FRANKLIN TEMPLETON

Franklin Real Estate Securities Fund

Advisor Class: FRLAX Class A: FREEX Class C: FRRSX Class R6: FSERX | **Real Estate** | Factsheet as of September 30, 2026

Investment Overview

The fund seeks to maximize total return. Under normal market conditions, the fund invests at least 80% of its net assets in equity securities of companies operating in the real estate industry, predominantly in the United States, including: companies qualifying under federal tax law as real estate investment trusts (REITs); and companies that derive at least half of their assets or revenues from the ownership, construction, management, operation, development or sale of commercial or residential real estate (such as real estate operating or service companies, homebuilders, lodging providers, and developers).

Average Annual Total Returns (%)

	Without Sales Charges					With Sales Charges					Inception
	1-Yr	3-Yr	5-Yr	10-Yr	Inception	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Date
Advisor Class	5.22	9.86	1.64	4.33	7.93	5.22	9.86	1.64	4.33	7.93	1/3/1994
Class A	4.94	9.61	1.39	4.07	7.62	-0.85	7.56	0.25	3.48	7.44	1/3/1994
Class C	4.17	8.79	0.63	3.29	6.86	3.20	8.79	0.63	3.29	6.86	5/1/1995
Class R6	5.44	10.07	1.86	4.55	8.26	5.44	10.07	1.86	4.55	8.26	1/3/1994
Benchmark 1	1.79	10.18	1.48	4.44	—	1.79	10.18	1.48	4.44	—	—
Benchmark 2	1.79	10.18	1.48	5.04	—	1.79	10.18	1.48	5.04	—	—

Cumulative Total Returns (% Without Sales Charge)

	3-Mo	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Advisor Class	-5.60	6.98	2.47	3.77	10.31	-25.48	41.05	-3.28	27.48	-6.19	4.17	5.06
Class A	-5.62	6.82	2.20	3.52	10.05	-25.68	40.65	-3.51	27.17	-6.41	3.94	4.77
Class C	-5.79	6.19	1.49	2.73	9.23	-26.25	39.59	-4.25	26.24	-7.12	3.14	3.97
Class R6	-5.48	7.20	2.63	3.93	10.62	-25.31	41.35	-3.13	27.67	-6.02	4.45	5.29
Benchmark 1	-6.22	4.28	3.31	5.05	11.96	-26.12	40.56	-4.55	26.32	-3.92	4.35	8.44
Benchmark 2	-6.22	4.28	3.31	5.05	11.96	-26.12	40.56	-4.55	29.03	-4.59	9.05	—

Performance data quoted represents past performance, which does not guarantee future results. *Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. Returns with sales charge reflect a deduction of the stated maximum sales charge. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please visit franklintempleton.com.*

The fund began offering Advisor Class shares on 12/31/1996, and the fund began offering R6 Class shares on 5/1/2013. Performance quotations have been calculated as follows: (a) for Advisor Class periods prior to 12/31/1996, a restated figure is used based on the fund's Class A performance; for R6 Class periods prior to 5/1/2013, a restated figure is used based on the fund's Class Advisor performance. The performance was adjusted to take into account differences in class-specific operating expenses and maximum sales charges. (b) For periods after share class offering, performance for the specific share class is used, reflecting the expenses and maximum sales charges applicable to that class.

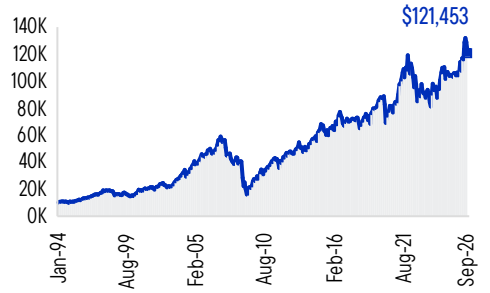
Share Class Details

			Sales Charges (%)		Expenses (%)	
	CUSIP	Ticker	Max	CDSC	Gross	Net
Advisor Class	354602302	FRLAX	0.00	—	0.83	0.83
Class A	354602104	FREEX	5.50	—	1.08	1.08
Class C	354602203	FRRSX	0.00	1.00	1.83	1.83
Class R6	354602500	FSERX	0.00	—	0.88	0.66

Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 08/31/2027 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice. There is a 1% CDSC on any Class C shares you sell within 12 months of purchase.

Growth of $10,000

Advisor Class Shares—Inception through September 30, 2026
Excluding Effects of Sales Charges



Fund Overview

Dividend Frequency, if any	Quarterly
Morningstar Category	Real Estate
Lipper Classification	Real Estate Funds
Turnover (fiscal yr)	32%

Benchmark(s)

1—Linked MSCI US IMI Real Estate 25/50/ S&P US Property Index
2—MSCI US IMI Real Estate 25/50 Index

Fund Characteristics

	Fund
Total Net Assets	$217.83 Million
Number of Issuers	40
Average Market Cap (Millions USD)	$58,652
Price to Book	2.55x
Price to Earnings (12-Month Trailing)	37.90x

Risk Statistics (3-Year—Advisor Class vs. Linked MSCI US IMI Real Estate 25/50/ S&P US Property Index)

	Fund	Benchmark 1
Beta	0.95	—
R-Squared	0.98	—
Sharpe Ratio	0.35	0.35
Standard Deviation (%)	15.64	16.27
Alpha (%)	-0.08	—
Information Ratio	-0.14	—
Tracking Error (%)	2.25	—

Not FDIC Insured | No Bank Guarantee | May Lose Value

Top Equity Issuers (% of Total)

	Fund
WELLTOWER INC	12.61
EQUINIX INC	7.93
PROLOGIS INC	7.24
AMERICAN TOWER CORP	6.86
DIGITAL REALTY TRUST INC	4.88
REALTY INCOME CORP	4.24
VENTAS INC	3.58
VIVMARK RESIDENTIAL	3.46
SIMON PROPERTY GROUP INC	3.04
IRON MOUNTAIN INC	3.01

Geographic Allocation (% of Total)

	Fund
United States	99.27
Cash & Cash Equivalents	0.73

Sector Allocation (% of Total)

	Fund	Benchmark 2
Health Care Property	20.26	18.12
Data Centers	12.81	11.03
Industrial Property	12.52	10.81
Residential	9.78	8.14
Triple Net	9.19	9.42
Towers/Infrastructure	8.39	8.19
Shopping Centers	5.80	4.31
Storage Property	4.31	5.73
Other	16.22	24.25
Cash & Cash Equivalents	0.73	0.00

Portfolio Data Information

Holdings are provided for informational purposes only and should not be construed as a recommendation to purchase or sell any security.

Portfolio Management

	Years with Firm	Years of Experience
Blair Schmicker, CFA	19	22
Daniel Scher	24	20

What should I know before investing?

All investments involve risks, including possible loss of principal. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Real estate investment trusts** (REITs) are closely linked to the performance of the real estate markets. REITs are subject to illiquidity, credit and interest rate risks, and risks associated with small- and mid-cap investments. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the fund's prospectus.

Glossary

Beta: A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market. **R-squared** measures the strength of the linear relationship between the fund and its benchmark. R-squared at 1 implies perfect linear relationship and zero implies no relationship exists. **Sharpe Ratio** refers to a risk-adjusted measure calculated using standard deviation and excess returns to determine reward per unit of risk. The higher the ratio, the greater the risk-adjusted performance. **Standard Deviation:** Measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return. **Alpha** is the annualized percentage difference between a portfolio's actual returns and its expected performance given its level of market risk, as measured by beta. **Information Ratio:** In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark. **Tracking Error** measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error. **Turnover** is a measure of the fund's trading activity which represents the portion of the fund's holdings that has changed over a twelve-month period through the fiscal year end. There is no assurance that the fund will maintain its current level of turnover. **Weighted Average Market Capitalization:** A determination of a company's value, calculated by multiplying the total number of company stock shares outstanding by the price per share. For a portfolio, the value represents a weighted average based on the stocks held. **Price to Book:** The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds. **Price to Earnings (12-Month Trailing)** is the share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the value represents a weighted average of the stocks it holds.

Important Information

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The **Linked MSCI US IMI Real Estate 25/50 / S&P US Property Index** reflects performance of the S&P US Property Index through 6/30/2019 and performance of the MSCI US IMI Real Estate 25/50 Index thereafter.The MSCI US IMI Real Estate 25/50 Index tracks the large-, mid- and small-cap segments of the U.S. REIT universe. The **MSCI US IMI Real Estate 25/50 Index** tracks the large-, mid- and small-cap segments of the US REIT universe.

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Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at www.franklintempleton.com. Please read it carefully.