

## U.S. DIVERSIFIED REAL ESTATE ETF

The U.S. Diversified Real Estate ETF (PPTY) is designed for investors who know that location, property type and leverage matter. PPTY seeks to track the performance of the U.S. Diversified Real Estate Index (USREX), a rules based index that is designed to ensure diversification by property type and location, while favoring companies with prudent leverage. Our portfolio is constructed based on the actual properties held by each company in our investment universe. The Index's focus on the underlying real estate allows for consistent exposure and reliable diversification.

## HOW TO INVEST IN REAL ESTATE

We believe investors should consider four primary factors when investing in real estate:

**Location:** Location is a key driver of real estate performance. We use stable targets to obtain diversified geographic exposure that favors dynamic, high-growth locations.

**Property Type:** Apartment or office? Industrial or retail? Differences between property types matter. We use fixed allocations to ensure diversification and balance.

**Leverage:** Responsible use of leverage can enhance returns, but too much debt is dangerous. We favor companies with prudent leverage.

**Governance:** Firms with significant governance risks such as external management are excluded from our portfolio.

## PORTFOLIO PLACEMENT

Real estate may be used in your portfolio in the following ways:

**Real Estate Exposure** – Use PPTY to provide exposure to real estate in your portfolio.

**Income** – REIT's historical dividend distributions make PPTY a source of potential income for your portfolio.<sup>1</sup>

**Inflation Protection** – PPTY seeks to provide an inflation hedge and long-term store of value.

**Sector View** – Use PPTY to express a sector view in your portfolio.

**Diversification** – Can serve as part of a diversified portfolio.

ETF Ticker . . . . .	PPTY
Cusip . . . . .	26922A511
Exchange . . . . .	NYSE
Bloomberg Index Ticker . . . . .	USREX
Inception Date . . . . .	3/26/18
Total Fund Annual Operating Expenses After Fee Waiver* . . . . .	0.49%
Rebalance Schedule . . . . .	Semi-Annual

\*Effective February 1, 2020, Vident Advisory, LLC, the investment adviser to the Fund, has contractually agreed to waive four basis points (0.04%) of its unified management fee of 0.53% for the Fund until at least June 30, 2022. The fee waiver agreement may only be terminated by, or with the consent of, the Fund's Board of Trustees.

# VIDENT FINANCIAL

*vī'děnt' - they oversee, they care for...*

# PPTY

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Q3 2021 Factsheet

## PROPERTY TYPE DIVERSIFICATION

PROPERTY TYPE	ALLOCATION
Residential	19.2%
Office	17.0%
Retail	14.9%
Industrial	14.5%
Hotel	8.1%
Diversified	7.4%
Health Care	7.1%
Data Center	6.8%
Self-Storage	2.0%
Manufactured Home	2.0%
Student Housing	0.5%

Source: S&P Global, Vident Financial LLC 9.30.2021

## TOP 10 HOLDINGS

HOLDINGS	ALLOCATION
Prologis Inc	4.04%
AvalonBay Communities Inc	3.62%
Equinix Inc	2.99%
Equity Residential	2.90%
Vereit Inc	2.73%
Easterly Government Properties, Inc	2.51%
Terreno Realty Corp	2.46%
Broadstone Net Lease Inc	2.32%
Alexandria Real Estate Equities Inc	2.17%
Digital Realty Trust Inc	2.17%
<b>Top 10 Total</b>	<b>27.91%</b>

Source: U.S. Bank, 9.30.2021

## U.S. DIVERSIFIED REAL ESTATE ETF RETURNS

### CUMULATIVE

### ANNUALIZED

	Quarter	YTD	1 Year	3 Year	Since Inception (3/26/2018)
NAV Returns <sup>2</sup>	2.15%	22.54%	39.89%	11.36%	13.51%
Market Returns <sup>2</sup>	2.26%	22.82%	39.58%	11.46%	13.57%

Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate, so you may have a gain or loss when shares are sold. Current performance may be higher or lower than that quoted. Short term performance is not a good indication of the fund's future performance, and an investment should not be made based solely on returns. To obtain performance data current to the most recent month-end, please call (800) 617-0004 or visit [www.videntfunds.com/funds/ppty](http://www.videntfunds.com/funds/ppty). The fund's total annual operating expense is 0.53% and the total annual operating expense after fee waiver is 0.49%, see additional information on page 1.

**Carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. A prospectus can be obtained by visiting [www.videntfunds.com/literature](http://www.videntfunds.com/literature) or by calling 800-617-0004. Please read it carefully before investing.**

Investments involve risk. Principal loss is possible. The Fund has the same risks as the underlying securities traded on the exchange throughout the day at market price. The Fund's investments will be concentrated in an industry or group of industries to the extent the Index is so concentrated, and the Index is expected to be concentrated in real estate-related industries. The Fund is expected to invest substantially all of its assets in real estate-related companies. Investments in real estate companies involve unique risks. Real estate companies, including REITs, may have limited financial resources, may trade less frequently and in limited volume, and may be more volatile than other securities. The risks of investing in real estate companies include certain risks associated with the direct ownership of real estate and the real estate industry in general. The equity securities of smaller companies have historically been subject to greater investment risk than securities of larger companies. Investor shares are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Ordinary brokerage commissions may apply.

The fund's investment advisor is Vident Advisory, LLC. PPTY's sub-advisor is Vident Investment Advisory (VIA). Vident Financial owns the index that underlies the fund. The Vident U.S. Diversified Real Estate ETF is distributed by ALPS Distributors, Inc. ALPS is not affiliated with Vident Financial, Vident Advisory or VIA.

Diversification does not ensure a profit or protect against a loss. Fund holdings and allocations are subject to change and should not be considered a recommendation to buy or sell any security. For current holdings please visit [www.videntfunds.com/funds/ppty](http://www.videntfunds.com/funds/ppty) or call 800.617.0004.

1: There is no guarantee that dividends will be paid or will increase. 2: The net asset value (NAV) return uses the change in net asset value over time, and market return uses the change in market value. Shares may trade in the market at levels that deviate from its NAV.

All data as of 9/30/2021

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