

Morgan Stanley Institutional Fund

Global Real Estate Portfolio

Investment Objective: Seeks to provide current income and capital appreciation.

Investment Approach: The Fund invests primarily in equity securities of companies in the real estate industry located throughout the world. The Fund is actively managed using a combination of bottom-up and top-down methodologies. 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 value relative to their underlying assets and earnings. Analysts will assess real estate specific factors, broader equity factors, as well as ESG factors in their fundamental analysis to calculate appropriate valuation metrics. Top-down considerations are incorporated into the portfolio construction process and the Team integrates forecasted fundamental inflections, macroeconomic considerations, geopolitical and country risk assessments, 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 EPRA Nareit Developed Real Estate Net Total Return Index
— FTSE EPRA Nareit Developed Real Estate Index - Net Total Return to US Investors

Investment Team	JOINED FIRM	INDUSTRY EXPERIENCE
Laurel Durkay	2020	22 Years
Angeline Ho	1997	31 Years
Desmond Foong	2011	19 Years
Simon Robson Brown	2022	22 Years

Team members may be subject to change at any time without notice.

Effective February 9, 2022, Simon Robson Brown was added as a portfolio manager on the Portfolio and Michiel te Paske and Sven Van Kemenade were removed as portfolio managers on the Portfolio.

Investment Performance (% net of fees) in USD

	Cumulative (%)			Annualized (% p.a.)			
	1Q23	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
Class I Shares	2.93	2.93	-21.03	6.33	-1.65	1.17	1.99
FTSE EPRA Nareit Developed Real Estate Net Total Return Index	0.78	0.78	-21.40	6.61	0.85	2.46	2.43
FTSE EPRA Nareit Developed Real Estate Index - Net Total Return to US Investors	0.97	0.97	-20.84	7.30	1.51	3.11	2.97

Calendar Year Returns (%)

	2022	2021	2020	2019	2018	2017	2016
Class I Shares	-26.03	23.99	-14.33	18.35	-7.92	9.73	3.42
FTSE EPRA Nareit Developed Real Estate Net Total Return Index	-25.09	26.09	-9.04	21.91	-5.63	10.36	4.06
FTSE EPRA Nareit Developed Real Estate Index - Net Total Return to US Investors	-24.60	26.90	-8.45	22.70	-5.05	11.08	4.67

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 March 31, 2023, 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	MRLBX	61744J135	2.05	1.36
Class C	MSRDX	61760X422	2.94	2.11
Class I	MRLAX	61744J143	1.12	1.01
Class R6	MGREX	61760X778	1.13	0.95

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 \$1,000,000 for Class I shares.

GLOBAL LISTED REAL ASSETS TEAM

Morningstar Rankings - Class I

	PERCENTILE	RANK/TOTAL IN CATEGORY
1 YR	55	104/193
3 YR	60	109/185
5 YR	85	163/180
10 YR	83	95/109

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

Fund Facts

Inception date	August 30, 2006
Total net assets	\$ 38.43 million
Primary Benchmark ¹	FTSE EPRA Nareit Developed Real Estate Net Total Return Index
Former Benchmark ²	FTSE EPRA Nareit Developed Real Estate Index - Net Total Return to US Investors
Distribution frequency	Annually

Effective April 29, 2022, the Fund's primary benchmark index has changed to **FTSE EPRA Nareit Developed Real Estate Net Total Return Index**.

Statistics (3 Year Annualized)

	CLASS I
Alpha (%)	-0.55
Beta (vs. benchmark)	1.05
Excess return (%)	-0.28
Information ratio	-0.06
R squared	0.96
Sharpe ratio	0.26
Standard deviation (%)	20.59
Tracking error (%)	4.35
Up-capture ratio (%)	98.15
Down-capture ratio (%)	99.16

Characteristics

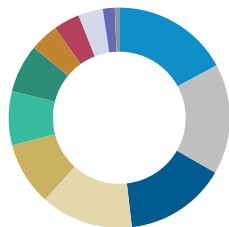
	FUND
Active share (%)	51.63
Number of holdings	67
Weighted average market capitalization (\$B)	30.35
Weighted median market capitalization (\$B)	17.48
Turnover (%) [*]	87

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

Top Countries (% of Total Net Assets)[#]

	FUND
United States	62.50
Japan	9.21
Hong Kong	7.67
United Kingdom	4.53
Australia	4.48
Canada	2.97
Singapore	2.60
Belgium	1.63
Sweden	1.27
France	0.82
Other	1.94
Cash	0.64

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



	FUND
Industrial	17.16
Retail	16.24
Diversified	14.91
Residential	13.54
Self Storage	9.30
Healthcare	7.93
Data Centers	7.14
Office	4.17
Specialty	3.85
Lodging/Resorts	3.61
Other	1.76
Cash	0.64

Top Holdings (% of Total Net Assets)

	FUND
Prologis Inc	9.30
Equinix Inc	5.12
Public Storage Inc	4.82
Welltower Inc	4.75
AvalonBay Communities Inc	3.96
Realty Income Corp	3.24
Simon Property Group	2.95
Sun Hung Kai Properties Ltd	2.95
Link REIT	2.79
VICI Properties Inc	2.77
Total	42.65

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

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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) **FTSE EPRA Nareit Developed Real Estate Net Total Return Index** is a market capitalization weighted index designed to reflect the stock performance of companies engaged in the North American, European and Asian real estate markets. The performance of the index is listed in U.S. dollars and assumes reinvestment of net dividends.

(2) The **FTSE EPRA Nareit Developed Real Estate Index - Net Total Return to US Investors** is a market capitalization weighted index designed to reflect the stock performance of companies engaged in the North American, European and Asian real estate markets. The performance of the Index is listed in U.S. dollars and assumes reinvestment of dividends. "Net Total Return to US investors" reflects a reduction in total returns after taking into account the withholding tax on dividends by certain foreign countries represented in the Index.

The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index. Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor.

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 strategy. Please be aware that this strategy may be subject to certain additional risks. In general, **equities securities'** values also fluctuate in response to activities specific to a company. Investments in **foreign markets** entail special risks such as currency, political, economic, and market risks. The risks of investing in **emerging market countries** are greater than the risks generally associated with foreign investments. **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. 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: As of March 31, 2023. **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.