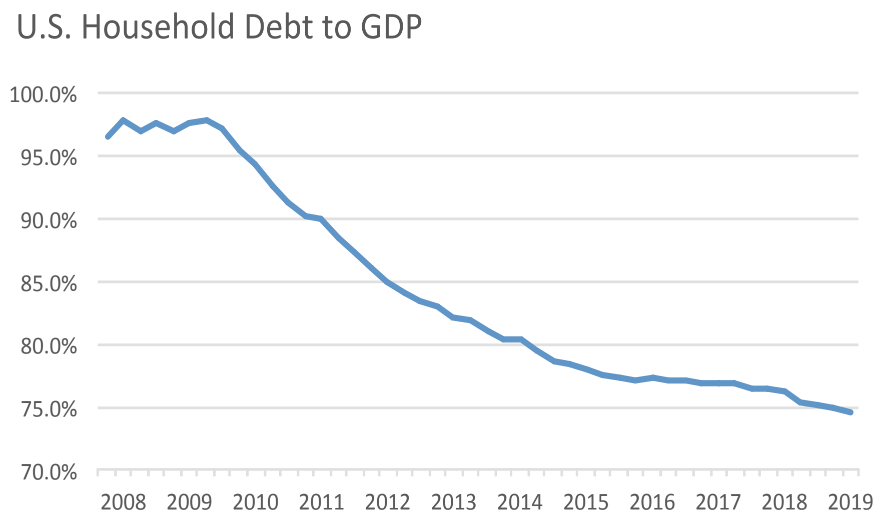
SECOND QUARTER 2019 COMMENTARY

Since inception, the Braddock Multi-Strategy Income Fund has demonstrated an attractive risk return profile that is capitalizing on the strength of the residential and consumer sectors of the U.S. economy. With a Sharpe Ratio of 2.98 as of 6/30/2019, the Fund has performed well in various interest rate environments and throughout numerous bouts of volatility in the financial markets. The second quarter was a continuation of that performance with the Fund's Institutional Share up 1.91% for the quarter and 3.95% YTD.



Source: Bloomberg, Data as of 3/31/19.

With the S&P 500 up 4.3%, the ICE BofAML Cash Pay U.S. High Yield Index up 2.57% and the Bloomberg Barclay's Aggregate Bond index up 3.08% in the second quarter, the overall financial markets weathered the tremulous trade environment and reports of slowing economic conditions. While the Fund lagged these indices this quarter, we believe the outlook for the Residential Mortgage Backed Securities (RMBS) and Consumer Asset Backed Securities (ABS) sectors, the Fund's primary investment sectors, are more favorable than traditional financial markets. The U.S. consumer has remained diligent from a financial health perspective and falling mortgage rates have improved affordability in the U.S. housing market. This combination has reduced the credit risks in the Fund's primary investment sectors.

Performance data quoted represents past performance and is no guarantee of future results. *Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (800) 207-7108.*

TODAY'S MORTGAGES AND RECENT PERFORMANCE

Modern RMBS[1] securities have benefited from today's high quality underwriting standards and its full documentation process. This has translated to very low delinquency rates and faster mortgage prepayments. In comparison to 2007, today's mortgages, like those that are collateral for Credit Risk Transfer (CRT) and Non-Qualified Mortgage (Non-QM) Trusts, are made to borrowers with higher credit scores and lower debt-to-income (DTI) ratios. Today, mortgage originators are also much more diligent in avoiding "risk layering." For example, if a borrower has a lower credit score, the underwriter may not approve the loan if the borrower has a high DTI ratio or is asking for a cash-out loan.

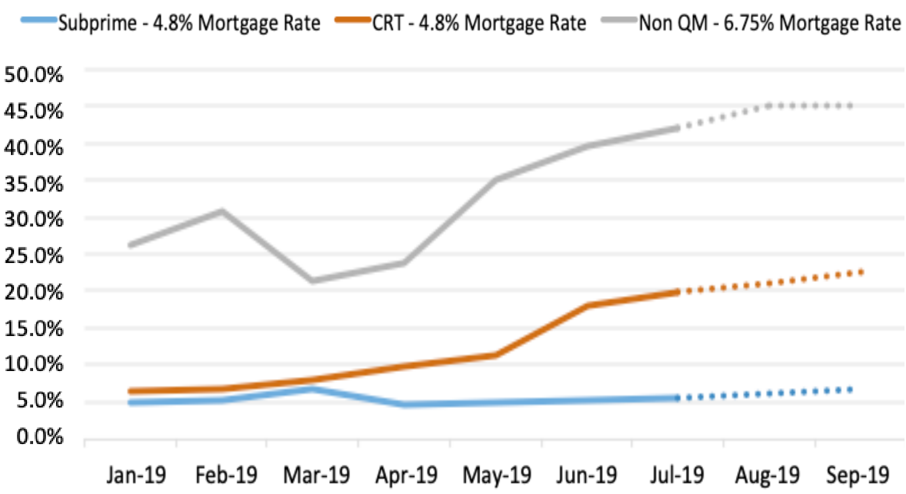
2019's lower mortgage rates have created an incentive for mortgage borrowers with higher interest rates to refinance into a more affordable mortgage. This has increased U.S. mortgage prepayment rates, which reduces credit risk within existing RMBS Trusts, especially in Trusts with a higher weighted average mortgage rate. The higher a borrower's current mortgage rate, the more likely they are to refinance.

Another key factor to a borrower's ability to refinance is his current credit standing. With today's strict mortgage underwriting standards, the borrower's ability to refinance is directly correlated to his credit worthiness (e.g. higher credit score, lower debt level, etc.).

[1] Credit sensitive Residential Mortgage Backed Securities (RMBS) issued after 2013

It should be noted that the quality of borrowers in Modern RMBS Trusts (e.g. CRT & Non-QM Trusts) is dramatically better than the subprime borrowers from over a decade ago. Modern RMBS borrowers are in better position to benefit from today's mortgage rate environment than they were earlier in the year. As seen in the graph, the higher prepayment rates for CRT and Non-QM indicate today's low mortgage rates and the higher quality of the borrowers that refinance. It is likely that prepayment rates will continue to increase over the next few months as many borrowers lock-in today's sub 4% 30 year fixed rate mortgages.

INCREASING PREPAYMENTS IN MODERN RMBS



Graph Source: Moody's Analytics - Subprime, Bloomberg – CAS 2018-R07 & DRMT 2018-2A. Data as of 6/30/19. *August and September numbers are estimates.

FUND ATTRIBUTION & COMPOSITION

The Fund followed a strong start to the year with more solid performance in the second quarter. Active portfolio management with sub-sector positioning and allocations to both Modern RMBS and ABS opportunities were the primary drivers of the Fund's second quarter performance. RMBS contributed +1.4%, ABS +0.36%, and Collateralized Loan Obligations (CLOs) +0.15%.

The Fund's Modern RMBS and Legacy RMBS[2] holdings, 64% and 7% respectively, appreciated in price over the quarter as market participants' forecasted improved housing fundamentals in response to falling mortgage rates. The market has seen the upward movement in the MBA US Refinance Index, and Braddock believes 2019 housing price indices and home sales will outperform initial 2019 forecasts. Braddock was tactical in the second quarter and focused new purchases in areas where deal pricing provided appropriate risk return profiles.

The allocation to ABS increased to 19% from 16% during the second quarter, providing increased diversification and constructive performance to the portfolio. Consumer ABS credit fundamentals remain supportive, and Year over Year issuance is up 6.3%[3]. Lower inflation has assisted disposable income, while low unemployment and wage growth continue to provide strong positive influences to the metrics of U.S. consumer credit. These fundamentals continue to mitigate against the larger swings experienced amongst broader market sentiment around the Federal Reserve, foreign trade, and geopolitical tensions. The pricing levels of the fixed, short duration profile of ABS positions were also elevated with lower interest rates experienced during most of the second quarter.

After capitalizing in the first quarter on anticipated CLO spread retracement across CLO mezzanine bonds, the Fund has continued to sell into the sector's recovery. The CLO allocation is 8% versus the 10% weight at the end of the 1st quarter. In our opinion, these holdings are more attractive than the overall CLO sector due to their shorter weighted average lives and the higher credit quality of the underlying loans. That said, we still believe the higher allocation to Modern RMBS and Consumer ABS, with a corresponding lower exposure to CLOs, positions the Fund for better performance in the current business and economic environment.

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[2] Credit sensitive RMBS issued before 2009

[3] Consumer ABS Alert – BofAML 7/2/19

OUTLOOK

Braddock anticipates that 2nd half 2019 housing fundamentals will continue to improve and that overall credit risk levels will remain low, especially in the Modern RMBS and Consumer ABS sectors. The Fund's current and future opportunity set continues to expand as many sophisticated real estate investors are entering the structured finance space to efficiently finance and grow their businesses. A partial list includes REITs (Starwood Colony, Annaly, etc.), large asset managers (WAMCO), and hedge funds (Lone Star, Oaktree, etc.). Braddock foresees strong fundamental collateral performance and believes that the Fund will continue to provide an attractive return profile while demonstrating low volatility and low correlation compared to traditional fixed income products.

PERFORMANCE AS OF 6/30/19

	Q2 2019	YTD	1 Year	3 Year	5 Year	Ann ITD*
BDKNX	1.91%	3.95%	4.91%	6.19%	5.38%	9.61%
BDKAX	1.75%	3.83%	4.55%	5.90%	5.11%	9.33%
BDKAX w/Load	-2.53%	-0.58%	0.08%	4.39%	3.88%	8.68%
BDKCX	1.57%	3.37%	3.82%	5.13%	4.32%	8.51%
Bloomberg Barclays Aggregate Bond Index	3.08%	6.11%	7.87%	2.31%	2.95%	3.76%
ICE BOFA ML US High Yield Index	2.57%	10.16%	7.61%	7.54%	4.70%	8.60%

Performance data quoted represents past performance and is no guarantee of future results. *Total return figures include the reinvestment of dividends and capital gains. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (800) 207-7108. Returns showing less than one year are cumulative. The gross operating expense ratio for the Class A, C, and Institutional Shares are 1.83%, 2.58%, and 1.58%, respectively. The net operating expenses after fee waiver and/or paying for operating expenses for the Class A, C, and Institutional Shares are 1.76%, 2.51% and 1.51% respectively. The contractual agreement between the Fund and the Advisor is in effect until April 30, 2020. Without the contractual agreement, performance would have been lower. Performance results with load reflect the deduction for Class A Shares of the 4.25% maximum front end sales charge. Class C Shares are subject to a contingent deferred sales charge of 1.00% when redeemed within 12 months of purchase. Performance represented without the load would be lower if this charge was reflected.* ***Because of ongoing market volatility, Fund performance may be subject to substantial short term changes.*** *********ITD represents inception-to-date, 7/31/2009.*

The Fund commenced investment operations on December 31, 2015, after the conversion of a limited partnership Account, Braddock Structured Opportunities Fund Series A, L.P., which commenced operations on 7/31/2009, (the "Predecessor Account"), into shares of the Fund's Institutional Class. Information portrayed in the performance table prior to December 31, 2015 is for the Predecessor Account. The Fund's objectives, policies, guidelines and restrictions are in all material respects equivalent to those of the Predecessor Account. The Predecessor Account was not registered under the Investment Company Act of 1940, as amended (the "1940 Act"), and therefore was not subject to certain restrictions imposed by the 1940 Act on registered investment companies and by the Internal Revenue Code of 1986 on regulated investment companies. If the Predecessor Account had been registered under the 1940 Act, the Predecessor Account's performance may have been adversely affected.

Liberty Street Funds

Before investing you should carefully consider the Braddock Multi-Strategy Income Fund's investment objectives, risks, charges and expenses. This and other information about the fund is in the prospectus and summary prospectus, a copy of which may be obtained by calling 800-207-7108 or by visiting the Fund's website at www.libertystreetfunds.com. Please read the Fund's prospectus or summary prospectus carefully before investing.

RISKS AND OTHER DISCLOSURES:

An investment in the Fund involves risk. Loss of principal is possible. The following is a summary of the risks and are more fully described in the Fund's prospectus: **Mortgage-backed securities:** subject to prepayment risk (loan repaid more quickly), "extension risk" (loan repaid more slowly), credit risk, liquidity, and default risks. **Real estate risk:** property values may fall due to various economic factors. **CLO risk:** Collateralized Loan Obligations (CLOs) are subject to interest rate, credit, asset manager, legal, regulatory, limited recourse, liquidity, redemption, and reinvestment risks. **Credit Risk:** factors may impair the credit rating of the securities held by the Fund which may cause the the Fund's value to decline. **Interest rate risk:** investment value may go down when interest rates rise Falling interest rates also create the potential for a decline in the Fund's income. These risks are greater during periods of rising inflation. **High Yield ("Junk") bond risk:** involve greater risk of default, downgrade, or price declines, can be more volatile and tend to be less liquid than investment-grade securities. **Repurchase agreement risk:** repurchase agreements may be subject to market and credit risk with respect to the collateral securing the repurchase agreements. **Reverse repurchase agreement risk:** subjects the Fund to the risks of leverage and counterparty risk. **Liquidity risk:** the Fund may not be able to sell some or all of the investments that it holds due to a lack of demand in the marketplace or other factors such as market turmoil. The sales price the Fund could receive for any particular portfolio investment may differ from the Fund's valuation of the investment, particularly for securities that trade in thin or volatile markets or that are valued by the Fund using a fair value methodology. **Leverage risk:** as a result of borrowing or other investment techniques, the Fund may be leveraged. Leverage creates exposure to gains and losses in a greater amount than the dollar amount made in an investment. **Derivatives risk:** derivative instruments (e.g. short sells, options, futures) involve risks different from direct investment in the underlying assets, including possible losses in excess of amount invested or any gain in portfolio positions. **Non-diversification risk:** the Fund may focus its assets in the securities of fewer issuers, which exposes the Fund to greater market risk that if its assets were diversified among a greater number of issuers. The Fund may not be suitable for all investors. We encourage you to consult with appropriate financial professionals before considering an investment in the Fund.

Sharpe Ratio: is used to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. **The S&P 500 ® Index** is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. **The Bloomberg Barclays Aggregate Bond Index** measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities. Index Inception: 1/1/1986. **The ICE Bank of America Merrill Lynch U.S. Cash Pay U.S. High Yield Index** tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating, at least 18 months to final maturity at the time of issuance, at least 1 year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of $100 million. Index Inception: 5/31/1992. The **MBA US Refinance Index** is a weekly measurement put together by the Mortgage Bankers Association. The index measures the number of refinance applications submitted. It covers all mortgage applications to refinance an existing mortgage and is a tool to predict mortgage activity. One cannot directly invest in an index.

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Liberty Street Advisors, Inc. is the advisor to the Fund. The Fund is part of the Liberty Street Family of funds within the Investment Managers Series Trust.