

ALPS REIT Dividend Dogs ETF

VALUE, INCOME, DIVERSIFICATION

Monthly Insights | March 2022

Key Takeaways

- The ALPS REIT Dividend Dogs ETF (RDOG) gained 5.09% for March 2022 while the broader US REIT market gained 6.96%.
- Health Care REITs was the best performing segment in RDOG, contributing +1.34% to overall monthly performance.
- RDOG's underlying index's trailing twelve-month (TTM) yield currently sits at 4.28%, which is 108bps more than the yield of the S-Network Composite US REIT Index.

Performance Notes

- RDOG underperformed the broader REIT market, as represented by the S-Network Composite US REIT Index (SNREIT), in March 2022, due to its relative underweight within the Technology REITs segment.
- REITs outperformed broader US equity markets in March, benefitting from elevated inflation and strong consumer spending. Defensive REIT holdings including Health Care REITs stole the show in March while decreasing COVID restrictions and news continue to trend in a positive manner for the economy as a whole. Despite a volatile start to 2022, REITs typically benefit from a favorable backdrop of accelerating lease demand, higher occupancy levels, and higher rents amidst the current inflationary backdrop.

Performance Summary

	Mar-22	YTD	1 Y
RDOG (NAV)	5.09%	-3.66%	20.29%
S-Network REIT Dividend Dogs Index	4.74%	-3.78%	20.72%
S-Network Composite US REIT Index	6.96%	-5.32%	22.23%

As of 3/31/2022

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

For standardized performance please see page 2.

Strategy

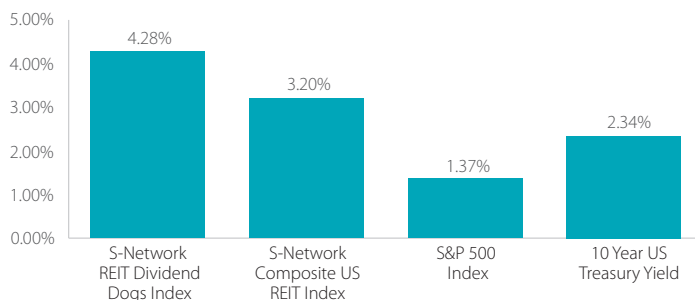
- RDOG is an Exchange-Traded Fund that applies the 'Dogs of the Dow Theory' to nine US REIT segments using the S-Network Composite US REIT Index (SNREIT) as its starting universe of eligible securities.
- The strategy selects the five highest yielding US REITs ("Dividend Dogs") within nine equally-weighted REIT segments. Constituent REITs must have Trailing Twelve Month (TTM) Funds From Operations (FFO) per share greater than TTM Dividend Payout per Share (DPS).
- Equally weighting at the individual REIT and segment level provides diversification, avoids segment biases, and helps to smooth volatility.



Yield Comparison

- As of March 31, 2022, RDOG's underlying index (S-Network REIT Dividend Dogs Index) yields 4.28%, which is higher than its starting universe (SNREIT) due to a relative overweight in higher-yielding names within the Health Care REITs and Office REITs segments.
- RDOG's Health Care REITs segment and Office REITs segment carries a trailing twelve-month dividend yield of 6.82% and 5.54%, respectively.

Trailing Twelve Month Dividend Yield



Source: Bloomberg L.P., as of 3/31/2022

Past performance is no guarantee of future results.

* Weight in RDOG as of 3/31/2022

ALPS REIT Dividend Dogs ETF

Contribution to Return

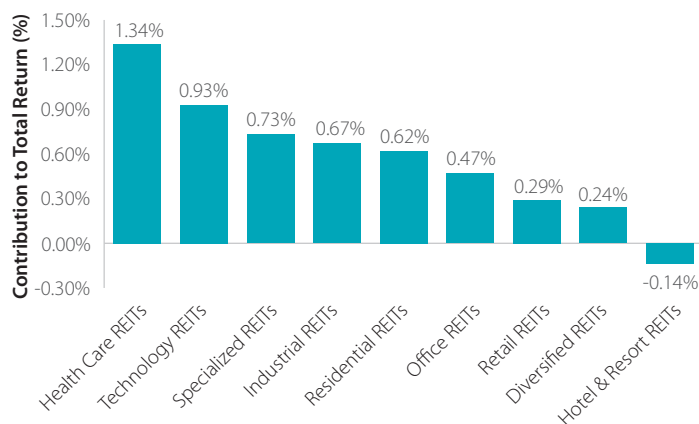
- RDOG's Health Care REITs segment performed the best during the month of March 2022. LTC Properties Inc. (LTC US, 2.46% weight*), a broad health care entity operator, gained 14.30% receiving analyst price target upgrades from the likes of Credit Suisse, RBC, and Berenberg, stating stabilization in troubled properties to drive growth. Technology REITs holding, Iron Mountain Inc. (IRM US, 2.51% weight*), jumped over 12% as the storage and information company benefitted from the continuing shift from physical to digital data storage.
- In our opinion, while REITs face headwinds related to tightening financial conditions by the FED, there are reasons for optimism. A strong M&A backdrop, a rebounding service economy, and pricing power for rental operators to pass on inflationary costs to tenants are all positive catalysts for REIT performance.

Valuation Update

- RDOG's underlying index continues to exhibit depressed valuations when compared to its historical averages, while the S-Network Composite US REIT Index (SNREIT) exhibits historically high valuations.
- The S-Network REIT Dividend Dogs Index's current P/FFO ratio of 23.93x remains at a significant discount to SNREIT's current P/FFO ratio of 31.58x. Similarly, RDOG's underlying index TTM dividend yield of 4.28% is far in excess of 3.20% for SNREIT.

* Weight in RDOG as of 3/31/2022

Contribution to Return by Segment



Source: Bloomberg L.P., as of 3/31/2022

Past performance is no guarantee of future results.

Price Multiples

	RDOGX Index	SNREIT Index
Price/Funds From Operations Ratio	23.93x	31.58x
Price/Book Ratio	2.00x	2.86x
Price/Cash Flow Ratio	15.97x	23.40x
Trailing Twelve Month Yield	4.28%	3.20%
RDOG 30-Day SEC Yield	4.03%	

Source: Bloomberg L.P., as of 3/31/2022

Past performance is no guarantee of future results.

ALPS REIT Dividend Dogs ETF (RDOG) Performance**

Total Returns	Cumulative as of 3/31/2022				Annualized as of 3/31/2022				
	1 M	3 M	YTD	SI ¹	1 Y	3 Y	5 Y	10 Y	SI ¹
NAV (Net Asset Value)	5.09%	-3.66%	-3.66%	77.57%	20.29%	6.88%	7.73%	7.41%	4.22%
Market Price	5.25%	-4.20%	-4.20%	77.43%	20.12%	6.94%	7.72%	7.40%	4.21%
S-Network REIT Dividend Dogs Index ²	4.74%	-3.78%	-3.78%	—	20.72%	—	—	—	—
S-Network Composite US REIT Index ²	6.96%	-5.32%	-5.32%	—	22.23%	—	—	—	—

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Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

** Effective 1/2/2020, the ETF changed its underlying index and principal investment strategies; consequently, the ETF's total returns shown for the periods prior to 1/2/2020 are not necessarily indicative of the performance of the ETF as it is currently managed.

¹ Fund inception date: 5/7/2008

² The Indexes commenced operations after RDOG's inception date. The S-Network REIT Dividend Dogs Index commenced operations on 10/29/2019 and the S-Network Composite US REIT Index commenced operations on 2/12/2016.

Total Operating Expenses: **0.35%**

ALPS REIT Dividend Dogs ETF

Top 10 Holdings

Innovative Industrial Properties Inc	2.52%	LTC Properties Inc	2.46%
Iron Mountain Inc	2.51%	American Tower Corp	2.45%
Omega Healthcare Investors Inc	2.49%	Sabra Health Care REIT Inc	2.45%
Duke Realty Corp	2.48%	Crown Castle International Corp	2.44%
Service Properties Trust	2.47%	Brandywine Realty Trust	2.43%

Source: Bloomberg L.P., as of 3/31/2022, subject to change

Daily holdings are available at www.alpsfunds.com.

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. This material must be preceded or accompanied by the [prospectus](#). Please read the prospectus carefully before investing.

Shares are not individually redeemable. Investors buy and sell shares on a secondary market. Only market makers or "authorized participants" may trade directly with the Fund, typically in blocks of 5,000, 25,000 or 50,000 shares.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

The Fund is subject to the additional risks associated with concentrating its investments in companies in the market sector.

Diversification does not eliminate the risk of experiencing investment losses.

Ownership of real estate is subject to fluctuations in the value of underlying properties, the impact of economic conditions on real estate values, the strength of specific industries renting properties and defaults by borrowers or tenants. Real estate is a cyclical business, highly sensitive to general and local economic conditions and developments, and characterized by intense competition and periodic overbuilding. Credit and interest rate risk may affect real estate companies' ability to borrow or lend money.

The Fund employs a "passive management" - or indexing - investment approach and seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell or buy a security unless that security is removed from or added to the underlying index, respectively.

30-Day SEC Yield: reflects the dividends and interest earned during the period, after the deduction of the Fund's expenses.

Dividend Yield: a financial ratio that shows how much a company pays out in dividends each year relative to its share price.

Dogs of the Dow Theory: an investment strategy which proposes that an investor annually select for investment the ten Dow Jones Industrial Average stocks whose dividend is the highest fraction of their price.

Price/Book (P/B) Ratio: the weighted average of the price/book ratios of all the stocks in a portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value.

Price/Cash Flow (P/CF) Ratio: represents the weighted average of the price/cash flow ratios of the stocks in a portfolio. Price/cash flow represents the amount an investor is willing to pay for a dollar generated from a particular company's operations.

Price/Funds from Operations (P/FFO) Ratio: a valuation ratio of a company's current share price compared to its per-share funds from operations.

Real Estate Investment Trust (REIT): companies that own or finance income-producing real estate across a range of property sectors. Listed REITs have characteristics of both the income potential of bonds and growth potential of stocks.

Trailing 12-Month Yield: refers to the percentage of income a portfolio has returned to investors over the last 12 months.

S-Network Composite US REIT Index (SNREIT): a benchmark index for the Real Estate Investment Trust component of the US stock market.

S-Network REIT Dividend Dogs Index (RDOGX): a portfolio of stocks derived from the S-Network Composite US REIT Index (SNREIT). The RDOGX methodology selects the five stocks in each of the nine segments that make up SNREIT which offer the highest dividend yields as of the last trading day of November.

One may not invest directly in an index.

ALPS Advisors, Inc. is affiliated with ALPS Portfolio Solutions Distributor, Inc.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

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