Salient®

2022 First Quarter Portfolio Review

Investment Objective

Salient Select Income Fund seeks high current income and the potential for modest long-term growth of capital by investing in a portfolio of senior securities and high-income equities primarily issued by real estate investment companies. While the fund's focus is on real estate investment trust (REIT) preferred securities, its allocation among preferred stocks, common stocks and bonds may shift in response to market conditions.

Portfolio Management

John D. Palmer
Portfolio Manager
18 Years Experience

Inception Date

March 30, 2001

Net Assets

$277.56M (as of 03/31/22)

Fund Details

Share Class	Ticker	Inception
Investor	FFSLX	10/26/11
Institutional	KIFYX	04/28/06
Class A	KIFAX	03/30/01
Class C	KIFCX	03/30/01

Distribution Per Share (03/28/22)

Share Class	
Investor	$0.255
Institutional	$0.273
Class A	$0.252
Class C	$0.223

All or a portion of REIT distributions will be considered a return of capital (ROC). ROC is tax-deferred and reduces the shareholder's cost basis. When shares are sold and the result is a gain, it would then be taxable at the capital gains rate.

Investment Overview

The fund offers access to a professionally managed portfolio of REIT preferred shares and senior securities that provide income-oriented investors an opportunity to own the preferred equity and bonds of public real estate companies at attractive yields.

- The fund also invests in high-yielding REIT common stocks and may seek opportunities in small-capitalization REITs, as well as utilize portfolio leverage in pursuit of its objectives. While the focus is on preferred/senior securities, the allocation may shift based on market conditions.
- The portfolio employs a rigorous, repeatable, bottom-up investment approach that incorporates both quantitative and qualitative analyses of companies' cash flow, assets and management to identify securities with the most risk-adjusted appreciation potential.
- The portfolio adjusts to changing market fundamentals through sector and geographic rotation, employs active stock selection and leverages the team's experience in real estate security portfolio management.

Performance (as of 03/31/22)

Salient Select Income Fund's Institutional Class shares produced a total return of -2.66% for the first quarter of 2022. For the eighth consecutive quarter, the fund significantly outperformed its benchmark, the ICE BofAML Fixed Rate Preferred Securities (ICE BofAML) Index, which returned -6.72% during the first quarter. Similarly, the fund outperformed the MSCI REIT Preferred (M1CXIVA) Index, which returned -6.60%.

	Q1 2022	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (04/28/06)
Fund (KIFYX)	-2.66%	-2.66%	7.02%	4.94%	3.64%	6.44%	5.51%
ICE BofAML Index	-6.72%	-6.72%	-3.63%	3.37%	3.84%	5.16%	3.79%
M1CXIVA Index	-6.60%	-6.60%	-4.60%	1.15%	1.53%	3.15%	4.39%

Gross Expenses/Expense Limitation Agreement as of 05/01/21: **1.42%**/1.15%

Returns for periods greater than one year are annualized.

The performance quoted represents past performance, does not guarantee future results and current performance may be lower or higher than the data quoted. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance data current to the most recent month-end may be obtained at www.salientpartners.com. Investment performance may reflect fee waivers in effect. In the absence of fee waivers, total return would be lower. Total return is based on NAV, assuming reinvestment of all distributions. Performance does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

First Quarter Review

Following the extraordinary returns enjoyed by market participants in calendar year 2021, global markets dramatically shifted course in the first quarter of 2022, registering negative returns for both stock and bond investors alike. Despite strong domestic gross domestic product growth and a largely recovered domestic labor market, the prospect of slowing global growth and destabilized international trade coupled with accelerating commodity prices and expectations of higher future interest rates sent investors into a risk-off posture throughout the quarter. These concerns were realized on March 16, 2022, when the U.S. Federal Reserve (Fed) increased the federal funds rate by 25 basis points — the first increases since 2018 — in an effort to reign in record inflation following years of robust government stimulus and accommodative monetary policy stemming from the COVID-19 pandemic.

As points of reference for the retreating market, the S&P 500 Index and the Nasdaq Composite Index lost -4.60% and -8.94%, respectively, during the first quarter.[1] In a similar fashion, global real estate markets also gave up ground during the first quarter. U.S. REIT equities, as represented by the FTSE NAREIT Equity REITs Total Return Index, returned -3.86%, while the common stock of real estate companies in developed markets outside the U.S., as represented by the FTSE EPRA/NAREIT Developed ex-U.S. Index, posted a -3.22% total return for the first quarter.[1]

Capital Raising Activity Pulls Back

As to be expected during periods of high volatility, capital markets activity slowed down during the first quarter of 2022. REITs raised over $4.4 billion in nine common stock issuances, placed over $13.7 billion in 24 bond offerings and, most importantly for our fund, completed one preferred security offering that raised $250 million in the first three months of 2022.[2] As we have always done in this fund, we participate when favorable primary market opportunities present themselves — as these transactions represent efficient opportunities to place large amounts of capital. We believe that the dearth of recent REIT preferred offerings is attributable to the present stock market turbulence related to the macroeconomic picture and the forecast of higher domestic reference rates. Additional new REIT preferred issuance will largely depend upon consistent economic conditions and a willingness of management teams to fill out their capital stack as they continue to seek out new real estate investment opportunities. We hope to see a reopening of the REIT preferred market in the second half of the year as real estate fundamentals accelerate, but time will tell.

M&A Remains Active

Despite the volatility experienced across the broader markets, REIT merger and acquisition (M&A) activity continued uninterrupted in the first quarter of 2022. Following five transactions during the fourth quarter of 2021, six additional M&A deals were announced during the first quarter (see table in next column). Interestingly, three of these announced deals were unsolicited take-private offers initiated by activist investors (note: two of them have subsequently been rejected by management). This marks the fourth consecutive quarter of elevated M&A following limited activity throughout the first 12 months of the pandemic. We believe that several large private equity investors continue to evaluate the publicly traded REIT universe for attractive investment opportunities given that several companies trade at valuations well below their pre-pandemic levels. It remains to be seen whether the recent emergence of activist investors will continue. But our discussions with capital market participants lead us to believe that further consolidation across multiple property sectors will likely continue in 2022 given the vast discrepancies we see in balance sheet health across sectors, economies of scale and cost of capital. While we don't necessarily embrace "event-driven" opportunities as an explicit thesis in the fund, we remain "transaction aware" for potential future mergers.

Announce Date	Target	Property Sector	Buyer
02/08/22	LXP Industrial Trust (LXP)*	Industrial	Activist Investor
02/16/22	Preferred Apartment Communities (APTS)	Apartments	Blackstone (BX)
02/25/22	American Campus Communities (ACC)	Student Housing	Activist Investor
02/25/22	Paramount Group (PGRE)*	Office	Activist Investor
02/28/22	Healthcare Trust of America (HTA)	Healthcare	Healthcare Realty Trust (HR)
03/02/22	Cedar Realty Trust (CDR)	Shopping Centers	Wheeler Real Estate Investment Trust (WHLB)

* Transaction proposal subsequently rejected by management.

Sources: Bloomberg and company public filings, as of 03/31/22. For illustrative purposes only.

Attractive Income Remained Available

We are happy to report that the fund continued to meet its income objective in the current low-yield environment, delivering attractive income in the context of total return. At quarter-end, the fund's REIT preferred stock investments were yielding approximately 6.79% and the yield available from our REIT common stocks was approximately 3.07%. Furthermore, as referenced on the preceding page, the fund's Institutional Class shares paid a $0.273 dividend (after fees and expenses) for the first quarter, which equates to an annualized 5.27% dividend when dividing by the quarter-end net asset value (NAV) per share.[3] The fact that REITs have continued to pay robust dividends on both their common and preferred shares means that the fund's real estate investments continued to fulfill one of their primary purposes: providing consistent, enduring, periodic income.

Given that current yields average 6.84% across the broad REIT preferred universe[4] and the 10-year U.S. Treasury closed out the first quarter at 2.34%,[5] the REIT preferred marketplace is priced with about 450 basis points (4.50%) of spread over the 10-year risk-free rate. While this spread has oscillated a bit over the past few quarters, it still remains meaningfully wider relative to long-run trends and indicates that there remains room for the 10-year U.S. Treasury to rise by some reasonable amount (perhaps as much as 75 basis points or more) without leading to meaningful pricing adjustments in our portfolio. Of course, if interest rates were to rise suddenly or if something disrupts the market for credit-oriented or risk-free instruments generally, including U.S. Treasury securities, we could face price risk in our preferred portfolio.

Inflation: This Is Going to Take Awhile

The most immediate of the potential disruptive forces that come to mind remains the likelihood of ever tightening monetary policy as a

[1] Bloomberg, as of March 31, 2022

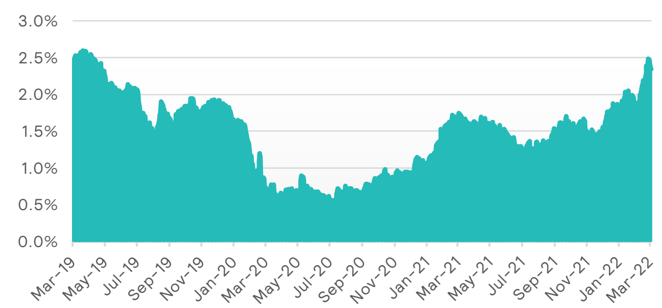
[2] Capital One, March 31, 2022

[3] As of March 31, 2022, KIFYX's 30-day SEC yield is 4.49% and 30-day Unsubsidized SEC yield is 4.16%.

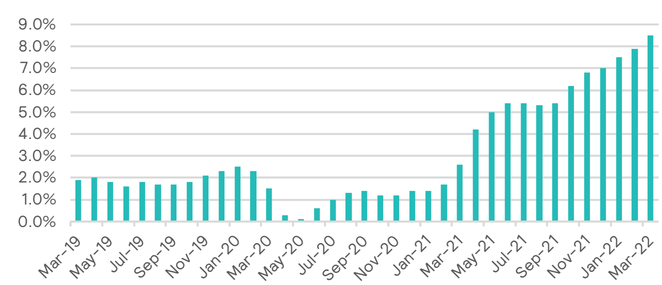
[4] MSCI, Inc., as of March 31, 2022

[5] U.S. Treasury Department, as of March 31, 2022

response to record inflation. As noted earlier, we recently witnessed the first of what is expected to be a series of interest rate hikes by the Fed. While it wasn't that long ago that investors and the financial press were constantly fretting about *deflation* and the possibility of the Fed taking interest rates negative, today's debate centers on whether the Fed will increase the federal funds rate five times, six times or even more in 2022. While many now criticize the Biden administration for stoking inflation by pursuing policies that were too accommodative, we must play the proverbial ball where it lies. As the graphs below illustrate, the yield on the 10-year U.S. Treasury has consistently pushed toward new highs since the recent bottoming in early August 2021 and year-over-year Consumer Price Index (CPI) numbers have significantly accelerated over the past 12 months:



Source: Bloomberg, as of 03/31/22. For illustrative purposes only.



Source: Bloomberg, as of 03/31/22. For illustrative purposes only.

It is our contention that the inflation witnessed in recent quarters is not transitory and that we are likely entering a period of secularly higher interest rates. Given this view, we have utilized the investment tools available to us to fortify our portfolio for this more challenging investing environment. Our senior security sleeve has been tailored in recent quarters toward specific credits and structures (e.g., step coupons, fixed-to-float coupons and participating features where we can find them) that lower the overall interest rate duration of those securities. We have also steadily increased our REIT common stocks because over time we expect they will give us not only current income but the potential for dividend growth (REIT common dividends are not fixed) as well as capital appreciation. Lastly, we have carefully tried to align the fund's investments across shorter-lease duration property sectors (namely lodging, self-storage, housing, etc.) where we feel that they will be able to pass on inflation (i.e., raise the rent while maintaining occupancy) as their own costs go up. We continue to believe this is the right approach for the fund's holdings: make smart credit bets and source unique transactions as interest rates, spreads and performance opportunities return to a more normalized landscape.

Return Comparison (as of 03/31/22)

The table below demonstrates how the portfolio's components performed for the first quarter of 2022.

Q1 2022	Fund (KIFYX)[6]	Market[7]
Common Stocks	0.50%	-3.86%
Senior Securities	-3.54%	-6.72%

Past performance does not guarantee future results.

Current Positioning

As the table below shows, 70.2% of the fund's investments were in senior securities (all in preferred stocks) at quarter-end, which is up 0.3% from the end of the fourth quarter. Our senior securities continued to remain healthy from a credit point of view as the portfolio's fixed charge coverage ratio (FCCR) stood at 3.0x as of March 31. These issuers generally have stable leverage levels (45% or less of their total capitalization funded through debt or debt equivalents), well-staggered debt maturities and have thus far done an admirable job of navigating the COVID-19 crisis. We continually monitor call risk and reinvestment risk of our senior security sleeve while simultaneously looking for new transactions that we think make sense.

Our common stock sleeve increased slightly to 26.6% (all long) at quarter-end, up 1.2% from the end of the fourth quarter. We held 21 common stocks with a weighted average yield of 3.07% and an attractive relative valuation profile. We continue to look for common stocks that meet our yield mandate and represent good value for a portion of the fund's assets.

At quarter-end, our net exposure for the overall portfolio was approximately 96.8%. We also ended the quarter with 3.2% net cash and equivalents. Having both cash on hand and ample credit lines increases our likelihood of sourcing attractive investments.

Security Exposures (as of 03/31/22)

Preferred	70.2%
Common (Long)	26.6%
Common (Short)	0.0%
Bonds	0.0%
Options	0.0%
Net	96.8%

These holdings may not reflect the current or future positions in the portfolio. Current or future portfolio holdings are subject to risk. Portfolio holdings are subject to change. Percentages may not add up to 100% due to rounding.

Investment Outlook: Strengthening Fundamentals Will Counter Deteriorating Macro

Given the heightened level of volatility experienced over the past quarter and the apparent shifting of the macro environment, one can be forgiven for questioning the prospect of future REIT returns (both preferred and common) going forward. While it is likely to be a

[6] Viewed as an independent portfolio comprised of various long positions and short positions.

[7] Common stocks: FTSE NAREIT Equity REITs Total Return Index USD (FNRETR); Senior securities: ICE BofAML Index (POP1)

trickier investing landscape no doubt, we believe that REITs in general, and our investment approach specifically, have the potential to continue to perform well in this climate. As we are about to hear from management teams in the coming weeks with their first quarter earnings releases, the underlying strength in real estate fundamentals needs to be reiterated. Across most property sectors and most geographies, occupancy levels continue to surprise to the upside, re-leasing spreads remain attractive and net absorption is accelerating. Balance sheets project strength with notably improved credit metrics from 18 months ago. And the capital markets, while somewhat less active for REITs in the first three months of the year, have provided management teams ample funding to pursue growth opportunities. Perhaps, most encouraging, we have witnessed a significant uptick in REIT common stock dividend increases across our investing universe (59 out of 155 equity REITs raised their common dividend during the first quarter alone), illustrating the elevated level of cash flow these companies have been generating. Lastly, it's important to remember that most REITs, generally speaking, are local businesses somewhat insulated from some of the global shocks that have impacted the broader markets recently. Our belief is that REIT fundamentals will continue to strengthen for the remainder of the year and that our positioning will help get us through the future interest rate environment relatively unscathed.

While the fund maintains broad diversification amongst its holdings, we highlight three specific areas of investment emphasis:

Lodging/Gaming: We continue to benefit from our overweight positioning toward the lodging sector, as it registered the best property sector performance during the first quarter of 2022. Without question, the impact of COVID-19 was most acutely felt by the country's hospitality sector. And while prices have rebounded from the nadir of the pandemic, we have a high level of conviction that both business and leisure travel is just starting to recover and that sequential improvements of lodging fundamentals will continue for quarters to come. Furthermore, we have started to see the reinstatement of common dividends for several lodging REITs and believe more may follow as the year progresses.

Office: The future of work and how office properties fit into that equation continues to be among the most debated topics across the REIT sector at present. While the nature of work may have permanently evolved in some industries (or for some job functions), we are strong believers that work will "return mostly to normal" over the course of the next 12 months. Office sector valuations remain substantially below their long-term averages, and we contend that East Coast gateway cities will close this valuation gap first. Further, we have witnessed a bifurcation of the office markets in which prime Class A buildings have done substantially better than lower-end Class B space and we have positioned our office exposure to take further advantage of this trend.

Housing: Despite the tremendous performance this sector has already produced over the past several years, we believe that the domestic housing market faces a secular supply-demand imbalance that will continue for many years to come. In our view, the housing sector (which includes apartments, single-family housing for rent (SFR) and manufactured housing) offers REIT investors an inflation hedge given their shorter lease terms (typically 12 months) and the strong pricing power that landlords have in the current inflationary environment.

Overall, we feel the fund remains an attractive investment opportunity for investors. Especially in times of disruption, it's important to remember that we pursue our income mandate in the context of total return from a diversified portfolio of high-quality real estate companies. We believe our companies are positioned to exploit opportunities that may become available. And through the use of the fund's resources and the fund's footprint in the business, we believe we can deliver attractive income and total returns. We remain confident of the fund's future and welcome any questions or comments. As always, we greatly value your confidence and trust.

Performance (%) as of 03/31/22

	Q1	YTD	1 YR	3 YR	5 YR	10 YR	Since Inception
Investor	-2.75	-2.75	6.64	4.57	3.29	6.06	6.87
Institutional	-2.66	-2.66	7.02	4.94	3.64	6.44	5.51
Class A @NAV*	-2.71	-2.71	6.62	4.53	3.25	6.02	7.61
Class A @MOP**	-8.30	-8.30	0.49	2.49	2.04	5.40	7.30
Class C @NAV†	-2.89	-2.89	5.99	3.94	2.63	5.41	6.88
Class C @MOP‡	-3.85	-3.85	4.99	3.94	2.63	5.41	6.88
ICE BofAML Fixed Rate Preferred Securities Index	-6.72	-6.72	-3.63	3.37	3.84	5.16	3.79

Returns for periods greater than one year are annualized.
* Excludes sales charge. ** Reflects effects of the fund's maximum sales charge of **5.75%.**
† Excludes the effects of the 1% contingent deferred sales charge. ‡ Includes the effects of the 1% contingent deferred sales charge.

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Total Annual Fund Operating Expenses by Share Class as of 05/01/21: Investor Class: **1.77%**; Institutional Class: **1.42%**; Class A: **1.82%**; Class C: **2.37%**. The fund's investment advisor is contractually obligated to waive 0.25% of the fund's management fee so that until April 30, 2022, the fund's management fee will be 0.75%. Additionally, under an expense limitation agreement, the investment advisor has contractually agreed to waive its management fee and/or reimburse or pay operating expenses of the fund to the extent necessary to maintain the fund's total operating expenses at 1.50% for Investor Class, 1.15% for Institutional Class, 1.55% for Class A and 2.10% for Class C shares, excluding certain expenses, such as taxes, brokerage commissions, interest, short dividend expense, any acquired fund fees and expenses, litigation and extraordinary expenses. This expense limitation agreement expires on April 30, 2022, and may only be modified or terminated by a majority vote of the independent trustees. The advisor is permitted to recover waived expenses for a period of up to three years.

Top 10 Holdings (as of 03/31/22)

Security	% of Net Assets
RPT Realty (Preferred Stock)	4.93
National Storage Affiliates Trust (Preferred Stock)	4.31
RLJ Lodging Trust (Preferred Stock)	4.22
UMH Properties, Inc. (Preferred Stock)	4.21
LXP Industrial Trust (Preferred Stock)	4.17
iStar Financial, Inc. (Preferred Stock)	3.65
Saul Centers, Inc. (Preferred Stock)	3.38
EPR Properties (Preferred Stock)	3.35
Urstadt Biddle Properties, Inc. (Preferred Stock)	3.12
UDR, Inc. (Common Stock)	2.69

These holdings may not reflect the current or future positions in the portfolio.

Top Contributors & Detractors by Holding (as of 03/31/22)

	Top Contributors	Contribution	Top Detractors	Contribution
Senior Securities	RPT 7.25% Series D Conv. Pfd.	0.12%	CDR 6.5% Series C Conv. Pfd.	-0.95%
	STAR 7.65% Series G Pfd.	0.04%	LXP 6.5% Series C Conv. Pfd.	-0.66%
	HT 6.50% Series D Pfd.	0.02%	EPR 9% Series E Conv. Pfd.	-0.19%
	HT 6.875% Series C Pfd.	0.02%	CLDT 6.625% Series A Conv. Pfd.	-0.11%
	ABR 6.25% Series F Conv. Pfd.	0.01%	INN 5.875% Series F Conv. Pfd.	-0.10%
Common Stocks	Farmland Partners, Inc.	0.31%	American Tower Corporation	-0.33%
	Boston Properties, Inc.	0.19%	Crown Castle International Corp	-0.23%
	IQHQ, Inc.	0.18%	Americold Realty Trust	-0.19%
	SL Green Realty Corp.	0.15%	PotlatchDeltic Corporation	-0.13%
	Apple Hospitality REIT, Inc.	0.15%	UDR, Inc.	-0.08%

Past performance does not guarantee future results. These holdings may not reflect the current or future positions in the portfolio.

Top Contributors & Detractors by Sector (as of 03/31/22)

	Top Contributors	Contribution	Top Detractors	Contribution
Senior Securities	N/A	-	Retail	-1.08%
	N/A	-	Industrial	-0.69%
	N/A	-	Lodging/Resorts	-0.41%
	N/A	-	Specialty	-0.24%
	N/A	-	Residential	-0.07%
Common Stocks	Office	0.61%	Specialty	-0.22%
	Lodging/Resorts	0.22%	Industrial	-0.19%
	Healthcare	0.04%	Timber	-0.13%
	Retail	0.02%	N/A	-
	Diversified	0.01%	N/A	-

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This presentation must be proceeded or accompanied by the Fund's prospectus. The prospectus should be read carefully before investing.

The series of funds under the Forward Funds trust ("Salient Funds") are distributed by Forward Securities, LLC. Forward Management, LLC d/b/a Salient is the investment advisor to the Salient Funds.

RISKS

There are risks involved with investing, including loss of principal. Past performance does not guarantee future results, share prices will fluctuate and you may have a gain or loss when you redeem shares.

Borrowing for investment purposes creates leverage, which can increase the risk and volatility of a fund.

Concentration in a particular industry will involve a greater degree of risk than a more diversified portfolio.

Debt securities are subject to interest rate risk. If interest rates increase, the value of debt securities generally declines. Debt securities with longer durations tend to be more sensitive to changes in interest rates and more volatile than securities with shorter durations.

Derivative instruments involve risks different from those associated with investing directly in securities and may cause, among other things, increased volatility and transaction costs or a fund to lose more than the amount invested.

Investing in exchange-traded funds (ETFs) will subject a fund to substantially the same risks as those associated with the direct ownership of the securities or other property held by the ETFs.

Investing in lower-rated ("high yield") debt securities involves special risks in addition to those associated with investments in higher-rated debt securities, including a high degree of credit risk.

Mortgage and asset-backed securities are debt instruments that are secured by interests in pools of mortgage loans or other financial instruments. Mortgage-backed securities are subject to, among other things, prepayment and extension risks.

Investing in the real estate industry or in real estate-related securities involves the risks associated with direct ownership of real estate which include, among other things, changes in economic conditions (e.g., interest rates), the macro real estate development market, government intervention (e.g., property taxes) or environmental disasters. These risks may also affect the value of equities that service the real estate sector.

Short selling involves additional risks and transaction costs, and creates leverage, which can increase the risk and volatility of a fund.

Investing in smaller companies generally will present greater investment risks, including greater price volatility, greater sensitivity to changing economic conditions and less liquidity than investing in larger, more mature companies.

There is no guarantee the companies in our portfolio will continue to pay dividends.

As of March 31, 2022, KIFYX's 30-day SEC yield is 4.49% and 30-day Unsubsidized SEC yield is 4.16%.

Definition of Terms

10-year U.S. Treasury is a debt obligation issued by the U.S. Treasury that has a term of more than one year but not more than 10 years.

30-day SEC yield is a standardized calculation adopted by the SEC based on a 30-day period that helps investors compare funds using a consistent method of calculating yield.

30-day SEC yield (Unsubsidized) is a standardized calculation adopted by the SEC based on a 30-day period that helps investors compare funds using a consistent method of calculating yield. It excludes expense waivers and reimbursements.

Activist investor refers to an individual or group that buys a significant stake in a public company to influence or improve the company's operations.

Basis point is a unit that is equal to 1/100th of 1%, used to denote the change in a financial instrument.

Call risk is the risk faced by a holder of a callable bond that the bond issuer will take advantage of the callable bond feature and redeem the issue prior to maturity.

Capital stack is a description of the total capital invested in a project, including pure debt, hybrid debt and equity. The stack is described as containing the most risk at the top and least risky positions at the bottom.

Cash flow is a revenue or expense stream that changes a cash account over a given period.

Consumer Price Index (CPI) is an index number measuring the average price of consumer goods and services purchased by households. The percentage change in the CPI is a measure of inflation.

Cost basis is the original value or purchase price of an asset or investment for tax purposes.

Deflation is a general decline in prices, often caused by a reduction in the supply of money or credit.

Dividend is a distribution of a portion of a company's earnings issued to shareholders in the form of cash payments, shares of stock or other property.

Duration is a measure of the sensitivity of the price of a fixed-income investment to a change in interest rates and is expressed as a number of years.

Federal funds rate is the interest rate at which a depository institution lends immediately available funds to another depository institution overnight.

Federal Reserve is the central bank of the United States that is responsible for regulating the U.S. monetary and financial systems.

Fixed-charge coverage ratio is the ratio that indicates a firm's ability to satisfy fixed charges, such as debt payments, insurance premiums and equipment leases.

Fixed-to-float refers to securities that pay a defined coupon for a given period of time, and then they "float" or change what they pay based on some other criteria, which is very specifically stated in any agreement.

Fixed-rate perpetual preferred stock is a financial instrument that has characteristics of both debt (fixed dividends) and equity (potential appreciation).

FTSE EPRA/NAREIT Developed ex-US Index is designed to track the performance of listed real estate companies and REITs worldwide, excluding U.S. companies.

FTSE NAREIT Equity REITs Index is representative of the tax-qualified REITs listed on the New York Stock Exchange, the American Stock Exchange and the NASDAQ National Market, excluding timber and infrastructure REITs.

Gross domestic product (GDP) is the monetary value of all the finished goods and services produced in a country in a given year. GDP is one way of measuring the size of a country's economy.

ICE BofAML Fixed Rate Preferred Securities Index consists of investment-grade, fixed and fixed-to-floating rate U.S. dollar-denominated preferred securities.

Inflation is the rate at which the general level of prices for goods and services is rising, and, subsequently, purchasing power is falling.

Leverage is the use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment.

MSCI REIT Preferred Index is a preferred stock market capitalization-weighted total return index of certain exchange-traded perpetual preferred securities issued by U.S. equity and U.S. hybrid REITs.

Nasdaq Composite Index is a capitalization-weighted index designed to measure the performance of 3,000 stocks listed on the Nasdaq exchange, which includes large technology and biotech companies.

Net asset value (NAV) is equal to a fund's or company's total assets less its liabilities.

Price risk is the potential for the decline in the price of an asset or security relative to the rest of the market.

Reference rate is an interest rate benchmark used to set other interest rates.

Reinvestment risk is the chance that an investor will not be able to reinvest cash flows from an investment at a rate equal to the investment's current rate of return.

Real estate investment trust (REIT) is a security that sells like a stock on the major exchanges and invests in real estate directly, either through properties or mortgages.

Return of capital (ROC) is a payment, or return, received from an investment that is not considered a taxable event and is not taxed as income.

S&P 500 Index is an unmanaged index of 500 common stocks chosen to reflect the industries in the U.S. economy.

Spread is the difference between the rate of volume demand and the rate of volume supply.

Spread to Treasury refers to the difference in yield between a U.S. Treasury security and any other debt security with a similar maturity.

Step coupon refers to a fixed coupon that may step up or step down according to a predefined schedule or subject to the occurrence of a specific event, typically a credit rating upgrade or downgrade.

Valuation is the process of determining the value of an asset or company based on earnings and the market value of assets.

Volatility is a statistical measure of the dispersion of returns for a given security or market index.

Weighted average yield is an average in which each yield to be averaged is assigned a weight. These weightings determine the relative importance of each yield on the average.

Yield is the interest or dividends received from a security and is usually expressed annually as a percentage based on the investment's cost or on the U.S. government's debt obligations.

One cannot invest directly in an index.

Not FDIC Insured | No Bank Guarantee | May Lose Value

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