

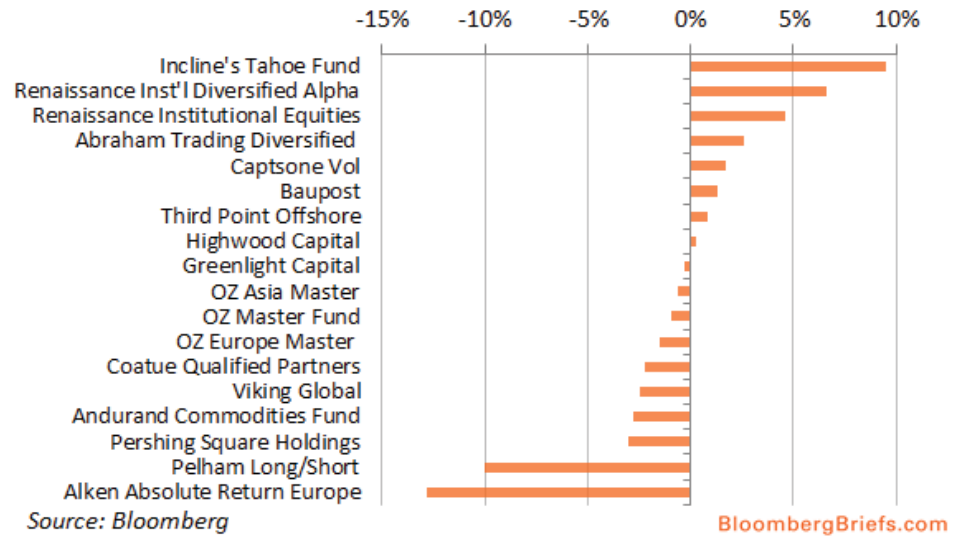
# RETURNS IN BRIEF FOR QUESTIONS, E-MAIL MKARSH@BLOOMBERG.NET

■ **Mooring Capital Fund**, the \$60 million hedge fund that invests in distressed and sub-performing commercial loans, gained about 15 percent in the second quarter, bringing returns for the year to roughly 19.9 percent, said Chief Executive **John Jacquemin**. The fund purchases commercial loans from banks and other financial institutions and then works with borrowers to restructure and modify the mortgages, according to a document obtained by Bloomberg. The second-quarter return was boosted by the sale of an industrial park in Las Vegas, which the fund was invested in, to electric car company Faraday Future, Jacquemin said. "We were recipients of 41 percent of the benefits," he said in an interview. "We didn't anticipate we would sell the land one year after we bought the rights to it." On July 1, the firm bought shares in iShares UK Property UCITS ETF and on July 7 it bought shares of U.K.-based homebuilder Redrow Plc, which had fallen more than 31 percent since June 23, to take advantage of market "overreaction" following the U.K.'s vote to leave the European Union, Jacquemin said. "Our view is the London real estate market is over-appreciated, but non-London-based real estate markets are attractive. Most of Redrow's construction is outside of London," he said. The fund is run by Virginia-based **Mooring Financial Corp.**, which manages \$110 million in assets.

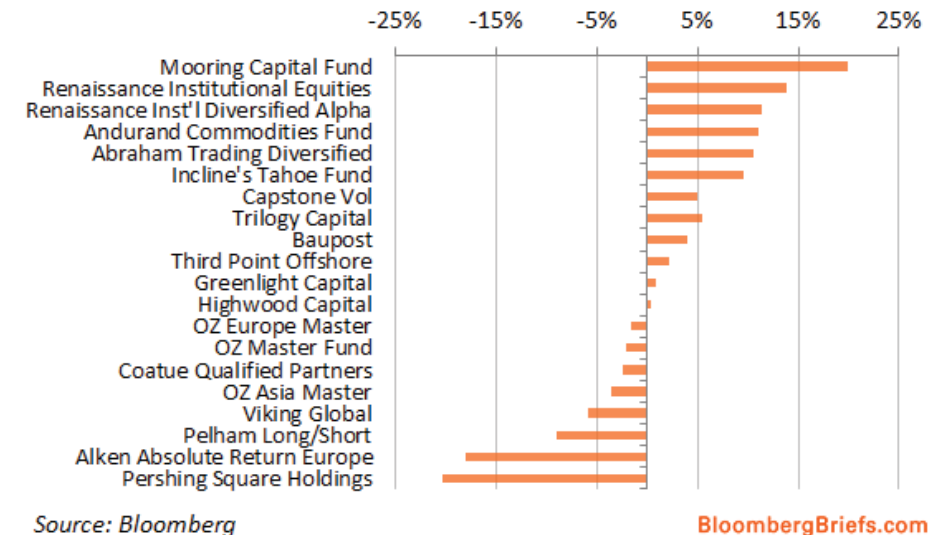
■ **Highwood Capital LLC**, the New York-based fund of hedge funds, gained 0.3 percent last month, which is also its return for the year through June, said a person familiar with the matter. Hedge Fund Research's HFRI Fund of Funds Composite Index fell 0.3 percent last month and 2.4 percent this year through June. Highwood "has continued to outperform the markets with significantly less risk by properly allocating funds across uncorrelated strategies of well-established hedge fund managers," **Robert Banker**, founder and managing partner, said via e-mail. The fund rose 4.6 percent in 2015, the person said.

■ **Incline Investment Management**, the Incline Village, Nevada-based systematic hedge fund, gained 9.5 percent in June in its Tahoe Fund, bringing returns for the year to 9.6 percent, according to an investor letter obtained by Bloomberg.

## June Returns



## Year-to-Date Returns to End-June



Funds not mentioned in the text on this page were previously reported in the Brief or on BN.

The fund's returns were boosted by long positions in bonds across Asia, Europe and the U.S., as government bonds extended their gains last month after the U.K.'s Brexit vote, the letter said. "We were already following the long-term trends in a number of markets pre-Brexit. So when Brexit hit, the systems were able to capture the significant moves," CEO **Ted Parkhill** said in an interview. The largest bets were in commodities and fixed income. The portfolio was short the British pound, and long the U.K.'s FTSE 100 Index. "Following the Brexit vote, the

FTSE 100 is one of the strongest stock markets in the world," the letter said. "Whether it turns into a sustained uptrend is anyone's guess, and either way we will stick to our discipline."

— Hema Parmar

■ **Seth Klarman's** \$28 billion hedge fund rose about 1.25 percent in June, bringing its gain this year to about 4 percent, said a person with knowledge of the firm. **Baupost** has seen some energy bets rebound after they dragged on 2015 performance. Diana DeSocio, a Baupost spokeswoman, declined to comment.

— Sabrina Willmer