



RiverPark Floating Rate CMBS Fund

(RCRIX/RCRFX)

Third Quarter 2024 Commentary

During the third quarter, the Fund returned 2.81%, while twelve-month trailing performance through September 30, 2024 was 9.69%. This performance was achieved while maintaining a weighted average credit rating of single “A,” a portfolio loan-to-value of below 50%, and a 6.8% gross coupon, all while providing daily liquidity.

We have no exposure to the office and hospitality sectors that continue to experience challenging headwinds, particularly office. Instead, our diversified portfolio remains nearly fully leased, generates robust cash flows, and is owned by highly capitalized and experienced sponsors.

In the new issue market this month, we acquired AAA bonds secured by the Fashion Show Mall on the Las Vegas Strip, our first investment in the retail space in some time. The Fashion Show Mall is 99% occupied, owned by Brookfield and benefits from annual sales of nearly \$750 million. This is also our first fixed rate investment in a long time (97% of the portfolio remains floating rate) as we are now tactically adding fixed rate exposure that we believe will benefit from declining interest rates.

During the quarter, market prices for the portfolio and the CMBS market overall continued their gradual climb despite a very active new issue market with annual YTD issuance of \$85 billion (vs. \$33 billion YOY – a 158% increase). We believe the overall market recovery will continue and that a return to par for our portfolio (from a weighted average of 98.6% at quarter-end) will occur naturally as interest rates gradually decline and other macro-economic factors stabilize. For example, our New York City multi-family portfolio repaid-in-full at par during the quarter even though it had been marked at 94.19% of par immediately prior to the repayment. In addition to the Fashion Show AAA bond, we acquired a new-issue warehouse/industrial bond sponsored by Ares Management at the single A level that is 97% leased. On average, our portfolio is ~95% leased.

In summary, while there may be uncertainty in the economy and ongoing headwinds in parts of the commercial real estate sector (notably office), we are confident in the strength of our portfolio, the robustness of our dividends and the ability of our loans to repay at par organically.



Portfolio Composition and Characteristics

The greatest strengths of our portfolio are the quality of our assets and sponsors. The Fund is currently comprised of three asset types in 22 investments: industrial, multi-family apartments, and one high-end retail shopping center. At quarter-end, our portfolio was secured by over 2,000 properties comprising over 500 million square feet across the United States. We feel that our portfolio has never been positioned more defensively and should deliver steady, floating rate returns at an attractive spread to Secured Overnight Financing Rate (“SOFR”) (30-day SOFR is currently 4.84%) for years to come (note that we did add one five-year fixed-rate asset this quarter and anticipate acquiring more of these kinds of assets in light of the anticipated decline in interest rates over the intermediate term of 1-3 years). These asset classes are discussed below with a detailed asset summary on the following page.

Industrial Assets (82% of the portfolio in 16 investments). Industrial assets typically represent the backbone of distribution for retail and commercial goods in the US. The Fund’s industrial assets are comprised of large and diversified portfolios of “last mile” warehouse and distribution properties used by such companies as Amazon and Wal-Mart. For example, at issuance, our Blackstone XL2 warehouse portfolio consisted of 121 properties totaling 17 million square feet in 10 states. Within industrial, we also include cold storage, self-storage and data storage assets.

Multi-Family Apartments (15% of the portfolio in five investments). Our multi-family apartment assets are comprised of portfolios of typically ten or more complexes, typically with 100 or more units per complex, including both high-rise and garden style apartments.

High-End Retail Shopping Mall (3% of the portfolio in one investment). As mentioned, this quarter we acquired the AAA bonds secured by the 99% occupied, 1.7 million square foot Fashion Show Mall located on the Las Vegas Strip, with annual sales of nearly \$750 million.

Regarding sponsorship, the Fund’s CMBS investments are owned by many of the country’s leading institutional real estate investors such as Apollo, Ares, Blackstone, Brookfield, Centerbridge and Industrial Logistics Properties Trust. Our investments benefit not only from the experience of our sponsors but also from their deep pockets and significant equity investments in each transaction.



Fund Investments

	Property Type	Sponsor	Ticker	Location	Ratings ¹	Percent of Net Assets ²
1	Industrial/Distribution	Indus Logistics	2022-LPF2 C/E	Nationwide	A-/BB	9%
2	Industrial/Distribution	Blackstone	2021-XL2 F	Nationwide	BB-	6%
3	Industrial/Distribution	Ares	2024-IND B	Nationwide	AA	6%
4	Industrial/Distribution	Ares	2024-IND2 C	Nationwide	A	6%
5	Industrial/Distribution	Blackstone	2024-CNYN A	Nationwide	AAA	6%
6	Industrial/Distribution	Blackstone	2024-MDHS A	Nationwide	AAA	6%
7	Industrial/Distribution	Blackstone	2022-PSB A	Nationwide	AAA	5%
8	Apartment Portfolio	Blackstone	2021-RISE A	Nationwide	AAA	5%
9	Industrial/Self Storage	Centerbridge	2021-STOR F	Nationwide	BB-	5%
10	Industrial/Distribution	Blackstone	2021-CIP D	Nationwide	BBB	5%
11	Industrial/Distribution	Blackstone	2022-IND E	Nationwide	BB-	4%
12	Apartment Portfolio	Apollo	2021-MHC D	Nationwide	BBB	4%
13	Industrial/Distribution	Blackstone	2021-ACNT A	Nationwide	AAA	4%
14	Apartment Portfolio	Brookfield	2021-MHC2 B	Nationwide	AA	4%
15	Apartment Portfolio	Horizon	2021-MHC E	Nationwide	BB	4%
16	Industrial/Distribution	Blackstone	2021-SOAR C/E	Nationwide	A/BBB	4%
17	Industrial/Distribution	Blackstone	2021-VINO A	Nationwide	AAA	4%
18	Retail	Brookfield	2024-SHOW A	Las Vegas	AAA	3%
19	Industrial/Distribution	Brookfield	2024-IND2 A	Nationwide	AAA	3%
20	Apartment Portfolio	Blackstone	2021-MFM1 E	Nationwide	BB-	2%
21	Industrial/Distribution	Oxford/OMERS	2021-PORT F	Nationwide	BB	2%
22	Industrial/Data Center	Blackstone	2021-VOLT F	Nationwide	BBB	2%

Holdings are as of 9/30/2024 and are subject to change.

¹ *Ratings are sourced from Bloomberg and based on the highest assigned rating of any of Moody's, S&P, Fitch, Krill Bond Rating Agency and DBRS Morningstar.*

² *Totals may not sum to 100%.*



Performance

Performance: Net Returns as September 30, 2024

	Current Quarter	Year to Date	One Year	Three Year	Five Year	Ten Year	Since Inception
RCRIX	2.81%	7.75%	9.69%	5.47%	2.17%	2.83%	4.68%
RCRFX	2.65%	7.36%	9.11%	5.04%	1.77%	2.55%	4.49%
Bloomberg U.S. Investment-Grade CMBS Index	4.64%	6.47%	12.05%	-0.27%	1.20%	2.48%	3.74%
Bloomberg U.S. Aggregate Bond Index	5.20%	4.45%	11.57%	-1.39%	0.33%	1.84%	2.45%

Annualized performance since inception of the Fund (9/30/16) was 2.85% for RCRIX and 2.50% for RCRFX.

The performance quoted herein is net of all fees and expenses and represents past performance. Past performance does not guarantee future results. Performance shown for periods of one year or greater are annualized. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost, and current performance may be higher or lower than the performance quoted. For performance data current to the most recent month end, please call 888.564.4517.

The performance data quoted for periods prior to September 30, 2016 is that of the predecessor fund. The inception date of the Predecessor Fund was May 31, 2010. The performance of the Predecessor Fund includes the deduction of actual fees and expenses, which were higher than the fees and expenses charged to the Fund. Although the Fund is managed in a materially equivalent manner to its predecessor, the Predecessor Fund was not a registered mutual fund and was not subject to the same investment and tax restrictions as the Fund.

Expense Ratio: Institutional: 0.99% gross and 0.85% net, Retail: 1.34% gross and 1.25% net as of the most recent prospectus, dated January 26, 2024.

The Adviser has agreed to waive fees and reimburse expenses until at least January 31, 2025 to the extent necessary to assure that expenses will not exceed certain pre-agreed limits. The Adviser has the ability, subject to annual approval by the Board of Trustees, to recapture all or a portion of such waivers. The Gross Expense Ratio reflects actual expenses, and the Net Expense Ratio reflects the impact of such waivers or recaptures, if any.

Index returns are for illustrative purposes only and do not represent fund performance. Index performance returns do not reflect any management fees, transaction costs, or expenses. Indexes are unmanaged and one cannot invest directly in an Index.



Conclusion and Looking Ahead

We have built a defensive portfolio constructed with floating-rate and highly collateralized assets that are thriving in this environment and have tactically begun to introduce a small fixed-rate component (currently 3% and capped at 20%) that should benefit from a declining interest rate environment. We believe that our portfolio should continue to experience low volatility and generate, as the Fund has done historically, steady and predictable monthly dividends. We are excited for the year ahead and the Fund's prospects. As a reminder, management of the Fund continues to be a major investor.

Please reach out with any questions.

Sincerely,

Edward L. Shugrue III
Portfolio Manager
RiverPark Funds
New York, New York



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.

Securities referenced herein are not meant to be an investment recommendation and may or may not be held in the Fund. Any opinion stated herein represents the author's judgment at the time it was made and is subject to change without notice.

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.

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