

## Portfolio Management

**John D. Palmer**  
Portfolio Manager  
18 Years Experience

## Fund Details

Share Class	Inception Date	Ticker	CUSIP
Investor	05/02/11	FFIRX	34987A186
Institutional	04/28/06	KIRYX	34986P101
Class A	04/28/06	KIRAX	34987A210
Class C	04/28/06	KIRCX	34987A194

**Advisor:** Forward Management, LLC

**Category:** Global Real Estate

**Benchmark:** FTSE EPRA/NAREIT Developed Index

**Dividend Frequency:** Quarterly

**Annual Portfolio Turnover:** 29%

**# of Holdings:** 43

**Net Assets:** \$28.24M

**Management Fee:** 0.75%

## Distribution per Share

	Investor	Institutional	Class A	Class C
09/24/21	\$0.030	\$0.043	\$0.028	\$0.007

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 if the result is a gain, it would then be taxable at the capital gains rate.

## Objective

The fund seeks total return from both capital appreciation and current income.

## Overview

The fund employs a bottom-up approach to stock selection with an emphasis on superior property location and quality, strong prospects for appreciation in property rents and values and management's track record for adding value. The fund invests primarily in high-quality commercial and residential real estate companies located in both U.S. and non-U.S. countries.

- The rigorous, repeatable, bottom-up investment approach incorporates quantitative and qualitative analyses of companies' cash flow, assets and management.
- The team identifies securities with the most risk-adjusted appreciation potential using proprietary Discounted Cash Flow and Relative Ranking models.
- The fund adjusts to changing market fundamentals through sector and geographic rotation, employs active stock selection and leverages the team's long-term experience in real estate security portfolio management.

## Performance (%)

	Q3	YTD	1 YR	3 YR	5 YR	10 YR	Since Inception
Investor	-0.07	14.78	35.52	4.14	5.68	7.59	4.13
Institutional	0.01	15.06	35.95	4.52	6.03	7.96	3.18
Class A @NAV*	-0.02	14.72	35.40	4.09	5.64	7.53	2.84
Class A @MOP**	-5.74	8.11	27.60	2.06	4.40	6.89	2.44
Class C @NAV†	-0.23	14.19	34.68	3.50	5.01	6.90	2.17
Class C @MOP‡	-1.22	13.19	33.68	3.50	5.01	6.90	2.17
FTSE EPRA/NAREIT Developed Index	-0.90	14.46	29.64	6.18	4.53	8.34	-

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.

Prior to August 21, 2018, Salient Global Real Estate Fund was named Salient International Real Estate Fund and the benchmark was FTSE EPRA/NAREIT Developed ex-U.S. Index.

Total Annual Fund Operating Expenses by Share Class as of 05/01/21: Investor Class: **2.38%**; Institutional Class: **2.03%**; Class A: **2.43%**; Class C: **2.98%**. 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.

**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.salientfunds.com](http://www.salientfunds.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.**

## Calendar Year Performance (% at NAV)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Investor	-	54.05	-3.51	1.33	-4.08	0.74	21.44	-10.78	20.87	-10.34
Institutional	-14.56	54.75	-3.31	1.75	-3.76	0.98	21.88	-10.51	21.31	-9.98
Class A	-14.80	54.06	-3.71	1.32	-4.09	0.60	21.30	-10.74	20.82	-10.36
Class C	-15.42	53.13	-4.23	0.75	-4.62	-0.02	20.73	-11.51	20.19	-10.81
FTSE EPRA/NAREIT Developed Index	-6.46	27.73	3.67	15.02	-0.79	4.06	10.36	-5.63	21.91	-9.04

## Top 10 Holdings (%)

Security	% of Net Assets
Summit Industrial Income REIT	4.47
Capitaland Investment, Ltd.	3.74
Capital & Counties Properties Plc	3.48
AvalonBay Communities, Inc.	3.45
Alexandria Real Estate Equities, Inc.	3.26
Federal Realty Investment Trust	3.22
Great Portland Estates Plc	3.17
Mitsui Fudosan Co., Ltd.	3.16
Derwent London Plc	3.13
Granite Real Estate Investment Trust	3.05

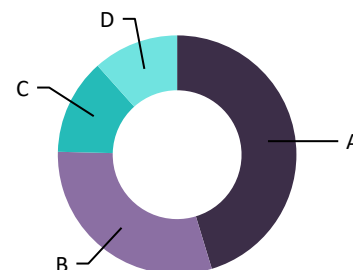
These holdings may not reflect the current or future positions in the portfolio.

## Risk Characteristics

	Fund	Benchmark
3-YR Beta	1.14	1.00
3-YR Correlation	0.96	1.00
3-YR Standard Deviation	23.27	19.52

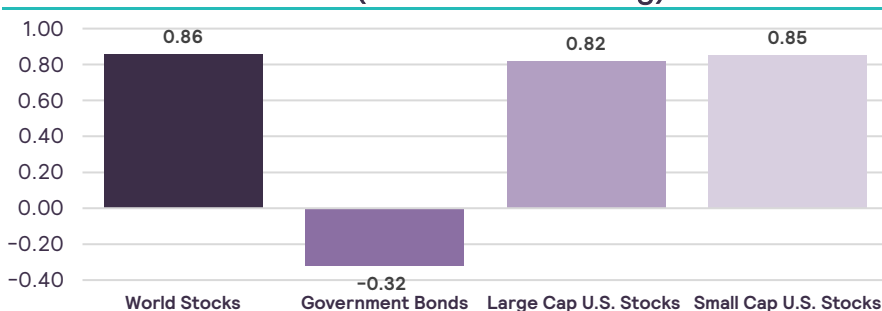
## Geographic Diversification (ex-cash)

- A North America  
45.30%
- B Asia Pacific  
30.09%
- C Europe Ex UK  
13.00%
- D United Kingdom  
11.61%



These allocations may not reflect the current or future positions in the portfolio. Percentages may not add to 100% due to rounding.

## Asset Class Correlation (Three-Year Trailing)



Source: Morningstar. Data for trailing three years (07/01/17 through 09/30/21).

World Stocks- MSCI World Index; Government Bonds- Bloomberg Barclays U.S. Treasury Bond Index; Large Cap U.S. Stocks- S&P 500 Index; Small Cap U.S. Stocks- Russell 2000 Index

*You should consider the investment objectives, risks, charges and expenses of the Salient Funds carefully before investing. A prospectus with this and other information may be obtained by calling 800-999-6809 or by downloading one from [www.salientfunds.com](http://www.salientfunds.com). It should be read carefully before investing.*

### 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. Foreign securities, especially emerging or frontier markets, will involve additional risks including exchange rate fluctuations, social and political instability, less liquidity, greater volatility and less regulation.

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.

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.

Bloomberg Barclays U.S. Treasury Bond Index measures the public obligations of the U.S. Treasury with a remaining maturity of one year or more. FTSE EPRA/NAREIT Developed Index is designed to track the performance of listed real estate companies and REITs worldwide.

MSCI World Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed markets.

Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index. The Russell 3000 Index represents approximately 98% of the investable U.S. equity market.

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

One cannot invest directly in an index.

30-Day SEC Yield is a standardized calculation adopted by the SEC based on a 30-day period

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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.

Beta is a measure of risk that shows a fund's volatility relative to its benchmark index.

Cash flow measures the cash generating capability of a company by adding non-cash charges (e.g., depreciation) and interest expense to pretax income.

Correlation is a statistical measure of the interdependence of two random variables that range in value from -1 to +1, indicating perfect negative correlation at -1, absence of correlation at zero and perfect positive correlation at +1.

Standard deviation measures the degree to which a fund's return varies from its previous returns or from the average of all similar funds. Salient is the trade name for Salient Partners, L.P., which together with its subsidiaries provides asset management and advisory services.

Forward Management (d/b/a Salient) is the investment advisor to the Salient Funds.

The Salient Funds offered under the Forward Funds Trust are distributed by Forward Securities, LLC.

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