

REAI

Tidal ETF Trust Intelligent Real Estate ETF

Fund Description

REAI is an actively managed fund that invests primarily in US-listed commercial REITs that provide qualitative characteristics of a portfolio of public, non-traded REITs. The fund also invests, to a lesser extent, in mortgage-backed securities.

FactSet Analyst Report

REAI aims to remove the restrictions of investing in non-traded REITs, such as low liquidity, high expenses, and gate provisions. However, there are differences between listed REITs and non-traded REITs, most notable are dividend distribution, capital formation, and how each invests. REAI actively manages a portfolio of 20-50 publicly traded REITs while aiming to provide similar risk and returns of non-traded REITs. Dividend distributions may be lower than those from non-traded REITs. However, the use of listed REITs may provide more safeguards to end investors. Utilizing a research-based investment approach, the funds assets will be allocated to resemble the geographic and thematic exposure of real estate private equity. Security selection and rebalancing decisions involve bottom-up analysis based on corporate profitability, balance sheet, and portfolio and property-level analytics. Up to 10% of the funds assets may be invested in mortgage-backed securities. Prior to Jan. 29, 2024, the fund was called Private Real Estate Strategy via Liquid REITs ETF with the ticker PRVT.

