

Interval Fund and Nontraded Closed-End Fund Review



Metric Definitions and Explanations

PLEASE NOTE THAT INTERVAL FUNDS AND NONTRADED CLOSED-END FUNDS COMMONLY HAVE DIFFERING FISCAL YEARS. WE ASK THAT YOU REVIEW THE REPORT WITH THE "AS OF" DATES AND EACH FUND'S RESPECTIVE FISCAL YEAR. BE CAUTIOUS WHEN COMPARING THE PERFORMANCE METRICS OF FUNDS WITH DIFFERENT PERIOD ENDINGS.

A Portfolio Details

Includes a summary of the portfolio holdings for the current period as reported on the Interval Fund or Nontraded CEF's balance sheet.

Investments – Total investments shown at fair value less any short-term investments as reported by the fund.

Cash & Cash Equivalents – Total cash plus short-term investments as reported by the fund.

This section also includes a current overview of the Interval Fund or Nontraded CEF's investment strategy as it relates to the types of investments it makes.

Public Offering Price – The maximum sales price at which shares are offered to the public. The offering price typically changes with changes in the Net Asset Value (NAV). This is reported as of the most recent period-end.

Current Distribution Yield – The annualized distribution yield based on the distributions & NAV as of the most recent period-end.

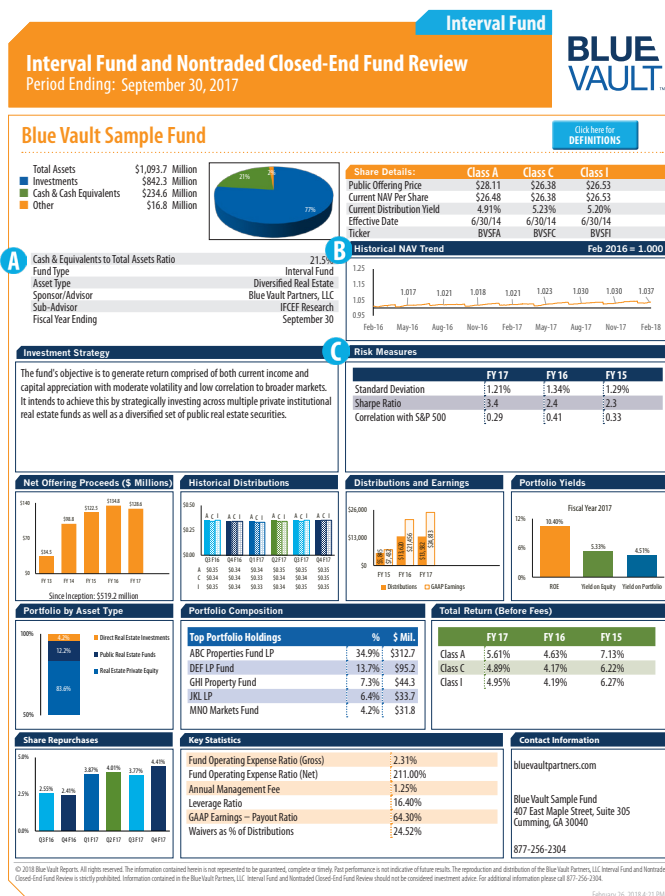
Effective Date – The date when operations commenced for each share class of the fund.

B Historical NAV Trend

A rolling two-year period of the NAV as reported by the fund. The chart utilizes a starting point of 1.00 with increases and decreases relative to that starting point illustrated over the two-year period.

C Risk Measures

These calculations utilize an Adjusted NAV figure which is defined as the reported NAV plus any distributions paid during the period. It assumes the fund's distributions and all earnings are kept in the fund, resulting in a smoother NAV. This is used instead of the reported NAV to account for large, sudden changes, typically due to distribution payments.



Annualized Standard Deviation – Calculated as the standard deviation of the daily percentage change in Adjusted NAV multiplied by the square root of the number of trading days in the period. This measures how much variation from the average occurred during the period.

Sharpe Ratio – Calculated by subtracting the risk-free rate (10-year Treasury yield) from the rate of return on the Adjusted NAV and dividing the result by the annualized standard deviation. This measures the risk-adjusted performance of the fund. The higher the Sharpe Ratio, the better the fund's risk-adjusted performance.

Correlation – Calculated as the correlation between the daily percentage changes in the Adjusted NAV and daily percentage changes in the S&P 500. This measures the degree to which the two tend to move together.

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D Net Offering Proceeds

Defined as the sales of Interval Fund or Nontraded CEF shares plus shares purchased through dividend reinvestment plans less any shares repurchased through liquidity programs.

E Historical Distributions

Historical distributions show the actual distributions paid per share in dollars over the past six periods, defined as periods in the fund's fiscal year.

F Distributions and Earnings

This chart compares the GAAP-defined earnings (increases/decreases in net assets resulting from operations) to the distributions the fund has paid. This shows whether the fund earned enough through operations to cover total distributions paid during the period.

G Portfolio Yields

ROE (Return on Equity) – Calculated as the annualized net change in assets from operations (GAAP-defined earnings measure), a line item that includes net investment income and realized and unrealized gains/losses on investments, divided by average net assets for the specified period.

Yield on Equity – Calculated as the annualized total investment income divided by average net assets for the specified period.

Yield on Portfolio – Calculated as the annualized total investment income divided by the average total dollar amount of investments (less short-term investments) for the specified period.

H Portfolio by Asset Type

The percentage of investments in the portfolio allocated by asset class as reported by the fund. This chart excludes all short-term investments.

I Portfolio Composition

The top holdings of the fund by dollar amount and as a percentage of total investments (less short-term investments).



J Total Returns (Before Fees)

The GAAP-reported total return for the period. For full-year total returns, the number is an annual return. Six-month returns are not annualized. This calculation is based on NAV change and a reinvestment of distributions. It is calculated by the fund.

K Share Repurchases

Funds used to repurchase shares in the period expressed as a percentage of average net assets for the period.

Metric Definitions and Explanations

Key Statistics

Fund Operating Expense Ratio (Gross) – Calculated as the annualized total operating expenses (excluding interest expense) for the period divided by average net assets for the period. This ratio measures operational efficiency and the impact of management fees and administrative expenses on the fund. This ratio does not take into account any expense support or fee waivers provided by the sponsor.

Fund Operating Expense Ratio (Net) – Calculated in the same way as the Gross ratio but takes into account expense support and fee waivers provided by the sponsor. As a result, it is calculated as the annualized net operating expenses (excluding interest expense) for the period divided by average net assets for the period.

Annual Management Fee – The annual fee charged in exchange for the professional management of the fund. This is typically calculated as an annualized percentage of average assets for the period.

Leverage Ratio – Calculated as total borrowings divided by total assets.

GAAP Earnings Payout Ratio – Calculated as the total distributions for the period divided by GAAP-defined earnings for the period. This metric is designed to determine how much of the earnings are paid out as distributions.

Waivers as % of Distributions – Calculated as Expense Support/ Fee Waivers from the sponsor for the period divided by total distributions for the period. This metric shows the total Fee Waivers/ Expense Support as a percentage of total distributions. This is not meant to show the Fee Waivers/Expense Support as the source of distributions.

Interval Fund

Interval Fund and Nontraded Closed-End Fund Review

Period Ending: September 30, 2017

Blue Vault Sample Fund

[Click here for DEFINITIONS](#)

Total Assets	\$1,093.7 Million
Investments	\$842.3 Million
Cash & Cash Equivalents	\$234.6 Million
Other	\$16.8 Million

Cash & Equivalents to Total Assets Ratio: 21.5%

Fund Type: Interval Fund

Asset Type: Diversified Real Estate

Sponsor/Advisor: Blue Vault Partners, LLC

Sub-Advisor: IFCF Research

Fiscal Year Ending: September 30

Share Details:	Class A	Class C	Class I
Public Offering Price	\$28.11	\$26.38	\$26.53
Current NAV Per Share	\$26.48	\$26.38	\$26.53
Current Distribution Yield	4.91%	5.23%	5.20%
Effective Date	6/30/14	6/30/14	6/30/14
Ticker	BVSA	BVSC	BVSI

Historical NAV Trend: Feb-16 to Feb-18 (Feb 2016 = 1.000)

Investment Strategy

The fund's objective is to generate return comprised of both current income and capital appreciation with moderate volatility and low correlation to broader markets. It intends to achieve this by strategically investing across multiple private institutional real estate funds as well as a diversified set of public real estate securities.

Risk Measures

	FY 17	FY 16	FY 15
Standard Deviation	1.21%	1.34%	1.29%
Sharpe Ratio	3.4	2.4	2.3
Correlation with S&P 500	0.29	0.41	0.33

Net Offering Proceeds (\$ Millions)

Since Inception: \$519.2 million

Historical Distributions

Distributions and Earnings

Portfolio Yields

Portfolio by Asset Type

Portfolio Composition

Top Portfolio Holdings	%	\$ Mil.
ABC Properties Fund LP	34.9%	\$312.7
DEF LP Fund	13.7%	\$95.2
GHI Property Fund	7.3%	\$44.3
JKL LP	6.4%	\$33.7
MNO Markets Fund	4.2%	\$31.8

Total Return (Before Fees)

	FY 17	FY 16	FY 15
Class A	5.61%	4.63%	7.13%
Class C	4.89%	4.17%	6.22%
Class I	4.95%	4.19%	6.27%

Share Repurchases

Key Statistics

Fund Operating Expense Ratio (Gross)	2.31%
Fund Operating Expense Ratio (Net)	211.00%
Annual Management Fee	1.25%
Leverage Ratio	16.40%
GAAP Earnings – Payout Ratio	64.30%
Waivers as % of Distributions	24.52%

Contact Information

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Blue Vault Sample Fund
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