RiverPark Floating Rate CMBS Fund
(RCRIX/RCRFX)

Update on the CMBS Market and the Fund
(March 23, 2020)

We have just been through an extraordinary week in the financial markets brought on by the Coronavirus. First, we extend our best wishes to all of our clients for your health and safety. Second, we would like to share our CMBS market observations, discuss steps we have taken to make our portfolio more defensive and comment on the recent mark-to-market losses and what we think may be around the corner. As you know, the RiverPark Floating Rate CMBS Fund (the "Fund") invests exclusively in floating-rate Commercial Mortgage Backed Securities ("CMBS"). All our 22 investments are interests in first mortgage loans secured by high-quality income-producing commercial real estate assets owned by top-tier sponsors. These loans pay interest monthly and all are currently performing and are expected to continue to do so.

We believe that we have constructed a defensive and durable portfolio that should weather the current storm well, even if it lasts longer than expected. Approximately 80% of our portfolio is comprised of industrial assets, office properties, and apartments that are on average just under 95% leased and that generate substantial cash flow from which to pay debt service. The remainder of the portfolio is comprised of debt secured by high quality hotels or portfolios of hotels. These hotel assets are owned by the following leading private equity firms: Blackstone, Brookfield, Colony Capital and Thor Equities, all of whom are well-capitalized and have made significant equity investments. Importantly, in the early days of 2020, we proactively cut our hotel exposure nearly in half from year-end 2019. Further, we have no retail property exposure in the portfolio.

Beginning in March, we started to see forced selling from dedicated and non-dedicated CMBS owners. What started as a manageable trickle in the beginning of the month snowballed into near-panic selling with market makers mostly working from home and few, if any, participants having an appetite to increase exposure. Given liquidity concerns fueled by the performance of equities and the high yield bond markets, dealers began pulling back from the market. Bid/offer spreads widened and the CMBS market began gapping downward on relatively little volume. Although we are not trying to call a bottom, the good news is that at these levels, non-dedicated CMBS investors such as hedge funds and private equity funds have begun

156 W. 56th Street, 17th Floor | NY, NY 10019 | P 212.484.2100 | www.riverparkfunds.com

buying. For the Fund, while the portfolio was essentially flat through February, it was marked down to 75% of face value as of Monday, March 23, 2020.

We have carefully re-reviewed each of our 22 investments and continue to take comfort in the asset quality, locations, and sponsorship of each asset. In effect, we believe that we own a very strong portfolio for this challenging market. The industrial, office and apartment assets are not expected to experience operational difficulties while the hotels are likely to experience Corona-related interruptions, including temporary closures, to conserve cash. Even for those hotel assets, we are confident the institutional sponsors can afford to carry them without cash flow for a year or more and will continue to ensure that payments are current to avoid losing these valuable assets at well below market values. Additionally, a unique feature of CMBS is that interest shortfalls, if any, are advanced by the trust's Servicer so long as such advances are deemed recoverable. Since our investments have multiple layers of credit support, we expect to be paid each month and to be repaid in full at maturity. Presently, and based upon the latest government announcements, we feel that the majority of the Corona interruption should be behind us by the third or fourth quarter of this year. At that point, we would expect our assets to snap back sharply.

Our conviction in the portfolio stems from our high asset quality and defensive positions within the individual debt capital structures. Further, we have no leverage and all our assets are performing. We have invested through cycles such as this in 2008 (Global Financial Crisis), 2001 (World Trade Center), and 1998 (Long Term Capital Management). In some respects, it feels like we are reliving those moments. During each prior market disruption, while our assets were temporarily marked down, they continued to pay their monthly coupons, and all repaid in full at maturity. By owning an interest in the first mortgage, the Fund owns the senior most secured part of the commercial real estate capital structure.

In other respects, importantly, this market cycle is different, which gives us even greater comfort. The other cycles involved an erosion in fundamentals that arguably hurt commercial real estate values, either because we were questioning the concept of living or working in major urban centers or because of excess leverage in the financial sector. Today, we believe the economic issues were caused by an external event and are going to be short lived.

Looking forward, the steep fall in price of what we strongly believe to be "money good" assets has created a buying opportunity. Assets purchased today at steep discounts, prices not seen since 2008, are all expected to return to par over the next 12-18 months. The recovery to par

156 W. 56th Street, 17th Floor | NY, NY 10019 | P 212.484.2100 | www.riverparkfunds.com

of the portfolio plus the current coupons being paid by these assets are expected to drive returns higher, as was the case in the early days of the Fund, post the 2008 financial crisis.

While recent buying activity is helping to establish a floor for prices, we believe that we need to see Coronavirus concerns wane before meaningful price appreciation can begin. There is no guarantee that we have seen the bottom in prices, and forced selling could cause prices to decline even further. In 2008, in the midst of the financial crisis, prices of similar securities fell to about 50 cents on the dollar for a short period before sharply rebounding, which could happen again this time. Once the Coronavirus is contained, we expect to see our assets rebound quickly in price (particularly our office, industrial and multi-family assets whose cash flows were largely unaffected) and then start to see our hotels recover as they begin to reopen and rebuild their businesses.

Thank you for investing with us. I and other members of the RiverPark team remain significant shareholders and even took the opportunity to add capital to the Fund last week, with future investment likely at these discounted prices. We believe that the Fund represents a compelling way to take advantage of the severe dislocation currently in CMBS with the opportunity to generate mid-teens or higher pro forma returns in fundamentally sound assets. Importantly, the sell-off has been substantially technical rather than based on credit characteristics. We are excited about the prospects of our market as it recovers and look forward to taking advantage of these turbulent times to invest opportunistically in the weeks and months ahead.

Sincerely,

Edward L. Shugrue III
Portfolio Manager
RiverPark Funds
eshugrue@riverparkfunds.com

To determine if a Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. This and other information may be found in the Fund's summary and full prospectus, which may be obtained by calling 1-888-564-4517 or by visiting the website at www.riverparkfunds.com. Please read the prospectus carefully before investing.

Investing involves risk including possible loss of principal. Bonds and bond funds are subject to credit risk, default risk and interest rate risk and may decline in value as interest rates rise. High yield bonds involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. CMBS are not backed by the full faith and credit of the U.S. government and are subject to risk of default on the underlying mortgages. Securities backed by commercial real estate assets are subject to risks similar to those of direct ownership of commercial real estate loans including, but not limited to, declines in the value of real estate, declines in rental or occupancy rates and risks related to general and local economic conditions. There can be no assurance that the Fund will achieve its stated objectives. The Fund is not diversified. The value of the collateral securing CMBS can decline, be insufficient to meet the obligations of the borrower, or be difficult to liquidate. As a result, CMBS may not be fully collateralized and may decline significantly in value.

This material represents the portfolio manager's opinion and is an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice regarding the Fund or any security in particular.

The RiverPark Floating Rate CMBS Fund is distributed by SEI Investments Distribution Co., One Freedom Valley Drive, Oaks, PA 19456 which is not affiliated with RiverPark Advisors, LLC,.