

Nontraded REIT Industry Review: Second Quarter 2015

Lightstone Value Plus Real Estate Investment Trust III, Inc.

Total Assets.....	\$30.0 Million
Real Estate Assets	\$26.7 Million
Cash	\$2.6 Million
Securities	\$0.0 Million
Other	\$0.7 Million



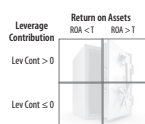
Initial Offering Date: July 16, 2014
 Offering Status..... Initial
 Number of Months Fundraising: 7
 Anticipated Offering Close Date: July 15, 2016
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 8.7%
 Asset Type: Diversified
 Number of Properties: 2
 Square Feet / Units / Rooms / Acres: 266 Rooms
 Percent Leased: 76%
 Weighted Average Lease Term Remaining: Not Applicable
 LifeStage: Emerging
 Investment Style: Core
 Weighted Average Shares Outstanding: 1,151,224

Historical Price	Contact Information
	<p>www.LightstoneGroup.com</p> <p>The Lightstone Group 1985 Cedar Bridge Avenue Lakewood, NJ 08701 212-616-9969</p>

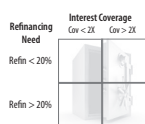
Performance Profiles

Operating Performance



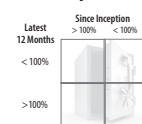
As an Emerging LifeStage REIT, there are less than five quarters of data to calculate meaningful return on assets and leverage contribution metrics.

Financing Outlook



As an Emerging LifeStage REIT, there are less than five quarters of data to calculate meaningful interest coverage ratios. REITs in the Emerging LifeStage often rely on short-term financing with variable rates which will later be refinanced with longer maturity debt.

Cumulative MFFO Payout

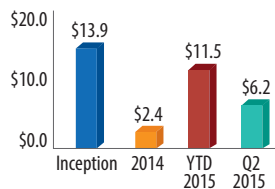


For this Emerging LifeStage REIT there are less than five quarters of data to calculate meaningful MFFO Payout ratios. REITs in the Emerging LifeStage may fund a portion of cash distributions in the first year of operations from offering proceeds until MFFO is sufficient to fund them.

Summary

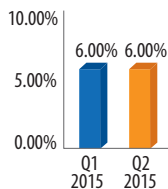
As a REIT with less than five quarters of operating data, metrics for Operating Performance, Financing Outlook and Cumulative MFFO Payout are not yet meaningful. After 1Q 2016 the profiles will begin to show meaningful results.

Gross Dollars Raised*

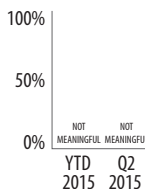


*Includes reinvested distributions (in millions)

Historical Distribution

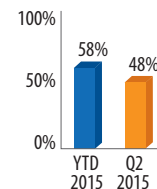


Historical FFO Payout Ratio



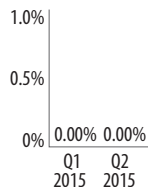
2015 YTD Dist. Paid: \$192,787
 2015 YTD FFO: (\$178,709)

Historical MFFO Payout Ratio

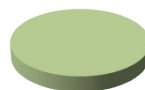


2015 YTD Dist. Paid: \$192,787
 2015 YTD MFFO: \$330,862
 BVP Adjusted MFFO - see notes

Redemptions

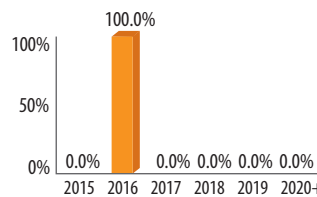


Debt Breakdown

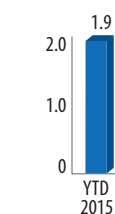


Debt to Total Assets Ratio: 59.3%
 Total: \$17.8 Million
 Fixed: \$0.0 Million
 Variable: \$17.8 Million
 Avg. Wtd. Rate: 6.30%
 Loan Term: <1 yr

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- On May 15, 2015, the Company completed the acquisition of a 146-room select service hotel located in Durham, North Carolina (the "Courtyard – Durham") from an unrelated third party, for an aggregate purchase price of approximately \$16.0 million, less adjustments, paid in cash, excluding closing and other related transaction costs. In connection with the acquisition, the Company's Advisor received an acquisition fee equal to 1.0% of the contractual purchase price, approximately \$0.2 million. The acquisition was funded with approximately \$4.0 million of offering proceeds and approximately \$12.0 million of proceeds under a \$13.0 million revolving promissory note (the "Durham Promissory Note") from the operating partnership of Lightstone II.
- On August 14, 2015, the Board of Directors authorized and the Company declared a distribution for each month during the three-month period ending October 31, 2015. The distributions will be calculated based on shareholders of record each day during the month at a rate of \$0.00164383 per day, and will equal a daily amount that, if paid each day for a 365-day period, would equal a 6.0% annualized rate based on a

- share price of \$10.00 payable on by the 15th day following each month end to stockholders of record at the close of business each day during the prior month.
- The REIT's Cash to Total Assets ratio decreased to 8.7% as of 2Q 2015 compared to 100% as of 2Q 2014.
- The REIT's Debt to Total Assets ratio increased to 59.3% as of 2Q 2015 compared to 0% as of 2Q 2014.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- The distribution was paid from offering proceeds (approximately \$112,612 or 65%) and excess cash proceeds from the issuance of common stock through the Company's DRIP (approximately \$59,605 or 35%).