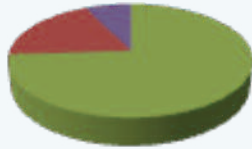


BDC Industry Review: Fourth Quarter 2013



Sierra Income Corporation

Total Assets.....	\$186.2 Million
Investments.....	\$137.8 Million
Cash & Equivalents.....	\$34.9 Million
Other.....	\$13.5 Million



Public Offering Price:	\$10.25
Current Distribution Rate*:	7.80%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	April 16, 2012
Number of Months Effective:.....	24

*Current distribution rate based on public offering price

Historical Price (Net Asset Value)



Cash & Equivalents to Total Assets Ratio:.....	18.8%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	49
Sponsor/Advisor:	SIC Advisors - Medley Capital
Sub-Advisor:.....	Not Applicable
Use of Total Return Swap (TRS):	Yes
Assets of TRS:	\$25.2 Million

Investment Strategy

Strategy:

To invest primarily in debt of privately owned U.S. companies with a focus on senior secured debt, second lien debt, and to a lesser extent, subordinated debt.

Company Size:

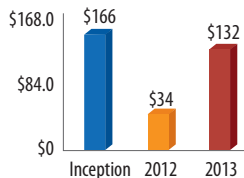
Enterprise value of \$50 million to \$4 billion

Management

Investments are sourced, underwritten and managed by SIC Advisors, Medley Capital professionals.

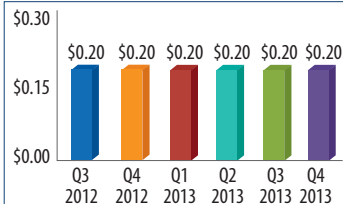
SIC Advisors - Medley Capital – Management team members bring an average of more than 20 years experience in principal finance, investment sourcing, credit analysis, transaction structuring, due diligence and investing. Medley Capital, the parent company of SIC Advisors has several private investment funds and a publicly traded BDC (Medley Capital Corporation) with combined assets of \$2.5 billion.

Gross Offering Proceeds



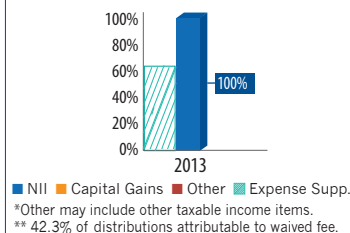
*Includes reinvested distributions (in millions)

Historical Distribution Per Share

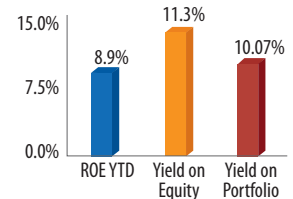


*Does not include special distributions

Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

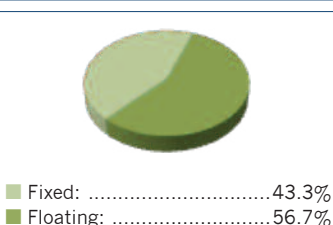
Industry	2013	2012
Oil and Gas	13.7%	10%
Telecommunications	12.4%	11%
Retail Stores	12.3%	4%
Electronics	10.2%	4%
Healthcare, Education, and Childcare	8.9%	2%

Performance Returns

	2013
Sierra Income Corporation	11.75%
S&P/LSTA Leveraged Loan Index	5.25%
BofA Merrill Lynch High Yield Master II	7.42%

* Annualized Returns based on NAV plus reinvestment of distributions
** Limited operations for year of 2012, became effective 2/14/12

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	9.0%
Interest Coverage Ratio.....	37.2x
Weighted Average Interest Rate	1.2%
Leverage Ratio.....	16.2%
Taxable Income Payout Ratio.....	107%
Net Change in Assets Payout Ratio	96%
Expense Support % of Distribution	65%

Contact Information

www.SierraincomeCorp.com
SC Distributors
610 Newport Center Drive
Suite #350
Newport Beach, CA 92660
(949) 706-8640

* See additional notes on page 19.

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Additional BDC Notes

Business Development Corporation of America

- 24% of portfolio is invested in investment funds and vehicles (including CLOs)
- TRS investments performed well, creating \$17.4 million of the \$42.7 million or 41% of the GAAP earnings for the year

CION Investment Corp.

- Surpassed \$150 million in total assets
- Portfolio yields may appear low due to CION's rapid gain in assets during 2013, yields are divided by average assets for the year
- 100% floating rate investments

Corporate Capital Trust

- Direct origination of 15 investments totaling \$704 million for the year
- 1.5% expected additional yield from originated investments
- Added an additional \$320 million in borrowing capacity
- Received a BBB- credit rating from Standard & Poor's

FS Energy and Power Fund

- Shifted portfolio from 39% to 61% variable rate investments from 2012 to end of 2013
- Direct origination investments now represent 25% of the portfolio

FS Investment Corp.

- Listed on the NYSE on April 16, 2014 under the ticker symbol 'FSIC'
- Received a BBB- rating from Standard & Poor's, announced April 1, 2014
- Variable rate investments increased slightly to 72.2% from 69.4% in 2012

FS Investment Corp. II

- Closed to new investors, announced March 25, 2014
- Received a BBB- rating from Standard & Poor's, announced April 1, 2014

HMS Income Fund

- HMS waived over \$1.8 million in management fees and operating expenses
- Portfolio is 100% invested in senior debt
- Continued focus on investing in lower middle market (LMM) companies

Sierra Income Corp.

- Major shift to variable rate investments from 16% to 57% from 2012 to end of 2013
- Nearly 14% of investments are in the Oil and Gas sector