



RiverPark Floating Rate CMBS Fund

(RCRIX/RCREX)

Update on the CMBS Market and the Fund (March 30, 2020)

Given continued market volatility, we wanted to provide an update to our note from Monday, March 23, 2020.

The strong wave of selling that caused the portfolio to suffer sharp mark-to-market losses over the last three weeks appears to have subsided for the moment, which, along with renewed buying interest from more investors (both old and new) has allowed the portfolio to recover from last Wednesday's low point of 70% of face value. Absent a material and prolonged worsening of the pandemic, we believe that we may have turned the corner. We ended the week with a portfolio value of 76% of face value, and we continue to believe that all of our investments will ultimately pay off at par, based upon their solid real estate fundamentals of asset quality, sponsorship, location, credit and cash flow. Although our hotel investments will likely have a longer recovery period from an operational perspective, we expect the large well-capitalized owners of these hotels to continue to make payments throughout the restructuring period, and hotels constitute only around one fifth of the portfolio.

This three week sell-off, triggered by the virus, was, we believe, largely technical as leveraged buyers of CMBS (or their lenders) and other non-dedicated investors were forced to liquidate large holdings to meet margin calls and redemptions. The Fund had not experienced this kind of volatility (and has never experienced a default or asset impairment) since its inception nearly a decade ago, and the market hasn't seen this kind of dislocation since 2008.

The Fund was created in the wake of the 2008 financial crisis, under similar circumstances. Thus, while there may be ups-and-downs from here, we believe that today represents a once-in-a-decade opportunity to generate outsized returns simply through a return to par for well-secured first mortgage commercial real estate loans backed by some of the most highly capitalized sponsors in the United States. Our team has taken the opportunity to buy into the Fund this week and last.



Wishing you health and safety during this challenging period. Please reach out with any questions.

Sincerely,

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RiverPark Funds
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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.

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