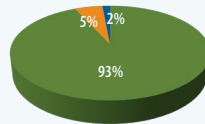


Nontraded REIT Industry Review: Third Quarter 2019

Steadfast Apartment REIT III, Inc.

Total Assets	\$402.8 Million
Real Estate Assets	\$375.1 Million
Cash	\$21.8 Million
Securities	\$0.0 Million
Other	\$5.8 Million



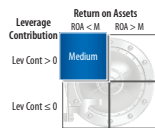
Initial Offering Date	February 5, 2016
Offering Close Date	August 31, 2018
Most Recent NAV per Share (As of June 30, 2018)	(A, R, T) \$22.54
Reinvestment Price per Share	Suspended February 1, 2019
Cumulative Capital Raised during Offering (including DRIP)	\$205.2 Million

Cash to Total Assets Ratio	5.4%
Asset Type	Multifamily
Number of Properties	10
Square Feet/Units/Rooms/Acres	2,775 Units
Percent Leased	93.7%
Weighted-Average Lease Term Remaining	Not Applicable
LifeStage™	Maturing
Investment Style	Value Add
Weighted-Average Shares Outstanding	8,580,797

Historical Price				Historical NAVs			
Q2 2016	Q3 2016	Q2 2018	Q3 2018	Q2 2018	Q3 2019		
A \$25.00	\$25.00	\$25.00	\$25.00	A \$22.54	\$22.54		
R \$22.50	\$22.50	\$22.50	\$22.50	R \$22.54	\$22.54		
T \$23.81	\$23.81	\$23.81	\$23.81	T \$22.54	\$22.54		

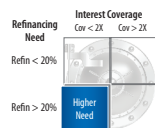
Performance Profiles

Operating Performance



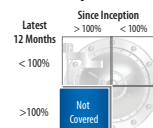
The REIT's recent 12-month average return on assets is below the median ROA for all NTRs for the previous four quarters. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

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.

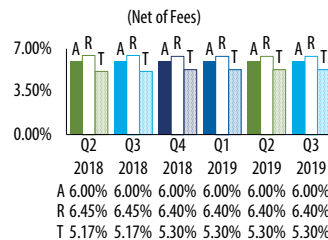
Summary

The REIT's return on assets was 5.39% over the last 12 months, below the median ROA for all nontraded REITs over the previous four quarters of 6.22%. Its leverage contribution was positive, given its weighted average cost of debt of 4.00% and 71.4% debt ratio. The 2019 year-to-date interest coverage ratio at 1.0X was below the 2.0X benchmark. Less than 1% of the debt principal must be repaid prior to 2021 while 24.2% was at unhedged variable rates, indicating no immediate refinancing need but interest rate risk exists despite interest rate caps in place for variable rate debt. The REIT has paid out \$17.4 million in cash distributions with cumulative MFFO since inception of \$1.9 million. It has paid out \$10.3 million in distributions over the past four quarters compared to MFFO of \$0.4 million, clearly unsustainable rates.

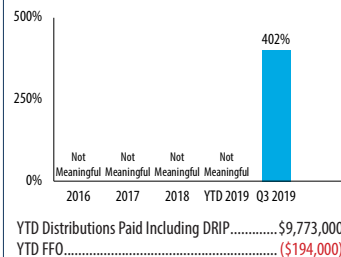
Contact Information

www.steadfastreits.com
 Steadfast Income REIT III, Inc.
 18100 Von Karman Avenue, Suite 500
 Irvine, CA 92612
 949-852-0700

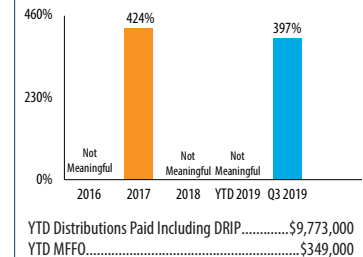
Historical Distribution



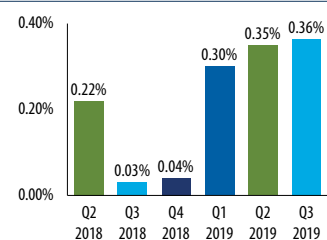
Historical FFO Payout Ratio



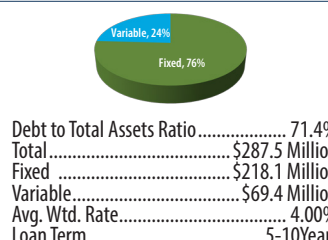
Historical MFFO Payout Ratio



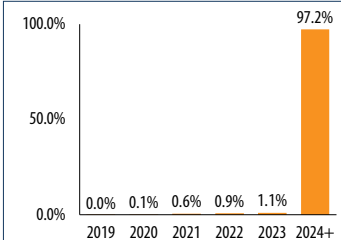
Redemptions



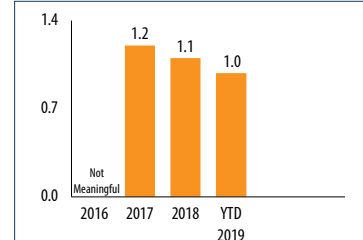
Debt Breakdown



Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- On August 5, 2019, Steadfast Apartment REIT, Inc., Steadfast Income REIT, Inc. and Steadfast Apartment REIT III, Inc. announced they had entered into definitive merger agreements pursuant to which Steadfast Apartment REIT would acquire Steadfast Income REIT and Steadfast Apartment REIT III in separate stock-for-stock, tax-free transactions, creating a combined company with approximately \$3.3 billion in gross real estate assets. The transactions are expected to close in the first quarter of 2020, subject to approval by stockholders.
- As of September 30, 2019, the Company owned ten multifamily properties comprising a total of 2,775 apartment homes. The total acquisition price of the Company's real estate portfolio was \$400,252,928. As of September 30, 2019, the portfolio was 93.7% occupied with an average monthly rent of \$1,183.
- On October 9, 2018, the Company's board of directors determined an estimated value per share for each of the Company's Class A common stock, Class R common stock and Class T common stock of \$22.54 as of June 30, 2018.
- On August 31, 2018, the Company terminated its Primary Offering but continued to offer shares of common stock pursuant to the DRIP. As of September 30, 2019, the REIT had sold 3,528,797 shares of Class A common stock, 479,529 shares of Class R common stock and 4,654,978 shares of Class T common stock in its public offering for gross proceeds of \$86,834,671, \$10,788,788 and \$110,559,107, respectively, and \$208,182,566 in the aggregate, including 157,012 shares of Class A common stock, 13,622 shares of Class R common stock and 227,925 shares of Class T common stock issued pursuant to the DRIP for gross offering proceeds of \$3,691,826, \$306,640 and \$5,150,991, respectively.
- On February 5, 2019, the Company terminated the DRIP, effective for distributions accruing as of February 1, 2019.
- The Company uses modified funds from operations ("MFFO") as defined by the Institute for Portfolio Alternatives ("IPA").
- For the nine months ended September 30, 2019, the Company paid aggregate distributions of \$9,773,368, including \$8,678,412 of distributions paid in cash and 48,578 shares of common stock issued pursuant to the DRIP for \$1,094,956. For the nine months ended September 30, 2019, the net loss was \$11,767,865, the Company had negative FFO of \$194,068, and had net cash used in operations of \$669,909. The REIT funded \$446,234, or 5%, of total distributions from cash flow from operations and \$9,327,134, or 95%, from proceeds from their public offering. Since inception, of the \$26,578,224 in total distributions paid through September 30, 2019, 7% was funded from cash flow from operations and 93% was funded from offering proceeds.