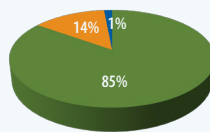


# Nontraded REIT Industry Review: Third Quarter 2019

## Resource Apartment REIT III, Inc.

Total Assets	\$233.0 Million
Real Estate Assets	\$197.7 Million
Cash	\$31.8 Million
Securities	\$0.0 Million
Other	\$3.5 Million



Initial Offering Date..... April 28, 2016  
 Offering Close Date..... October 31, 2019  
 Price per Share (as of March 31, 2019)..... (A) NA, (T) NA, (R) \$9.75, (I) \$9.35  
 Reinvestment Price per Share (as of March 25, 2019) .. (A) \$9.12, (T) \$9.12, (R) \$9.12, (I) \$9.12

Cash to Total Assets Ratio ..... 13.6%  
 Asset Type ..... Multifamily  
 Number of Properties ..... 7  
 Square Feet/Units/Rooms/Acres ..... 1,360 Units  
 Percent Leased ..... Not Available  
 Weighted-Average Lease Term Remaining ..... Not Applicable  
 LifeStage™ ..... Maturing  
 Investment Style ..... Opportunistic  
 Weighted-Average Shares Outstanding ..... 11,656,689

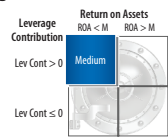
Historical Price		Historical NAVs	
Q3 2018	Q4 2018	Q1 2019	Q3 2019
I \$9.28	R \$9.28	I \$9.35	R \$9.35
R \$9.68	I \$9.68	R \$9.75	I \$9.75
A \$9.05	R \$9.12	I \$9.12	R \$9.12
I \$9.05	R \$9.12	I \$9.12	R \$9.12
T \$9.05	R \$9.12	I \$9.12	R \$9.12

Class A & T Offered through July 2, 2017

**Contact Information**  
 www.resourcereit3.com  
 Resource Apartment REIT III, Inc.  
 1845 Walnut Street, 18th Floor  
 Philadelphia, PA 19103  
 215-231-7050

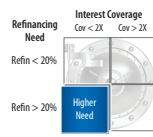
### Performance Profiles

#### Operating Performance



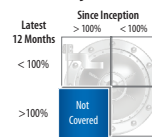
The REIT's recent 12-month average return on assets is below the median ROA for all NTRs for the previous four quarters. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

#### Financing Outlook



More than 20% of REIT's debt must be repaid within two years or is at unhedged variable rates, and interest coverage is below the 2.0X benchmark. The REIT may face difficulties in refinancing its borrowings, interest rate risks from increasing rates, and needs to increase earnings to reassure lenders.

#### Cumulative MFFO Payout

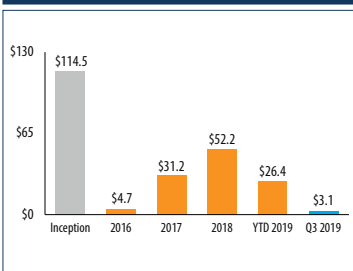


The REIT has not achieved a level of MFFO in excess of cash distributions since inception and the latest 12-month results indicate cash distributions exceed MFFO, a trend which must be eventually reversed for distribution sustainability.

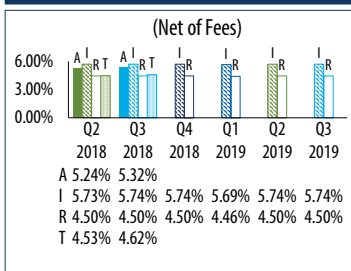
#### Summary

The REIT's return on assets was 4.30% over the last 12 months, below the median ROA of 6.22% for all nontraded REITs for the previous four quarters. The REIT had a positive leverage contribution for the last four quarters with an average cost of debt of 4.07% and a debt ratio of 62.4%. Given the Opportunistic strategy of the REIT, shareholder returns are expected to materialize from capital gains and special distributions rather than stable, positive AFFO. Less than 1% of the REIT's debt matures before 2021, but 36.8% was at unhedged variable rates, meaning interest rate risks could be important. The YTD interest coverage ratio was 0.7X, well below the 2.0X benchmark. In Q3 2019 the REIT paid cash distributions excluding DRIP proceeds of \$632,552 and had negative MFFO.

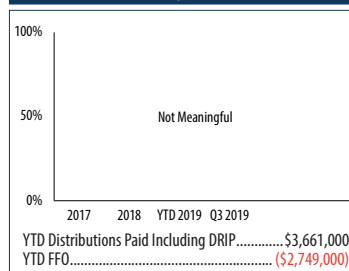
#### Gross Dollars Raised



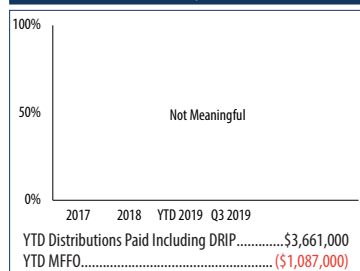
#### Historical Distribution



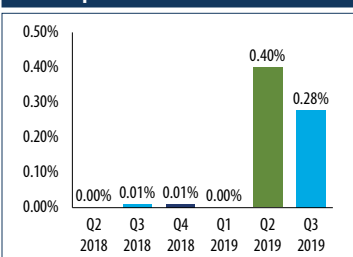
#### Historical FFO Payout Ratio



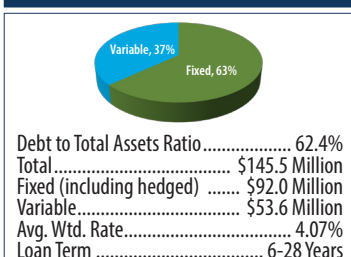
#### Historical MFFO Payout Ratio



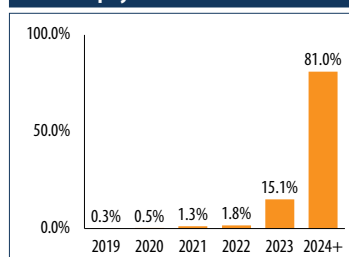
#### Redemptions



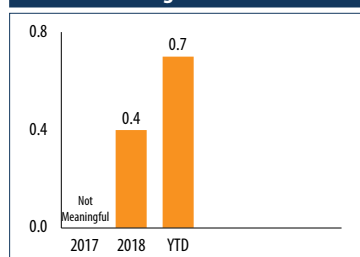
#### Debt Breakdown



#### Debt Repayment Schedule



#### Interest Coverage Ratio



#### Source of Distributions, Trends and Items of Note

- At September 30, 2019, the Company owned seven multifamily properties.
- As of September 30, 2019, the Company has raised aggregate gross primary offering proceeds of approximately \$110.7 million from the sale of 601,207 Class A shares, 1,049,996 Class T shares, 9,282,959 Class R shares and 624,324 Class I shares of common stock, excluding DRIP proceeds.
- The Company ceased offering shares in the primary offering on October 31, 2019 and expects to cease processing subscriptions in the offering on November 15, 2019. The Company continues to offer shares pursuant to the DRIP.
- On March 21, 2019, the board of directors approved an estimated NAV per share of common stock of \$9.12 and approved updated offering prices for shares of Class R and Class I common stock.
- Total distributions to stockholders paid during the nine months ended September 30, 2019, were \$3,661,518. Of the distributions paid, \$1,940,136 was reinvested via the DRIP. Net cash provided by operating activities totaled \$684,776 for the same period.