



The US Diversified Real Estate Fund™ | PPTY

Fund Story | As of 6.30.2019

Would You Ever Buy Real Estate Without Considering the Location?

PPTY is a real estate ETF tracking an index (USREX) which considers these important real estate fundamentals: **location, property type, leverage levels and governance.**

WISDOM

- Founded by advisors, focused on investors

INNOVATIVE

- **Ownership Structure** - Oversight Trust
 Profits are generally used to improve investment solutions and **reduce investor fees**

SUCCESS

- Principles-Based - Goals Focused - Rules Driven

EXECUTION

- PPTY is a possible solution for those seeking a principles-based, disciplined approach to true US Real Estate exposure in a multi-factor ETF structure

BUILDING A PORTFOLIO BASED ON ACTUAL PROPERTIES

The index seeks to improve risk adjusted returns by addressing the inherent weakness in a market cap-weighting Real Estate strategy: Overexposure to rising markets as they become expensive, random property type allocations, and over levered REITs.

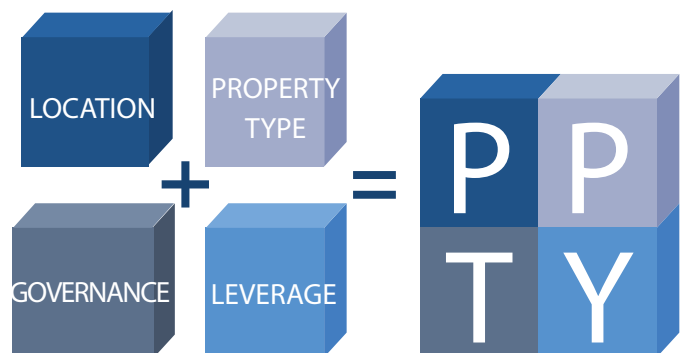


Portfolio Construction

Strategically seeks to diversify risk through a real estate driven weighting process that potentially results in lower exposure to historically over bought locations and sectors

Security Selection

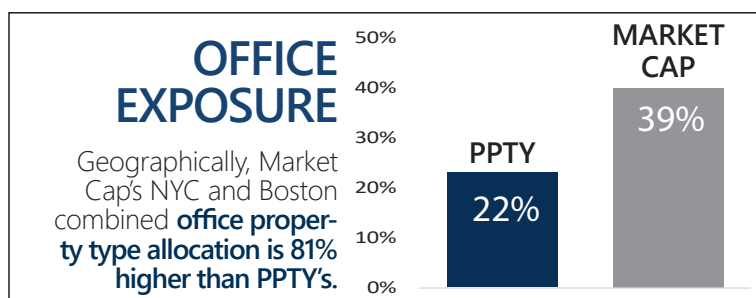
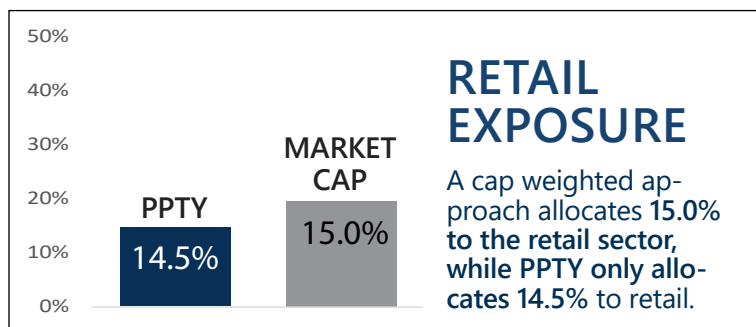
Using stable geographic and property type allocations, stocks are selected based on the actual properties held by each company in our investment universe



DIVERSIFYING RISK FOR THE LONG RUN

Traditional market cap-weighted funds allow market cap to dictate allocations. However, the index PPTY tracks (USREX) seeks to minimize exposure to unrewarding real estate risk factors, in part by using stable geographic and property type targets. This focus on the actual properties owned by each REIT helps distribute risk more evenly and avoid overconcentration in property types and geographic markets.

Market Cap is represented by the MSCI US REIT Index (RMZ). The MSCI US REIT Index is a free float-adjusted market capitalization weighted index that is comprised of equity Real Estate Investment Trusts (REITs). The index is based on the MSCI USA Investable Market Index (IMI), its parent index, which captures the large, mid and small cap segments of the USA market. With 152 constituents, it represents about 99% of the US REIT universe and securities are classified under the Equity REITs Industry according to the Global Industry Classification Standard (GICS®), have core real estate exposure and carry REIT tax status.



CASE STUDY: BLACKSTONE ACQUISITION

- **Blackstone just purchased Gramercy Property Trust**, the fourth largest industrial REIT for \$7.6B in cash.
- By taking Gramercy private, this acquisition will **further reduce cap weighted funds' exposure to distribution and industrial properties.**
- However, since the index that PPTY tracks has **fixed property type weightings**, this transaction will **not reduce** our exposure to industrial real estate. This transaction is another example of the benefit of tracking **an index that focuses on Real Estate Fundamentals** when building a portfolio.

	COMPANY	TICKER	MARKET CAP	%
1	Prologis Inc	PLD US Equity	34,405,824,900	48.2%
2	Duke Realty Corp	DRE US Equity	10,318,171,046	14.2%
3	DCT Industrial Trust Inc	DCT US Equity	6,177,231,306	8.7%
4	Gramercy Property Trust	GPT US Equity	4,391,251,914	6.1%
5	First Industrial Realty TR	FR US Equity	4,154,433,018	5.8%

Fred Stoops



Head of Real Estate Investments

- Over 10 years of experience in real estate investments with Goldman Sachs and Chatham Financial
- Fred played a key role in the conception and design of PPTY.

Denise M. Krisko, CFA



President and Co-Founder of VIA (Sub-adviser)

- Over 20 years of trading and portfolio management experience
- Primary responsibility for the day-to-day management of the Fund since June 2015.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus and summary prospectus (PPTY) contains this and other important information about the investment company, and a free hardcopy of the prospectus may be obtained by calling 1-800-617-0004. Read carefully before investing.

Investments involve risk. Principal loss is possible. Because the Fund is a fund of funds, its investment performance largely depends on the investment performance of the Underlying Funds in which it invests. An investment in the Fund is subject to the risks associated with the Underlying Funds that comprise the Index, including risks related to investments in derivatives, REITs, foreign securities and municipal securities. Fixed-income securities' prices generally fall as interest rates rise. High yield securities are subject to the increased risk of an issuer's inability to meet principal and interest payment obligations. These securities may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of the non-investment grade securities markets, real or perceived adverse economic conditions, and lower liquidity. Preferred stock is subject to many of the risks associated with debt securities, including interest rate risk. In addition, preferred stock may not pay a dividend, an issuer may suspend payment of dividends on preferred stock at any time, and in certain situations an issuer may call or redeem its preferred stock or convert it to common stock. International investments may also involve risk from unfavorable fluctuations in currency values, differences in generally accepted accounting principles, and from economic or political instability. There is no guarantee that the fund will meet its investment objective. The Fund may invest in derivatives, including futures contracts, which are often more volatile than other investments and may magnify the Fund's gains or losses. The fund is new with limited operating history. The Funds have 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 U.S. Diversified Real Estate Fund (PPTY) Top 10 Holdings: Prologis, Inc. 3.55%, PS Business PKs Inc. 3.53%, Avalonbay Cmnty Inc. 3.38%, Equity Residential 3.34%, Equinix Inc. 3.22%, Terreno Rlty Corp 3.03%, Mid Amer Apt Cmnty Inc. 2.86%, Digital Reality TR Inc. 2.58%, American Homes 4 Rent 2.26%, Apartment Invnt & Mgmt Co. 2.23%.

Fund holdings and allocations are subject to buy or sell any securities.

PPTY is distributed by Quasar Distributors, LLC. The investment advisor for PPTY is Vident Advisory, LLC. PPTY's sub-advisor is Vident Investment Advisory (VIA). Vident Financial owns the indexes that underlie the funds. Quasar is not affiliated with Vident Financial, Vident Advisory, or Vident Investment Advisory.