

Value of Global Real Estate Investing

FLEXSHARES EXCHANGE TRADED FUNDS

[MUSIC PLAYING]

Real estate offers a powerful opportunity for long term growth potential. But how do you find the right investment? You could drive around and cover a few nearby towns, or spend a year flying across the country. But why do that when you can cover the entire world with Flex Shares global quality real estate index fund? Using our proprietary indexing system, this fund attempts to provide investors with a quality equity portfolio that provides exposure to the inflation hedging qualities and long term capital growth potential of global real estate. We start by computing an enhanced quality score to assess each equity vehicle, taking into account momentum, valuation, and quality. This can include real estate operating companies or tax efficient real estate investment trusts. We divide these into quintiles, removing the least attractive assets from consideration.

Next, we apply our diversification controls, which are designed to maximize quality and yield, while putting several diversification controls into effect. The strategy strives to harness dividend quality and yield for its selection and weighting process in an effort to provide constraints to protect funds from the types of systemic risk that affect real estate. The funds are then rebalanced every quarter with a maximum target turnover rate of 12% to 15% per rebalance.

Finally, we apply our proprietary optimization to each fund, factoring in our extensive knowledge of risk, volatility, quality, and portfolio guidelines. The result? A one-stop destination to build valuable equity in the global real estate market with no travel needed.

FlexShares, built by investors for investors.

Before investing consider the Fund's investment objectives, risks, charges and expenses. Go to flexshares.com for a prospectus containing this information. Read it carefully. Foreside Fund Services, LLC, distributor.

All investments involve risk, including possible loss of principal. Funds' returns may not match returns of their respective indexes. Risks include fluctuation of yield, income, interest rate, non-diversification, asset class and market.

MANAGED BY NORTHERN TRUST