RIVERPARK FUNDS

RiverPark Floating Rate CMBS Fund
(RCRIX/RCRFX)

First Quarter 2022 Commentary – Ready for Liftoff

This quarter the Federal Reserve finally began raising interest rates as inflation returned to levels not seen in 40 years. We have been anticipating this moment for some time as the RiverPark Floating Rate CMBS Fund (the "Fund") is positioned exclusively in floating rate Commercial Mortgage-Backed Securities ("CMBS") and captures these rate increases in our monthly coupon.

The current benchmark for all investments in the portfolio is 30-day LIBOR, which is expected to be phased out by 2023 and replaced by the Secured Overnight Financing Rate ("SOFR"). This benchmark has already increased five-fold since year-end 2021 and is now 51 basis points. As important, and looking ahead, 1-year LIBOR is currently priced at 2.3%, indicating that several more rate increases are expected to come over the course of the year. Again, all of these increases will be captured in our monthly coupon as the benchmark resets each month.

Rising interest rates have had two impacts on our market. First, they reduced the value of fixed-rate CMBS assets (we don't own any) whose value typically declines as interest rates rise. Second, they spurred a rush of CMBS new issuance (~$45 billion year-to-date vs. $25 billion for the same period in 2021). This wave of new supply put technical pressure on CMBS asset prices and reduced our portfolio's value from 99.5% of face value at year-end to just under 98% today. This explains our 1% loss for the quarter with a mark-to-market decline of roughly 1.5%, offset by interest income of approximately 50 basis points.

By comparison, the Bloomberg Barclays U.S. Investment-Grade CMBS Index, which is largely comprised of fixed rate investments, declined 5.6% during the same period.

For our portfolio, that technical downward price pressure is abating, as the new issuance has been absorbed and as higher coupons have attracted new buyers. Specifically, in March, our mark-to-market loss was just 16 basis points and fully offset by our interest income. In this regard, we feel that our portfolio has hit a natural floor at 98% of face value, absent any global or asset specific credit events.

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While we can't control global events, we do note that we have a very durable, defensive, and diverse portfolio that is thriving in the post pandemic world with occupancy levels of ~95% and debt coverage ratios in excess of 4x (the amount of property cash flow vs. its debt service). We own exclusively industrial warehouse/distribution assets, life sciences buildings and rental apartment buildings. We do not own any retail, office or hotel properties, although we are selectively analyzing certain office and hotel properties as the world emerges from the pandemic. All of our loans are performing, and our roster of sponsors is comprised of many of the most successful investors in commercial real estate, including Blackstone, Brookfield, Fortress and KKR.

We believe that despite price fluctuations, each of our CMBS investments is significantly over-collateralized and will be repaid on or before its maturity at par (100% of face value). Additionally, we believe that based on our 30 years of experience and the robust cash flows being generated by the underlying assets securing our CMBS, that our investments will pay their contractual coupons each month until repayment. Further, we believe that inflation and interest rates are going to continue increasing over the course of the next year or two and look at 1-year forward LIBOR of greater than 2% as a leading indicator. If we assume (1) a recovery to par (from 98% today) as the supply demand imbalance in the market recedes and (2) a floating rate benchmark at 2% (up from 0.51% today) plus our current credit spread (the amount of our coupon in excess of the benchmark) at 2.64%, the Fund could generate returns in excess of 5% per year over the next two years, well in excess of alternative investments with similar durations and risk profiles and the Fund's recent performance.

In summary, while we face challenges at home with surging inflation and adapting to the post-COVID "new normal" and abroad with the unknown consequences of the war in Ukraine, we believe this is an excellent time to invest in the Fund. We take comfort in the strength and stability of our asset-backed portfolio, secured by large and diverse assets owned by many of the most highly capitalized real estate investors in the world. At quarter-end, our portfolio was secured by nearly 1,800 properties comprising over 350 million square feet across the United States. We feel that our portfolio has never been positioned more defensively and should deliver steady, floating rate returns at an attractive spread to LIBOR (or its replacement) for years to come. Additionally, as interest rates rise, our portfolio will capture these increases as part of our monthly coupon.

Portfolio Composition and Characteristics

The greatest strengths of our portfolio are asset and sponsor quality. 100% of the Fund is comprised of three asset types in twenty investments: industrial, life-sciences and multi-family. These three asset classes are discussed below with a detailed asset-by-asset summary on the following page.

Industrial Assets (74% of the portfolio in 15 investments). Industrial assets typically represent the backbone of distribution for retail and commercial goods in the US. The Fund's industrial assets are comprised of large and diversified portfolios of "last mile" warehouse and distribution properties used by such companies as Amazon and Wal-Mart. For example, at issuance, our Blackstone XL distribution portfolio consisted of 406 properties totaling 66 million square feet in 18 states. Within industrial, we also include cold storage, self-storage and data storage assets.

Life-Sciences Assets (17% of the portfolio in 3 investments). Life-Sciences assets are highly specialized modern buildings built for biotechnology and pharmaceutical companies to develop and create new drugs such as for COVID and Cancer. These properties are typically located in close proximity to major universities and have specialty features including high-energy capacity, sterile laboratories, and typically higher than normal ceiling heights. These properties tend to be fully leased to leading pharma and biotech companies under long-term leases.

Multi-Family Apartments (9% of the portfolio in 2 investments). The Fund's multi-family apartment assets are comprised of portfolios of ten or more apartment complexes, typically with 100 or more units per complex. We have both high-rise and garden style apartments in our portfolio.

Regarding our loan sponsors, the Fund's CMBS investments are owned by many of the country's leading institutional real estate investors with decades of experience and substantial capital. Our loan sponsors include Blackstone, Lineage Logistics, Brookfield, Fortress, KKR and Centerbridge, and our investments benefit not only from their experience but also from their significant equity in each transaction.

Fund Investments

	Property Type	Sponsor	Ticker	Location	Ratings	Percent of Net Assets
1	Industrial/Cold Storage	Lineage	2019-ICE4 F	Nationwide	BB	10%
2	Industrial/Distribution	Fortress	2020-UNFI A	IL/PA	BB*	8%
3	Industrial/Cold Storage	Lineage	2020-ICE5 F	Nationwide	BB-	8%
4	Life Sciences	Brookfield	2019-LIFE G	Massachusetts	B-	7%
5	Apartment Portfolio	Blackstone	2021-MFM1 E/F/G	Nationwide	BB-/B-/NR	6%
6	Industrial/Self Storage	Brookfield	2018-SELF D	Nationwide	A	5%
7	Industrial/Distribution	Blackstone	2018-IND G	Nationwide	BBB	5%
8	Industrial/Distribution	Blackstone	2021-SOAR F	Nationwide	BB-	5%
9	Industrial/Distribution	Blackstone	2021-XL2 F	Nationwide	BB-	5%
10	Life Sciences	Blackstone	2018-BIOA E	CA/MA/WA	BB-	5%
11	Life Sciences	Blackstone	2017-CLS F	Massachusetts	BB	5%
12	Industrial/Self Storage	Centerbridge	2021-STOR F	Nationwide	BB-	4%
13	Industrial/Data Center	Blackstone	2021-VOLT F	Nationwide	BBB	4%
14	Industrial/Distribution	Blackstone	2021-VINO E	Nationwide	BB	4%
15	Industrial/Distribution	Blackstone	2020-VKNG G	Nationwide	B	4%
16	Apartment Portfolio	Horizon	2021-MHC E	Nationwide	BB	3%
17	Industrial/Distribution	Blackstone	2020-FOX E	Nationwide	BB-	3%
18	Industrial/Distribution	Oxford/OMERS	2021-PORT F	Nationwide	BB	3%
19	Industrial/Distribution	KKR	2021-KDIP F	Nationwide	BB-	2%
20	Industrial/Distribution	Blackstone	2019-XL G	Nationwide	BB-	2%

Holdings are as of 3/31/2022 and are subject to change. Excludes cash.
** Assigned rating by manager - investment is an un-tranched first mortgage.*

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As of March 31, 2022, the Fund's assets under management were $38 million.

Performance

Performance: Net Returns as March 31, 2022						
	Current Quarter	**One Year**	**Three Year**	**Five Year**	**Ten Year**	**Since Inception**
RCRIX	-1.05%	-0.18%	-1.49%	0.53%	2.82%	4.18%
RCRFX	-1.11%	-0.65%	-1.81%	0.21%	2.65%	4.03%
Bloomberg Barclays U.S. Investment-Grade CMBS Index	-5.56%	-4.40%	1.84%	2.47%	2.83%	4.06%
Bloomberg Barclays U.S. Aggregate Bond Index	-5.93%	-4.15%	1.69%	2.14%	2.24%	2.80%

Annualized performance since inception of the Fund (9/30/16) was 0.97% for RCRIX and 0.66% for RCRFX.

The performance quoted herein is net of all fees and expenses and represents past performance. Past performance does not guarantee future results. Performance shown for periods of one year or greater are annualized. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost, and current performance may be higher or lower than the performance quoted. For performance data current to the most recent month end, please call 888.564.4517.

The performance data quoted for periods prior to September 30, 2016 is that of the predecessor fund. The inception date of the Predecessor Fund was May 31, 2010. The performance of the Predecessor Fund includes the deduction of actual fees and expenses, which were higher than the fees and expenses charged to the Fund. Although the Fund is managed in a materially equivalent manner to its predecessor, the Predecessor Fund was not a registered mutual fund and was not subject to the same investment and tax restrictions as the Fund.

Expense Ratio: Institutional: 0.94% gross and 0.85% net, Retail: 1.29% gross and 1.25% net as of the most recent prospectus, dated January 26, 2022.

The Adviser has agreed to waive fees and reimburse expenses until at least January 31, 2022 to the extent necessary to assure that expenses will not exceed certain pre-agreed limits. The Adviser has the ability, subject to annual approval by the Board of Trustees, to recapture all or a portion of such waivers. The Gross Expense Ratio reflects actual expenses, and the Net Expense Ratio reflects the impact of such waivers or recaptures, if any.

Index returns are for illustrative purposes only and do not represent fund performance. Index performance returns do not reflect any management fees, transaction costs, or expenses. Indexes are unmanaged and one cannot invest directly in an Index.

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Conclusion and Looking Ahead

The globe is adapting to living with COVID and inflation not seen in forty years while facing the atrocities and unknown challenges from the ongoing war in Ukraine. Our response is a defensive portfolio constructed with floating-rate and highly collateralized assets that are thriving in this environment. We believe that this kind of portfolio should experience lower volatility and generate, as the Fund has done historically, steady and predictable monthly dividends in a floating-rate inflation hedged investment. Inflation is our number one concern for the year ahead and our portfolio is ideally positioned for it to maximize returns and to minimize rate driven losses. We are excited for the year ahead and the Fund’s prospects. As a reminder, management of the Fund continues to be a major investor in the strategy.

Please reach out with any questions.

Sincerely,

Edward L. Shugrue III
Portfolio Manager
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New York, New York

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To determine if a Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. This and other information may be found in the Fund's summary and full prospectus, which may be obtained by calling 1-888-564-4517 or by visiting the website at www.riverparkfunds.com. Please read the prospectus carefully before investing.

Securities referenced herein are not meant to be an investment recommendation and may or may not be held in the Fund. Any opinion stated herein represents the author's judgment at the time it was made and is subject to change without notice.

Investing involves risk including possible loss of principal. Bonds and bond funds are subject to credit risk, default risk and interest rate risk and may decline in value as interest rates rise. High yield bonds involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. CMBS are not backed by the full faith and credit of the U.S. government and are subject to risk of default on the underlying mortgages. Securities backed by commercial real estate assets are subject to risks similar to those of direct ownership of commercial real estate loans including, but not limited to, declines in the value of real estate, declines in rental or occupancy rates and risks related to general and local economic conditions. There can be no assurance that the Fund will achieve its stated objectives. The Fund is not diversified. The value of the collateral securing CMBS can decline, be insufficient to meet the obligations of the borrower, or be difficult to liquidate. As a result, CMBS may not be fully collateralized and may decline significantly in value.

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