

# Real Estate Income & Growth

as of September 30, 2023

## OBJECTIVE

The Real Estate Income & Growth strategy is a fully invested portfolio of publicly traded companies engaged in the real estate industry. The portfolio's primary objective is current income with a focus on capital appreciation.

PERFORMANCE (%)		Inception Date: 5/1/2017			
Average (Annual)	2023 YTD	1-Year	3-Year	5-Year	Inception
Real Estate Income & Growth, Gross	(2.44)	4.33	8.25	4.95	4.76
Real Estate Income & Growth, Net	(3.32)	3.09	6.93	3.68	3.49
Dow Jones U.S. Select REIT Index	(2.05)	2.61	6.12	1.56	2.28

Effective December 2020 Innovative Portfolios, LLC ("IP") was hired as the subadvisor for the composite. Performance after January 1, 2021 occurred while the investment management team was affiliated with IP. The same investment management team has managed the composite since its inception, and the investment process has not changed. After January 1, 2021, Sheaff Brock Investment Advisors, LLC performance has been linked to performance earned at IP. Data quoted represents past performance, which is no guarantee of future results.

## PORTFOLIO CONSTRUCTION

### 1ST | Macro Outlook

Review sector weightings for the 13 REIT industries or real estate service companies along with macro-economic research.

### 2ND | Screen

Utilize in-house and third-party research to review fundamentals such as valuation measures, growth rates, and sentiment.

### 3RD | Decision

Select 20-25 positions based on macro-economic outlook and fundamentals. Positions are reviewed regularly.

## STRATEGY HIGHLIGHTS

Seeks current income and capital appreciation through publicly traded U.S. based equity Real Estate Investment Trusts (REITs) from most of the 13 REIT industries.

REITs distribute 90% of their income annually as dividends, historically making them a higher source of income versus other equities.

REITs can add diversification to a portfolio of stocks, bonds, and cash.

Diversification and liquidity are provided through owning REITs versus directly investing in real estate.

Active management focused on mitigating downside risk of individual companies.

## TOP 10 HOLDINGS<sup>2</sup> (%)

Omega Healthcare Investors Inc	6.47
Iron Mountain Inc	6.11
Eastgroup Properties Inc	5.62
VICI Properties Inc	5.42
Simon Property Group Inc	5.23
Welltower Inc	5.22
Prologis Inc	5.13
Getty Realty Corp	5.02
Public Storage	4.91
COPT Defense Properties	4.85

## SECTOR ALLOCATION<sup>2</sup> (%)

Specialized	26.6
Health Care	20.4
Retail	15.5
Industrial	15.0
Residential	13.8
Office	8.7

## EQUITY MARKET CAPITALIZATION<sup>2</sup> (%)

Mega Cap	0.0
Large Cap	69.1
Medium Cap	25.6
Small Cap	5.3
Micro Cap	0.0

## DIVIDEND YIELD<sup>1,2</sup> (%)

Real Estate Income & Growth, Gross	5.11
Real Estate Income & Growth, Net	3.86
Dow Jones U.S. Select REIT Index	4.31

Holdings and portfolio weights are subject to change without notice. Portfolio holdings are provided for informational purposes only and should not be deemed as a recommendation to buy, sell or hold any security.

## PORTFOLIO MANAGERS

### JR Humphreys, CFA, CAIA

Senior Portfolio Manager  
Industry since 1990

### Dave Gilreath, CFP®

Managing Director, Chief Investment Officer  
Industry since 1981

## COMPANY PROFILE

- Founded 11/2/2001
- Principals: David S. Gilreath, CFP®, and Ron Brock
- \$1.2 billion total assets under management (as of 9/30/2023)

## ADDITIONAL STRATEGIES

### GROWTH

- Bulls of the Dow
- IntelliBuild® Growth
- Outlier Growth

### GROWTH & INCOME

- Covered Call Income
- Dividend Growth & Income
- Real Estate Income & Growth

### FIXED INCOME

- Preferred Income

### OPTION OVERLAY

- Index Income Overlay

# Disclosures

**Organization:** Sheaff Brock Investment Advisors, LLC ("SBIA"), established in 2001, is registered as an investment advisor with the Securities and Exchange Commission. SBIA is wholly owned by Sheaff Brock Capital Management, LLC ("SBCM").

Effective December 2020 Innovative Portfolios, LLC ("IP"), an SEC registered investment advisor and wholly owned subsidiary of SBCM, was hired as the subadvisor for the composite. Performance after January 1, 2021 occurred while the investment management team was affiliated with IP. The same investment management team has managed the composite since its inception, and the investment process has not changed. Performance after January 1, 2021 has been linked to performance earned at IP. IP policies for valuing investments and calculating performance are available upon request.

**Description:** The Real Estate Income & Growth Composite invests in approximately 20 real estate investment trusts (REITs), companies servicing or developing real estate, or funds focused on investments in real estate. The investment objective of the composite is income and capital appreciation. The Real Estate Income & Growth Composite consists of fully discretionary portfolios, including those accounts no longer with the firm. For comparison purposes the composite is measured against the Dow Jones U.S. Select Real Estate Investment Trust (REIT) Index. The Composite inception date is May 1, 2017.

Performance presented are time-weighted returns. Valuations and performance is reported in U.S. dollars. Composite performance is presented on gross-of-fees and net-of-fees basis and includes the reinvestment of income (dividends/interest). Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns are calculated by deducting a model management fee of 0.3125, ¼ of the highest annual management fee of 1.25%, from the quarterly gross composite return, applied the first month of each quarter. Actual advisory fees incurred by clients may vary.

The benchmark is the Dow Jones U.S. Select REIT Index, an index designed to track the performance of publicly traded REITs and REIT-like securities and serve as a proxy for direct real estate investments, in part by excluding companies whose performance may be driven by factors other than the value of real estate. An index should only be compared with a mandate that has a similar investment objective. An index is not available for direct investment and does not reflect any of the costs associated with buying and selling individual securities or management fees, the incurrence of which would have the effect of decreasing historical performance results. There can be no assurances that a composite will match or outperform any particular benchmark.

Past performance is no guarantee of future performance and there is a risk of loss of all or part of your investment. Individual client performance returns may be different than the composite returns listed. Changes in investment strategies, contributions or withdrawals, and economic conditions may materially alter the performance of your portfolio. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment or strategy will be suitable or profitable for a client's portfolio. Information is obtained from sources SBIA believes are reliable, however, SBIA does not audit, verify, or guarantee the accuracy or completeness of any material contained herein.

Certain information expressed represents an assessment at a specific point in time and is not intended to be a forecast or guarantee of future performance, nor is it intended to speak to any future time periods. The information and data in the composite overview does not constitute legal, tax, accounting, investment, or other professional advice. The information provided in the composite overview should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in the composite at the time you receive the composite overview or that securities sold have not been repurchased. The securities discussed may not represent the entire portfolio. It should not be assumed that any securities transaction or holding discussed was or will prove to be profitable, or that the investment recommendations or decisions in the future will be profitable or will equal the investment performance of the securities discussed herein.

<sup>1</sup> Dividend yield is calculated by dividing the dividends per share for the last 12 months by the current price of the equity security. Dividend yield is presented gross-of-fees and net-of-fees. Net-of-fees is calculated by deducting the highest annual management fee of 1.25% from the gross yield. The dividend yield is based on composite holdings as of the date of the report. Dividend yield does not account for any realized or unrealized gain/loss on the holdings in the composite. Dividend yield is a measurement at a point in time which may differ significantly in the future based upon the holdings in the composite, the price of the securities and the actual dividends paid.

<sup>2</sup> Portfolio characteristics are computed based on SBIA composite subadvised by IP.

**866.575.5700**

**sheaffbrock.com**

info@sheaffbrock.com

