Morgan Stanley Institutional Fund, Inc. Global Real Estate Portfolio Class I

VRS Code: 42645
Ticker: MRLAX

Objective: The investment seeks to provide current income and capital appreciation.

Strategy: The fund invests at least 80% of its assets (plus any borrowings for investment purposes) in equity securities of companies in the real estate industry, including real estate operating companies ("REOCs"), real estate investment trusts ("REITs") and similar entities established outside the United States ("foreign real estate companies"). It will invest primarily in companies located in the developed countries of North America, Europe and Asia, but may also invest in emerging markets.

Risk: Real Estate is a cyclical industry that is sensitive to interest rates, economic conditions (both nationally and locally), property tax rates, and other factors. Changes in real estate values or economic downturns can have a significant negative effect on issuers in the real estate industry. Foreign securities are subject to interest-rate, currency-exchange-rate, economic, and political risks, all of which may be magnified in emerging markets. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, economic or other developments. In general the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible. Additional risk information for this product may be found in the prospectus or other product materials, if available.

Short-term redemption fee: None

Who may want to invest:
- Someone who is seeking to complement his or her core holdings and is comfortable with the greater risk typically associated with investments tied to the value of holding, managing, and developing real estate.
- Someone who is willing to accept the lower diversification and potentially higher risk of investments concentrated in the real estate industry.

Footnotes: This description is only intended to provide a brief overview of the mutual fund. Read the fund's prospectus for more detailed information about the fund.