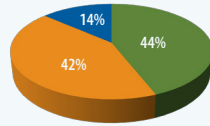


# Nontraded REIT Industry Review: Third Quarter 2019

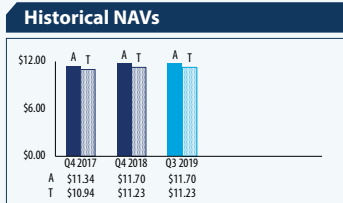
## Hartman vREIT XXI, Inc.

Total Assets	\$71.9 Million
Real Estate Assets	\$31.7 Million
Cash	\$30.5 Million
Securities	\$0.0 Million
Other	\$9.8 Million



Initial Offering Date..... June 24, 2016  
 Offering Close Date..... December 21, 2019  
 Most Recent Price per Share (as of September 7, 2019) ..... (A) \$13.00, (T) \$12.48  
 Reinvestment Price per Share..... (A) \$11.70, (T) \$11.23

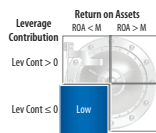
Cash to Total Assets Ratio ..... 42.4%  
 Asset Type ..... Diversified  
 Number of Properties ..... 4+1 JV  
 Square Feet/Units/Rooms/Acres ..... (Excluding JV) 403,128 Square Feet  
 Percent Leased ..... 75.0%  
 Weighted-Average Lease Term Remaining ..... Not Available  
 LifeStage™ ..... Growth  
 Investment Style ..... Value Add  
 Weighted-Average Shares Outstanding ..... 6,662,832



**Contact Information**  
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 713-467-2222

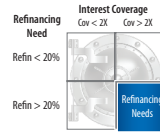
### Performance Profiles

#### Operating Performance



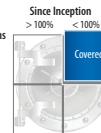
The REIT's recent 12-month average return on assets is below the median ROA for all NTRs for the previous four quarters. At its current cost of debt and level of borrowing, its use of debt is not contributing to increased returns for shareholders.

#### Financing Outlook



Interest coverage ratio is above the 2.0X benchmark but more than 20% of the REIT's debt matures within two years or is at unhedged variable rates. The REIT may face difficulties in refinancing its borrowings or interest rate risk from increasing rates, but earnings currently provide coverage of interest expense.

#### Cumulative MFFO Payout

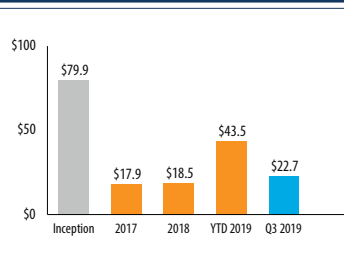


Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

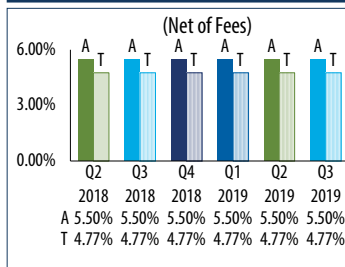
#### Summary

The REIT's return on assets for the last four quarters was 4.27%, below the median ROA for all nontraded REITs for the previous four quarters of 6.22%. It also had a negative leverage contribution due to its 4.77% average cost of debt and 8.4% debt ratio. The REIT's year-to-date interest coverage ratio was 3.9X, above the 2.0X benchmark. About 58.3% of debt is maturing before 2021 and 100% of the debt is at variable rates, suggesting refinancing need and interest rate risk. The REIT has paid out a cumulative 53% of MFFO in cash distributions exclusive of DRIP since inception, and over the last 12 months has a cash payout ratio of 69% of MFFO. These cash payout ratios appear to be sustainable.

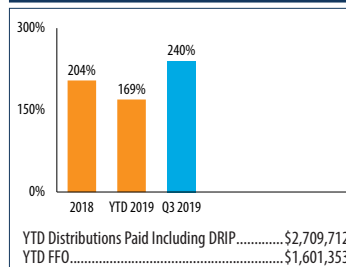
#### Gross Dollars Raised



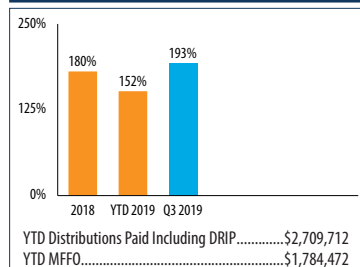
#### Historical Distribution



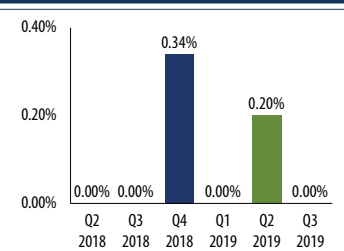
#### Historical FFO Payout Ratio



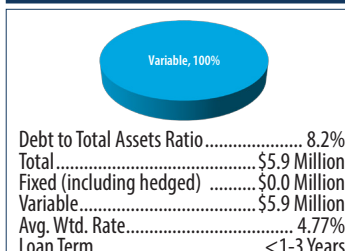
#### Historical MFFO Payout Ratio



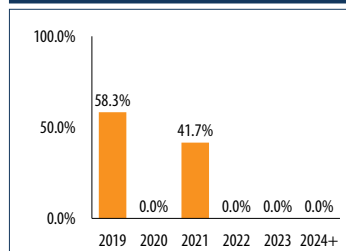
#### Redemptions



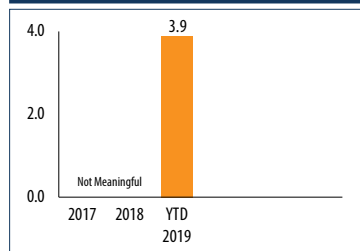
#### Debt Breakdown



#### Debt Repayment Schedule



#### Interest Coverage Ratio



### Source of Distributions, Trends and Items of Note

- On June 24, 2019, the Company filed a registration statement on Form S-11 registering \$220,000,000 in any combination of shares of Class A and Class T common stock to be sold on a "best efforts" basis in the Company's follow-on offering. The Company continues to sell shares of its Class A and Class T common shares pursuant to the Offering, which it may continue to do until the earlier of the effective date of the follow-on offering or December 21, 2019.
- As of September 30, 2019, the Company's investments in real estate assets consist of a retail shopping center located in San Antonio, Texas; a flex/R&D property located in Richardson, Texas; an office property located in San Antonio, Texas; and an office property located in Houston, Texas. It owns a 2.47% interest in an affiliate special purpose entity which owns 39 office, retail and light industrial properties in Houston, Dallas, and San Antonio, Texas, which it refers to as the Hartman SPE interest.
- Beginning September 7, 2019, the sale price of the Company's Class A and Class T common shares to the public is \$13.00 and \$12.48 per share, representing the net asset value per share as determined by the board of directors plus the applicable sales commissions and managing broker dealer fees. The sale price of Class A and Class T common shares to the Company's shareholders pursuant to the distribution reinvestment plan is \$11.70 and \$11.23 per share, respectively.
- On October 1, 2019, the Company acquired a fee simple interest in three separate buildings located in Houston, Texas, a six-story office building comprising approximately 102,893 square feet; a five-story office building comprising approximately 83,760 square feet; and a three-story office building comprising approximately 67,581 square feet. The three properties were acquired from Houston Portfolio, LLC, an unrelated third party, for a purchase price of \$20,550,000, exclusive of closing costs.
- As of September 30, 2019, the Company had accepted investors' subscriptions for, and issued 7,709,742 shares, net of redemptions, of its Class A common stock and 431,831 shares of its Class T common stock in its initial public offering, including 173,162 Class A shares and 8,612 Class T shares issued pursuant to its distribution reinvestment plan, resulting in gross proceeds of \$79,915,643.
- The Company uses modified funds from operations ("MFFO") as defined by the Institute for Portfolio Alternatives ("IPA").
- For the nine months ended September 30, 2019, the Company paid aggregate distributions of \$2,709,713, including stock distributions and distributions paid in shares of common stock pursuant to its distribution reinvestment plan. During the same period, cash provided by operating activities was \$1,807,062, net loss was \$1,447,359 and FFO was \$1,601,353.