

Morgan Stanley Institutional Fund Global Concentrated Real Estate Portfolio

4Q18

FACTSHEET

Investment Approach

We seek attractive long-term, risk-adjusted returns by primarily investing in publicly traded real estate securities located in developed countries of North America, Europe and Asia. We emphasize a value-oriented and disciplined bottom-up-driven investment strategy.

Objective

Seeks to provide current income and long-term capital appreciation.

Investment Team

	Joined Firm	Years of Investment Experience
Ted Bigman, Managing Director	1995	32

Investment Performance - Class I (% net of fees)

% Average Annual Total Returns	1 Year	3 Year	5 Year	10 Year	Inception		
Fund	-	-	-	-	-9.49		
FTSE EPRA Nareit Developed Real Estate Index ¹	-	-	-	-	-5.02		
% Calendar Year Returns	4Q18	YTD	2018	2017	2016	2015	2014
Fund	-8.48	-9.49	-	-	-	-	-
FTSE EPRA Nareit Developed Real Estate Index ¹	-5.69	-5.02	-	-	-	-	-

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.

Short-term returns may not be indicative of the fund's long-term performance potential. A fund's performance, especially for very short time periods, should not be the sole factor in making your investment decision.

Performance and fund information is as of December 31, 2018, 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.

Expense Ratios	Symbol	Cusip	Gross (%)	Net (%)
Class A	MCQAX	61766J229	2.75	1.30
Class C	MCQCX	61766J211	3.50	2.05
Class I	MCQIX	61766J237	2.40	0.95
Class IS	MCQJX	61766J195	2.38	0.90

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.

Fund Facts

Inception date	June 18, 2018
Benchmark ¹	FTSE EPRA Nareit Developed Real Estate Index
Distribution frequency	At least annually

Portfolio Characteristics

	Fund
Active share (%)	65.49
Number of holdings	73
Weighted average market capitalization (\$B)	16.35
Weighted median market capitalization (\$B)	11.80

Top Countries (% of Total Net Assets)

	Fund
United States	46.48
Hong Kong	25.43
United Kingdom	9.70
France	7.29
Japan	4.43
Australia	1.27
Netherlands	1.23
Spain	1.08
China	0.80
Ireland	0.48

Industry Breakdown (% of Total Net Assets)

	Fund
Diversified	33.58
Retail	25.38
Office	24.76
Residential	7.20
Lodging/Resorts	6.77
Self Storage	0.78
Industrial	0.72
Healthcare	0.46
Cash	0.28
Net Other Assets	0.08

Top Holdings (% of Total Net Assets)

	Fund
Sun Hung Kai Properties Ltd	7.85
Hongkong Land Holdings Ltd	6.90
Simon Property Group	6.84
SL Green Realty Corp	6.30
Klepierre	4.53
Vornado Realty Trust	4.42
Boston Properties Inc	3.79
Macerich Co.	3.79
Swire Properties Limited	3.21
Land Securities Group Plc	3.15
Total	50.78

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 presented.

PORTFOLIO CHARACTERISTICS 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. A portfolio with a high degree of Active Share does not assure a fund's relative outperformance. Active Share calculation may consolidate holdings with the same economic exposure.

Weighted average market capitalization is a stock market index weighted by the market capitalization of each stock in the index. In such a weighting scheme, larger companies account for a greater portion of the index. Most indexes are constructed in this manner, with the best example being the S&P 500. **Weighted median market capitalization** is the point at which half of the market value of a portfolio is invested in stocks with a greater market cap, and consequently the other half is invested in stocks with a lower market cap.

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. 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. **Non-diversified portfolios** often invest in a more limited number of issuers so changes in the financial condition or market value of a single issuer may cause greater volatility in the portfolio. 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. When investing in **value securities** (those believed to be undervalued in comparison to their peers), the market may not have the same value assessment as the manager, and, therefore, the performance of the securities may decline.

OTHER CONSIDERATIONS

¹ The FTSE EPRA Nareit Developed Real Estate Index is a free float-adjusted market capitalization weighted index designed to reflect the stock performance of companies engaged in specific aspects of the major real estate markets/regions of the developed world. The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

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.