

# **Foundry Partners LLC**

**Small Cap Value Composite (formerly  
Fundamental Small Cap Value Composite)  
Schedule of Investment Performance Results  
December 31, 2023**

## Independent Accountant's Verification and Performance Examination Report

Foundry Partners LLC  
1660 W. Second Street, Suite 910  
Cleveland, OH 44113

We have examined whether Foundry Partners LLC (the Firm) has, for the periods from January 1, 2013 to December 31, 2023, (1) designed policies and procedures for complying with the Global Investment Performance Standards (GIPS<sup>®</sup>) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance (the applicable policies and procedures) in compliance with the GIPS<sup>®</sup> standards, and (2) implemented the applicable policies and procedures on a firm-wide basis. We have also examined the accompanying Schedule of Investment Performance Results of the Firm's Small Cap Value Composite (formerly Fundamental Small Cap Value Composite) for the periods from January 1, 2016 to December 31, 2023.

The Firm's management is responsible for its claim of compliance with the GIPS<sup>®</sup> standards, the design of its policies and procedures, and for the Schedule of Investment Performance Results. Our responsibility is to express an opinion, based on our examination, on the Firm's design and implementation of the applicable policies and procedures, construction of the Small Cap Value Composite and calculation of Small Cap Value Composite's performance, and preparation and presentation of the Schedule of Investment Performance Results. We are required to be independent of the Firm and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement. A verification covering the periods from January 1, 2013 to December 31, 2015, and a performance examination of Dreman Value Management's (Predecessor Firm) Dreman Institutional Small Cap Value Composite's Schedule of Investment Performance Results for the periods from January 1, 2014 to December 31, 2015, were performed by another independent verifier, whose report, dated May 2, 2016, expressed an unqualified opinion thereon.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, the Firm (1) designed the applicable policies and procedures in compliance with the GIPS<sup>®</sup> standards, (2) implemented the applicable policies and procedures on a firm-wide basis, (3) constructed Small Cap Value Composite and calculated Small Cap Value Composite's performance in compliance with the GIPS<sup>®</sup> standards, and (4) prepared and presented the Schedule of Investment Performance Results in compliance with the GIPS<sup>®</sup> standards. An examination involves performing procedures to obtain evidence about the design and implementation of the applicable policies and procedures; the construction of Small Cap Value Composite and calculation of Small Cap Value Composite's performance; and the Schedule of Investment Performance Results. Our examination was also conducted in accordance with the required verification and performance examination procedures of the GIPS<sup>®</sup> standards, which also include testing performed on a sample basis. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks (1) of material noncompliance with the requirements of the GIPS<sup>®</sup> standards, (2) that the design of the applicable policies and procedures is not suitable for compliance with the GIPS<sup>®</sup> standards, and (3) of material misstatement of the accompanying Schedule of Investment Performance Results, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, for the periods from January 1, 2013 to December 31, 2023, the Firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects

- designed in compliance with the GIPS® standards, and
- implemented on a firm-wide basis.

Also, in our opinion, for the periods from January 1, 2016 to December 31, 2023, the Firm has, in all material respects

- constructed the Firm's Small Cap Value Composite and calculated the Small Cap Value Composite's performance in compliance with the GIPS® standards, and
- prepared and presented the Schedule of Investment Performance Results of the Firm's Small Cap Value Composite in compliance with the GIPS® standards.

We have not been engaged to examine and did not examine the Firm's Small Cap Value Composite for any periods prior to January 1, 2016, as shown in the accompanying Schedule of Investment Performance Results, and accordingly, we express no opinion on any such performance.

This report does not attest to the accuracy of any performance presentation of the Firm other than the Firm's Small Cap Value Composite. Our examination does not provide assurance on the operating effectiveness of the Firm's controls or policies and procedures for complying with the GIPS® standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

*Cohen & Company, Ltd.*

COHEN & COMPANY, LTD.  
Cleveland, Ohio  
March 28, 2024

## Performance

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Return Gross (%)	17.84	-2.68	32.72	-1.22	24.16	-15.96	8.88	31.13	-3.57	5.70
Total Return Net (%)	16.88	-3.55	31.91	-1.90	23.43	-16.48	8.21	30.08	-4.53	4.66
Russell 2000 Value (%)	14.65	-14.48	28.27	4.63	22.39	-12.86	7.84	31.74	-7.47	4.22
Number of Portfolios	7	6	8	10	9	10	8	8	9	9
Composite Assets (US \$M)	400.6	328.7	1150.3	1133.6	1101.6	897.5	1073.5	908.1	747.0	871.0
Total Firm Assets (US \$B)	1.8	1.9	2.9	2.7	2.7	2.3	2.5	2.4	0.9	1.1
Composite Dispersion (%)	0.19	0.15	0.35	0.52	0.17	0.04	0.08	0.29	0.10	0.18
External Composite Dispersion (%)	20.93	27.73	25.47	26.31	16.27	14.77	12.74	13.84	12.69	12.19
External Benchmark Dispersion (%)	21.75	27.27	25.00	26.12	15.68	15.76	13.97	15.50	13.46	12.79

## Annualized Returns (As of 12/31/2023)

	Composite Gross (%)	Composite Net (%)	Russell 2000 Value (%)
1 Year	17.84	16.88	14.65
3 Years	15.03	14.14	7.94
5 Years	13.29	12.48	10.00
10 Years	8.60	7.78	6.76

THE FIRM - Foundry Partners LLC (the "Firm" or "Foundry") is an investment adviser registered under the Investment Advisers Act of 1940, established in September 2012. Foundry is defined as an independent investment advisory firm that is not affiliated with any parent organization. Effective June 21, 2016, Foundry purchased the assets of the Small Cap Value Composite (the "Composite") from Dreman Value Management ("DVM"). Foundry utilizes past performance from DVM to link current performance and present historical returns in order to meet the requirements under the Global Investment Performance Standards (GIPS®). The investment management team and the investment decision process for the Small Cap Value Composite remained intact throughout the period including the purchase by Foundry, and Foundry retains the records that support the reported performance.

COMPLIANCE STATEMENT - Foundry Partners LLC claims compliance with GIPS® and has prepared and presented this report in compliance with the GIPS® standards. DVM has been independently verified for the periods from July 1, 1997, to December 31, 2015, and Foundry has been independently verified for the periods from January 1, 2013, to December 31, 2023. A firm that claims compliance with the GIPS® standards must establish policies and procedures for complying with all the applicable requirements of the GIPS® standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS® standards and have been implemented on a firm-wide basis. The Small Cap Value Composite has had a performance examination for the periods July 1, 1997, to December 31, 2023. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

THE COMPOSITE - As of July 7, 2023, the Fundamental Small Cap Value Composite was renamed the Small Cap Value Composite. The Small Cap Value Composite was formerly known as The Dreman Institutional Small Cap Value Composite. The Small Cap Value strategy seeks to outperform the Russell 2000® Value Index over a market cycle using a fundamental investment approach. Portfolios in the Composite generally invest in securities with below market P/E ratios and market capitalizations between \$100 million and \$3 billion. For the period July 1, 2009, to June 21, 2016, this Composite includes all of DVM's accounts or portfolios that are in excess of \$1,000,000 in market value, that are managed on a fully discretionary basis in a small capitalization trading style without regard to tax sensitivity. Prior to July 1, 2009, the composite had a minimum account size requirement of \$3,000,000. Effective June 21, 2016, all accounts, regardless of size, are included in the Composite. Terminated accounts are included in the historical performance of the Composite through the last full month the account was managed. Performance results are shown gross-of-fees which are net of actual trading expenses. Fees, including management fees, performance fees and other expenses incurred will reduce the return. Net returns are net of actual trading expenses and, prior to July 1, 2016, the highest net model fee. Effective July 1, 2016, net-of-fee performance is calculated using actual management fees that were paid and do not include custodial fees. Foundry's standard investment management fee schedule for the Composite is: 1.00% on the first \$50 million; 0.95% on the next \$25 million; and 0.90% on the remainder. Actual investment advisory fees, inclusive of performance based fees, if applicable, incurred by clients may vary due to various conditions, including account size. The Composite includes the Foundry Partners Small Cap Value Fund which has an expense ratio of 1.28% for the Investor Class and 1.03% for the Institutional Class and annual management fee of 0.85%. The Firm values portfolios at least monthly and geometrically links periodic returns. Performance returns include realized and unrealized gains and losses, and the reinvestment of all income. The Firm uses trade date accounting and income is accrued as earned. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. The methodology used to determine total Composite assets is based on end of period assets whereas the previous method used beginning of next period assets. From January 1, 1997, to June 30, 2016, the Composite return is computed using the size-weighted Composite return for each month and linking them to generate a quarterly Composite return. Effective July 1, 2016, Foundry asset-weights the portfolios within the Composite using the aggregate return method, which combines all the Composite assets and external cash flows before any calculations occur to calculate returns as if the Composite were one portfolio. Valuations and returns are computed and stated in U.S. dollars. The Composite's inception date is May 31, 1991, and the Composite's creation date is July 1, 1997. Internal composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the Composite the entire year. The three-year annualized ex-post standard deviation (the "external dispersion") measures the volatility of the Composite and benchmark monthly returns over the past 36 months as of each year end. No leverage, derivatives, or short positions are used in this Composite.

THE BENCHMARK - The Russell 2000® Value Index (the "Index") measures the performance of those companies in the Russell 2000® Index with lower price-to-book ratios and lower forecasted growth values. The Index is calculated on a total return basis with dividends reinvested and is not assessed a management fee. It is not possible to invest directly in an index.

ADDITIONAL INFORMATION - Additional information regarding policies for valuing investments, calculating performance, and preparing GIPS® Reports, as well as additional Firm definition information, is available upon request. A complete list and description of the Firm's Composites and Pooled Funds is available upon request. This report presents past performance, which is not indicative of future results. Graphs and charts, by themselves, cannot be used to make investment decisions.

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