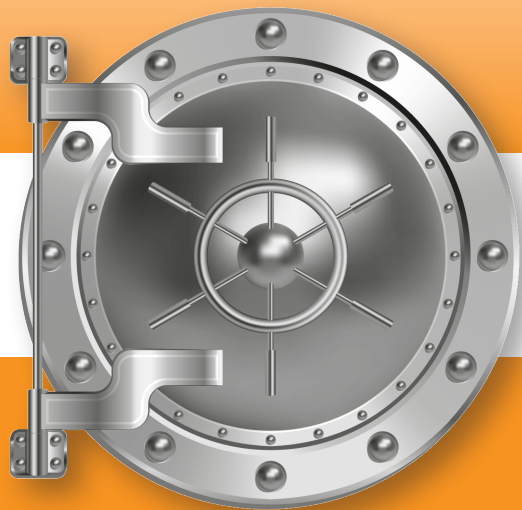


# BLUE VAULT™

## Interval Fund and Nontraded CEF

## Review

Period Ending September 30, 2016



[www.BlueVaultPartners.com](http://www.BlueVaultPartners.com)

© 2016 Blue Vault Reports. All rights reserved. The information contained herein is not represented to be guaranteed, complete or timely. Past performance is not indicative of future results. The reproduction and distribution of the Blue Vault Partners, LLC Interval Fund and Nontraded CEF Review is strictly prohibited. Information contained in the Blue Vault Partners, LLC Interval Fund and Nontraded CEF Review should not be considered investment advice. For additional information please call 877-256-2304.

Q3\_CEF\_2016\_EXCERPT\_February 1, 2017 4:12 PM

SAMPLE - EXCERPT ONLY

## Table of Contents

Disclosure and Disclaimers

Metric Definitions and Explanations, 1

Market Brief, 3

Offerings Summary, 4

Industry Data Charts, 5

AUM by Fund Type, 5

AUM by Fund, 6

Net Proceeds, 7

Interval Funds, 8

Bluerock Total Income + Real Estate Fund, 8

Griffin Institutional Access Real Estate Fund, 9

Resource Real Estate Diversified Income Fund, 10

Versus Capital Multi-Manager Real Estate Income Fund, 11

Vertical Capital Income Fund, 12

Nontraded Closed-End Funds, 13

FS Global Credit Opportunities Fund, 13

Priority Income Fund, 14

TriLinc Global Impact Fund, 15

EXCERPT

# Interval Fund and Nontraded CEF Review: Period Ending September 30, 2016



## Metric Definitions and Explanations

### A Portfolio Details

Includes a summary of the portfolio holdings for the current period as reported on the Interval Fund or Nontraded CEF's balance sheet.

This section also includes a current overview of the Interval Fund or Nontraded CEF's investment strategy as it relates to the types of investments it makes, the strategy the fund is focused on and types of assets the fund plans to invest in.

**Public Offering Price (POP)** – The price at which shares are offered to the public. The offering price changes whenever a material change in the Net Asset Value (NAV) occurs.

The Effective Offering Date is defined as the date the initial public offering was considered "effective" by the SEC and began raising money in its public offering. The Anticipated Offering Close Date is the date the Interval Fund or Nontraded CEF anticipates closing the Interval Fund or Nontraded CEF to new investments.

### B Net Asset Value (NAV) Per Share

The sum of the fair value of the total assets minus the total liabilities divided by the total number of shares outstanding. This number is reported publicly at least every quarter.

### C Net Offering Proceeds

Defined as the sales of nontraded Interval Fund or Nontraded CEF shares plus shares purchased through dividend reinvestment minus any share repurchases through liquidity programs.

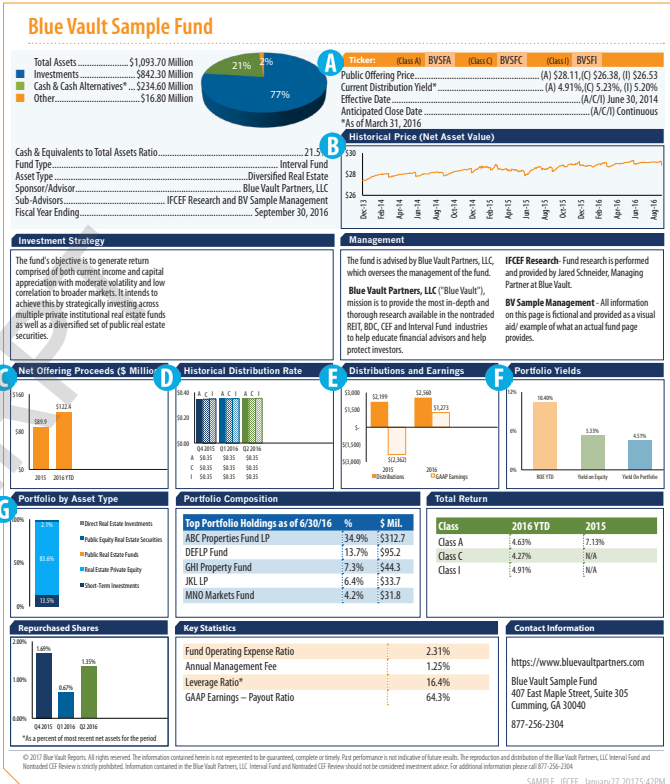
### D Current Distribution Rate & Historical Distribution

The annualized distribution rate for the current quarter. Historical distribution shows the per share distribution amount in dollars

### E Distributions and Earnings

This chart compares the GAAP-defined earnings (typically net increase in net assets) to the distributions the fund has paid. Ideally, the fund should be earning as much or more than the distribution amount.

## Interval Fund and Nontraded CEF Review: Period Ending September 30, 2016



### F Portfolio Yields

**ROE (Return on Equity)** – Calculated as the annualized Net Change in Assets from Operations (GAAP earnings measure), a line item that includes net investment income, realized and unrealized gains/losses, divided by the average total equity year-to-date.

**Yield on Equity** – Calculated as the annualized total investment income for the quarter divided by average equity for the period.

**Yield on Portfolio** – Calculated as the annualized total investment income for the quarter divided by the average total dollar amount of investments for the period.

### G Portfolio by Asset Type

The percentage of investments in the portfolio allocated to each asset class the fund invests in.

# Interval Fund and Nontraded CEF Review: Period Ending September 30, 2016



## Metric Definitions and Explanations

### H Portfolio Composition

The top holdings of the fund by dollar amount and percentage of total assets.

### I Total Returns

The GAAP reported total return year-to-date. For full year total returns, the number is the annual return. This calculation is based on NAV change and a reinvestment of distributions.

### J Repurchased Shares

Shares repurchased in the period as a percentage of net assets.

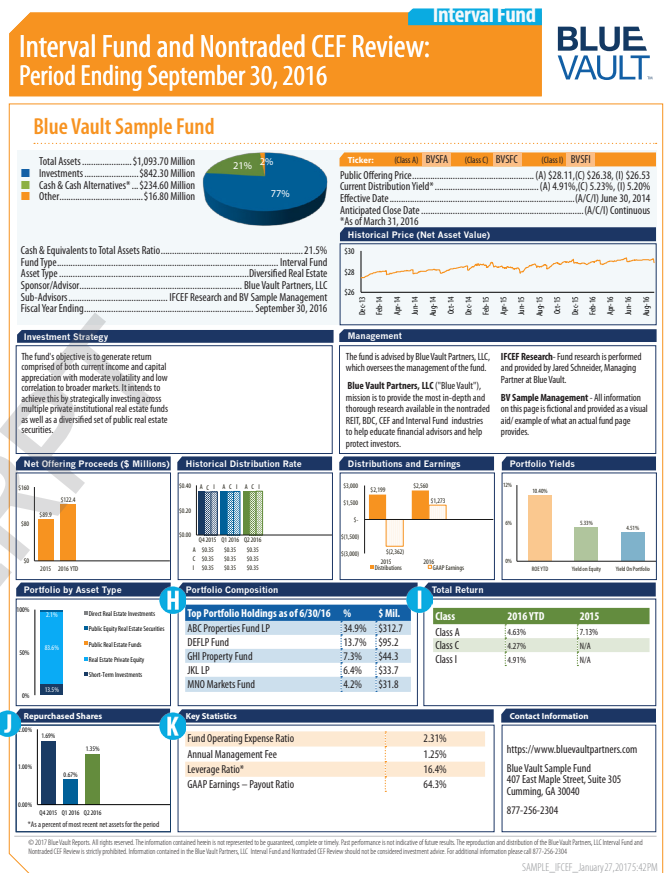
### K Key Statistics

**Fund Operating Expense Ratio** – Calculated as the operating expenses (not including interest expenses) for the fund year-to-date divided by average net assets year-to-date starting with the beginning balance of the year. This ratio measures operational efficiency and impact of management fees and administrative expenses on the fund.

**Annual Management Fee** – the annualized fee charged as a percentage of assets in exchange for the professional management of the fund.

**Leverage Ratio** – Calculated as the total borrowings divided by total assets.

**GAAP Earnings Payout Ratio** – Calculated as the year-to-date total distributions divided by the year-to-date GAAP earnings (or net change in net assets). The metric is designed to determine how much of the distribution is derived from the net change in assets, or GAAP-related earnings. 100% means that earnings are fully covering the distributions; lower than 100% means that the fund is earning more than the distributions paid.



# Interval Fund and Nontraded CEF Review: Period Ending September 30, 2016



## Market Brief

### Interval Fund and Nontraded CEF Industry Facts (as of September 30, 2016)

- \$15.3 billion in assets under management
- \$3.15 billion in net new capital raised in fiscal year
- The top-3 funds raised 74% of the total industry raise and the top-4 raised 81%
- 33 active funds
- 20 new funds in registration

### Capital Markets Update

#### Capital Raise Over \$3 Billion

For an industry that has bubbled up in the past couple years, capital raise has been surprisingly high in an environment filled with low direct investment capital raise and hesitancy around regulatory impact.

Total new capital raised in the fiscal year as of September 30, 2016 was \$3.15 billion.

Just two funds represented nearly 65% of the total capital raised; Stone Ridge Trust II raised \$1.1 billion and Griffin Institutional Access Real Estate Fund raised \$938.6 million.

#### Diverse Set of Asset Classes and Strategies Abound

Perhaps one of the most distinctive characteristics of these funds is that they all differ by strategy and asset classes. Some of the asset classes and strategies that are employed by interval funds and NCEFs are:

- Real estate fund of funds
- Corporate credit and bonds
- Hedge fund of funds
- Private equity fund of funds
- Alternative multi-strategy
- Insurance securities
- Online consumer lending
- Residential and commercial mortgages
- Venture capital
- Impact investing
- Energy sector investments

In a structure that is typically aligned with compliance and new regulations, investors can choose from a large menu of investment options that can achieve diversification, income, and alternative investment allocations within a portfolio. Guidance and education is even more critical when evaluating these funds.

### New Registrations Hit \$8.2 Billion

Pending registrations total 20 different funds with over \$8.2 billion in total offerings registered. The \$8.2 billion is actually much lower than what will likely be offered when offerings are effective. The reason for this is that many funds will register a small amount, such as \$1,000,000, to get through registration and SEC approval at a lower cost. Once given the okay by the SEC, those funds will usually increase their offering in an updated prospectus. You will see some of the funds in the table below.

Both big name asset managers and veterans of the direct investment industry are included on this list of registrations. Large asset managers like PIMCO and Principal have funds in registration. Veterans of the industry with funds in registration include Griffin, Sierra, FS Investments, Steadfast, Bluerock and NexPoint (Highland Capital).

Fund Name	Amount Registered
(BlueRock) Total Income + Mortgage Fund	\$500,000,000
Federated Project and Trade Finance Tender Fund	\$200,000,000
Forefront Income Fund	\$100,000,000
FS Energy Total Return Fund	\$2,000,000,000
Griffin Institutional Access Global Credit Fund	\$1,000,000
GuideMark Alternative Lending Income Fund	\$1,000,000
Multi-Strategy Alternative Income Fund	\$150,000,000
NexPoint Discount Yield Fund	\$50,000,000
NexPoint Energy Opportunities Fund	\$50,000,000
NexPoint Healthcare Opportunities Fund	\$50,000,000
NexPoint Latin American Opportunities Fund	\$50,000,000
NexPoint Merger Arbitrage Fund	\$50,000,000
Northstar/ Townsend Institutional Real Estate Fund Inc.	\$1,000,000,000
PIMCO Flexible Credit Income Fund	\$1,000,000
Principal Real Estate Income Opportunity Fund	\$1,000,000
Prospect Marketplace Lending Fund	\$1,000,000
Relative Value Fund	\$1,000,000
Sierra Total Return Fund	\$1,000,000,000
Steadfast Alcentra Global Credit Fund	\$3,000,000,000
XAI Octagon Credit Opportunities	\$1,000,000
<b>Grand Total</b>	<b>\$8,207,000,000</b>

# Interval Fund and Nontraded CEF Review: Period Ending September 30, 2016



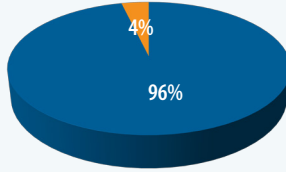
## Offerings Summary

Fund Name	Classification	Affiliated Sponsor/Advisor	Total Assets	Net Proceeds	Distribution Yield
			2016	2016	2016
A&Q Masters Fund (Hedge Fund of Funds)	NCEF	UBS	\$171.8	-\$13.6	
ACAP Strategic Fund	Interval Fund	SilverBay Capital Management	\$2,761.1	\$55.9	
Altegris KKR Commitments Fund	NCEF	Altegris	\$179.2	\$60.4	
Alternative Strategies Fund	Interval Fund	Ladenburg Thalmann	\$26.7	\$1.1	
BlackRock Enhanced Government Fund, Inc.	Interval Fund	BlackRock	\$135.6	\$0.0	
Blackstone Alternative Alpha Fund	NCEF	Blackstone	\$1,025.9	-\$30.3	
CION Ares Diversified Credit Fund	Interval Fund	CION and Ares Management	Ltd. Ops	Ltd. Ops	
CPG Carlyle Fund LLC	Interval Fund	Carlyle Group	\$952.1	\$35.4	
FS Global Credit Opportunities	NCEF	Franklin Square / GSO	\$1,728.2	\$218.6	7.32%-T, 8.26%-ADV
Griffin Institutional Access Real Estate Fund (GIREX)	Interval Fund	Griffin Capital	\$1,393.3	\$938.6	5.12%-A, 5.25%-C, 5.21%-I
Grosvenor Registered Multi-Strategy Master Fund LLC	NCEF	Grosvenor Capital Management	\$401.8	N/A	
Guggenheim Energy & Income Fund	NCEF	Guggenheim Partners	\$116.0	\$0.3	
Multi-Strategy Growth & Income	Interval Fund	RJL Capital Management	\$210.7	-\$4.6	6.00%-A
NexPoint Real Estate Strategies Fund	Interval Fund	Highland Capital Management	\$5.5	N/A	
Northstar Corporate Income Fund	NCEF	Northstar	\$0.1	N/A	
Northstar Real Estate Capital Income Fund & T	NCEF	Northstar	\$0.1	N/A	
Palmer Square Opportunistic	Interval Fund	Palmer Square Capital Management	\$75.2	\$23.0	
Pioneer ILS Interval Fund	Interval Fund	Pioneer Investments	\$162.3	\$78.5	
PREDEX	Interval Fund	PREDEX	\$13.0	N/A	
Priority Income Fund	NCEF	Provasi / Priority	\$184.8	\$105.4	6.86%-R, 7.30%-RIA, 7.45%-I
Resource Credit Income Fund	Interval Fund	Resource	\$5.4	N/A	
Resource Real Estate Diversified Income Fund	Interval Fund	Resource	\$186.7	\$70.1	5.96%-A, 5.16%-C, 5.33%-W
RiverNorth Marketplace Lending Fund	Interval Fund	RiverNorth Capital Management	\$8.1	N/A	
RiverPark Commercial Real Estate Fund	Interval Fund	RiverPark Advisors (Tamlico as Sub-Advisor)	\$0.3	N/A	
Sharespost 100 Fund	Interval Fund	SP Investments Management / SharesPost	\$69.7	\$1.5	
Steben Select Multi Strategy Fund	NCEF		\$63.6	\$7.9	
Stone Ridge Trust II (Reinsurance Fund)	Interval Fund	Stone Ridge Asset Management	\$3,503.0	\$1,104.8	
Total Income+ Real Estate Fund	Interval Fund	BlueRock	\$492.2	\$94.9	5.25%-A/C/I
Trilinc Global Impact Fund	Operating Company LLC	Trilinc	\$230.8	\$84.5	7.22%-A, 6.42%-C, 8.00%-I
Triloma EIG Global Energy Fund	NCEF	EIG Global Energy / Triloma	\$3.1	\$2.0	
Versus Capital Multi Manager Real Estate Fund	Interval Fund	Versus Capital	\$1,005.5	\$293.0	4.38%-F, 4.66%-I
Vertical Capital Income Fund	Interval Fund	Provasi / Behringer Advisors	\$192.2	\$18.2	3.10%
Wildermuth Endowment Fund	Interval Fund		\$23.0	\$7.3	
<b>TOTAL</b>			<b>\$15,327.5</b>	<b>\$3,152.8</b>	

# Interval Fund and Nontraded CEF Review: Period Ending September 30, 2016

## Resource Real Estate Diversified Income Fund

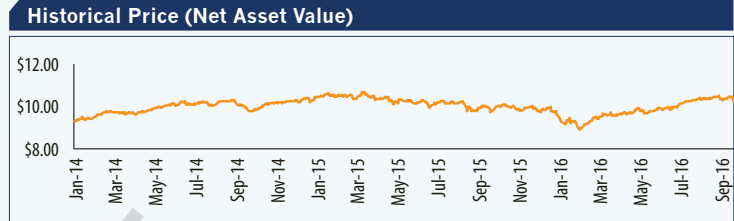
Total Assets .....	\$186.7 Million
Investments .....	\$178.9 Million
Cash & Cash Alternatives* .....	\$0.9 Million
Other .....	\$7.0 Million



Cash & Equivalents to Total Assets Ratio .....	0.5%
Fund Type .....	Interval Fund
Asset Type .....	Diversified Real Estate
Sponsor/Advisor .....	Resource America
Sub-Advisor .....	N/A
Fiscal Year Ending .....	September 30, 2016

<b>Ticker:</b>	(Class A) RREDX	(Class C) CRREX	(Class W) WRREX
Public Offering Price .....	(A) \$10.07, (C) \$10.07, (W) \$10.23		
Current Distribution Yield* .....	(A) 5.85%, (C) 5.07%, (W) 5.38%		
Effective Date .....	(A/C/W) March 11, 2013		
Anticipated Close Date .....	(A/C/W) Continuous		

\*As of January 3, 2017



**Investment Strategy**

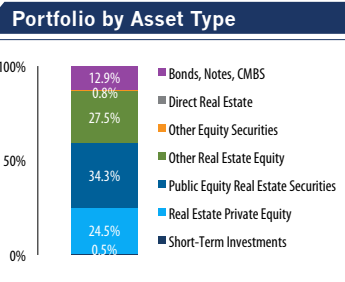
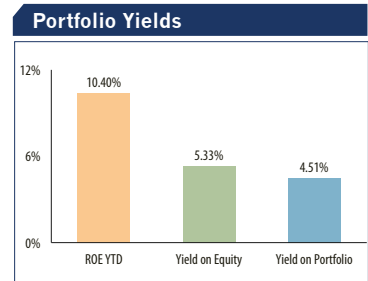
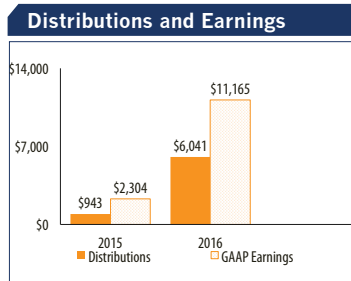
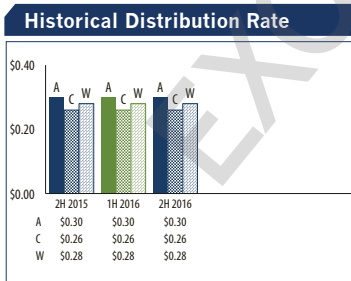
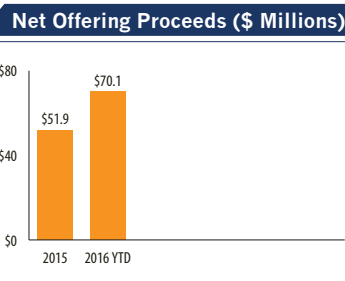
The fund's investment objective is to produce current income and achieve long-term capital appreciation with low to moderate volatility and low to moderate correlation to the broader markets. The Fund pursues its investment objective by investing, under normal circumstances, at least 80% of assets in "real estate and real estate related industry securities," primarily in income producing equity and debt securities.

The fund will target investments in institutional investment funds, nontraded real estate investment trusts (nontraded REITs), publicly traded REITs, and real estate operating companies.

**Management**

The Fund is advised by **Resource Real Estate, Inc.**, which oversees the management of the fund.

Resource is an asset management company that specializes in real estate and credit investments. The company's investments emphasize consistent value and long-term returns with an income orientation. Resource is a wholly owned subsidiary of C-III Capital Partners LLC, a leading real estate and credit investment management and commercial property services company, with approximately \$13 billion in real estate and debt assets under management as of September 30, 2016.

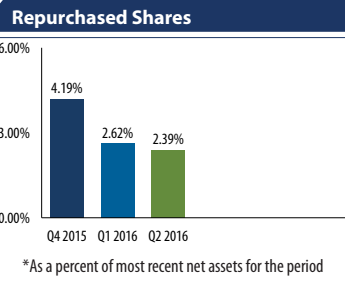


**Portfolio Composition**

Top Portfolio Holdings	%	\$ Mil.
Clarion Lion Properties Fund LP	9.0%	\$15.4
Clarion Lion Industrial Trust	3.0%	\$5.8
Communications Sales & Leasing, Inc.	3.0%	\$5.1
Clarion Gables Mutifamily Trust, LP	3.0%	\$4.8
Blackstone Mortgage Trust, Inc.,	2.0%	\$4.2

**Total Return**

Class	2016 YTD	2015
Class A	11.09%	5.78%



**Key Statistics**

Fund Operating Expense Ratio	2.30%
Annual Management Fee	1.25%
Leverage Ratio*	19.70%
GAAP Earnings – Payout Ratio	54.10%

**Contact Information**

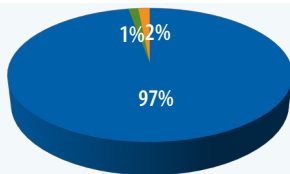
<http://www.rredif.com>  
 Resource Real Estate  
 1845 Walnut Street, 18th Floor  
 Philadelphia, PA 19103  
 866-773-4120

© 2017 Blue Vault Reports. All rights reserved. The information contained herein is not represented to be guaranteed, complete or timely. Past performance is not indicative of future results. The reproduction and distribution of the Blue Vault Partners, LLC Interval Fund and Nontraded CEF Review is strictly prohibited. Information contained in the Blue Vault Partners, LLC Interval Fund and Nontraded CEF Review should not be considered investment advice. For additional information please call 877-256-2304

# Interval Fund and Nontraded CEF Review: Period Ending September 30, 2016

## Priority Income Fund

Total Assets .....	\$184.8 Million
Investments .....	\$181.8 Million
Cash & Cash Alternatives* .....	\$2.5 Million
Other .....	\$2.9 Million

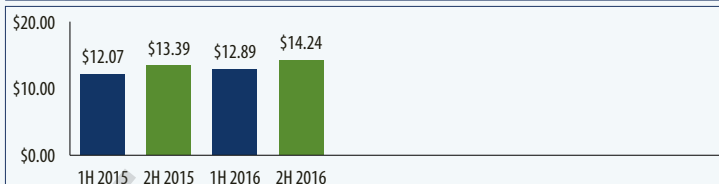


Cash & Equivalents to Total Assets Ratio .....	1.4%
Fund Type .....	Nontraded CEF
Asset Type .....	Senior Loan/CLO
Sponsors/Advisors .....	Prospect Capital and Behringer Harvard
Sub-Advisor .....	N/A
Fiscal Year Ending .....	June 30, 2016

Public Offering Price .....	(R) \$15.68, (RIA) \$14.74, (I) \$14.43
Current Distribution Yield* .....	(R) 6.86%, (RIA) 7.30%, (I) 7.45%
Effective Date .....	(R/RIA/I) May 9, 2013
Anticipated Close Date .....	(A/RIA/I) October 30, 2018

\*As of July 20, 2016

### Historical Price (Net Asset Value)



### Investment Strategy

The fund's investment objective is to generate current income and, as a secondary objective, long-term capital appreciation. The fund seeks to achieve our investment objective by investing at least 80% of our total assets in senior secured loans made to companies whose debt is rated below investment grade or, in limited circumstances, unrated,

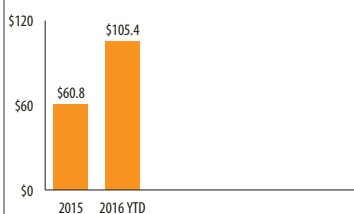
which we collectively refer to as "Senior Secured Loans," with an emphasis on current income. The company primarily invests in these loans through junior and equity tranches of CLOs (Collateralized Loan Obligations).

### Management

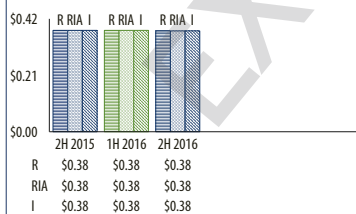
The fund is managed by **Priority Senior Secured Income Management, LLC**, which is owned 50% by Behringer Harvard, a national sponsor of alternative investments and 50% by Prospect Capital Management, who manages the day-to-day operations of the fund. Prospect manages a BDC, Prospect Capital Corporation, with total

assets of approximately \$6.3 billion as of June 30, 2016. The Adviser also manages the Pathway Infrastructure Fund of \$8.9 million in assets as of June 30, 2016.

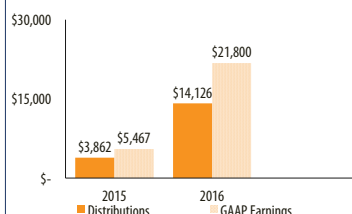
### Net Offering Proceeds (\$ Millions)



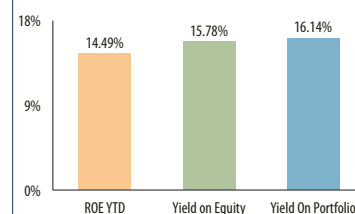
### Historical Distribution Rate



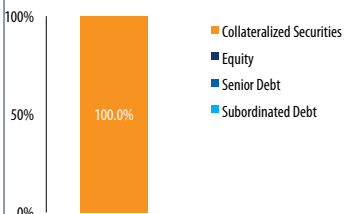
### Sources of Distribution



### Portfolio Yields



### Portfolio by Asset Type



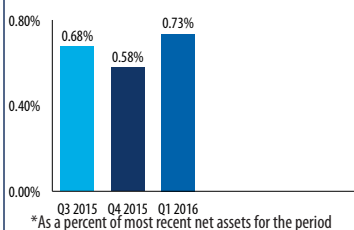
### Portfolio Composition

Top Portfolio Holdings	%	\$ Mil.
N/A - Diversified CLO Issuances	N/A	N/A

### Total Return

Class	2016 YTD	2015	2014
Priority Income Fund NAV	19.13%	56.24%	-27.15%

### Repurchased Shares



### Key Statistics

Fund Operating Expense Ratio	2.98%
Annual Management Fee	2.00%
Leverage Ratio*	0.00%
GAAP Earnings – Payout Ratio	69.50%

### Contact Information

<http://provasicapital.com/microsites/priority-income-fund/>

Provasi Capital Partners LP  
15601 Dallas Parkway, Suite 200  
Addison, TX 75001

866-655-3600

© 2017 Blue Vault Reports. All rights reserved. The information contained herein is not represented to be guaranteed, complete or timely. Past performance is not indicative of future results. The reproduction and distribution of the Blue Vault Partners, LLC Interval Fund and Nontraded CEF Review is strictly prohibited. Information contained in the Blue Vault Partners, LLC Interval Fund and Nontraded CEF Review should not be considered investment advice. For additional information please call 877-256-2304