

# BDC Industry Review: Fourth Quarter 2014

## Business Development Corporation of America

Total Assets.....\$2,187.9 Million  
 Investments.....\$1,917.0 Million  
 Cash & Equivalents.....\$206.9 Million  
 Other.....\$64.1 Million



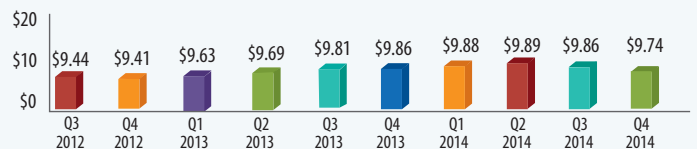
Public Offering Price: .....\$11.20  
 Current Distribution Rate: .....7.75%  
 Reinvestment Price Per Share: .....90% POP  
 Effective Date:.....January 25, 2011  
 Number of Months Effective:.....47

\*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....9.5%  
 Asset Type: ..... Diversified Private Debt  
 Number of Companies in Portfolio: ..... 110  
 Sponsor/Advisor: ..... AR Capital - BDCA Adviser  
 Sub-Advisor:.....Not Applicable  
 Use of Total Return Swap (TRS): .....No  
 Assets of TRS: .....N/A

\*TRS was terminated on June 27, 2014

### Historical Price (Net Asset Value)



### Investment Strategy

#### Strategy:

To invest largely in senior secured and second lien debt securities and mezzanine debt securities issued by middle market companies.

#### Company Size:

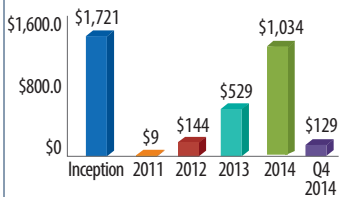
\$10 million to \$1 billion in revenue

### Management

Investments are sourced, underwritten and managed by a single advisor and management team. BDCA Adviser is a wholly owned affiliate of AR Capital. The management team has experience in banking, loan origination, private equity investing & management, as well as real estate credit underwriting and investing.

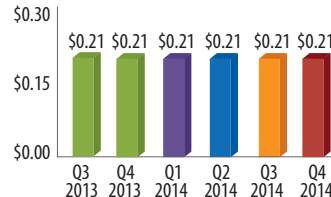
**AR Capital** – An alternative investment firm that invests in real estate and private company securities. AR Capital manages \$15 billion in alternative investments.

### Gross Offering Proceeds



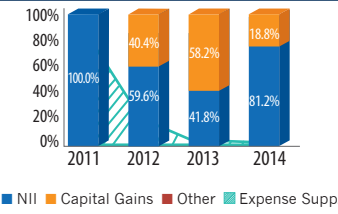
\*Includes reinvested distributions (in millions)

### Historical Distribution Per Share



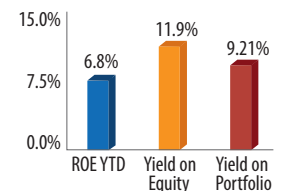
\*Does not include special distributions

### Sources of Distributions

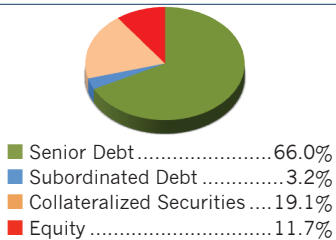


\*1.3% from fee waivers  
 \*Other may include other taxable income items.

### Portfolio Yields



### Portfolio by Asset Type



### Portfolio Concentration – Top 5 Industries

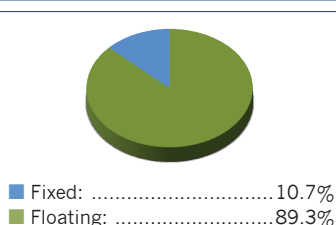
Industry	2014	2013
Diversified Investment Vehicles	27%	24%
Health Care Providers & Services	6%	7%
Aerospace & Defense	5%	3%
Food Products	4%	4%
Div Consumer SVCs	4%	6%

### Performance Returns

	2014	2013	2012	2011*
Business Development Corporation of America	7.63%	14.12%	15.19%	8.36%
S&P/LSTA Leveraged Loan Index	0.99%	5.25%	9.67%	1.51%
BofA Merrill Lynch High Yield Master II	2.50%	7.42%	15.58%	4.38%

\*YTD returns are not annualized

### Floating vs. Fixed Rate Investments



### Key Statistics

Fund Operating Expense Ratio	4.6%
Interest Coverage Ratio	9.7x
Weighted Average Interest Rate	2.9%
Leverage Ratio	28.3%
Taxable Income Payout Ratio*	97.2%
Net Change in Assets Payout Ratio	133.6%
Expense Support % of Distribution	1.3%

\*BDCA only reports adjusted net investment income quarterly, may differ from taxable income

### Contact Information

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\*See additional notes on page 19.