Morgan Stanley

Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

US Property Fund - I (ISIN: LU0073233875) a fund of Morgan Stanley Investment Funds.

OBJECTIVES AND INVESTMENT POLICY

Objective

- Long term growth of your investment

Main Investments

- Company shares, funds and trusts
- At least 70% of the fund's investments

Investment Policy

- Companies in the real estate industry based anywhere in the US. This includes funds such as Real Estate Investment Trusts and publicly quoted property unit trusts. Where funds and trusts are used the investor may indirectly bear the ongoing management costs of those investments as well.

Other Potential Investments

- The fund may also invest part of its assets in other investments, which seek to generate a similar return to company shares without direct ownership of the company.

Other Information

- Income will be included in the value of your shares.

Buying and selling shares

- Investors may buy and sell shares on any Luxembourg business day.

RISK AND REWARD PROFILE

Lower risk — Higher risk

Potentially lower rewards — Potentially higher rewards

1	2	3	4	5	6	**7**

The risk and reward category shown is based on historic data.

- Historic figures are only a guide and may not be a reliable indicator of what may happen in the future.
- As such this category may change in the future.
- The higher the category, the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk free investment.
- The fund is in this category because it invests in property, which tends to be more volatile than fixed income securities.

This rating does not take into account other risk factors which should be considered before investing, these include:

- Your investment can go down as well as up. You may not get back the amount you have invested.
- There are additional risks associated with investing in real estate.

CHARGES

The charges you pay are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	3.00%
Exit charge	0.00%

This is the maximum that might be taken out of your money before it is invested / before the proceeds of your investment are paid out.

Charges taken from the fund over a year	
Ongoing charges	1.04%

Charges taken from the fund under certain specific conditions

Performance fee:

Not applicable

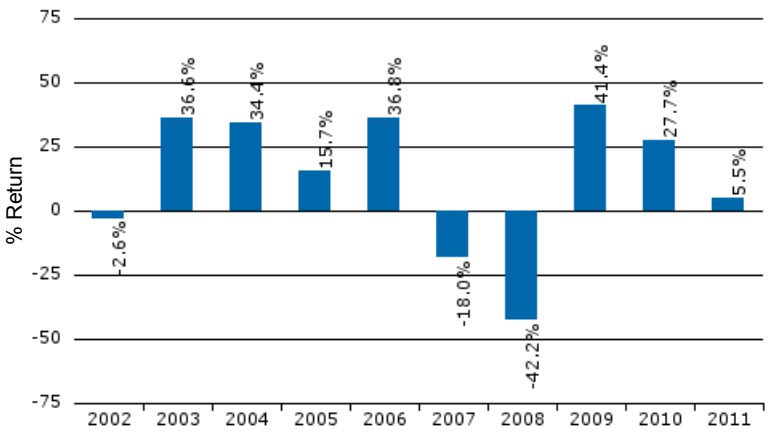
The entry and exit charges shown are maximum figures. In some cases you might pay less, you can find this out from your financial adviser.

The ongoing charges figure is based on expenses for the year ending 31st December, 2011. This figure may vary from year to year. It excludes almost all costs of dealing in the fund's underlying investments.

The fund may charge a fee on purchases, sales or switches if it feels other shareholders will suffer as a result of the cost of the transaction. This fee will be retained by the fund for the benefit of all shareholders.

For more information about charges, please see the Charges and Expenses section of the prospectus.

PAST PERFORMANCE



- Past performance is only a guide and does not guarantee future performance.
- Past performance has been calculated after the deduction of ongoing charges, as described above, but not the deduction of entry or exit charges.
- The fund was launched in 1996.
- Past performance has been calculated in USD.

PRACTICAL INFORMATION

- Shares can also be bought in EUR
- The depositary is J.P. Morgan Bank Luxembourg S.A.
- Prices of shares and other information can be obtained at www.morganstanleyinvestmentfunds.com.
- Further information can be obtained by contacting your financial adviser. Copies of the prospectus, latest annual report and semi annual report, in English, can be obtained free of charge from Morgan Stanley Investment Management Ltd, European Bank and Business Centre, 6B route de Tréves, L-2633 Senningerberg, Luxembourg. This key investor information document describes a compartment of a UCITS. The prospectus and periodic reports are prepared for the entire UCITS, Morgan Stanley Investment Funds. The assets and liabilities of each compartment are segregated by law so an investor has no claims over the assets of a compartment in which they do not own shares.
- The tax legislation of Luxembourg may have an impact on the personal tax position of the investor.
- Morgan Stanley Investment Funds may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the UCITS.
- Investors may switch between compartments of the Morgan Stanley Investment Funds. Please see the prospectus or contact your financial adviser for details.

This fund is authorised in Luxembourg and regulated by the CSSF.
This key investor information is accurate as at 02/04/2012.