



03.31.2019

**FUND FACTS**

**Investment Objective:**

Seeks long-term capital appreciation.

Total Net Assets	\$59,953,377
Number of Holdings	53
Weighted Median P/E	20.34
Weighted Average P/B	2.00
Weighted Average Market Cap	\$14.18 B
Active Share	93.07
Turnover	17%

**TOTAL EXPENSE RATIO**

A Shares (STRLX)	1.21%
C Shares (STRNX)	1.96%
Inst'l Shares (STRGX)	0.96%

**RISK/RETURN STATISTICS VS. RUSSELL MIDCAP® VALUE INDEX**

**3-Year**

Alpha	0.57
Beta	1.00
R-Squared	92.40
Standard Deviation	12.20
Sharpe Ratio	0.73
Capture Ratio Up	100.26
Capture Ratio Down	95.95

**30-DAY SEC YIELD**

A Shares (STRLX)	0.40%
Inst'l Shares (STRGX)	0.67%

SEC Yield is an annualization of the fund's total net investment income per share for the 30-day period ended on the last day of the month.

**Philosophy and Process**

The Fund uses a value investment approach to invest primarily in common stocks of mid-size companies. We believe that undervalued companies with good earnings prospects have superior appreciation potential with reasonable levels of risk. Quantitatively, we focus on a stock's fundamental valuation relative to its peers. Qualitatively, we seek to identify business catalysts which will serve to drive future earnings growth, increase investor interest and expand valuation.

Within the US equity universe, it is our view that the Mid Cap segment offers an attractive mix of growth and stability. Compared to smaller peers, Mid Cap stocks are more likely to have proven business models and greater financial flexibility, yet in many cases, still have the potential for rapid growth. As a result, Mid Cap stocks have historically exhibited superior risk-adjusted returns over longer periods of time.

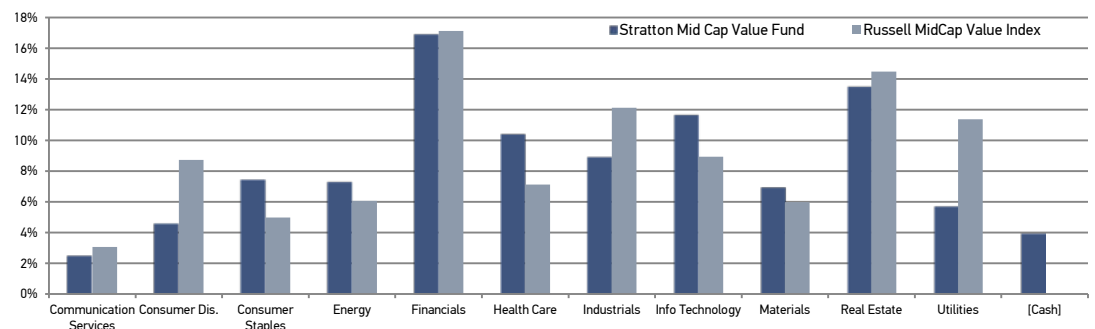
Fund Performance 03.31.2019	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
A Shares with 5.75% Sales Charge	6.53%	6.53%	-6.14%	7.60%	4.44%	11.19%	10.04%
A Shares without Sales Charge	13.03%	13.03%	-0.42%	9.75%	5.69%	11.85%	10.18%
Institutional Shares	13.10%	13.10%	-0.18%	10.02%	5.86%	11.95%	10.20%
Russell Midcap® Value Index	14.37%	14.37%	2.89%	9.50%	7.22%	16.39%	--
Lipper Mid-Cap Core Median	14.46%	14.46%	2.41%	9.47%	6.26%	14.33%	--

Year-End Returns	2010	2011	2012	2013	2014	2015	2016	2017	2018
A Shares without Sales Charge	12.64%	-11.84%	15.40%	37.79%	7.54%	-1.80%	11.34%	21.46%	-14.53%
Institutional Shares	12.64%	-11.84%	15.40%	37.79%	7.54%	-1.75%	11.61%	21.76%	-14.32%
Russell Midcap® Value Index	24.75%	-1.38%	18.51%	33.46%	14.75%	-4.78%	20.00%	13.34%	-12.29%

**Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. 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 the original cost. To obtain performance information current to the most recent month end and information on other share classes, please visit [www.sterlingcapital.com](http://www.sterlingcapital.com). Performance for periods greater than one year is annualized.**

**Performance for Class A is based on the performance of the Institutional Shares of the Predecessor Fund. Class A Shares and Institutional Shares of the Fund would have substantially similar performance because the Shares are invested in the same portfolio of securities and the performance would differ only to the extent that the Classes have different expenses.**

**Sector Allocation**



Allocations are based on the current weight to funds in the cited Sector. The composition of the fund's holdings is subject to change.

**Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the fund, please call (888) 228-1872 or visit our website at [www.sterlingcapital.com](http://www.sterlingcapital.com). Read the prospectus carefully before investing.**



**STRATTON MID CAP VALUE FUND**



**Portfolio Management**

**Shawn M. Gallagher, CFA®**  
Director  
Lead Portfolio Manager

Shawn joined The Stratton Funds team of Stratton Management Company in 2005 and Sterling Capital Management as part of a business acquisition in August 2015. He has managed the fund since 2012, when it was repositioned as a Mid Cap Value strategy. He has investment experience since 2003. He is a graduate of Pennsylvania State University where he received his BS in Finance. He is a CFA® charterholder.

**Andrew T. DiZio, CFA®**  
Director  
Associate Portfolio Manager

Andrew joined The Stratton Funds team of Stratton Management Company in 2012 and Sterling Capital Management as part of a business acquisition in August 2015. He has investment experience since 2003. Andy is a graduate of Pennsylvania State University where he received his BS in Finance with a minor in Economics. He is a CFA® charterholder.

The **Chartered Financial Analyst® (CFA)** charter is a graduate-level investment credential awarded by CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

Ratings and Rankings would have been lower for Class A shares due to fees and expenses.

Lipper and Morningstar rankings are based on total return, including the reinvestment of dividends and capital gains but do not include sales charges for the periods indicated. Rankings shown are for Class I Shares and may be lower for Class A Shares due to higher fees and expenses. Mutual funds are assigned a rank within a universe of funds, relative to a peer group and similar in investment objective as determined by Lipper and Morningstar. The lower the number rank, the better the fund performed compared to other funds in the classification group. Lipper and Morningstar also calculate a percentile measure for each fund ranging from 1% (best) to 100% (worst).

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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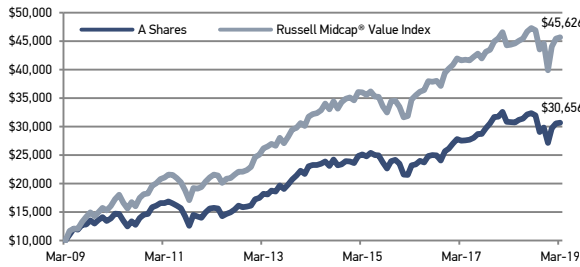
Technical Terms:

**Weighted Median P/E:** A ratio used to compare the price of a fund's stocks with their per-share earnings, with a higher ratio indicating the market has belief that a company has the ability to increase its earnings.  
**Weighted Average P/B:** A weighted harmonic average ratio used to compare the book value of fund's stocks with their market value. The price to book ratio indicates how much an investor is paying for a company's assets based on historical valuations. It does not reflect current market value.  
**Active Share:** Measures the degree of active management by a portfolio manager represented as a percentage of the fund's holdings that differ from the benchmark.  
**Portfolio Turnover Rate:** A measure of how frequently assets within a fund are bought and sold by the managers.  
**Alpha:** measure of performance on a risk-adjusted basis by comparing it to the benchmark index.  
**Beta:** A measure of relative risk. A Beta rating above 1.0 indicates greater volatility than the market while below 1.0 indicates lower volatility.  
**R-Squared:** A statistical measure that represents what amount of a fund's movements can be explained by movements in its benchmark index. A high R-Squared (between 85 and 100) indicates the fund's performance patterns have been in line with the index.  
**Standard Deviation:** A statistical measurement showing how widely the returns varied over a certain period of time. When a fund has a high standard deviation, it may imply greater volatility.  
**Sharpe Ratio:** The measurement of a fund's excess return due to sound investment decisions or excess risk. The greater a fund's Sharpe ratio, the better its risk-adjusted performance has been.  
**Upside/Downside Capture Ratio:** The measurement of a fund's cumulative return divided by its benchmark's cumulative return during positive and negative market periods.

Sterling Capital Management LLC a separate subsidiary of BB&T Corporation, serves as investment adviser to the Sterling Capital Funds and is paid a fee for its services. Shares of the Sterling Capital Funds are not deposits or obligations of, or guaranteed or endorsed by, Branch Banking and Trust Company or its affiliates. The funds are not insured by the FDIC or any other government agency. The funds are distributed by Sterling Capital Distributors LLC, which is not affiliated with Branch Banking and Trust Company or its affiliates.

Not a deposit • Not FDIC insured • May lose value • Not guaranteed by the bank • Not insured by any government agency

**Growth of \$10,000**



The Growth of \$10,000 chart is hypothetical based upon the performance of A Shares without sales charge for the period ended 03.31.2019. It includes the reinvestment of dividends and capital gains.

**Lipper Mid-Cap Core Category**

Based on Total Return as of 03.31.2019

	1 Year	3 Years	5 Years	10 Years
Lipper Ranking / Number of Funds in Category	313 / 409	150 / 348	178 / 293	175 / 190
Lipper Quartile (Percentile)	4th (77%)	2nd (43%)	3rd (61%)	4th (92%)

**Morningstar Mid-Cap Blend Category**

Based on Risk-Adjusted Returns as of 03.31.2019

	Overall Rating	1 Year	3 Years	5 Years	10 Years
Institutional Shares Morningstar Rating™	★★★	--	★★★	★★★	★★
Morningstar Ranking / Number of Funds in Category	377	336/457	171/377	192/330	210/234
Morningstar Quartile (Percentile)		3rd (75%)	3rd (55%)	3rd (67%)	4th (90%)

**Firm Overview**

Sterling Capital Management LLC is a registered investment adviser founded in 1970. An investment firm, Sterling is an independently operated subsidiary of BB&T Corporation, one of the nation's largest financial services holding companies. Sterling is headquartered in Charlotte, NC with offices in Raleigh, NC; Washington, D.C.; Philadelphia, PA; San Francisco, CA; Richmond, VA; and Virginia Beach, VA. As of 03.31.2019, Sterling has \$52 billion in assets under management overseen by 130 investment and client service professionals.

**Investment Considerations**

Mid-size company stocks are generally riskier than large company stocks due to greater volatility and less liquidity. Value stocks can perform differently than other types of stocks and can continue to be undervalued by the market for long periods of time.