

DEAR BARON PARTNERS FUND SHAREHOLDER:

PERFORMANCE

Baron Partners Fund (the "Fund") advanced considerably in the third quarter of 2020 and meaningfully exceeded its comparable benchmarks and its peer group. The Fund gained 47.15% (Institutional Shares) in the quarter. The Russell Midcap Growth Index (the "Index") and S&P 500 Index were up 9.37% and 8.93%, respectively. The Morningstar Mid-Cap Growth Category Average rose 10.20%.

The Fund's quarterly performance is a continuation of the strong results exhibited since the depths of the COVID-19-induced market panic. The Fund has now advanced 74.41% since the start of the year. This result again compares favorably to its benchmarks. The Index has gained 13.92% in the first nine months of 2020. The Morningstar Mid-Cap Growth Category Average has increased 15.01% and the S&P 500 Index is up 5.57%. For the 17-plus years since Baron Partners Fund converted from a private partnership into a mutual fund on April 30, 2003, it is ranked 4th among all U.S. equity funds (2,289 share classes) through September 30, 2020.

Table I.
Performance

Annualized for periods ended September 30, 2020

	Baron Partners Fund Retail Shares ^{1,2,3}	Baron Partners Fund Institutional Shares ^{1,2,3,4}	Russell Midcap Growth Index ²	S&P 500 Index ²
Three Months ⁵	47.06%	47.15%	9.37%	8.93%
Nine Months ⁵	74.06%	74.41%	13.92%	5.57%
One Year	104.75%	105.35%	23.23%	15.15%
Three Years	35.72%	36.08%	16.23%	12.28%
Five Years	28.31%	28.65%	15.53%	14.15%
Ten Years	21.35%	21.67%	14.55%	13.74%
Since Conversion (April 30, 2003)	17.18%	17.38%	12.26%	9.97%
Since Inception (January 31, 1992)	15.12%	15.24%	10.27%	9.83%

Performance listed in the above table is net of annual operating expenses. Annual expense ratio for the Retail Shares as of December 31, 2019 was 2.22% (comprised of operating expenses of 1.32% and interest expense of 0.90%) and Institutional Shares was 1.96% (comprised of operating expenses of 1.06% and interest expense of 0.90%). The performance data quoted represents past performance. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost. The Adviser reimburses certain Baron Fund expenses pursuant to a contract expiring on August 29, 2031, unless renewed for another 11-year term and the Fund's transfer agency expenses may be reduced by expense offsets from an unaffiliated transfer agent, without which performance would have been lower. Current performance may be lower or higher than the performance data quoted. For performance information current to the most recent month end, visit www.BaronFunds.com or call 1-800-99BARON.

- Reflects the actual fees and expenses that were charged when the Fund was a partnership. The predecessor partnership charged a 20% performance fee after reaching a certain performance benchmark. If the annual returns for the Fund did not reflect the performance fees the returns would be higher. The Fund's shareholders will not be charged a performance fee. The predecessor partnership's performance is only for periods before the Fund's registration statement was effective, which was April 30, 2003. During those periods, the predecessor partnership was not registered under the Investment Company Act of 1940 and was not subject to its requirements or the requirements of the Internal Revenue Code relating to registered investment companies, which, if it were, might have adversely affected its performance.
- The indexes are unmanaged. The index performance is not Fund performance; one cannot invest directly into an index. The **Russell Midcap® Growth Index** measures the performance of medium-sized U.S. companies that are classified as growth and the **S&P 500 Index** of 500 widely held large cap U.S. companies. The Russell Midcap Growth Index, the S&P 500 Index and the Fund are with dividends, which positively impact the performance results. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell is a trademark of Russell Investment Group.
- The performance data in the table does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.
- Performance for the Institutional Shares prior to May 29, 2009 is based on the performance of the Retail Shares, which have a distribution fee. The Institutional Shares do not have a distribution fee. If the annual returns for the Institutional Shares prior to May 29, 2009 did not reflect this fee, the returns would be higher.
- Not annualized.



MICHAEL BARON
CO-PORTFOLIO
MANAGER

RON BARON
CEO AND LEAD
PORTFOLIO MANAGER

Retail Shares: BPTRX
Institutional Shares: BPTIX
R6 Shares: BPTUX

COVID-19 remains a threat to world health. But governments have met this pandemic with an unprecedented level of financial stimulus hoping to prevent the health crisis from becoming a liquidity and financial crisis. We assume there will be more government financial assistance. It is yet unclear when reliable vaccines or therapeutics will be publicly introduced, and we do not know the severity of a "second wave" as the Northern Hemisphere enters colder months. However, investors have looked past these near-term uncertainties and valued businesses on their potential growth and anticipated future profits.

We wrote extensively in the prior quarterly report about the various investment periods of 2020: Pre-COVID-19, the COVID-19 Panic, and the COVID-19 Temporary Normal. We also segmented the Fund's concentrated portfolio into four business categories (**Core Growth, Disruptive Growth, Financials, and Real/Irreplaceable Assets**) and explained how each performed in these various environments.



Baron Partners Fund

The economy remains in this "COVID-19 Temporary Normal" period as individuals and businesses continue to adapt many of their practices to conform with the health realities. The Fund is populated with businesses that are driving change in the economy and the implications of COVID-19 have accelerated many of these transformations. Disruptive Growth and Core Growth businesses have again had the most sizable impact.

The Fund's Disruptive Growth companies gained 75.5% in the most recent quarter. **Tesla, Inc.** and **Zillow Group, Inc.** were the strongest contributors. We expect Tesla's deliveries to grow by over 30% this year. Its facilities were able to return to activity faster than most anticipated. Its international factories have implemented learnings from its original site to ramp production at a far faster rate than the company achieved at its legacy plant. Investors are convinced that these results can be duplicated as its new production plants open around the globe next year. Zillow is facilitating e-commerce transactions of individuals' most valuable asset, their home. The company is continuing to offer more services along the home purchase process to make the experience seamless and with fewer physical interactions that slow down the process. In doing so, it should realize a larger share of home transaction economics.

The Fund's Core Growth segment gained 16.9%. It was led by **Adyen N.V.**, **CoStar Group, Inc.**, and **IDEXX Laboratories, Inc.** Despite broad economic slowdowns resulting from COVID-19, these businesses continue to take share in their growing industry segments. Adyen has facilitated e-commerce transactions with better fraud protection. It continues to onboard new merchants who are increasingly reliant on its services. CoStar demonstrated an ability to retain clients during COVID-19 far better than investors had feared because the company has data essential to its customers' ongoing operations. CoStar has expanded its offerings over the years as it touched more facets of real estate and grew each segment.

Investments in Real/Irreplaceable Assets and Financials businesses recovered slightly in the quarter, but they are still meaningfully below pre-COVID-19 levels. Real/Irreplaceable Assets investments like **Hyatt Hotels Corp.**, **Vail Resorts, Inc.**, and **Marriot Vacations Worldwide Corp.** all gained in the quarter as properties partially reopened. There is significant pent-up demand from business travelers and conferences have been postponed (not canceled). Companies eagerly await a time when it is safe to host in-person events and Hyatt should be a beneficiary. Leisure travelers remain optimistic that they will be able to vacation this winter after a long time spent at home. Vail's vast network of mountains coupled with years of data ascertained from loyal Epic Pass buyers put them in a favorable position to fill their resorts once safe. Season pass unit sales should match pre-COVID-19 record levels. Many of Marriot's drive-to destinations are already back to pre-virus levels. Financials businesses like **The Charles Schwab Corp.** and **Arch Capital Group Ltd.** rose modestly in the quarter as macro factors that impact their earning's potential, like employment and interest rates, stabilized (albeit at low levels).

We believe that businesses in the Disruptive Growth and Core Growth segments will continue to grow significantly. We also believe that the Real/Irreplaceable Assets and Financials companies will recover to their prior earnings levels when the health crisis abates.

What is often overlooked during this environment, where disruption and rapid change are prevalent, is the profitability of these businesses post crisis. We feel that all categories are currently exhibiting lower margins than they will in the future.

Disruptive Growth businesses have invested significant capital experimenting with new offerings and techniques. They will leverage those learnings to produce a superior product without the waste. Tesla's facility in China has produced vehicles at a fraction of the cost and achieved sizable outputs much faster than the original California factory. These learnings will be duplicated at new plants in Germany and Texas. The years of intensive research and development on batteries has positioned the company to reduce the cost per gigawatt hour by over 50% in the next few years. Tesla will soon have the most technologically advanced vehicle as well as the best value vehicles. It will be able to deliver new models for \$25,000 with higher company margins. Additionally, there will be a 70% decline in capital expenditure per gigawatt hour which allows the company to produce batteries for use beyond transportation.

Core Growth businesses like IDEXX should be able to expand margins through improved penetration of its original product lines and scaling its newer business initiatives.

But the COVID-19 impact was felt more acutely on the profitability of Real/Irreplaceable Assets and Financials businesses. These companies felt the brunt of the economic slowdown and had to quickly alter their practices. Hyatt has made major changes to back office functions and is leveraging roles across its global network of properties rather than regionally. Additionally, excess costs and services that had little impact on guest satisfaction will likely be permanently removed. Customers have become more accustomed to operating digitally and these learnings should be leveraged in areas such as check in/out, food and beverage, and reservations (to name a few). With little new competition in most markets, the company is well positioned to quickly fill properties with loyalty members and expand margins once operations return to normal.

Financials businesses like Schwab have supplemented consistent organic growth with consolidating acquisitions that bring additional scale and services. These acquired services include improved thematic portfolio creation, fixed income management, and enhanced derivative trading capabilities. These products should increase Schwab's wallet share and client retention. They also acquired unique distribution channels and large pools of assets which should lower their already industry-leading expense per client assets. When interest rates return to normalized levels, the company should be even more profitable than prior to the health crisis.

We remain confident that the Fund's holdings will sustain themselves during this difficult time. We believe most businesses will continue their growth plans despite the COVID-19 pandemic. And we believe many will be incrementally more profitable once the health crisis passes. This combination of anticipated growth and improved profitability gives us confidence the Fund should continue to perform well on both an absolute and relative basis.

Table II.
Total returns by category for the nine months ended September 30, 2020

	% of Net Assets (as of 9/30/2020)	Pre-COVID-19 12/31/2019 to Peak (2/19/2020) Total Return (%)	COVID-19 Panic Peak to Trough (3/23/2020) Total Return (%)	COVID-19 Temporary Normal Trough to 9/30/2020 Total Return (%)	YTD Total Return (%)
Disruptive Growth	61.9	65.85	-45.21	259.08	226.90
Tesla, Inc.	45.2	119.31	-52.66	395.00	413.89
Zillow Group, Inc.	5.8	19.90	-45.19	237.98	122.12
Virgin Galactic Holdings Inc	0.1	223.38	-65.27	48.27	66.49
Spotify Technology S.A.	0.5	-4.14	-18.08	83.63	44.21
GoodRx Holdings, Inc.	0.9	-	-	38.66	38.66
American Well Corp	1.1	-	-	33.47	33.47
Space Exploration Technologies Corp.	4.1	8.74	-7.63	16.55	17.06
Shopify Inc.	1.4	-	-9.51	29.15	16.87
Iridium Communications Inc.	0.8	26.30	-35.92	28.35	3.87
Zoom Video Communications, Inc.	-	-	-	-0.23	-0.23
Guidewire Software, Inc.	2.0	11.69	-38.55	37.00	-5.98
Benefitfocus, Inc.	-	-22.01	-5.62	-	-26.40
Core Growth	27.0	16.31	-32.01	75.75	38.74
Adyen N.V.	2.3	6.71	-21.29	140.53	102.03
GDS Holdings Limited	1.2	15.87	-16.86	63.17	57.18
CoStar Group, Inc.	13.3	23.32	-29.57	62.12	40.82
IDEXX Laboratories, Inc.	6.6	11.43	-37.40	114.93	49.92
Activision Blizzard, Inc.	1.3	8.33	-12.27	43.26	36.15
HEICO Corporation	0.5	14.77	-45.64	52.17	-5.06
Gartner, Inc.	1.8	-0.27	-44.89	47.35	-19.01
Financials	13.7	10.90	-44.30	41.80	-12.42
MSCI, Inc.	0.9	28.64	-28.39	54.74	42.54
FactSet Research Systems, Inc.	4.9	15.04	-34.12	64.49	24.67
Windy City Investments Holdings, L.L.C.	0.0	0.39	-	1.17	1.57
Brookfield Asset Management, Inc.	0.8	17.49	-51.13	49.69	-14.05
The Charles Schwab Corp.	2.9	0.12	-39.92	28.06	-22.97
Arch Capital Group Ltd.	4.0	12.33	-51.81	25.74	-31.93
Air Lease Corp.	-	-7.93	-78.98	-	-80.65
Real/Irreplaceable Assets	12.3	1.39	-49.50	-	-28.69
Vail Resorts, Inc.	4.1	2.36	-42.24	52.79	-9.67
Gaming and Leisure Properties, Inc.	1.4	13.64	-59.94	93.85	-11.76
Manchester United plc	1.5	-4.06	-29.91	9.16	-26.60
Marriott Vacations Worldwide Corp.	1.3	-1.77	-65.81	106.58	-30.62
Hyatt Hotels Corp.	3.2	0.26	-47.07	12.30	-40.41
Douglas Emmett, Inc.	0.5	1.18	-44.71	5.28	-41.10
Red Rock Resorts, Inc.	0.2	11.57	-78.23	131.08	-43.88
Norwegian Cruise Line Holdings, Ltd.	-	-10.94	-64.96	-	-68.80
MGM Growth Properties LLC	-	8.91	-90.86	-	-90.04
[Cash]	-14.9	-0.00	-0.01	-0.02	-0.03
[Fees]	-	-0.24	-0.16	-0.74	-1.14
Baron Partners Fund	100.0	30.85*	-50.76*	170.51*	74.27*
Russell Midcap Growth Index		6.97	-35.71	65.64	13.92

Sources: FactSet PA, BAMCO, and Russell, Inc.

* Represents the blended return of all share classes of the Fund.

The peak and trough dates are based on the Russell Midcap Growth Index.

Baron Partners Fund

Table III.

Top contributors to performance for the quarter ended September 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
Tesla, Inc.	2014	\$21.9	\$399.8	98.77%	35.25
Zillow Group, Inc.	2015	4.3	23.1	76.65	3.22
CoStar Group, Inc.	2005	0.7	33.4	19.40	3.11
IDEXX Laboratories, Inc.	2013	4.7	33.4	19.07	1.58
Vail Resorts, Inc.	2008	1.6	8.6	17.47	0.92

Tesla, Inc. designs, manufactures, and sells fully electric vehicles, solar products, and energy storage solutions. The stock rose on strong second quarter results, including profitability that beat analyst forecasts and solid growth in existing and new programs across different geographies and vehicles. In addition, Tesla presented a grand vision around its battery research aimed at expanding its competitive advantage and market opportunity. We remain confident that Tesla will leverage its market trend and technology leadership to achieve sustainable long-term growth.

Zillow Group, Inc. operates leading U.S. real estate sites, a mortgage marketplace, and the Zillow Offers home-buying business. Shares were up on strong second quarter results driven by record top-of-funnel metrics and a favorable newly public comp for the Offers business. In our view, Zillow is well positioned to penetrate the large online real estate advertising opportunity with substantial upside from Offers, which could grow the company's addressable market in both houses to be bought/sold and leads provided to Premier Agents, as well as from Zillow Home Loans.

Shares of real estate information and marketing services provider **CoStar Group, Inc.** contributed to performance as net new sales reaccelerated quickly. Demand for CoStar's digital marketplace businesses has grown as traditionally offline activities have increasingly shifted online during the pandemic. This growth was partially offset by slower trends in CoStar's CRE data licensing businesses. The company has over \$3.6 billion cash, which we expect to be used for market-expanding acquisitions.

Shares of veterinary diagnostics leader **IDEXX Laboratories, Inc.** contributed to performance in the quarter. Veterinary visits continued to exhibit a "V" shaped recovery from the initial pandemic-related slowdown, with visits growing at double-digit rates. IDEXX's competitive trends are outstanding, and we expect new proprietary innovations and field sales force expansion to be meaningful contributors to growth. Margins are increasing significantly. We believe margins can exceed 30% over time.

Shares of global ski resort operator **Vail Resorts, Inc.** increased in the quarter. This was due to expectations that the upcoming ski season will enjoy a quick recovery given strong pent-up demand. Vail should benefit from skiing's status as an outdoor sport that can be conducted in a socially distanced manner. Vail may lose some of its higher-margin destination traffic as people continue to avoid flying due to the pandemic, but the company continues to benefit from local skiers who account for about 50% of its visitors.

Table IV.

Top detractors from performance for the quarter ended September 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
Manchester United plc	2014	\$ 2.8	\$ 2.4	-8.15%	-0.17%
Guidewire Software, Inc.	2017	6.0	8.7	-5.94	-0.15
Douglas Emmett, Inc.	2015	4.2	4.4	-17.22	-0.13
Spotify Technology S.A.	2020	22.6	45.1	-6.05	-0.02

Manchester United plc is the best-known team in the English Premier League and generates revenue from broadcasting, sponsorship, and licensing. Shares fell on pandemic-related uncertainty around live sports. That said, the English Premier League resumed matches in mid-June, which we believe provides investors with greater visibility around the financial outlook in a no-fans scenario. We continue to view Manchester United as a unique media company. Its 1.1 billion fans worldwide and broad global appeal should allow it to continue to accrete value over the long term.

Shares of P&C insurance software vendor **Guidewire Software, Inc.** detracted from performance. The company's transition to the cloud has caused short-term financial headwinds and slowed the cadence of new license sales. We retain conviction. We believe new products and cloud delivery will triple Guidewire's total addressable market. Over time, we think Guidewire will become the key software vendor for the global P&C insurance industry, capturing 30% to 50% of its \$15 billion to \$30 billion market and generating margins in excess of 40%.

Douglas Emmett, Inc. is a REIT with a portfolio of office and apartment properties located in west Los Angeles and Hawaii. The stock fell on investor concerns that a portion of tenants would be unable to pay rent in a timely manner (in some instances as a result of new municipal laws). We retain conviction owing to Douglas Emmett's irreplaceable portfolio, attractive sub-markets, and low debt levels.

Spotify Technology S.A. is a leading global digital music service offering on-demand audio streaming through paid premium subscriptions as well as a free ad-supported model. Shares were down as second quarter revenues were negatively impacted by a pandemic-related pullback in advertising spend. We continue to view Spotify as a long-term winner in music streaming. It has potential to grow from 138 million paying subscribers to over 250 million in four years. This growth will be driven by its scalable core music product and expanding library of spoken-word content.

INVESTMENT STRATEGY AND PORTFOLIO STRUCTURE

Baron Partners Fund seeks to invest in businesses that we believe could double in value within five or six years. Our strategy to accomplish this goal is to invest for the long term in a focused portfolio of appropriately capitalized, well-managed growth businesses at attractive prices across market capitalizations. We attempt to create a portfolio of approximately 30 securities diversified by GICS sectors, but with the top 10 positions representing a significant portion of net assets. The Fund uses leverage to enhance returns, although this does increase the volatility of the returns. These businesses are identified by our analysts using our Firm's proprietary research approach. We think these well-managed businesses have sustainable competitive advantages and strong, long-term growth opportunities.

As of September 30, 2020, Baron Partners Fund held 30 investments. The median market capitalization of these growth companies was \$12.8 billion. The top 10 positions represented 94.2% of net assets. Leverage was 14.9%.

The long-term absolute and relative performance of the Fund has been very good. The Fund has returned 15.24% annualized since inception on January 31, 1992, besting its comparable Index by 4.97% per year. Additionally, the Fund's performance has exceeded its Index over the prior 1-, 3-, 5-, and 10-year periods.

The Fund outperformed modestly in good times...

In addition to viewing the Fund's returns over various trailing periods, we believe it is helpful to understand how the Fund has performed in various economic cycles. (Please see Table V.) The Fund had performed well during the economic expansion that followed the Financial Panic. This 11-year period has seen steady financial growth and stock market appreciation. Had you hypothetically invested \$10,000 in the Fund on 12/31/2008, it would have been worth \$58,586 at the end of the bull run on 12/31/2019. Had you only tried to mimic benchmark returns, that \$10,000 hypothetical investment would have been worth \$55,380 if you invested in a fund designed to track the Russell Midcap Growth Index or \$45,104 if you invested in a fund designed to track the S&P 500 Index.

The Fund outperformed significantly in difficult times...

We believe it is equally important to look at the Fund during more challenging economic times. The nine-year period from the Internet Bubble collapse through the Financial Panic (12/31/1999–12/31/2008) saw lower returns for the Fund. It had gained 1.54% annualized. \$10,000 hypothetically invested at the start of this period would have been worth \$11,479 after the nine years. The Fund preserved (and slightly grew) capital during this challenged economic time because of its investments in high-quality growth businesses that were able to weather the environment while its competition retrenched. The indexes performed worse. The Russell Midcap Growth Index and S&P 500 Index fell 4.69% annualized and 3.60% annualized, respectively. A \$10,000 hypothetical investment would have been worth only \$6,488 and \$7,188 in each of those indexes, respectively.

Additionally, the current COVID-19 period has again led to strong absolute and relative results. While we do not know how long the current period will last, thus far the Fund has returned 74.41% while the Russell Midcap Growth Index gained 13.92% and the S&P 500 Index rose 5.57%.

The preservation (and modest growth) during difficult times is what we believe sets the Fund apart and makes its long-term returns exceptional. A \$10,000 hypothetical investment at the inception of the Fund in 1992 would be worth \$582,764 on September 30, 2020. That same \$10,000 hypothetical investment would be worth less than 30% that amount had

you invested in funds designed to track either the Russell Midcap Growth Index or the S&P 500 Index. Those investments would be worth only \$165,012 and \$146,992, respectively.

The Fund consistently invests in businesses based on their future earnings potential. Those businesses often penalize near-term results while investing to become larger businesses in favor of future results. The current global health pandemic is unlike other economic downturns the Fund has successfully weathered in the past. This COVID-19 crisis has negatively impacted many sectors. However, we are assured that the high-quality growth businesses in which we are invested should still execute their strategies throughout the cycle. The Fund's portfolio investments have once again successfully weathered a difficult economic period, due in many instances in businesses that had penalized earnings for years to implement digitization strategies. Due to strong growth in its portfolio companies since its conversion to a mutual fund on April 30, 2003 through September 30, 2020, the Fund's performance ranked 4th among all U.S. equity funds (2,289 share classes), and the Fund ranked in the 1st percentile* for the same time period.

***This is a hypothetical ranking created by Baron Capital using Morningstar data and is as of 9/30/2020.** Note, the peer group used for this analysis includes all U.S. equity share classes in Morningstar Direct domiciled in the U.S., including obsolete funds, index funds, and ETFs. The individual Morningstar Categories used for this analysis are the Morningstar Large Blend, Large Growth, Large Value, Mid-Cap Blend, Mid-Cap Growth, Mid-Cap Value, Small Blend, Small Growth, and Small Value Categories. There are 2,289 share classes in these nine Morningstar Categories for the period from 4/30/2003 to 9/30/2020.

As of 9/30/2020 The Morningstar Mid-Cap Growth Category consisted of 607, 500, and 380 share classes for the 1-, 5-, and 10-year periods. Morningstar ranked Baron Partners Fund in the 2nd, 2nd, 1st, and 1st percentiles for the 1-, 5-, 10-year, and since conversion periods, respectively. The Fund converted into a mutual Fund 4/30/2003, and the category consisted of 227 share classes.

Morningstar calculates the Morningstar Mid-Cap Growth Category Average using its Fractional Weighting methodology. Morningstar rankings are based on total returns and do not include sales charges. Total returns do account for management, administrative, and 12b-1 fees and other costs automatically deducted from fund assets.

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**Table V.
Performance**

Millennium to COVID-19 Pandemic. The Impact of Not Losing Money.

	Millennium Internet Bubble to Financial Panic 12/31/1999 to 12/31/2008		Financial Panic to COVID-19 Pandemic 12/31/2008 to 12/31/2019		COVID-19 Pandemic to Present 12/31/2019 to 9/30/2020		Millennium Internet Bubble to Present 12/31/1999 to 9/30/2020		Inception 1/31/1992 to 9/30/2020	
	Value \$10,000	Annualized	Value \$10,000	Annualized	Value \$10,000	Cumulative	Value \$10,000	Annualized	Value \$10,000	Annualized
Baron Partners Fund (Institutional Shares)	\$11,479	1.54%	\$58,586	17.44%	\$17,441	74.41%	\$117,291	12.60%	\$582,764	15.24%
Russell Midcap Growth Index	\$ 6,488	(4.69)%	\$55,380	16.84%	\$11,392	13.92%	\$ 40,930	7.03%	\$165,012	10.27%
S&P 500 Index	\$ 7,188	(3.60)%	\$45,104	14.68%	\$10,557	5.57%	\$ 34,228	6.11%	\$146,992	9.83%

The indexes are unmanaged. The index performance is not fund performance; one cannot invest directly into an index.

Baron Partners Fund

PORTFOLIO HOLDINGS

Table VI.
Top 10 holdings as of September 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Quarter End Investment Value (millions)	Percent of Total Investments
Tesla, Inc.	2014	\$21.9	\$399.8	\$2,166.5	39.4%
CoStar Group, Inc.	2005	0.7	33.4	636.4	11.6
IDEXX Laboratories, Inc.	2013	4.7	33.4	316.5	5.7
Zillow Group, Inc.	2015	4.3	23.1	279.2	5.1
FactSet Research Systems, Inc.	2007	2.7	12.7	234.4	4.3
Vail Resorts, Inc.	2008	1.6	8.6	197.9	3.6
Space Exploration Technologies Corp.	2017	–	–	194.6	3.5
Arch Capital Group Ltd.	2002	0.6	11.9	193.1	3.5
Hyatt Hotels Corp.	2009	4.2	5.4	154.8	2.8
The Charles Schwab Corp.	1992	1.0	46.7	141.3	2.6

Thank you for joining us as fellow shareholders in Baron Partners Fund. We continue to work hard to justify your confidence and trust in our stewardship of your hard-earned savings. We remain dedicated to continuing to provide you with the information we would like to have if our roles were reversed. We hope this letter enables you to make an informed decision about whether this Fund remains an appropriate investment.

Respectfully,



Ronald Baron
CEO and Lead Portfolio Manager



Michael Baron
Co-Portfolio Manager

Investors should consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus and summary prospectus contain this and other information about the Funds. You may obtain them from its distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting www.BaronFunds.com. Please read them carefully before investing.

Risks: The Adviser believes that there is more potential for capital appreciation using non-diversification and leverage, but there also is more risk. Specific risks associated with non-diversification and leverage include increased volatility of the Fund's returns and exposure of the Fund to greater loss in any given period. The Fund invests in companies of all sizes, including small and medium sized companies whose securities may be thinly traded and made difficult to sell during market downturns. Leverage is the degree to which an investor or business is utilizing borrowed money. The Fund may not achieve its objectives. Portfolio holdings are subject to change. Current and future portfolio holdings are subject to risk.

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