.12%	4.27%
FTSE Nareit Equity REITs Index (TR) (USD)	36.80%	4.55%	4.75%

Since its inception on September 30, 2019. The line graph represents historical performance of a hypothetical investment of \$25,000 in the Fund since inception. Returns shown are total returns, which assume the reinvestment of dividends and capital gains. The table and graph presented above do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares. **Past performance is not indicative of future performance.** Call 1-844-KC-FUNDS (1-844-523-8637) for current month-end performance.

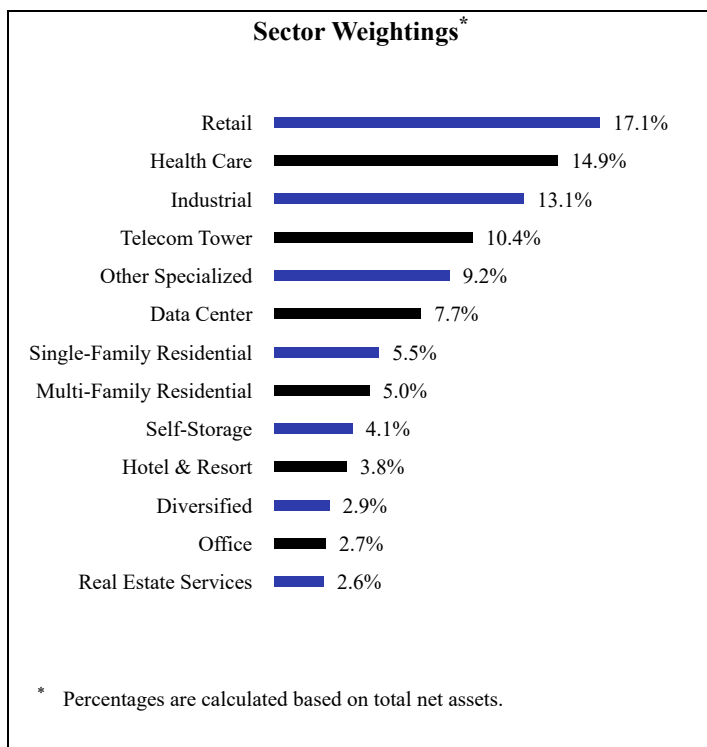
\* As of October 2024, pursuant to the new regulatory requirements, this index has been added to represent the broad-based securities market index.

\*\* On February 29, 2024, the Fund's benchmark changed from the FTSE NAREIT Equity REITs Index (TR)(USD) to the Bloomberg US 3000 REIT Total Return Index because the Adviser believes that the Bloomberg US 3000 REIT Total Return Index better reflects the Fund's investment strategies.

## Key Fund Statistics as of October 31, 2024

<u>Total Net Assets</u>	<u>Number of Holdings</u>	<u>Total Advisory Fees Paid</u>	<u>Portfolio Turnover Rate</u>
\$152,182,357	30	\$1,171,020	114%

### What did the Fund invest in?



**Top Ten Holdings**

<u>Holding Name</u>	<u>Percentage of Total Net Assets</u>
Equinix	7.7%
American Tower	7.3%
Welltower	5.8%
Prologis	5.1%
Iron Mountain	4.3%
Public Storage	4.1%
VICI Properties, Cl A	4.0%
Kimco Realty	3.2%
Omega Healthcare Investors	3.2%
Americold Realty Trust	3.2%

### Material Fund Changes

This is a summary of material changes made to the Fund since November 1, 2023:

- The investment subadvisory agreement, dated July 24, 2019, by and between Ranger Global Real Estate Advisors, LLC and the Knights of Columbus Asset Advisors LLC was terminated effective as of May 7, 2024.
- Effective May 31, 2024, following shareholder approval on May 30, 2024, the Fund's diversification classification changed from "diversified" to "non-diversified," which means that this Fund may invest a larger percentage of the Fund's assets in a smaller number of issuers than a diversified fund.
- Effective March 1, 2024, Knights of Columbus Global Real Estate Fund changed its primary benchmark, with approval of the Funds' Board of Trustees, from the FTSE Nareit Equity REITs Index to the Bloomberg US 3000 REIT Total Return Index. For detailed information please see the Prospectus Supplement dated March 1, 2024.
- Effective May 7, 2024, the management fee for the Real Estate Fund decreased from 0.85% to 0.80% of the average daily net assets of the Fund.

### Changes in and Disagreements with Accountants

There were no changes in or disagreements with accountants during the reporting period.

### Additional Information

For additional information about the Fund, including its prospectus, financial information, holdings, and proxy voting information, call or visit:

- 1-844-KC-FUNDS (1-844-523-8637)
- <https://www.kofcassetadvisors.org/resources/forms/#tab-1-application--account-forms>

### Householding

Rule 30e-1 of the Investment Company Act of 1940 permits funds to transmit only one copy of a proxy statement, annual report or semi-annual report to shareholders (who need not be related) with the same residential, commercial or electronic address, provided that the shareholders have consented in writing and the reports are addressed either to each shareholder individually or to the shareholders as a group. This process is known as "householding" and is designed to reduce the duplicate copies of materials that shareholders receive and to lower printing and mailing costs for funds. Once implemented, if you would like to discontinue householding for your accounts, please call toll-free at 1-844-KC-FUNDS (1-844-523-8637) to request individual copies of these documents. Once the Fund receives notice to stop householding, we will begin sending individual copies 30 days after receiving your request.

