

Investment Objective: Seeks to provide above-average current income and long-term capital appreciation by investing primarily in equity securities of companies in the U.S. real estate industry, including real estate investment trusts.

Investment Approach: The Fund invests primarily in equity securities of companies in the U.S. real estate industry. The Fund emphasizes bottom-up stock selection with a top-down asset allocation. The investment team's proprietary models drive the bottom-up value-driven approach for stock selection, which is utilized to identify those companies determined to represent the best relative value relative to their underlying assets and earnings. Analysts will assess real estate specific factors, broader equity factors, and may consider ESG factors in their fundamental analysis to calculate appropriate valuation metrics. Top-down considerations are incorporated into the portfolio construction process, and the Team seeks to achieve exposure across sectors, and integrates forecasted fundamental inflections and macroeconomic considerations, among other factors.

Class I Shares (% net of fees) vs. Index Performance of 10,000 USD Invested Since Inception (Cash Value (\$))



— Class I Shares
— FTSE Nareit Equity REITs Index

Investment Performance (% net of fees) in USD

	Cumulative (%)			Annualized (% p.a.)			
	4Q21	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
Class I Shares	14.44	38.96	38.96	10.47	4.98	8.05	10.94
FTSE Nareit Equity REITs Index	16.31	43.24	43.24	18.41	10.75	11.38	10.99

Calendar Year Returns (%)

	2021	2020	2019	2018	2017	2016	2015
Class I Shares	38.96	-18.05	18.40	-8.44	3.31	6.79	2.27
FTSE Nareit Equity REITs Index	43.24	-8.00	26.00	-4.62	5.23	8.52	3.20

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit morganstanley.com/im or call 1-800-548-7786. Investment returns and principal value will fluctuate and fund shares, when redeemed, may be worth more or less than their original cost.

Performance and fund information is as of December 31, 2021, unless otherwise noted. Returns are net of fees and assume the reinvestment of all dividends and income. Returns for less than one year are cumulative (not annualized). Performance of other share classes will vary.

Growth of Investment illustration is based on an initial investment of \$10,000 made since fund inception, assumes reinvestment of dividends and capital gains and application of fees, but does not include sales charges. Performance would have been lower if sales charges had been included. Results are hypothetical.

Please keep in mind that high double-digit returns are highly unusual and cannot be sustained. Investors should also be aware that these returns were primarily achieved during favorable market conditions.

Expense Ratios	SYMBOL	CUSIP	GROSS (%)	NET (%)
Class A	MUSDY	61744J457	1.52	1.25
Class C	MSURX	61760X281	3.39	2.00
Class I	MSUSX	61744J671	1.19	0.90
Class IS	MURSX	61760X687	1.20	0.83

Where the net expense ratio is lower than the gross expense ratio, certain fees have been waived and/or expenses reimbursed. These waivers and/or reimbursements will continue for at least one year from the date of the applicable fund's current prospectus (unless otherwise noted in the applicable prospectus) or until such time as the fund's Board of Directors acts to discontinue all or a portion of such waivers and/or reimbursements. Absent such waivers and/or reimbursements, returns would have been lower. Expenses are based on the fund's current prospectus. The minimum initial investment is \$5,000,000 for Class I shares.

Morningstar Rankings - Class I

	PERCENTILE	RANK/TOTAL IN CATEGORY
1 YR	72	197/253
3 YR	95	225/233
5 YR	94	193/200
10 YR	94	143/149

Source: Morningstar, Inc. Rankings are based on total returns, are historical and do not guarantee future results.

Fund Facts

Inception date	February 24, 1995
Total net assets	\$ 47.64 million
Benchmark ¹	FTSE Nareit Equity REITs Index
Distribution frequency	Quarterly

Statistics (3 Year Annualized)

	CLASS I
Alpha (%)	-11.44
Beta (vs. benchmark)	1.20
Excess return (%)	-7.94
Information ratio	-0.99
R squared	0.92
Sharpe ratio	0.38
Standard deviation (%)	25.09
Tracking error (%)	8.01
Up-capture ratio (%)	85.15
Down-capture ratio (%)	115.49

Characteristics

	FUND
Active share (%)	48.18
Number of holdings	34
Weighted average market capitalization (\$B)	38.85
Weighted median market capitalization (\$B)	27.06
Turnover (%) [*]	39

^{*} Turnover is sourced from the fund's current prospectus.

Sector Allocation (% of Total Net Assets)[#]

	FUND
Industrial	16.12
Self Storage	13.55
Apartments	13.38
Health Care	13.00
Shopping Centers	8.21
Data Centers	7.33
Free Standing	6.05
Office	5.05
Specialty	3.98
Manufactured Homes	3.75
Other	8.94
Cash	0.55

Top Holdings (% of Total Net Assets)	FUND
Prologis Inc	11.60
Public Storage Inc	7.41
Digital Realty Trust Inc	5.47
Welltower Inc	4.53
Mid-America Apartment Communities Inc	4.52
UDR Inc	4.44
Equity Residential	4.41
Extra Space Storage Inc	4.03
Sun Communities Inc	3.75
Realty Income Corp	3.65
Total	53.81

May not sum to 100% due to the exclusion of other assets and liabilities.

This material is a general communication, which is not impartial and all information provided has been prepared solely for informational and educational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The information herein has not been based on a consideration of any individual investor circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

Past performance is not indicative of future results. Subject to change daily. Fund information is provided for informational purposes only and should not be deemed as a recommendation to buy or sell any security or securities in the sectors and countries that may be presented.

Index data displayed under characteristics and allocations are calculated using MSIM and/or other third-party methodologies and may differ from data published by the vendor.

DEFINITIONS: **Active share** is the fraction of the portfolio or fund that is invested differently than its benchmark as of the last day of the reporting period. **Alpha** (Jensen's) is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return. Prior to 6/30/2018 Alpha was calculated as the excess return of the fund versus benchmark. **Beta** is a measure of the relative volatility of a security or portfolio to the market's upward or downward movements. **Excess return** or value added (positive or negative) is the portfolio's return relative to the return of the benchmark. **Information ratio** is the portfolio's alpha or excess return per unit of risk, as measured by tracking error, versus the portfolio's benchmark. **R squared** measures how well an investment's returns correlate to an index. An R squared of 1.00 means the portfolio performance is 100% correlated to the index's, whereas a low R squared means that the portfolio performance is less correlated to the index's. **Sharpe ratio** is a risk-adjusted measure calculated as the ratio of excess return to standard deviation. **Standard deviation** measures how widely individual performance returns, within a performance series, are dispersed from the average or mean value. **Tracking error** is the amount by which the performance of the portfolio differs from that of the benchmark.

Upside/downside market capture measures annualized performance in up/down markets relative to the market benchmark. **Weighted average market capitalization** is an average of the market capitalization of stocks held by a portfolio or comprising an index, adjusted by each stock's corresponding weight in the portfolio or index. **Weighted median market capitalization** is the point at which half of the market value of a portfolio or index is invested in stocks with a greater market capitalization, and consequently the other half of the market value is invested in stocks with a lower market capitalization.

INDEX INFORMATION: ⁽¹⁾ The **FTSE Nareit (National Association of Real Estate Investment Trusts) Equity REITs Index** is a free float-adjusted market-capitalization-weighted index of tax qualified REITs listed on the New York Stock Exchange, NYSE Amex and the NASDAQ National Market Systems. The term "free float" represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors.

The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

RISK CONSIDERATIONS: There is no assurance that a portfolio will achieve its investment objective. Portfolios are subject to market risk, which is the possibility that the market values of securities owned by the portfolio will decline and that the value of portfolio shares may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this portfolio. Please be aware that this portfolio may be subject to certain additional risks. In general, **equities securities'** values also fluctuate in response to activities specific to a company. **Real estate investments**, including **real estate investment trusts**, are subject to risks similar to those associated with the direct ownership of real estate and they are sensitive to such factors as management skills and changes in tax laws. **Nondiversified portfolios** often invest in a more limited number of issuers. As such, changes in the financial condition or market value of a single issuer may cause greater volatility. Stocks of **small- and medium-capitalization companies** entail special risks, such as limited product lines, markets and financial resources, and greater market volatility than securities of larger, more established companies.

Morningstar: Rankings and/or ratings as of December 31, 2021. **Rankings:** The percentile rankings are based on the average annual total returns for the periods stated and do not include any sales charges, but do include reinvestment of dividends and capital gains and Rule 12b-1 fees. The highest (or most favorable) percentile rank is 1 and the lowest (or least

favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1.

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Please consider the investment objective, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, download one at morganstanley.com/im or call 1-800-548-7786. Please read the prospectus carefully before investing.

Morgan Stanley Investment Management (MSIM) is the asset management division of Morgan Stanley.