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Q4 2017 NTR Review and BDC Review Webinar

All Nontraded REITs

Nontraded REIT Industry Review: Fourth Quarter 2017



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Full-Cycle Listings and Events

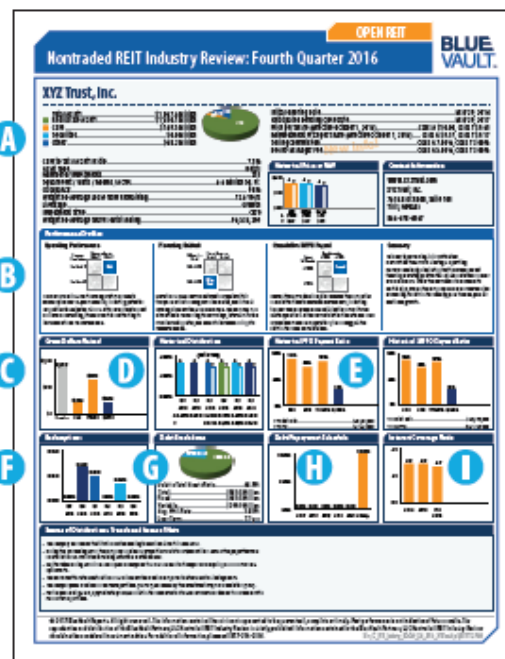
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Metric Definitions & Explanations

Nontraded REIT Industry Review: Fourth Quarter 2017



Metric Definitions and Explanations



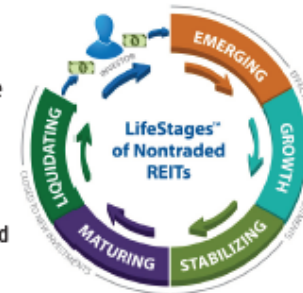
The initial offering date is defined as the date the REIT was considered "effective" by the SEC and began raising money in its public offering. The anticipated offering close date is the date the REIT anticipates closing the REIT to new investments. The current price per share and reinvestment price per share are based on either the most recent offering price or the most recent price published as a result of a portfolio valuation. For Closed REITs, an NAV per share is reported when available.

LifeStages™

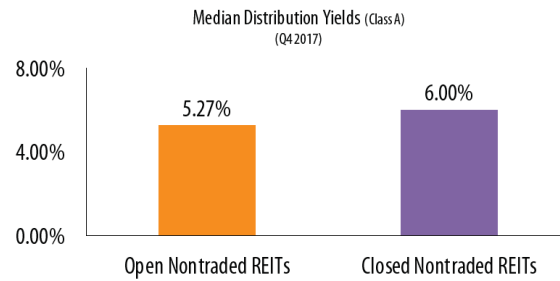
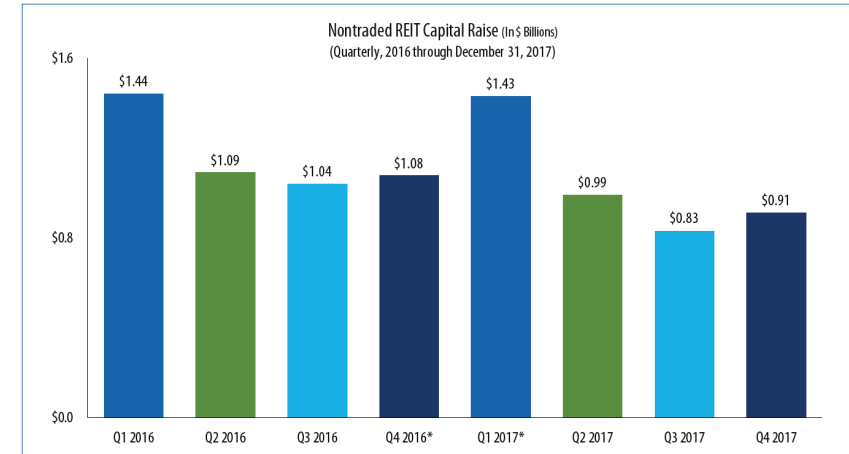
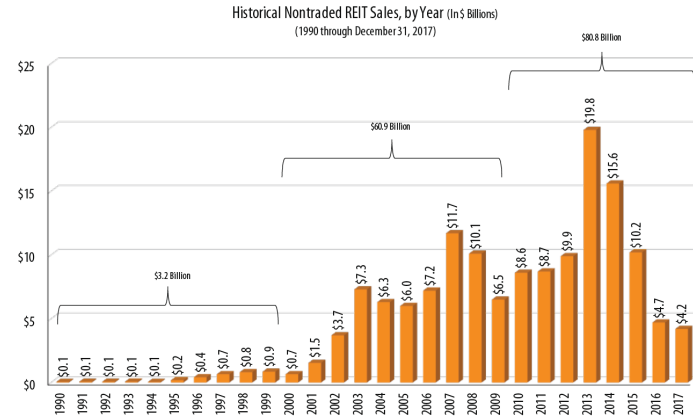
Blue Vault has established distinct stages within a nontraded REIT's life that have distinguishing characteristics regarding asset base, capital raise, investment style and operating metrics. REITs are categorized within the publication by their LifeStages.

Effective LifeStages™
 – During the Effective or Open phase of a nontraded REIT, active fund raising occurs under an initial offering or follow-on offering.

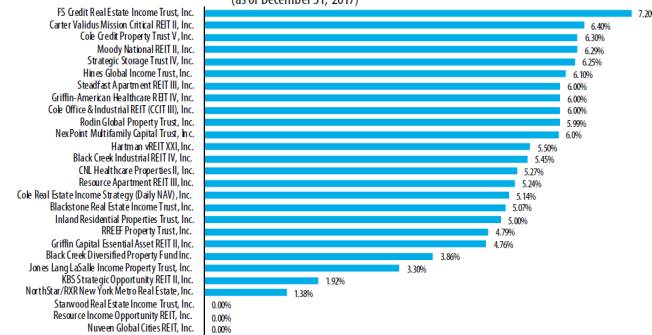
Emerging – Characterized by slow ramp-up of capital raising and commencement of acquisitions. Metrics are typically not



Industry Data and Trends



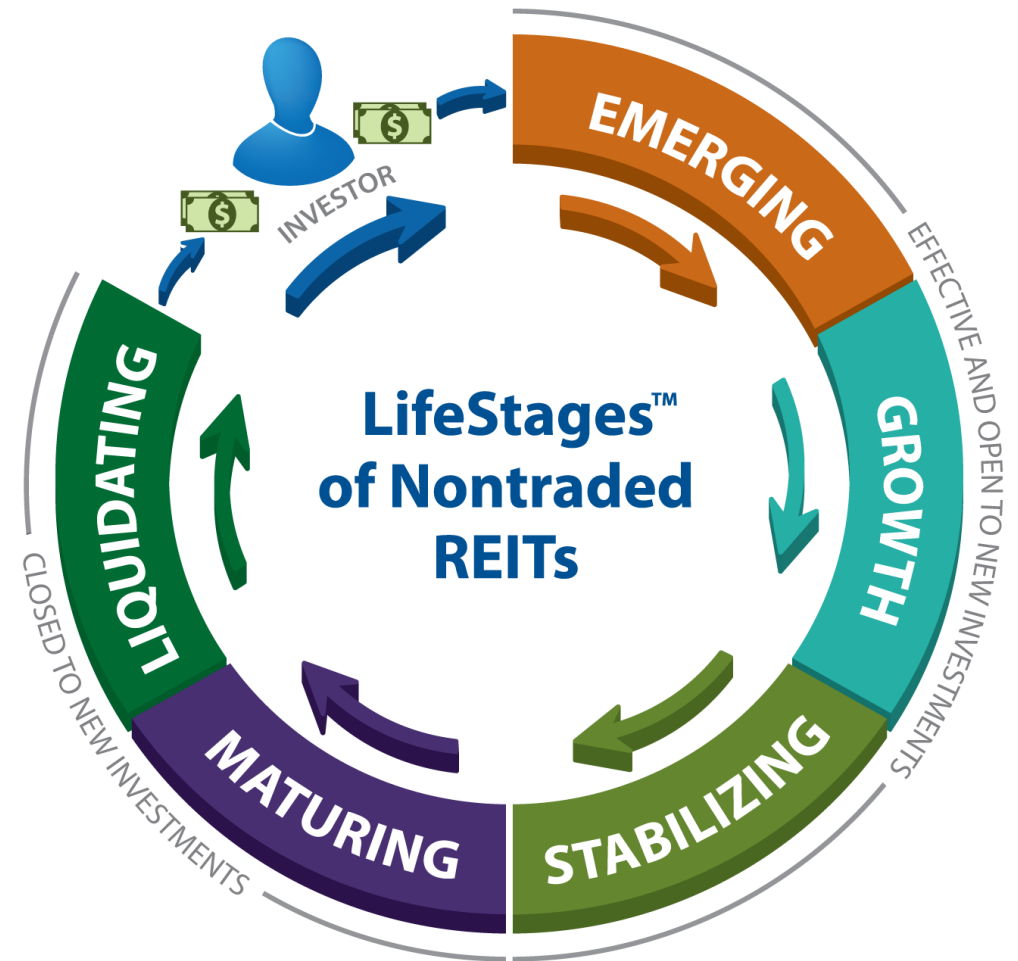
Distribution Yields, for Open Nontraded REITs (Class A)
(as of December 31, 2017)



Effective Nontraded REITs with Limited Operating Results

| Limited Operations REIT | Type | Effective Date | Investment Style | Broke Escrow | Gross Proceeds Raised (\$ Millions) 12/31/2017 | Share Classes | Real Estate Assets Owned as of 12/31/17 | Distributions Declared (A Shares) | Debt on Balance Sheet (\$ Millions) |
|--|-------------|----------------|------------------|--------------|--|-----------------|---|-----------------------------------|-------------------------------------|
| Black Creek Industrial REIT IV, Inc. | Industrial | 2/18/16 | Core | 11/30/16 | 12.2 | T, W, I | 0 | 5.45% | 0.0 |
| FS Credit Real Estate Income Trust, Inc. | Debt | 9/11/17 | Core | NA | 0.0 | T, T-C, D, M, I | 2 Loans | 7.2% | 22.8 |
| NexPoint Multifamily Capital Trust, Inc. | Multifamily | 8/12/15 | Core | 3/24/16 | 6.2 | A, T | 1 | 6.0% | 37.8 |
| Resource Income Opportunity REIT, Inc. | Office | 6/10/15 | Core | 2/16/16 | 5.1 | T, S, D, J | 1 | 0.0% | 4.6 |
| Nuveen Global Cities REIT | Diversified | 1/31/18 | Core | NA | 0.0 | T, S, D, J | 0 | 0.0% | 0.0 |
| Starwood Real Estate Income Trust, Inc. | Diversified | 12/27/17 | Core | NA | 0.0 | T, S, D, J | 0 | NA | 0.0 |

Blue Vault has created a LifeStage™ classification system, which shows distinct stages within a nontraded REIT's life that have distinguishing characteristics regarding asset base, capital raise, investment style and operating metrics. REITs are categorized within the publication by their life-stages.



Blue Vault's Unique LifeStage™ Classification

LIFESTAGE™ SUMMARY

BLUE

Nontraded REIT Industry Review: Fourth Quarter 2017

Emerging LifeStage™ REITs

| Emerging LifeStage™ REITs | Total Assets (in \$ Millions) | Cash to Total Assets Ratio | Number of Properties/Investments | Current Distribution Yield* |
|------------------------------------|-------------------------------|----------------------------|----------------------------------|--|
| ONL Healthcare Properties II, Inc. | \$48.4 | 25.5% | 2 | Class A 5.27%; Class T 4.49%; Class I 5.26%; |
| Steadfast Apartment REIT III, Inc. | \$381.6 | 4.1% | 9 | Class A 6.00%; Class R 6.45%; Class T 5.17% |
| Median | \$215.0 | 14.6% | 6 | 5.27% |
| Average | \$215.0 | 14.8% | 6 | 5.44% |
| Minimum | \$48.4 | | | |
| Maximum | \$381.6 | | | |

* Yields are based upon the original offering price or the adjusted I
* Yields annualized for cash distributions and quarterly rates for s

LIFESTAGE™ SUMMARY

BLUE

Nontraded REIT Industry Review: Fourth Quarter 2017

Growth LifeStage™ REITs

| Growth LifeStage™ REITs | Total Assets (in \$ Millions) | Cash to Total Assets Ratio | Number of Properties/Investments | Current Distribution Yield* | Debt to Total Assets Ratio |
|---|-------------------------------|----------------------------|----------------------------------|---|----------------------------|
| Blackstone Real Estate Income Trust, Inc. | \$4,625.3 | 0.7% | 152 | Class T 5.07%; Class S 4.99%; Class D 5.65%; Class I 5.85% | 60.5% |
| Carter Validus Mission Critical REIT II, Inc. | \$1,777.9 | 4.2% | 70 | Class A 6.40%; Class T 5.68%; Class I 7.04% | 38.4% |

LIFESTAGE™ SUMMARY

BLUE VAULT™

Nontraded REIT Industry Review: Fourth Quarter 2017

Stabilizing LifeStage™ REITs

| Stabilizing LifeStage™ REITs | Total Assets (in \$ Millions) | Cash to Total Assets Ratio | Number of Properties/Investments | Current Distribution Yield* | Debt to Total Assets Ratio |
|------------------------------|-------------------------------|----------------------------|----------------------------------|---|----------------------------|
| | | | | Class T 3.86%; Class S 3.86%; Class D 4.60%; Class I 4.86% | 62.9% |
| | | | | Class A 3.30%; Class M 3.99%; Class T 4.77% | 40.0% |
| | | | | | 4.60% 53.3% |
| | | | | | 4.37% 52.1% |
| | | | | | 3.30% 40.0% |
| | | | | | 5.26% 62.9% |

LIFESTAGE™ SUMMARY

BLUE VAULT™

Nontraded REIT Industry Review: Fourth Quarter 2017

Maturing LifeStage™ REITs

| Maturing LifeStage™ REITs | Total Assets (in \$ Millions) | Cash to Total Assets Ratio | Num Prop Inves |
|--|-------------------------------|----------------------------|----------------|
| American Realty Capital New York City REIT, Inc. | \$760.5 | 5.2% | |
| Benefit Street Partners Realty Trust, Inc. | \$1,583.7 | 5.3% | |
| Carey Watermark Investors 2 Inc. | \$1,641.8 | 4.2% | |
| Carey Watermark Investors Incorporated | \$2,459.9 | 2.0% | |
| Carter Validus Mission Critical REIT, Inc. | \$1,624.6 | 20.7% | |
| ONL Healthcare Properties, Inc. | \$2,793.5 | 2.3% | |
| Cole Credit Property Trust IV, Inc. | \$4,728.7 | 0.1% | |
| Cole Office & Industrial REIT (COI II), Inc. | \$1,158.9 | 0.4% | |
| Corporate Property Associates 17 - Global Investment | \$4,587.5 | 2.6% | |

LIFESTAGE™ SUMMARY

BLUE VAULT™

Nontraded REIT Industry Review: Fourth Quarter 2017

Liquidating LifeStage™ REITs

| Liquidating LifeStage™ REITs | Total Assets (in \$ Millions) | Cash to Total Assets Ratio | Number of Properties/Investments | Current Distribution Yield* | Debt to Total Assets Ratio | YTD FFO Payout Ratio | YTD MFFO Payout Ratio | YTD Interest Coverage Ratio |
|--|-------------------------------|----------------------------|----------------------------------|-----------------------------|----------------------------|----------------------|-----------------------|-----------------------------|
| American Finance Trust, Inc. | \$3,296.7 | 3.3% | 540 | 5.20% | 42.4% | 122% | 131% | 3.4 |
| InvenTrust Properties | \$2,698.6 | 6.0% | 73 | 1.74% | 24.7% | 32% | 32% | 7.0 |
| KBS Legacy Partners Apartment REIT, Inc. | \$235.2 | 6.0% | 4 | 0.00% | 56.5% | Not Applicable | Not Applicable | 2.0 |
| Lightstone Value Plus Real Estate Investment Trust V, Inc. | \$236.2 | 22.1% | 8 | 0.00% | 38.1% | Not Applicable | Not Applicable | 7.7 |
| Median | \$1,467.4 | 6.0% | 41 | 0.87% | 40.2% | 77% | 82% | 5.2 |
| Average | \$1,616.6 | 6.3% | 156 | 1.73% | 40.4% | 77% | 83% | 5.0 |

LIFESTAGE™ SUMMARY

BLUE VAULT™

Nontraded REIT Industry Review: Fourth Quarter 2017

Growth LifeStage™ REITs

| Growth LifeStage™ REITs | Total Assets (in \$ Millions) | Cash to Total Assets Ratio | Number of Properties/Investments | Current Distribution Yield* | Debt to Total Assets Ratio | YTD FFO Payout Ratio | YTD MFFO Payout Ratio | YTD Interest Coverage Ratio |
|---|-------------------------------|----------------------------|----------------------------------|---|----------------------------|----------------------|-----------------------|-----------------------------|
| Blackstone Real Estate Income Trust, Inc. | \$4,625.3 | 0.7% | 152 | Class T 5.07%; Class S 4.99%; Class D 5.65%; Class I 5.85% | 60.5% | 114% | 85% | 1.9 |
| Carter Validus Mission Critical REIT II, Inc. | \$1,777.9 | 4.2% | 70 | Class A 6.40%; Class T 5.68%; Class I 7.04% | 38.4% | 98% | 123% | 3.8 |

Finding the Reports on the Blue Vault Website

- Go to:
www.bluevaultpartners.com

Where to find the NTR and BDC Reviews

Blue Vault website

bluevaultpartners.com/

men ☆, and drag to the Favorites Bar folder. Or import from another browser. [Import favorites](#)

No results < > Options v



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Sponsor Corner

Q
URNS

Sponsor Focus

From Inside the V

Which nontraded REIT progra announced that its sponsor's t founding principals will invest net after-tax compensation in shares of the REIT?

Click on "Subscriber-Only Research"

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NONTRADED REITS

NTR Review

NTR Individual Reports

Individual Full-Cycle Summaries

NONTRADED BUSINESS DEVELOPMENT COMPANIES (BDCS)

BDC Review

BDC Individual Reports

NONTRADED REIT STUDIES

BRIEF (YEAR IN REVIEW)

INTERVAL FUNDS AND NONTRADED CEFS

IFCEF Reviews

IFCEF Individual Reports













program total as added RE



Individual Nontraded REIT Reports and NTR Industry Review

2017

| | |
|---|---|
|  2017 Q1 | |
|  2017 Q2 | |
|  2017 Q3 | |
|  2017 Q4 | |
|  American Finance Trust Q4 2017 (0.3 MiB) |  |
|  American Realty Capital New York City REIT Q4 2017 (0.3 MiB) | |
|  Benefit Street Partners Realty Trust Q4 2017 (0.3 MiB) | |
|  Black Creek Diversified Property Fund Q4 2017 (0.3 MiB) | |
|  Blackstone Real Estate Income Trust Q4 2017 (0.3 MiB) | |

Individual Nontraded REIT Reports and NTR Industry Review

Nontraded REIT Industry Review (NTR Review) - Full Quarterly Reports

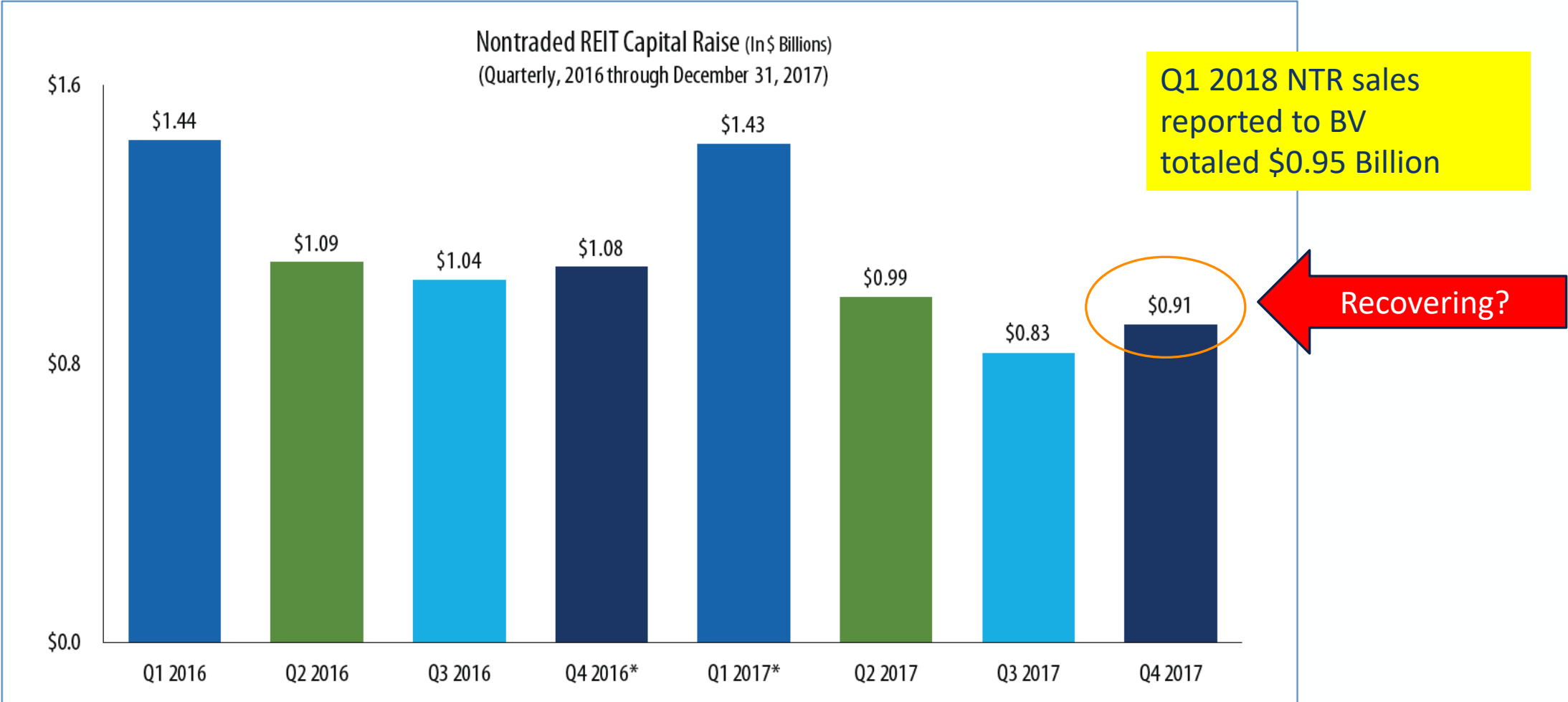
The screenshot displays a file directory structure. At the top is a folder labeled '+ Understanding Blue Vault Research'. Below it is a sub-folder labeled '- 2017'. Inside the 2017 folder, there is a main PDF file named 'Nontraded REIT Review Q3 2017 - Full Review'. A red arrow points from the right side of the image towards this file, with the text 'Full Report Q4 (5/2/18)' written inside the arrow. Below the main file, there are four sub-folders, each containing PDF files:

- Individual Performance Pages (15.8 MiB)
- Effective Nontraded REITs With Limited Operating Results (0.2 MiB)
- Industry Sales (0.5 MiB)
- LifeStage Summaries (0.6 MiB)

Nontraded REITs Q4 2017 Big Stories

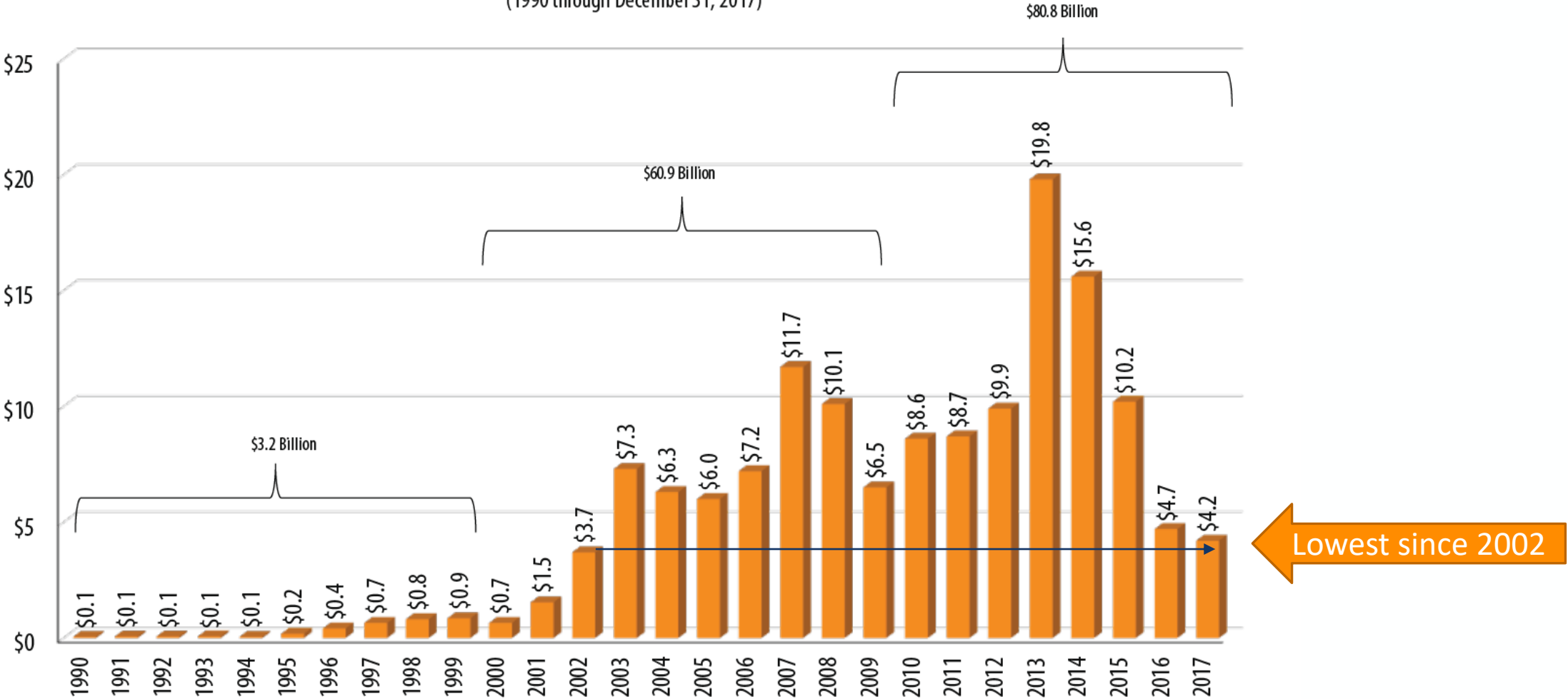
- NTR Capital raise increases to \$0.91 billion in Q4 from \$0.83 billion in Q3
- Blackstone REIT raises 53% of NTR capital in Q4 2017
- Starwood Real Estate Income Trust, Inc. files offering October 18
- Carter Validus Mission Critical REIT sells 15 data centers for over \$1.0 billion
- NorthStar REIT and NorthStar REIT II merge to form CLNC \$5.1 billion in assets
- Nuveen Global Cities REIT files offering December 21
- VEREIT sells Cole Capital to CIM
- CNL Growth, CNL Lifestyle and KBS REIT complete full-cycle events
- Nine NTRs now have continuous offerings with daily or monthly NAVs
- Now have at least 32 nontraded REIT programs with multiple share classes

NTR Sales Trends



NTR Industry Sales

Historical Nontraded REIT Sales, by Year (In \$ Billions)
 (1990 through December 31, 2017)



Sponsors Withdrawing and New Sponsors

SPONSORS CEASED OFFERINGS:

W. P. Carey (5/17)

The Lightstone Group

Highland Capital Management (4/18)

SPONSORS BEGAN OFFERINGS:

Blackstone Group

Starwood Capital Group Holdings, L.P

Cantor Fitzgerald Investors

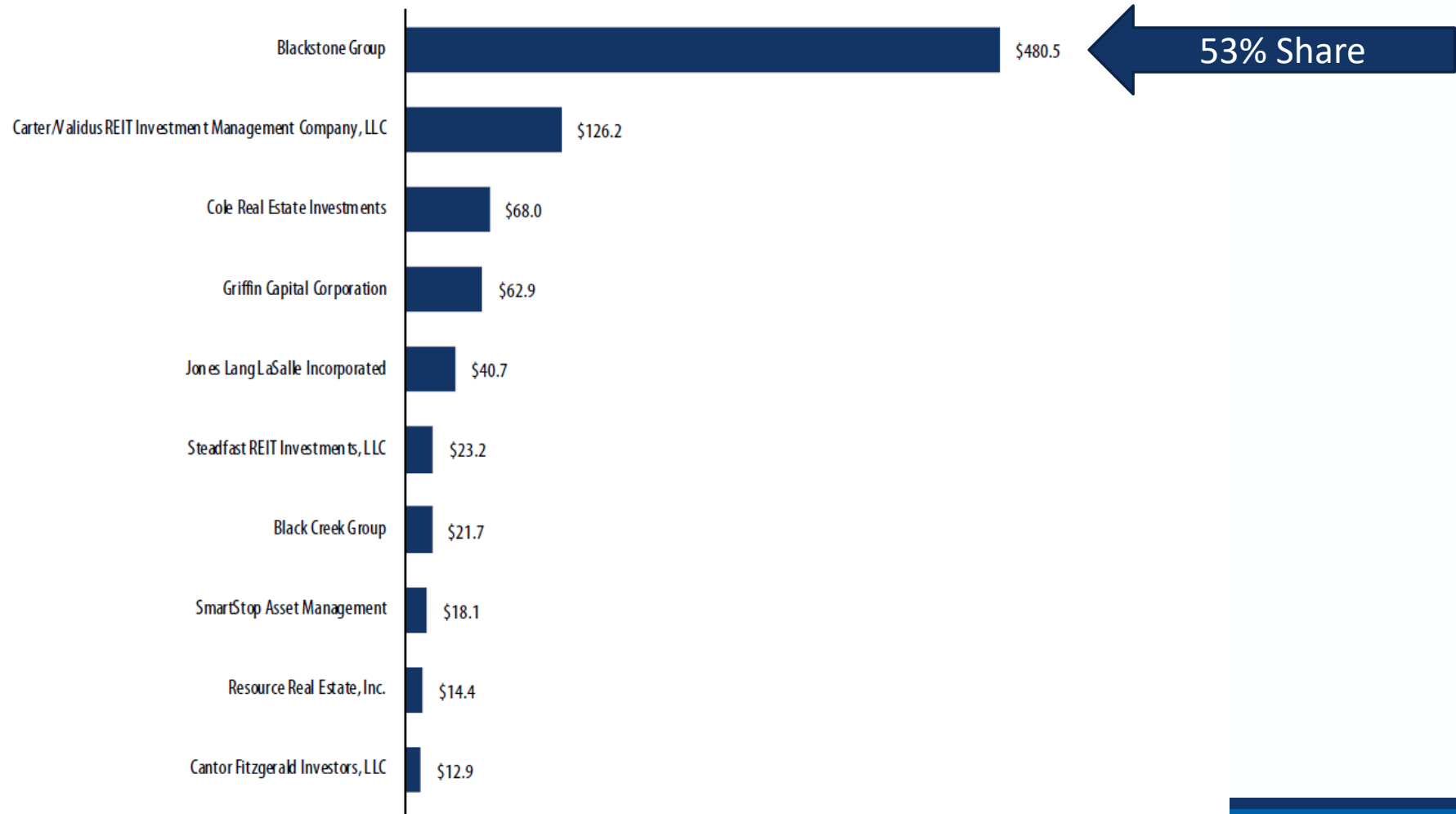
Nuveen, LLC

FS Investments

Oaktree Capital Management (4/18)

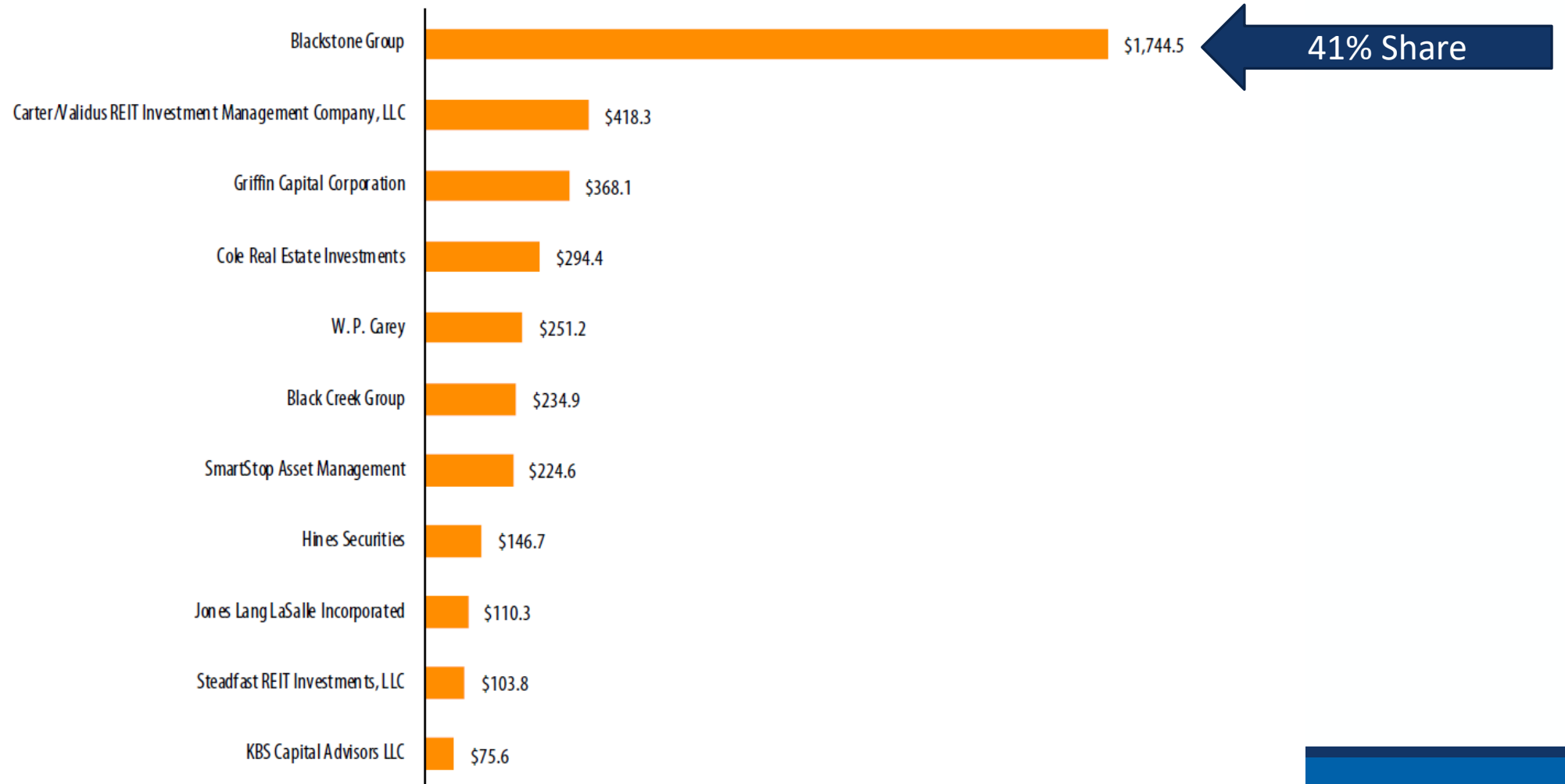
Sales by NTR Sponsors

Nontraded REIT Capital Raise, by Sponsor (in \$ Millions)
(Q4 2017)



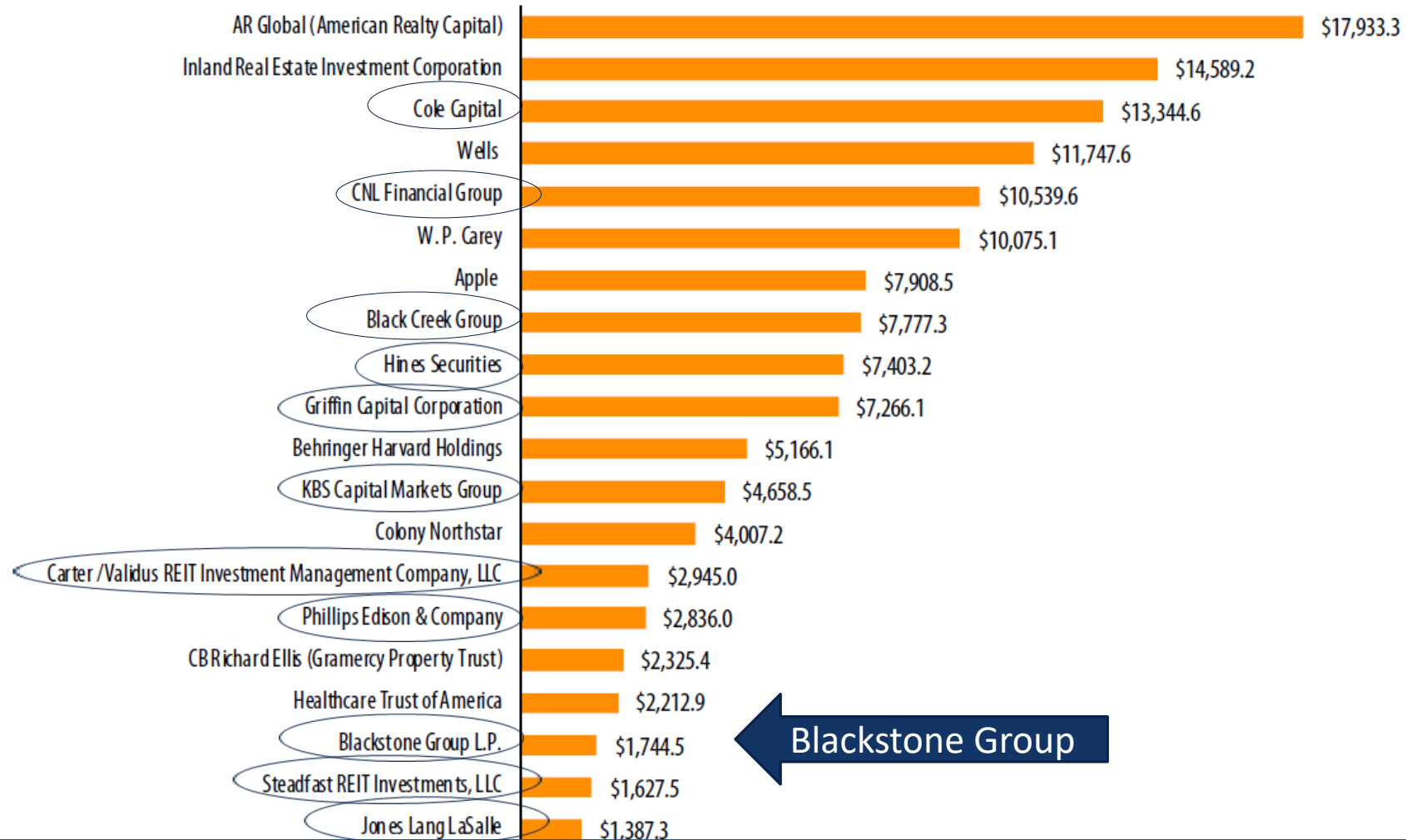
NTR Sales by Sponsors

Nontraded REIT Capital Raise, by Sponsor (in \$ Millions)
(2017)



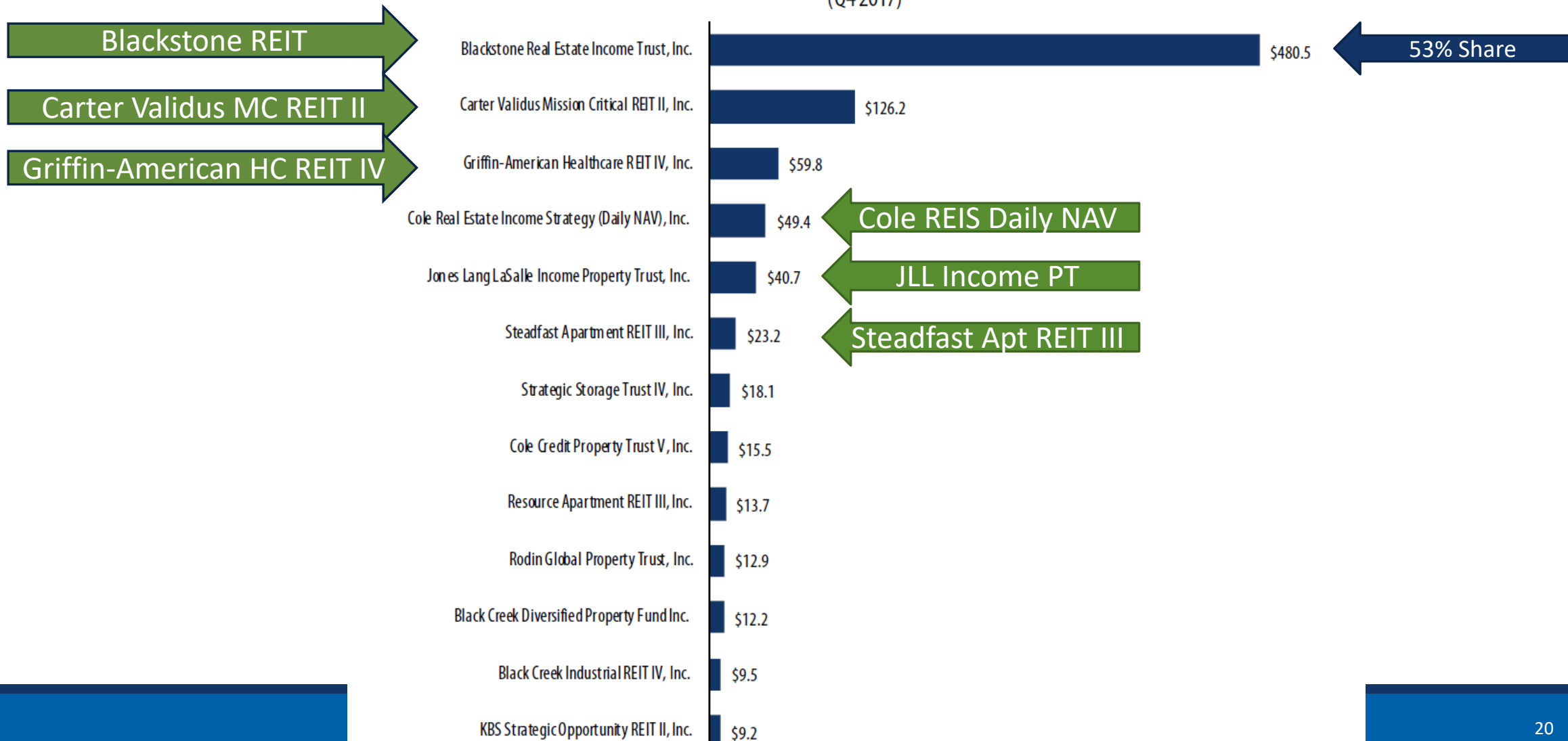
NTR Sales by Sponsors Since 1990

Nontraded REIT Capital Raise, by Sponsor (in \$ Millions)
(since 1990)



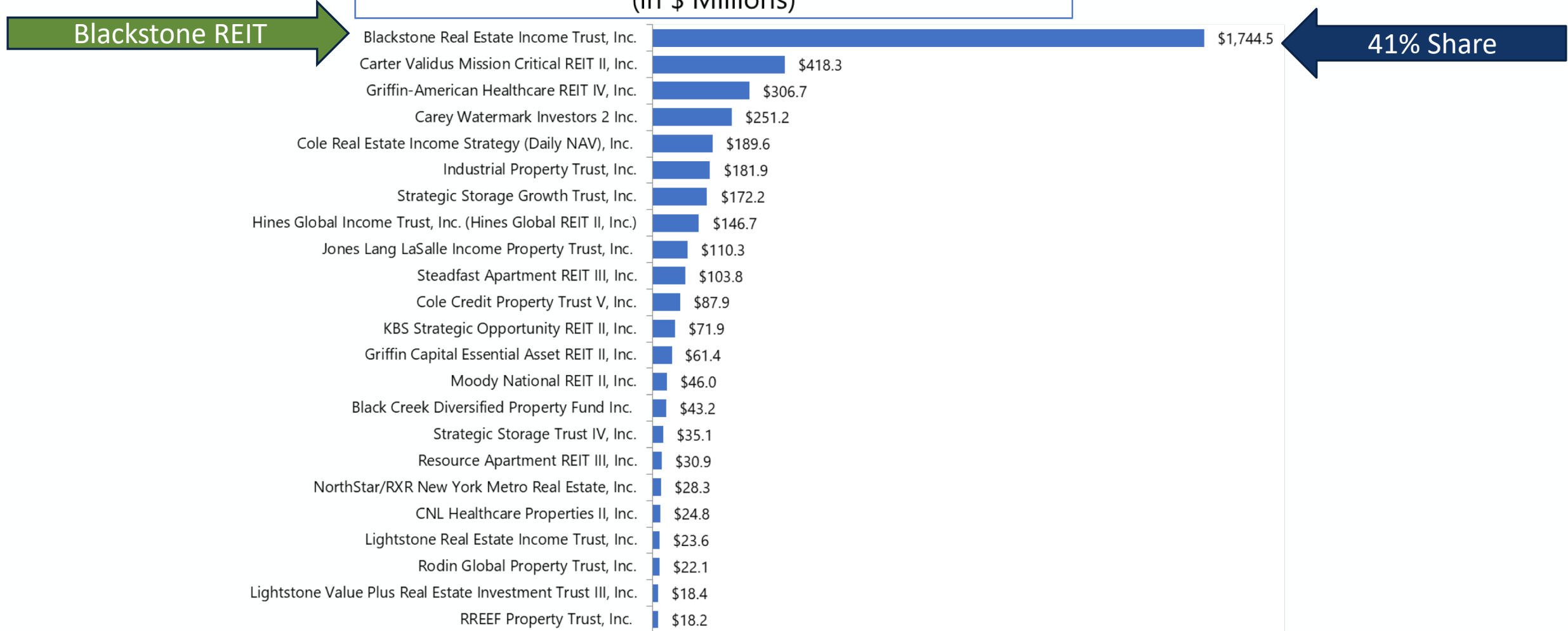
Sales by Individual REITs Q4 2017

Capital Raise, by Nontraded REIT (in \$ Millions)
(Q4 2017)



Sales by Individual REITs 2017

Capital Raise by Nontraded REIT, YTD through 12/31/2017
(in \$ Millions)



Open Offerings (Effective)

| REIT | Type | LifeStage | Sponsor |
|--|-------------------|-------------|--------------------------------------|
| Black Creek Diversified Property Fund Inc. | Diversified | Stabilizing | Black Creek Group |
| Black Creek Industrial REIT IV, Inc. | Industrial | Limited Ops | Black Creek Group |
| Blackstone Real Estate Income Trust, Inc. | Diversified | Growth | Blackstone Group |
| CNL Healthcare Properties II, Inc. | Healthcare | Limited Ops | CNL Financial Group |
| Cole Credit Property Trust V, Inc. | Retail | Growth | Cole Real Estate Investments |
| Cole Office & Industrial REIT (CCIT III), Inc. | Office/Industrial | Limited Ops | Cole Real Estate Investments |
| Cole Real Estate Income Strategy (Daily NAV), Inc. | Diversified | Growth | Cole Real Estate Investments |
| FS Credit Real Estate Income Trust, Inc. | Debt | Limited Ops | FS Investments |
| Griffin Capital Essential Asset REIT II, Inc. | Diversified | Growth | Griffin Capital Corporation |
| Griffin-American Healthcare REIT IV, Inc. | Healthcare | Growth | Griffin Capital Corporation |
| Hartman vREIT XXI, Inc. | Diversified | Limited Ops | Hartman Advisors, LLC |
| Hines Global Income Trust, Inc. | Diversified | Growth | Hines Securities |
| Jones Lang LaSalle Income Property Trust, Inc. | Diversified | Stabilizing | Jones Lang LaSalle Incorporated |
| Moody National REIT II, Inc. | Hospitality | Growth | Moody National REIT Sponsor, LLC |
| RREEF Property Trust, Inc. | Diversified | Stabilizing | RREEF America, LLC |
| Starwood Real Estate Income Trust, Inc. | Diversified | Limited Ops | Starwood Capital Group Holdings, L.P |
| Steadfast Apartment REIT III, Inc. | Multifamily | Emerging | Steadfast REIT Investments, LLC |
| NexPoint Multifamily Capital Trust, Inc. | Multifamily | Limited Ops | Highland Capital Management |
| NorthStar/RXR New York Metro Real Estate, Inc. | Diversified | Emerging | Colony NorthStar, Inc. |
| Resource Apartment REIT III, Inc. | Multifamily | Limited Ops | Resource Real Estate, Inc. |
| Resource Income Opportunity REIT, Inc. | Office | Limited Ops | Resource Real Estate, Inc. |
| Strategic Storage Trust IV, Inc. | Self Storage | Growth | SmartStop Asset Management |

New Offerings

| REIT | Type | Sponsor | Effective |
|---|------------------------|--|----------------------|
| Black Creek Industrial REIT IV, Inc. | Industrial | Black Creek Group | 2/18/2016 |
| CNL Healthcare Properties II, Inc. | Healthcare | CNL Financial Group | 3/2/2016 |
| FS Credit Real Estate Income Trust, Inc. | Debt | FS Investments | 9/11/2017 |
| Hartman vREIT XXI, Inc. | Diversified | Hartman Advisors, LLC | 6/24/2016 |
| NexPoint Multifamily Capital Trust, Inc. | Multifamily | Highland Capital Management | 8/12/2015 |
| Nuveen Global Cities REIT, Inc. | Diversified | Nuveen, LLC | 1/31/2018 |
| Phillips Edison Grocery Center REIT III, Inc. | Retail | Phillips Edison | NA |
| Resource Apartment REIT III, Inc. | Multifamily | Resource Real Estate, Inc. | 4/28/2016 |
| Resource Income Opportunity REIT, Inc. | Office | Resource Real Estate, Inc. | 6/10/2015 |
| Rodin Global Property Trust, Inc. | Diversified | Cantor Fitzgerald Investors, LLC | 3/23/2017 |
| Rodin Income Trust, Inc. | Debt | Cantor Fitzgerald Investors, LLC | NA |
| Starwood Real Estate Income Trust, Inc. | Diversified | Starwood Capital Group Holdings, L.P | 12/27/2017 |

Continuous (Perpetual) Offerings



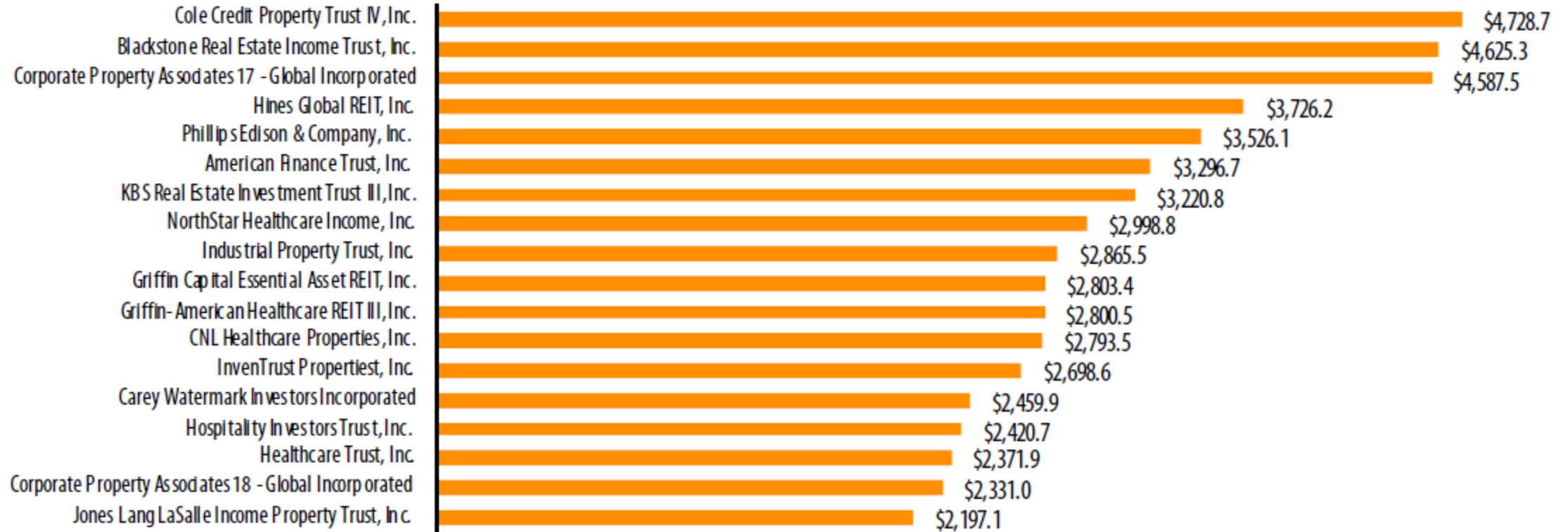
| Nontraded REIT | Type | LifeStage | Sponsor and/or Advisor | NAV Cycle | Offering Type |
|--|-------------|------------------|--------------------------------------|------------------|----------------------|
| Blackstone Real Estate Income Trust, Inc. | Diversified | Growth | Blackstone Group | Monthly | Initial |
| Cole Real Estate Income Strategy (Daily NAV), Inc. | Diversified | Growth | Cole Real Estate Investments | Daily | Follow-On |
| Griffin Capital Essential Asset REIT II, Inc. | Diversified | Growth | Griffin Capital Corporation | Daily | Follow-On |
| Hines Global Income Trust, Inc. | Diversified | Growth | Hines Securities | Monthly | Follow-On |
| Starwood Real Estate Income Trust, Inc. | Diversified | Limited Ops | Starwood Capital Group Holdings, L.P | Monthly | Initial |
| Nuveen Global Cities REIT, Inc. | Diversified | Limited Ops | Nuveen, LLC | Monthly | Initial |
| Black Creek Diversified Property Fund Inc. | Diversified | Stabilizing | Black Creek Group | Daily | Follow-On |
| Jones Lang LaSalle Income Property Trust, Inc. | Diversified | Stabilizing | Jones Lang LaSalle Incorporated | Daily | Follow-On |
| RREEF Property Trust, Inc. | Diversified | Stabilizing | RREEF America, LLC | Daily | Follow-On |

Liquidating NTRs

| Liquidating Nontraded REITs | Liquidation Plan | Date Announced |
|--|---|-----------------------|
| American Realty Capital Healthcare Trust III, Inc. | Adopted plan to sell all assets to Healthcare Trust | 6/16/2017 |
| Lightstone Value Plus Real Estate Investment Trust V, Inc. | Extended plan of liquidation by six years | 6/29/2017 |
| American Finance Trust, Inc. | Approved for listing on NASDAQ | 8/8/2017 |
| KBS Legacy Partners Apartment REIT, Inc. | Selling all assets and distributing proceeds | 12/19/2017 |
| Behringer Harvard Opportunity REIT, Inc. | Sold last property December 21, 2017 | 12/21/2017 |
| Hines Global REIT, Inc. | Board approved plan of liquidation | 4/23/2018 |
| InvenTrust Properties | Selling non-core assets, spinning off portfolios | NA |

Largest REITs by Total Assets

Total Assets, by Nontraded REIT (in \$ Millions)
(as of December 31, 2017)

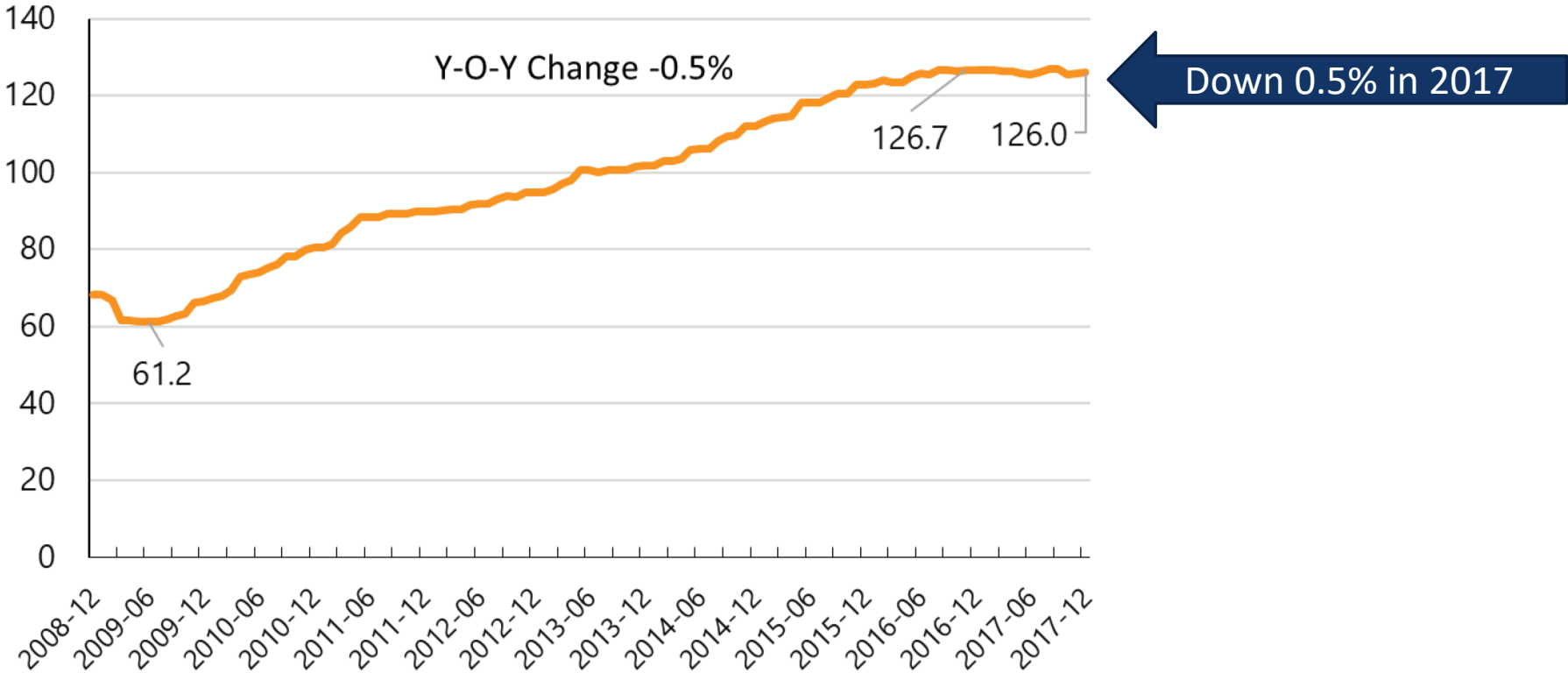


Latest Full-Cycle REITs

| Full-Cycle NTR | Inception | Full-Cycle Date | Type of Event | IRR for Early Investors (excluding DRIP) |
|---|------------|-----------------|---|---|
| American Realty Capital Daily NAV Trust, Inc. | 8/15/2011 | 12/22/2016 | Liquidation | 7.97% |
| American Realty Capital Global Trust II, Inc. | 8/26/2014 | 12/22/2016 | Merger with GNL | -9.28% |
| Apple REIT Ten, Inc. | 1/19/2011 | 9/1/2016 | Merger with Apple Hospitality REIT | 8.65% |
| Bluerock Residential Growth REIT, Inc. | 10/15/2009 | 3/17/2016 | Listing NYSE Mkt | -2.84% |
| CNL Growth Properties, Inc. | 10/20/2009 | 10/24/2017 | Liquidation | 10.49% |
| CNL Lifestyle Properties, Inc. | 4/16/2004 | 12/15/2017 | Liquidation | 0.29% |
| Global Income Trust, Inc. | 4/23/2010 | 12/11/2015 | Liquidating sale to GCEA | 0.12% |
| Hines Real Estate Investment Trust, Inc. | 6/18/2004 | 4/18/2017 | Liquidation | 3.04% |
| Industrial Income Trust Inc. | 12/18/2009 | 12/20/2017 | Merger with GLP and liquidation | 7.67% |
| KBS Real Estate Investment Trust, Inc. | 1/13/2006 | 12/19/2017 | Liquidation | -3.63% |
| Sentio Healthcare Properties, Inc. | 6/20/2008 | 8/31/2017 | Purchased by Kayne Anderson RE Advisors | 9.28% |
| Average | | | | <u>2.89%</u> |

Commercial Property Prices Flat in 2017 and Q4

Green Street Commercial Property Price Index
December 2008 - December 2017



Returns for Recent NAV Updates with Yields*

| REIT | NAV Frequency | NAV 12/31/16 | Distribution Yield 2017 | NAV 12/31/17 | Capital Gain / (Loss) | Estimated Total Return |
|--|---------------|--------------|-------------------------|--------------|-----------------------|------------------------|
| Hines Global Income Trust, Inc. (Class AX) | Annually | \$ 9.96 | 6.10% | \$ 10.64 | 6.83% | 12.93% |
| Blackstone Real Estate Income Trust (Class S) | Monthly | \$ 10.00 | 4.99% | \$ 10.58 | 5.80% | 10.79% |
| Strategic Storage Trust II, Inc. | Annually | \$ 10.22 | 6.00% | \$ 10.65 | 4.21% | 10.21% |
| Carey Watermark Investors 2, Inc. | Annually | \$ 10.74 | 5.64% | \$ 11.11 | 3.45% | 9.09% |
| Cole Office & Industrial (CCIT II) REIT, Inc. | Annually | \$ 10.32 | 6.30% | \$ 10.58 | 2.52% | 8.82% |
| Steadfast Apartment REIT, Inc. | Annually | \$ 14.85 | 6.00% | \$ 15.18 | 2.22% | 8.22% |
| RREEF Property Trust, Inc. | Daily | \$ 13.35 | 4.79% | \$ 13.74 | 2.92% | 7.71% |
| CNL Healthcare Properties, Inc. | Annually | \$ 10.04 | 4.20% | \$ 10.32 | 2.79% | 6.99% |
| American Finance Trust, Inc. | Annually | \$ 23.37 | 5.90% | \$ 23.56 | 0.81% | 6.71% |
| Carter Validus Mission Critical REIT II, Inc. | Annually | \$ 10.08 | 6.40% | \$ 10.08 | 0.00% | 6.40% |
| Cole Real Estate Income Strategy (Dialy NAV), Inc. | Daily | \$ 18.01 | 5.14% | \$ 18.15 | 0.78% | 5.92% |
| Hospitality Investors Trust, Inc. | Annually | \$ 13.20 | 0.00% | \$ 13.87 | 5.08% | 5.08% |
| Strategic Storage Growth Trust, Inc. | Annually | \$ 11.56 | 4.00% | \$ 11.58 | 0.17% | 4.17% |
| Benefit Street Partners Realty Trust, Inc. | Annually | \$ 20.05 | 7.01% | \$ 19.02 | -5.14% | 1.87% |
| Black Creek Diversified Property Fund Inc. (Class T) | Monthly | \$ 7.57 | 3.86% | \$ 7.41 | -2.11% | 1.75% |
| Healthcare Trust, Inc. | Annually | \$ 21.45 | 6.05% | \$ 20.25 | -5.59% | 0.46% |
| Steadfast Income REIT, Inc. | Annually | \$ 11.65 | 7.00% | \$ 10.84 | -6.95% | 0.05% |
| Moody National REIT II, Inc. | Annually | \$ 25.04 | 6.47% | \$ 23.19 | -7.39% | -0.92% |
| Cole Credit Property Trust V, Inc. | Annually | \$ 24.00 | 6.30% | \$ 22.18 | -7.58% | -1.28% |

*This is not a complete listing for all nontraded REITs. The estimated returns are based solely on the change in estimated NAVs and estimated distribution yields based upon original offering prices and for 2017 only. These estimated returns do not represent what investors can expect to receive in a liquidity event, should one occur.

Mergers of Active REITs

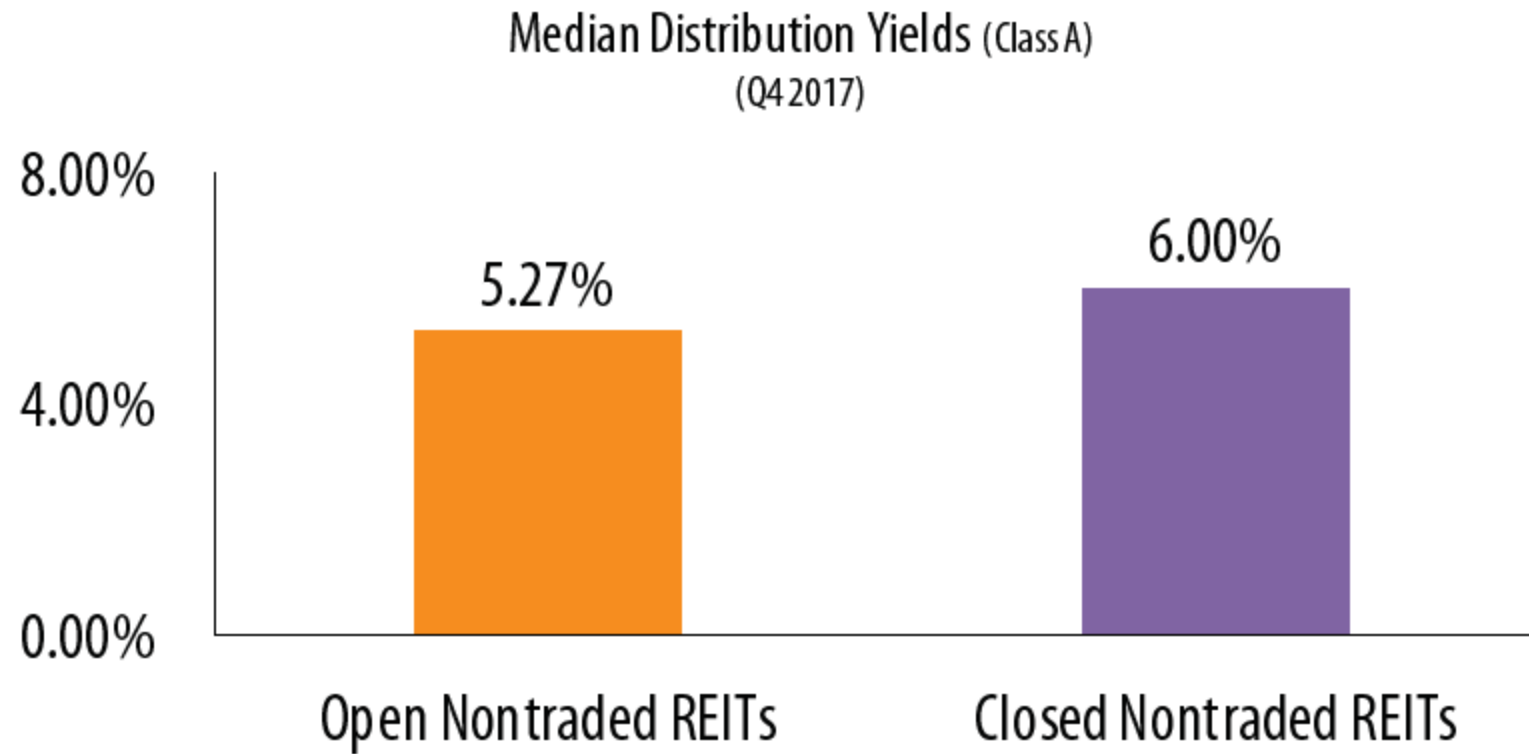
Moody National REIT I merger with Moody National REIT II

On September 27, 2017, Moody National REIT I merged with and into Moody National REIT II. Each issued and outstanding share of Moody National REIT I was converted into the right to receive either 0.41 shares of Moody National REIT II or \$10.25 in cash. A total of approximately 3.65 million Class A shares were issued and a total of approximately \$44.7 million in cash was paid to former shareholders of Moody National REIT I. Moody National REIT II paid the advisor an acquisition fee of \$670,000 and a financing fee of \$1,720,000 based on the loans assumed from Moody National REIT I. This is approximately \$0.27 per share of outstanding stock in Moody National REIT II after the merger.

MVP REIT, Inc. merger with MVP REIT II, Inc. (now “The Parking REIT”)

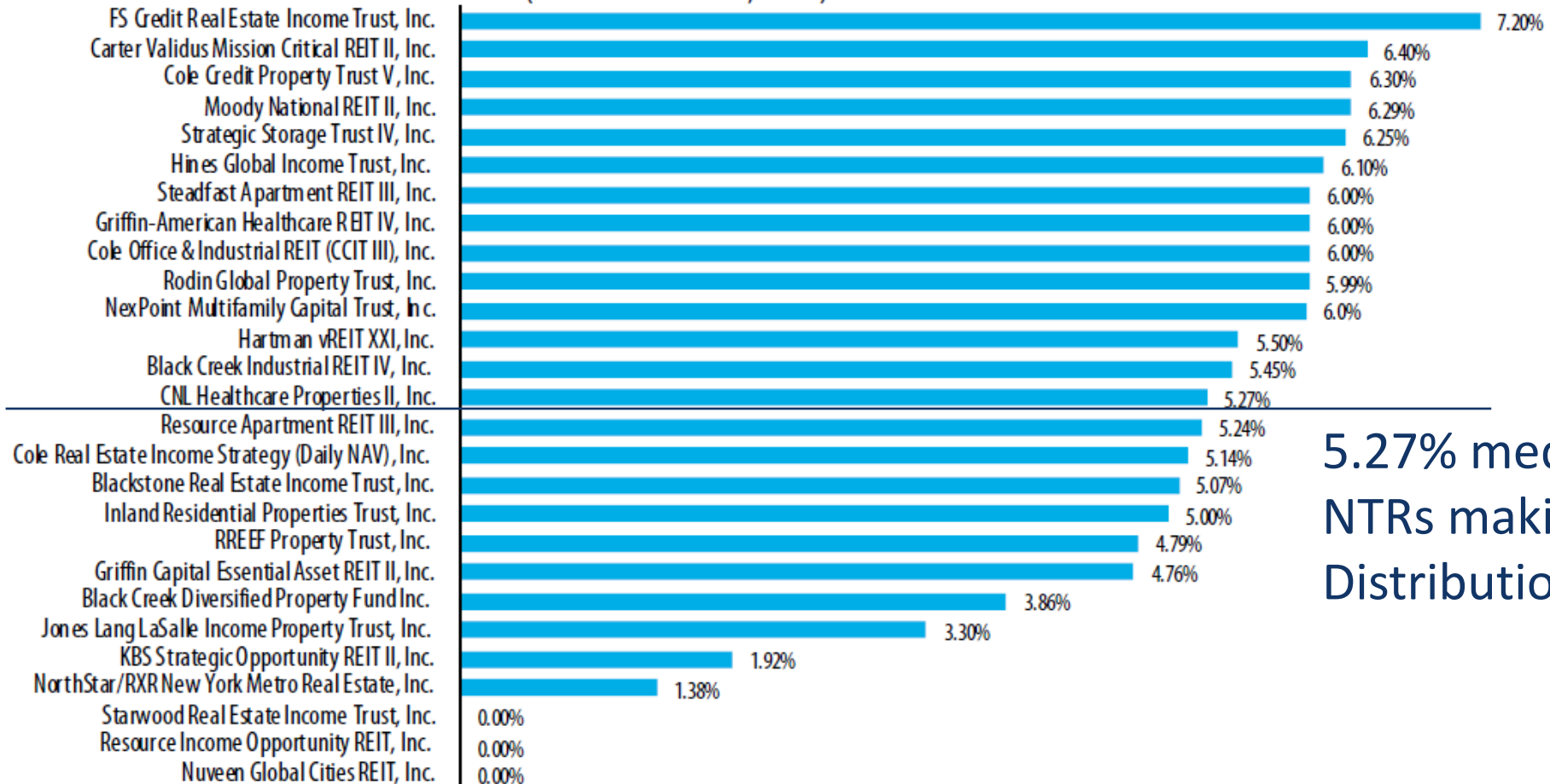
On September 27, 2017, shareholders of MVP REIT approved the merger into MVP REIT II. According to the Merger Agreement, MVP II paid consideration of 0.365 shares of MVP II common stock per share of MVP I common stock. (MVP I common was issued at \$9.00 per share, MVP II common was issued at \$25.00 per share. Pro rata, the merger rate equivalence was \$9.125 per share.)

Distribution Yields – Medians



Distribution Yields – Individual Open REITs

Distribution Yields, for Open Nontraded REITs (Class A)
(as of December 31, 2017)

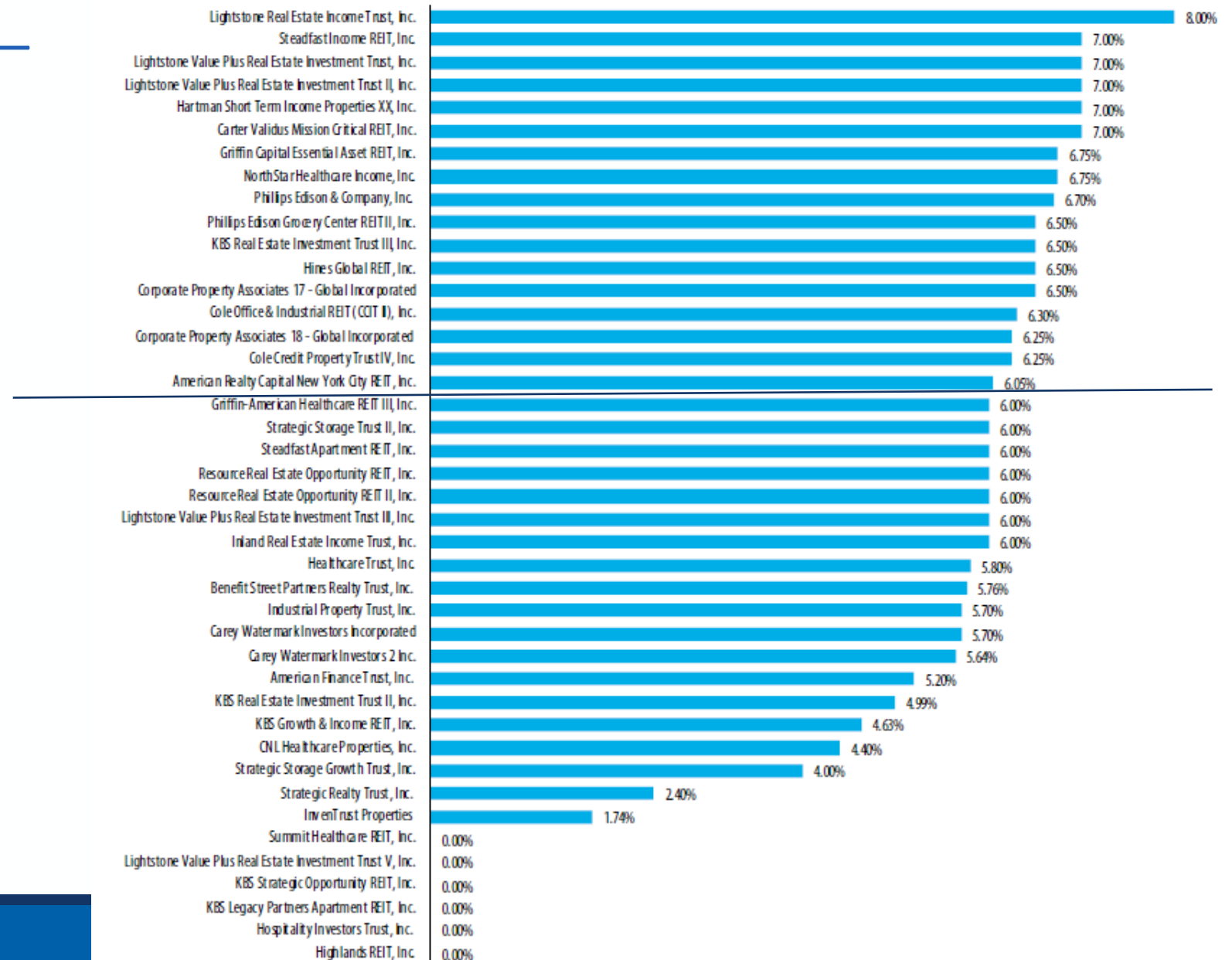


5.27% median for those
NTRs making
Distributions (Class A)

Distribution Yields – Individual Closed REITs

6.00% median for those NTRs making Distributions (Class A)

Distribution Yields, for Closed Nontraded REITs (Class A)
(as of December 31, 2017)

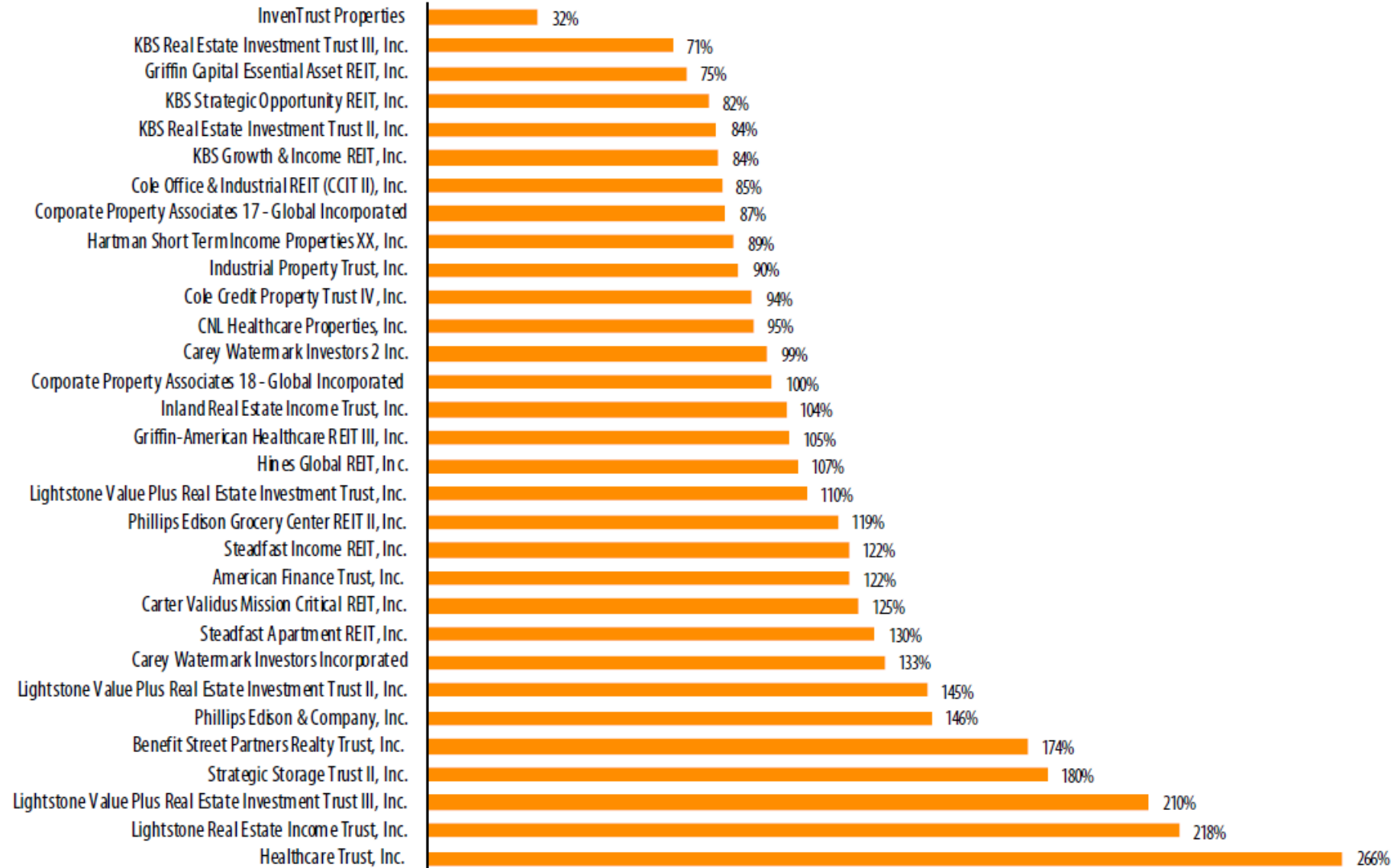


FFO Payout Ratio, for Closed Nontraded REITs (year-to-date, as of December 31, 2017)

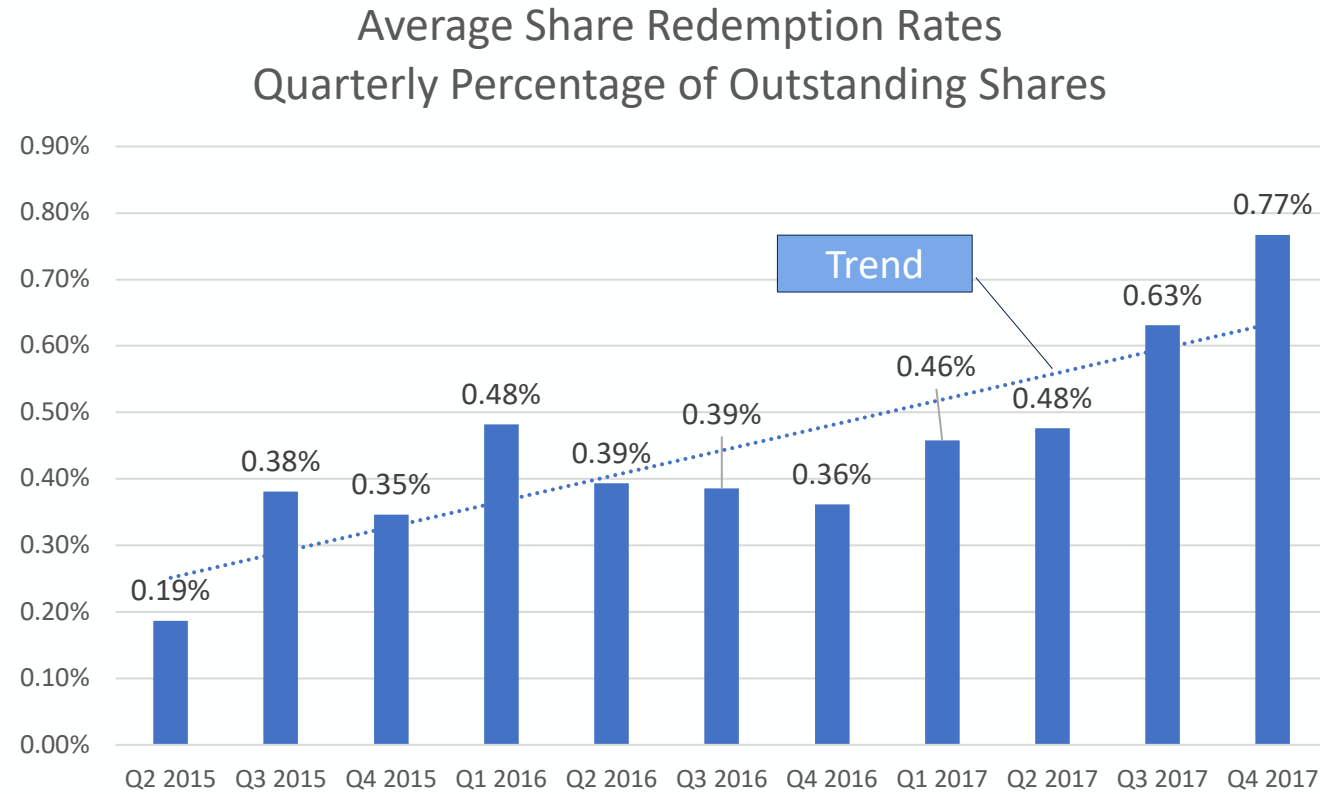
FFO Payout Ratios

See individual REIT report pages for MFFO payout ratios (2015 thru 2017 and Q4 2017).

MFFO payout ratios are reported based upon both total distributions including DRIP proceeds and cash distributions only.



NTR Redemption Trends*



* Among NTR programs with SRP programs only

Nontraded BDC Quarterly Review

BDC Industry Review: Fourth Quarter 2017

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Metric Definitions and Explanations

A Portfolio Details

Includes a summary of the portfolio holdings for the current period as reported on the BDC's balance sheet. Items categorized as investments include debt investments, preferred equity, common equity and other short-term investments. Cash and Cash Equivalents include cash on the balance sheet and other cash-like liquid assets.

This section also includes a current overview of the BDC's investment strategy as it relates to the types of investments it makes, the industries the fund is focused on and the size of companies the fund plans to invest in. Specifics found in this section include the number of portfolio companies and the investment management advisor. Also included is whether the fund employs a Total Return Swap (TRS) and the value of the assets in the TRS.

The initial offering date is defined as the date the BDC was considered "effective" by the SEC and began raising money in its public offering. The number of months effective indicates how long the BDC has been raising capital, while the anticipated close date is the date the BDC anticipates closing the BDC, to new investments. The public offering price and reinvestment price per share are based on prices as of the date of the report.

B Net Asset Value (NAV) Per Share

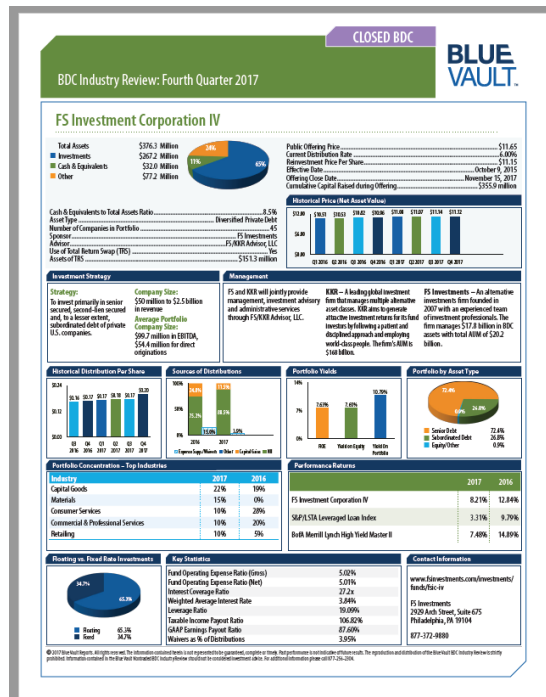
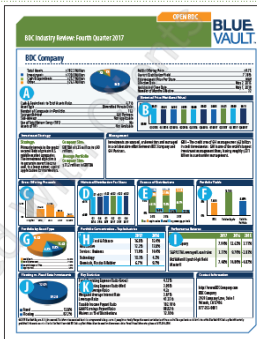
The result of the fair value of total assets less total liabilities divided by the total number of shares outstanding. This figure is reported publicly by the BDC at least every quarter.

C Gross Offering Proceeds

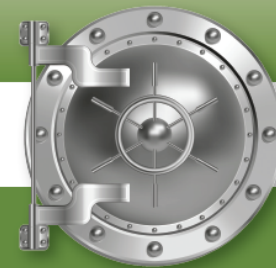
Defined as the sales of nontraded BDC shares plus shares purchased through dividend reinvestment plans during the public offering.

D Current Distribution Rate and Historical Distributions

The current distribution rate is calculated based on annualized distributions and the public offering price for the current quarter. Historical distributions show the actual distributions paid per share in dollars over the past six quarters.



BLUE VAULT™



Nontraded BDC Industry Review

Fourth Quarter 2017

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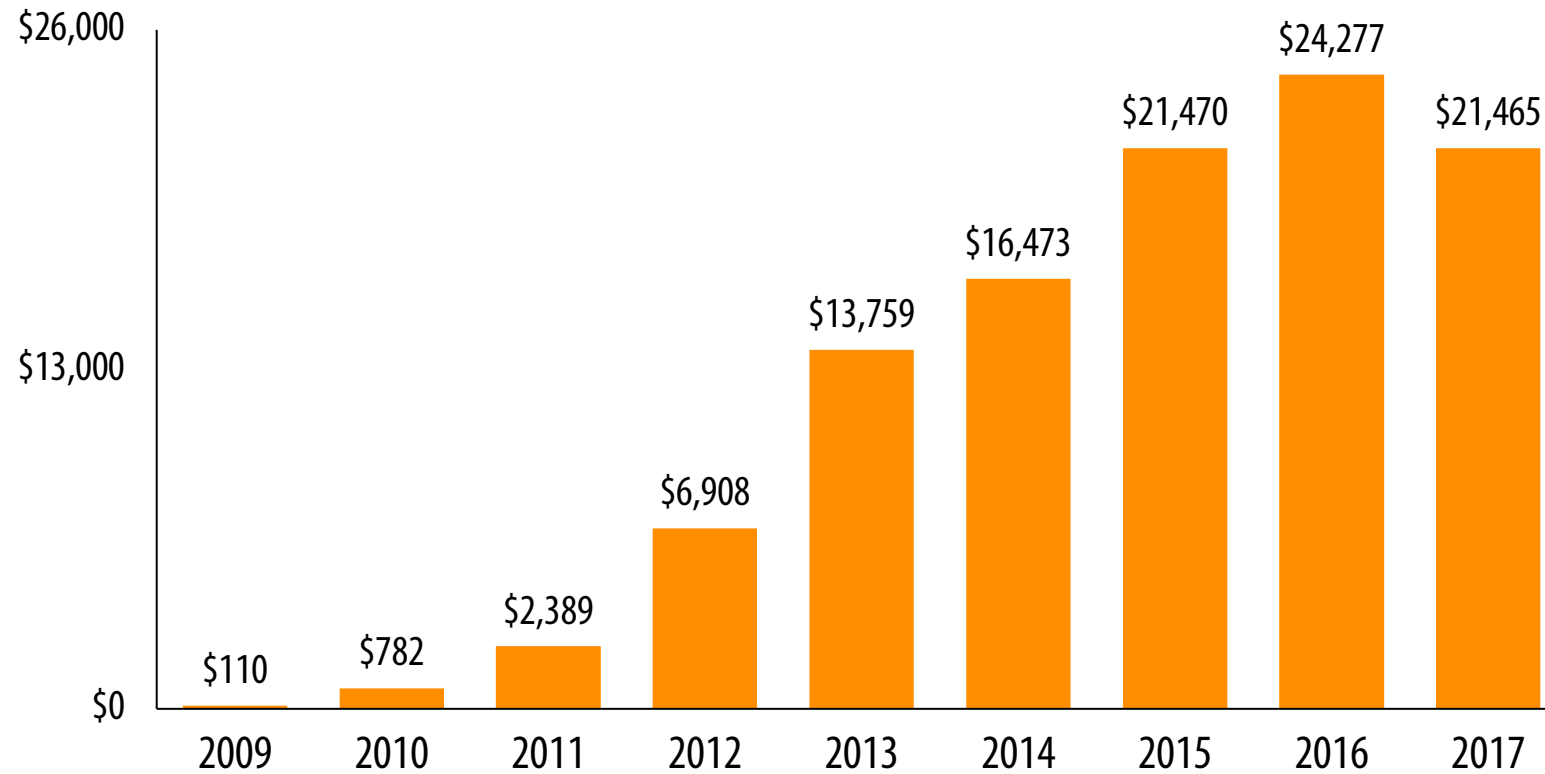
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- BRIEF (YEAR IN REVIEW)
- INTERVAL FUNDS AND NONTRADED CEFS
 - IFCEF Reviews
 - IFCEF Individual Reports

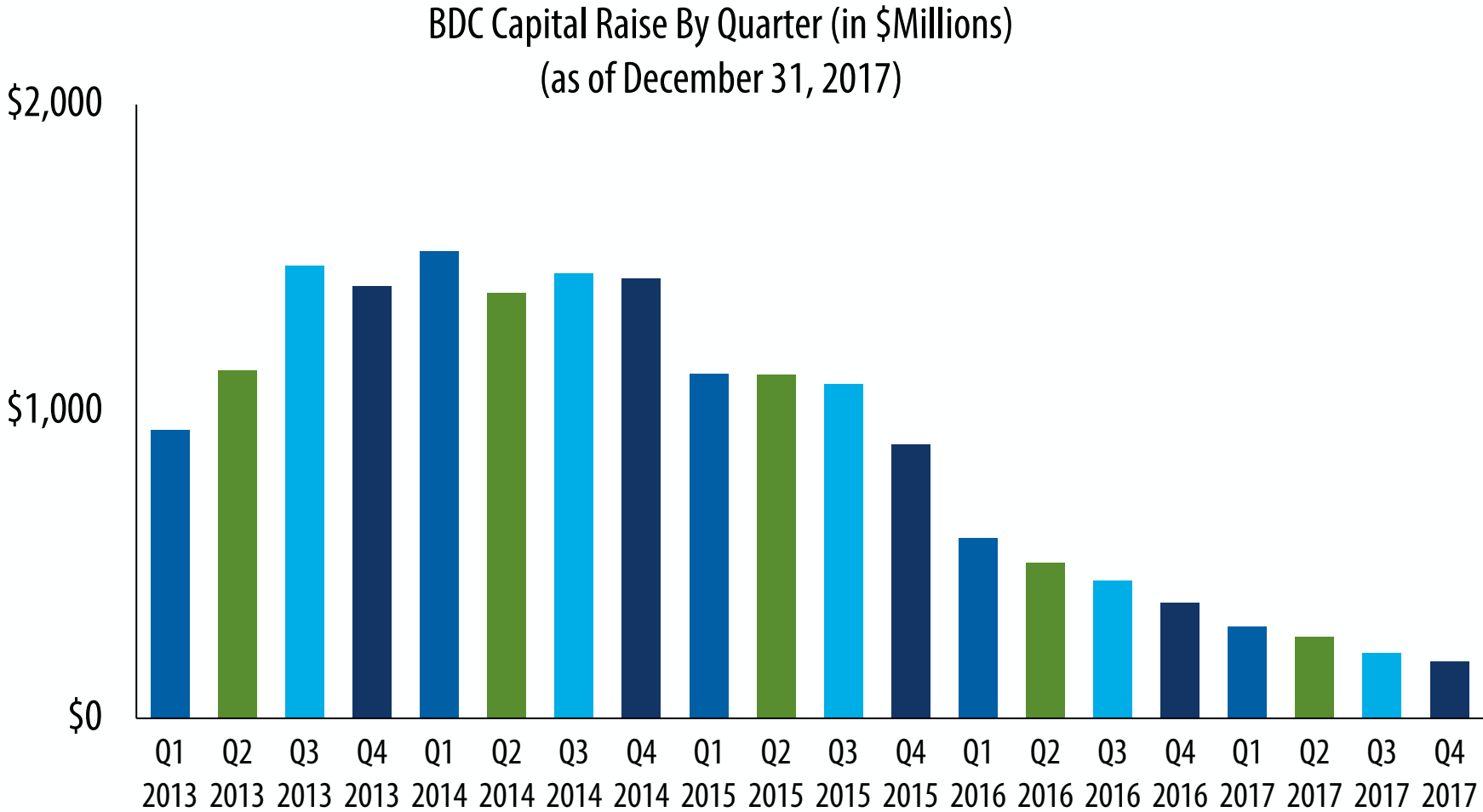
program total as added RE

Nontraded BDCs Industry Assets

Total Industry Assets (in \$ Millions)
(as of December 31, 2017)

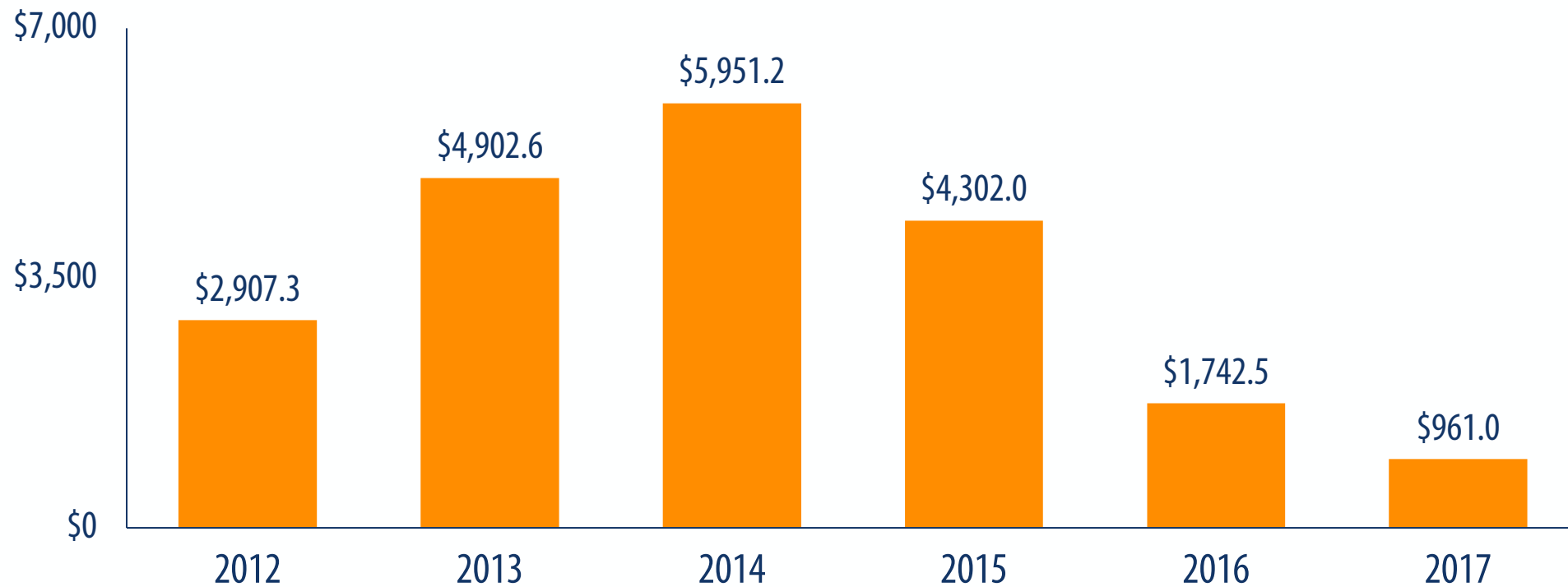


Nontraded BDCs



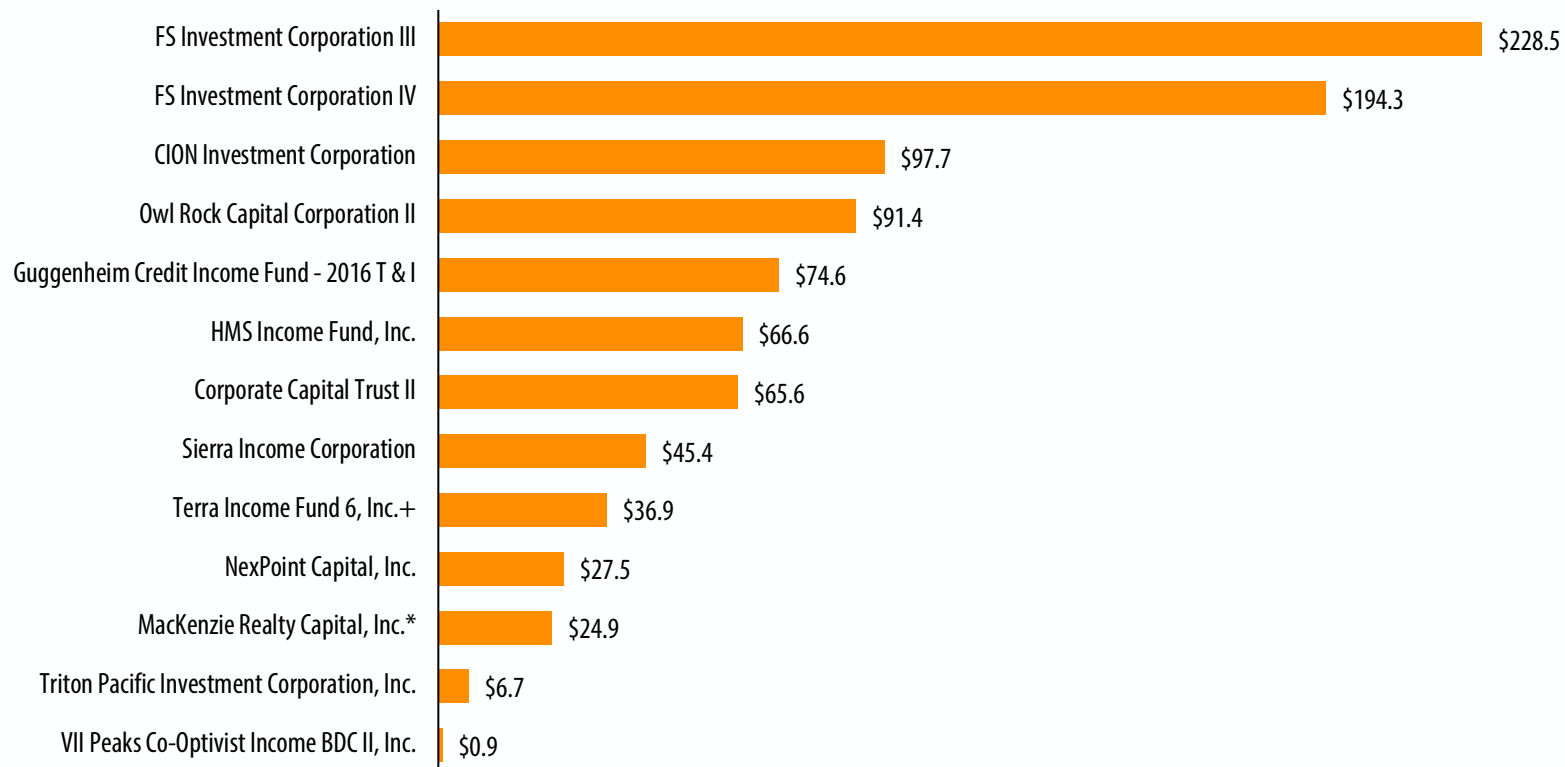
Nontraded BDCs Equity Raise

Historical Nontraded BDC Equity Raise (\$ Millions)
(as of December 31, 2017)



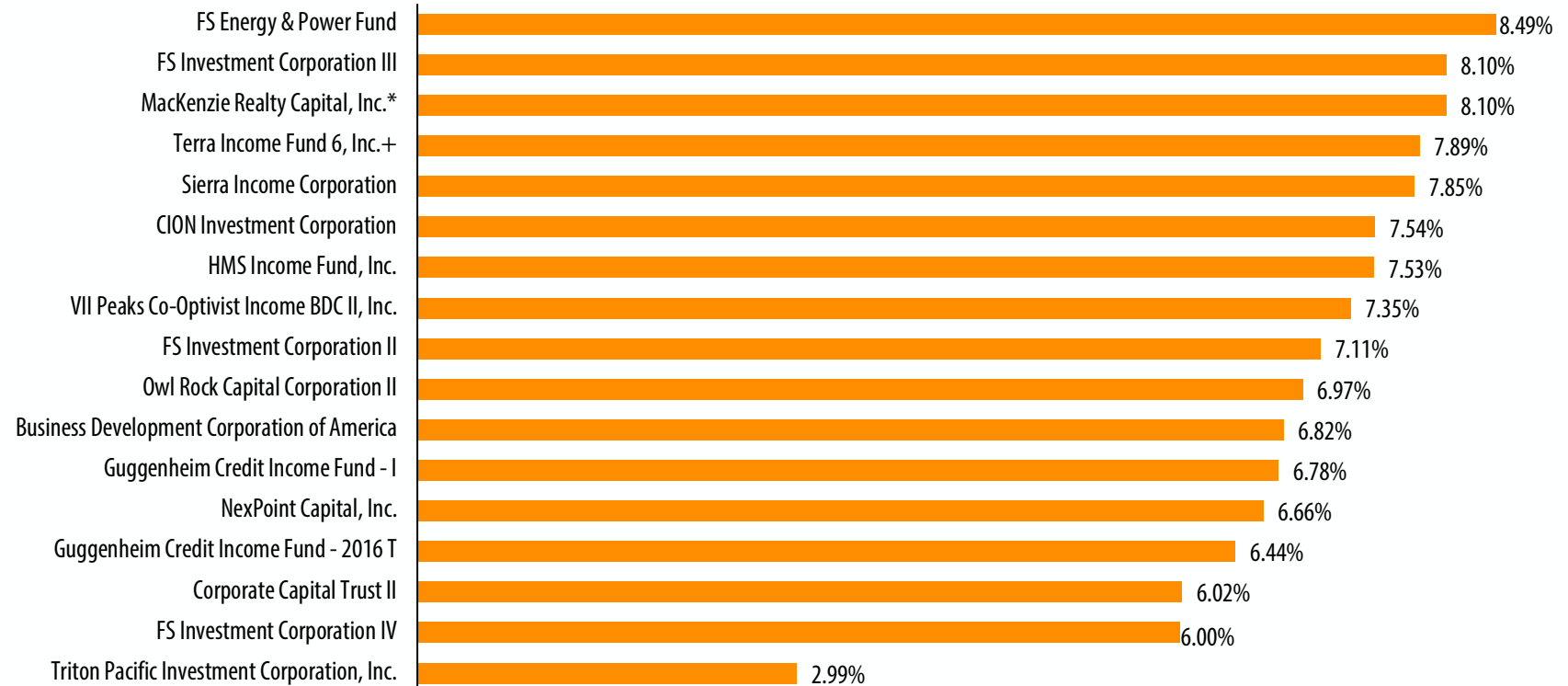
Nontraded BDCs Capital Raise by Program

Capital Raise, by Nontraded BDC (in \$ Millions)
(as of December 31, 2017)



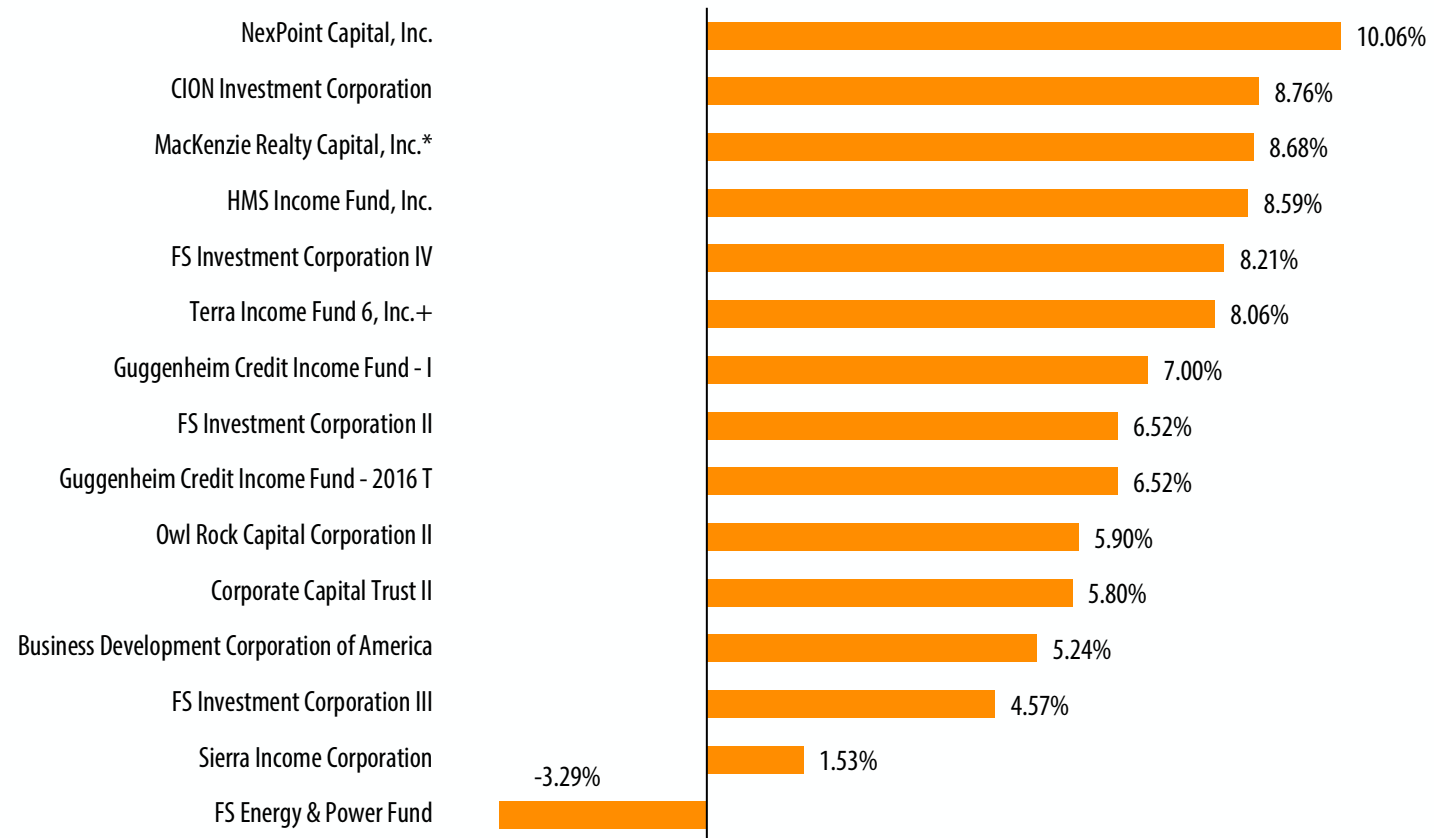
Nontraded BDCs Distribution Yields

Distribution Yields, by Nontraded BDCs
(as of December 31, 2017)



Nontraded BDCs Performance Returns

Performance Returns, by Nontraded BDC
(as of December 31, 2017)



Nontraded BDCs Fee Comparisons

- Maximum Sales Commission
- Dealer Manager Fee
- Offering Expenses
- Maximum Total Load
- Trailing Distribution/Service Fee

BDC Fee Comparison

| Fund Name | Sponsor/Advisor | Maximum Front-End Fees | | | | Trail |
|---|--|------------------------|------------------|-------------------|-----------------|------------------------------|
| | | Max. Sales Commission | Dealer- Mgr. Fee | Offering Expenses | Max. Total Load | Distribution Svc. Fee/ Trail |
| Business Development Corporation of America | Benefit Street Partners - BDCA Adviser | 7.00% | 3.00% | 1.50% | 11.50% | 0.00% |
| QION Investment Corporation | QION Investment Group, LLC | 3.00% | 2.00% | 1.50% | 6.50% | 0.00% |
| Corporate Capital Trust II | QIL Financial Group | 2.00% | 2.75% | 1.50% | 6.25% | 1.00% |
| First Capital Investment Corporation | First Capital | 7.00% | 3.00% | 2.00% | 12.00% | 0.00% |
| FS Energy & Power Fund | FS Investments | 7.00% | 3.00% | 1.50% | 11.50% | 0.00% |
| FS Investment Corporation II | FS Investments | 7.00% | 3.00% | 1.50% | 11.50% | 0.00% |
| FS Investment Corporation III | FS Investments | 7.00% | 3.00% | 1.50% | 11.50% | 0.00% |
| FS Investment Corporation IV | FS Investments | 3.00% | 1.25% | 0.75% | 5.00% | 1.00% |
| Guggenheim Credit Income Fund - 2016 T | Guggenheim Partners | 3.00% | 2.75% | 1.50% | 7.25% | 0.90% |
| Guggenheim Credit Income Fund - I | Guggenheim Partners | 0.00% | 3.00% | 0.00% | 3.00% | 0.00% |
| HMS Income Fund, Inc. | Hines | 7.00% | 3.00% | 1.50% | 11.50% | 0.00% |
| MacKenzie Realty Capital, Inc.* | MacKenzie Capital | 7.00% | 3.00% | 0.00% | 10.00% | 0.00% |
| NexPoint Capital, Inc. | Highland Capital Management/ NexPoint Advisors, L.P. | 7.00% | 1.00% | 1.00% | 9.00% | 0.00% |
| Owl Rock Capital Corporation II | Owl Rock Capital Advisors | 3.00% | 2.00% | 1.50% | 6.50% | 1.00% |
| Sierra Income Corporation | SIC Advisors - Medley Management | 3.00% | 2.50% | 0.25% | 5.75% | 0.00% |
| Terra Income Fund 6, Inc.+ | Terra Capital Partners | 3.00% | 2.50% | 1.50% | 7.00% | 1.125% |
| Triton Pacific Investment Corporation, Inc. | Triton Pacific Capital | 7.00% | 3.00% | 2.00% | 12.00% | 0.00% |
| VII Peaks Co-Optivist Income BDC II, Inc. | VII-Peaks | 7.00% | 3.00% | 1.50% | 11.50% | 0.00% |

Thank You!

We welcome your questions.

To download the Q4 2017 Blue Vault Nontraded REIT Industry Review and BDC Industry Review, please visit our Blue Vault website at:

www.bluevaultpartners.com