

# BARON REAL ESTATE INCOME FUND



September 30, 2023

Institutional Shares (BRIIX)

CUSIP 06828M736



## Portfolio Manager

Jeff Kolitch joined Baron Capital in 2005 as a research analyst specializing in real estate and was named portfolio manager of Baron Real Estate Fund in 2009 and Baron Real Estate Income Fund in 2017. He has 31 years of research experience.

## Portfolio Facts and Characteristics

Inception Date	December 29, 2017
Net Assets	\$130.04 million
# of Issuers / % of Net Assets	28 / 93.4%
Turnover (3 Year Average)	130.25%
Active Share	52.4%
Dividend Yield	3.1
Median Market Cap <sup>2</sup>	\$15.35 billion
Weighted Average Market Cap <sup>2</sup>	\$36.12 billion

Retail: BRIFX

R6: BRIUX

## As of FYE 12/31/2022

Gross Expense Ratio	0.96%
Less: Reimbursement of Expenses by Adviser	(0.16)%
Net Expense Ratio	0.80%

## Top 10 Holdings<sup>4</sup>

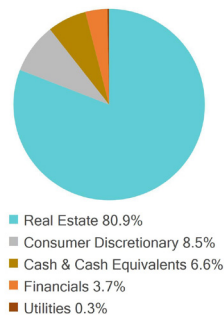
	% of Net Assets
Equinix, Inc.	9.7
Prologis, Inc.	9.6
Digital Realty Trust, Inc.	9.5
Welltower Inc.	7.6
Invitation Homes, Inc.	5.6
American Homes 4 Rent	5.0
AvalonBay Communities, Inc.	4.6
Equity Residential	3.3
Toll Brothers, Inc.	3.3
Wynn Resorts, Limited	3.1
<b>Total</b>	<b>61.3</b>

## Investment Strategy

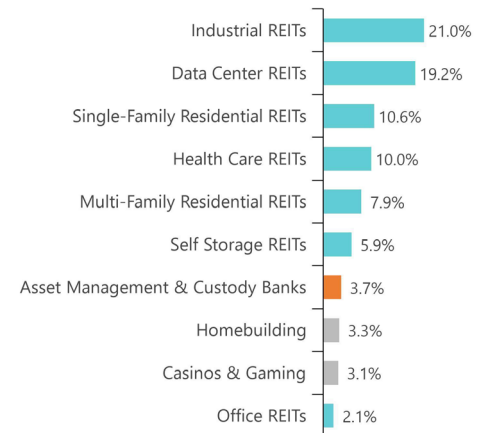
The Fund primarily holds income-producing real estate businesses of any size. It has significant exposure to REITs. Non-diversified.

Value	Blend	Growth	
			Large
			Medium
			Small

## GICS Sector Breakdown<sup>1, 4</sup>



## Top GICS Sub-Industry Breakdown<sup>1</sup>



Colors of Sub-Industry bars correspond to sector chart.

## Performance

	Total Return (%)		Annualized Returns (%)				Since Inception 12/29/2017
	QTD	YTD	1 Year	3 Years	5 Years	10 Years	
BRIIX-Institutional Shares	-6.46	1.20	3.33	2.84	7.11	-	6.20
MSCI US REIT Index	-7.32	-2.89	1.87	4.51	1.62	-	1.64
Morningstar Real Estate Category Average	-7.45	-3.32	0.51	3.20	2.15	-	2.14

## Historical Performance (Calendar Year %)

	2022	2021	2020	2019	2018
BRIIX-Institutional Shares	-27.47	29.58	22.30	36.54	-11.03
MSCI US REIT Index	-25.37	41.71	-8.70	24.33	-5.83

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 Fund expenses pursuant to a contract expiring on August 29, 2034, 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 [baronfunds.com](http://baronfunds.com) or call 1-800-99-BARON.

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## Performance Based Characteristics<sup>3</sup>

	Std. Dev. (%) - Annualized	Sharpe Ratio	Alpha (%) - Annualized	Beta	R-Squared (%)	Tracking Error (%)	Information Ratio	Upside Capture (%)	Downside Capture (%)
3 Years	19.31	0.06	-1.28	0.91	94.10	5.01	-0.33	87.23	91.46
5 Years	18.96	0.28	5.59	0.84	85.56	7.95	0.69	99.33	80.35
Since Inception	18.24	0.24	4.69	0.84	85.24	7.73	0.59	96.55	80.11

## Top Contributors/Detractors to Performance<sup>2</sup>

### BY SUB-INDUSTRIES<sup>1</sup>

Top Contributors	Average Weight (%)	Contribution (%)
Retail REITs	1.59	0.03

Top Detractors	Average Weight (%)	Contribution (%)
Industrial REITs	21.79	-1.45
Self Storage REITs	5.99	-0.82
Multi-Family Residential REITs	8.15	-0.72

### BY HOLDINGS

Top Contributors	Average Weight (%)	Contribution (%)
Digital Realty Trust, Inc.	8.19	0.40
Welltower Inc.	6.80	0.07
Tanger Factory Outlet Centers, Inc.	1.59	0.03

Top Detractors	Average Weight (%)	Contribution (%)
Prologis, Inc.	9.88	-0.78
Equinix, Inc.	9.15	-0.61
Wynn Resorts, Limited	2.92	-0.50

**1** - The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and S&P Global Market Intelligence ("S&P") and is licensed for use by BAMCO, Inc. and Baron Capital Management, Inc. (each an "Adviser" and collectively "Baron Capital" or the "Firm"). Neither MSCI, S&P, nor any other party involved in making or compiling the GICS or any GICS classification makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. All GICS structure changes that have occurred since 2016 have been applied retroactively in historical holdings-based analyses, including performance attribution. The Adviser may have reclassified/classified certain securities in or out of a sub-industry within a sector. Such reclassifications are not supported by S&P or MSCI. **2** - Source: FactSet PA and Baron Capital. **3** - Source: FactSet SPAR. Except for Standard Deviation and Sharpe Ratio, the performance based characteristics above were calculated relative to the Fund's benchmark. **4** - Individual weights may not sum to the total due to rounding.

**Risks:** In addition to general market conditions, the value of the Fund will be affected by the strength of the real estate markets as well as by interest rate fluctuations, credit risk, environmental issues and economic conditions. The Fund invests in debt securities which are affected by changes in prevailing interest rates and the perceived credit quality of the issuer. The Fund invests in companies of all sizes, including small and medium sized companies whose securities may be thinly traded and more difficult to sell during market downturns.

The Fund may not achieve its objectives. Portfolio holdings may change over time.

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

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SUMFS-REINCOME-INST 9/30/2023