

BLUE VAULT™

Nontraded **BDC**

Industry Review

Fourth Quarter 2015

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BDC Industry Review: Fourth Quarter 2015



May 3, 2016

We are pleased to release our fourth quarter 2015 Nontraded BDC Industry Report. Our hope is that our research provides you with information and education that allows you to evaluate nontraded investments from a fact-based perspective. As a firm that strives to provide independent, valuable, transparent and useful research, we will continue our expansion of research efforts and education to the alternative investment community. We thank our subscribers for their support of Blue Vault.

Inside this report, you will find an overview of the markets as it relates to BDCs and the investments BDCs make. Additionally, you will find useful capital markets data summarizing capital raising, performance and new issuance of BDCs. Every covered BDC with significant operations has its own page of performance metrics and analysis. Also, you can find out about 'shadow BDCs' that are under the radar with roughly \$3.6 billion, but have the same structure as our covered nontraded BDCs.

With over \$21 billion in assets under management, nontraded BDCs continue to grow as a major part of the nontraded alternative investment universe. The nontraded BDC structure continues to be a popular vehicle for investors to get exposure to private equity type investments as well as for asset managers to raise continuous capital to invest in different opportunities and time periods.

As always, we appreciate your support and welcome any comments, suggestions or questions on the report. Our goal is that Blue Vault will allow you to be better educated and make more informed investment decisions. We are always looking for new ways to enhance the reports and add value to our subscribers.

Our Best Regards,

A handwritten signature in blue ink, appearing to read "Stacy H. Chitty".

Stacy Chitty
Managing Partner
Blue Vault

A handwritten signature in blue ink, appearing to read "Jared Schneider".

Jared Schneider
Managing Partner
Blue Vault

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2016 Publication Schedule

	SEC 10-Q/10-K Release Date	Individual BDC Pages Begin Posting Online	FULL Review Publication Date
First Quarter 2016 (10-Q)	May 20, 2016	June 6, 2016	Week of June 20, 2016
Second Quarter 2016 (10-Q)	August 15, 2016	August 29, 2016	Week of September 12, 2015

NOTE:

The SEC deadlines for quarterly financial report filings are listed above. Blue Vault begins processing REIT data immediately and preparing individual reports for each REIT as filings become available. As individual REIT reports are completed, they will be released prior to the release of the full Quarterly Review. In these instances, Blue Vault will notify our subscribers via a “Special Announcement” email. These individual REIT reports may be accessed electronically via our website at that time.

To receive your “Special Announcement,” go to www.bluevaultpartners.com and sign up to receive our NewsWire. The NewsWire is delivered by email three times weekly. You can also follow us on [Twitter](#) and [Facebook](#) for important and timely industry notifications.

Metric Definitions and Explanations

A Portfolio Details

Includes a summary of the portfolio holdings for the current period as reported on the BDC's balance sheet. Items categorized as investments include debt investments, preferred equity, common equity, and other short-term investments. Cash and Cash Equivalents include cash on the balance sheet and other cash-like liquid assets.

This section also includes a current overview of the BDC's investment strategy as it relates to the types of investments it makes, the industries the fund is focused on and the size of companies the fund plans to invest in. Specifics found in this section include number of portfolio companies and the investment management advisor. Also included is whether the company employs a Total Return Swap (TRS) and the value of the assets in the TRS.

Total Return Swap (TRS) – An investment vehicle designed to give the fund additional interest payments and capital gains without having to purchase the assets and hold on the balance sheet. Cash collateral and payments to the institution holding the investments are typically required. The fund essentially “borrows” the TRS portfolio without the full risk of purchasing the investments outright.

Net Taxable Income – The tax-basis of earnings, which includes net investment income, realized capital gains, unrealized gains on TRS Assets and foreign exchange and other derivatives. Taxable income is reported on an investor's 1099 to reconcile distributions to taxable income, capital gains and return of capital.

The initial offering date is defined as the date the BDC was considered “effective” by the SEC and began raising money in its public offering. The number of months indicates how long the BDC has been raising capital and the anticipated offering close date is the date the BDC anticipates closing the BDC to new investments. The current price per share and reinvestment price per share are based on either the most recent offering price or the most recent price published.

B Public Offering Price (POP) and Current Distribution Rate

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. Current distribution rate is annualized.

C Net Asset Value (NAV) Per Share

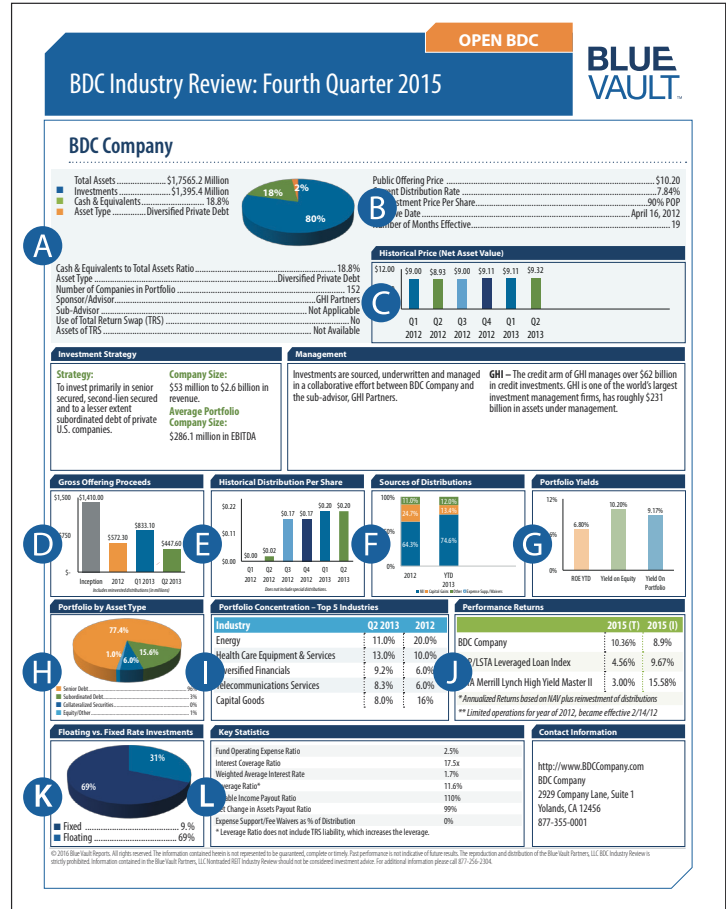
The sum of the fair value of the total assets minus the total liabilities divided by the total number of shares outstanding. This number is reported publicly at least every quarter.

D Gross Offering Proceeds

Defined as the sales of nontraded BDC shares plus shares purchased through dividend reinvestment.

E Historical Distribution

Historical distribution shows the per share distribution amount in dollars



F Sources of Distributions

Note – comparisons may differ due to the fact that some funds use GAAP numbers and some use tax numbers for showing sources of distributions, unpaid and not yet earned incentive fees may show as “Other” for sources of distributions.

Net Investment Income (NII) – Income earned from investments during the quarter or year less investment and operating expenses. Expense support or the reimbursement of expense support may be subtracted from or added, respectively, to operating expenses. This portion of income is the most sustainable portion and should represent where the majority of distributions are coming from.

Net Realized Gains (Capital Gains) – Gains or losses from investments that were sold in the quarter or year. Although it is an important component of income to the fund, realized gains can be unpredictable and will not be consistent from quarter to quarter.

Expense Support – Expenses paid for by the advisor, sponsor or affiliated holding company during the quarter or year. Typically expense support is given at the beginning of the fund's lifecycle and tapers off as the fund begins to make

Metric Definitions and Explanations

investments and generate income and capital gains. These expenses are typically reimbursed to the sponsor or advisor over time. This number may also include fee waivers by the fund.

G Portfolio Yields

Return on Equity (ROE) – 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.

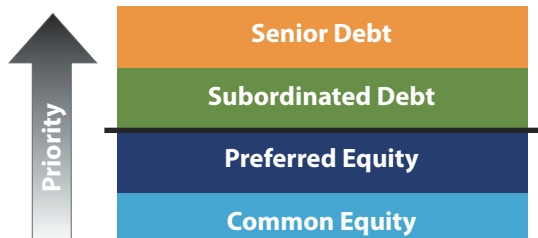
Yield on Equity – Calculated as the annualized total investment income for the quarter divided by average equity for the period.

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.

H Portfolio by Asset Type

The percentage of investments that appear as senior debt, subordinated debt, preferred stock or common stock as it relates to total investment assets. The priority of repayment refers to the priority each investor receives in repayment in the event of bankruptcy. This is sometimes referred to as the capital stack.

Capital Stack

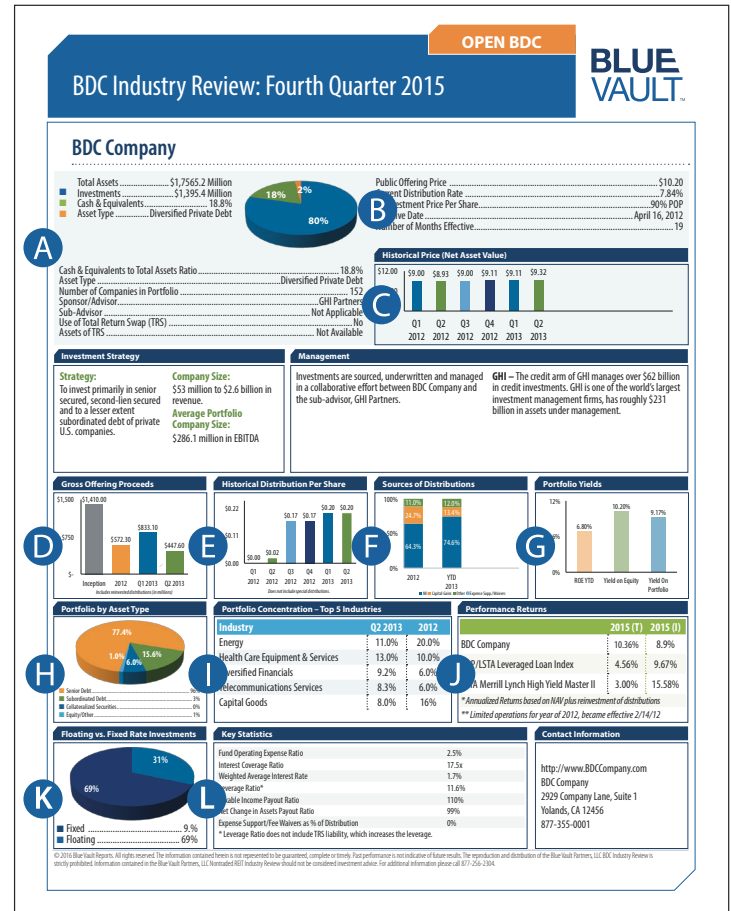


I Portfolio Concentration - Top Five Industries

The top five industries that the fund holds in its portfolio (through companies in those respective industries) and the represented percentage of portfolio for the most recent quarter and previous year. This metric gives an understanding of whether the fund is overly concentrated in one or more industries.

J Performance Returns

Annualized Return – Calculated as the total return for the period converted into an annual rate. An example is a quarterly total return of 3% times four quarters equals 12% annualized rate. The annualized rate is subject to change based on future periods.



S&P/LSTA US Leveraged Loan Index – Capitalization-weighted syndicated loan index based upon market weightings, spreads and interest payments. The index seeks to mirror the market-weighted performance of the largest institutional leveraged loans. This index can be used to compare floating rate debt performance.

Bank of America Merrill Lynch High Yield Master II – A commonly used benchmark index for high yield corporate bonds. It is administered by Merrill Lynch. The Master II is a measure of the broad high yield market, unlike the Merrill Lynch BB/B Index, which excludes lower-rated securities. This index can be used to compare fixed rate/high yield debt performance.

K Floating Rate vs. Fixed Rate Investments

Calculated as the total dollar amount of floating rate debt investments divided by the total dollar amount of debt investments. The same calculation is done for fixed rate debt investments. Generally for debt investors, fixed rate debt is preferred during times of falling interest rates and floating rate debt is preferred during times of rising interest rates. This section does not cover equity and other securities.

Metric Definitions and Explanations

Floating Rate Debt – Debt that has a variable rate that changes based on changes in key interest rate indicators such as LIBOR, Fed Funds rate, Prime rate, Treasury yields, etc. The debt will many times be quoted as the indicator plus a spread amount. An example would be LIBOR + 250, which means the current LIBOR rate plus 2.50% is the current interest rate. Additionally, many floating rate loans have a floor which sets the minimum interest rate.

Fixed Rate Debt – Debt that has a fixed interest rate for a set period of time.

L 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.

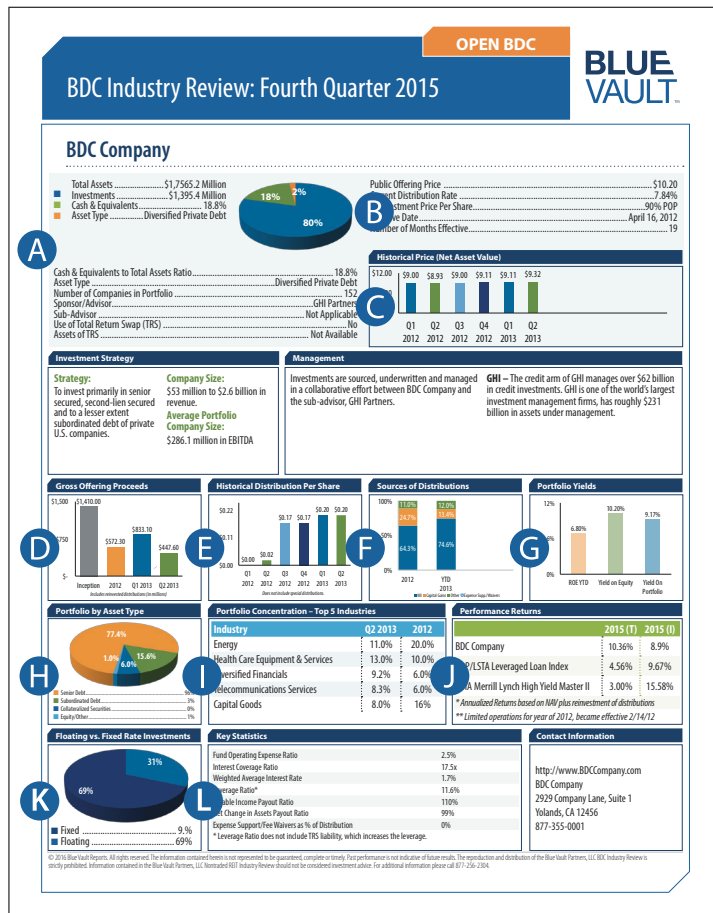
Interest Coverage Ratio – Calculated as the sum of Net Investment Income plus realized capital gains plus interest expense divided by total interest expense. This measures the ability of the company to pay ongoing interest expenses from operations.

Weighted-Average Interest Rate – Calculated as the annualized current period interest expense divided by average borrowings for the period. This measure does not precisely evaluate the go-forward interest rate the fund pays, as new borrowings may not be reflected in interest payments for a given period. It does provide an estimate to determine the spread between interest payments and yield on borrowed assets.

Leverage Ratio – Calculated as the total borrowings divided by total assets. This number also includes off-balance sheet net TRS borrowings (TRS Notional Value minus Cash Collateral divided by TRS Notional Value).

Taxable Income Payout Ratio – Calculated as the year-to-date total distributions divided by the estimated year-to-date net taxable income. The metric is designed to determine how much of the distribution is derived from taxable income. Beyond the beginning stages of the fund, the ratio should be below or close to 100%.

Net Change in Net Assets (Net Change in Assets) – The GAAP measure for earnings, which includes net investment income, realized and unrealized capital gains, as well as certain accruals such as unearned performance incentive fees.



Net Change in Assets Payout Ratio – Calculated as the year-to-date total distributions divided by the year-to-date 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. Beyond the beginning stages of the fund, the ratio should be below or close to 100%.

Expense Support Percentage of Distribution – Calculated as the year-to-date total expense support divided by the year-to-date distribution. This measures the amount of distributions that are provided through the sponsor/advisor's expense support agreement.

The History of Business Development Companies (BDCs)

A business development company (BDC) is an SEC-registered investment company that invests in primarily private US-based businesses. This form of company was created by Congress in 1980 as amendments to the Investment Company Act of 1940. BDCs are typically taxed as regulated investment companies (RICs). Similar to REITs, BDCs are required to distribute at least 90% of taxable income as dividends to investors, and the company itself has to pay little or no corporate income tax.

Although the regulation for BDCs was passed in 1980, the creation of these companies did not come until the late 1990s and early 2000s. Furthermore, they did not begin to gain popularity until Apollo Investment Corporation raised \$930 million in a period of three months in 2004. This ignited a stream of BDC IPOs over the years following. Still the BDC industry remains relatively small when compared to mutual funds, REITs and other investments. Total BDC assets in the traded and nontraded are estimated to be close to \$45 billion.

Investments of BDCs

BDCs invest in primarily private companies. They are required to invest 70% or more of their assets in US-based private companies. This is an investment type that was previously limited to institutional and wealthy individuals through private equity and private debt funds. Now through these SEC reporting funds, retail investors now have access to private equity and debt investments.

Many times, BDCs will invest in smaller or medium sized businesses. BDCs may be diversified in the industries they invest in or have a specific industry specialization (i.e. energy, technology, healthcare). Additionally they may focus on equity investments in companies, debt investments in companies or a hybrid of the two. BDCs utilize management teams and advisors to underwrite investments and make loans or equity investments into companies. So far, nontraded BDCs have primarily been focused on investing in the debt side of businesses.

Additionally, BDCs are required to offer operational or management assistance to the companies they invest in. This provides a layer of support that the companies would have not previously had. Many times the managers of BDCs are very experienced at improving companies' operations and profitability.

Traded and Nontraded BDCs

Historically BDCs have been traded on public exchanges. Mirroring what happened about a decade ago in the REIT industry, nontraded BDCs have become available in the past few years. The first nontraded BDC, FS Investment Corporation, became effective in January 2009. Another nontraded BDC did not become effective until 2011 with Corporate Capital Trust.

There are a few reasons that the nontraded structure has come about. One such reason is that it allows the BDC to raise capital continuously. There are two parts to this. It allows the BDC to have capital across economic cycles rather than when the capital markets are up. Also, the continuous capital raise allows time for underwriting and investing in assets, rather than having to deploy a very large amount of capital immediately. Another reason is that the liquidity restrictions allow the BDC to be long-term focused. Additionally, the value of the investor's investment is based on Net Asset Value (NAV) of the assets and is not subject to the same volatility and pricing as the stock market. However, these investments are not for all investors. They cannot be bought and sold on the public markets and have limited liquidity provisions. Typically the investor will have to wait five to ten years until a "liquidity event," sale of the portfolio or listing on an exchange, takes place.

External and Internal Management

Similar to REITs, BDCs can be externally or internally managed. External management is a structure where an advisor makes investments and manages the portfolio for the BDC. The BDC itself has no employees, but pays a management fee to the advisor. Internal management means that the BDC has employees and overhead that are a normal operating expense to the BDC. However most BDCs traded and nontraded are externally managed. The reason for this is that many BDCs are advised or sub-advised by experienced private equity or investment management companies. This allows those investment companies to use resources from across their organization to underwrite, manage and handle the administration of the BDC.

Nontraded BDC Industry Highlights and Capital Market Overview

Nontraded BDC Industry Facts (as of December 31, 2015)

- \$21.4 billion in assets under management
- Average yield of 8.11%
- \$4.2 billion in capital raise during 2015
- The top-3 funds raised 69% of the total industry raise
- 13 funds currently raising capital
- 6 closed funds
- 7 new funds entered the market
- 1 full cycle fund, now listed (FS Investment Corporation [NYSE:FSIC])
- 2 funds in registration with \$3.2 billion of registered equity offerings

Capital Markets Update

Capital Raise Has Slowed

Capital raise for 2015 slowed by 34% year-over-year to \$4.2 billion from the \$6.3 billion raised in 2014. There are several cited reasons why the slowdown may have occurred.

1. Regulation and New Share Structures

One reason for the slowdown and a very hot topic for the industry this year was the combination of two major regulatory rules that became effective in 2016. FINRA's rule 15-02, which requires customer account statements to disclose valuation of the product shares after taking out the load, or sales commission. The other rule was the Department of Labor's (DOL) implementation of a requirement for all financial advisors offering advice to retirement accounts to act as fiduciaries to the client. Inside this rule, it stated that conflicts of interest must be cleared up and it blurred the line of whether receiving commission for investments provided said conflict. Additionally, the original drafting of the rule excluded nontraded REITs, BDCs and other investment funds from allowable investments in retirement accounts. The final rule eliminated those exclusions, and nontraded products will be allowed into retirement accounts.

With all of that taken into account, many broker-dealers and financial advisors decided to hold off on any transactions related to those products until there was clarity on the final DOL rule. However, it is unclear what the future holds for the financial advice industry and whether a commission-based model can still exist. The outcome so far, is that new products have come out with lower

upfront loads and reduced fees, which is ultimately a good thing for investors and the industry.

With innovations in share classes and products having lower loads, new SEC registrations had to become effective and many selling agreements had yet to be signed by broker-dealers. It is likely that as these new funds, many with T-share (trailing fee) structures, sign on to broker-dealer platforms, sales will begin to pick up steam.

2. Market Volatility

Almost all markets globally experienced significant volatility in the second half of 2015 and first quarter of 2016. One area that was particularly affected by volatility was the credit market.

Senior loans and high yield bonds took a significant beating through the end of 2015. The contagion and fear that extreme lows in oil prices trickled into energy-related debt and then into the broader credit markets. This caused many debt funds to experience decreases in net asset value (NAV), and in the case of traded BDCs, massive discounts to NAV to the tune of 20%-30% below NAV across the industry.

As fear permeated the market, many investors did what an investor is taught NOT to do: sell at lows. Investors traded out of traded BDCs and bond funds. Nontraded BDCs also saw an uptick in redemptions of shares.

3. Disruption in Capital Raise of Market Share Leaders

Business Development Corporation of America closed on April 30, 2015. As historically one of the top four capital raisers, the lack of presence has caused a drag on industry-wide sales.

Additionally, FS Energy and Power Fund raised roughly 50% of the capital in 2015 than it raised in 2014 (\$699 million vs. \$1.36 billion). The fear in the energy space contributed significantly to the decline in sales.

There have been several BDC sponsors to enter the industry in the past year, and while they may take some current market share, we expect that the total pie (total dollars raised) will increase as well.

Nontraded BDC Industry Highlights and Capital Market Overview

New Registrations and 'Shadow BDCs'

Many of the pending registration BDCs have become effective in the past 12 months, which has left only two in registration. The pending registrations total \$3.2 billion, but \$3 billion of that is from FS Energy & Power Fund II, a sequel fund to its predecessor FS Energy & Power Fund. The other is Yorke Capital Corp. with a \$200 million registration.

	Sub-Advisor/ Affiliated Sponsor	Dealer Manager	Registered Amount
	Yorke Capital Corp	Orchard Securities LLC	\$200,000,000
	FS Energy & Power Fund II	Franklin Square Capital Partners & (Sub) GSO/Blackstone	\$3,000,000,000
TOTAL AMOUNT REGISTERED			\$3,200,000,000

There is another element to the nontraded BDC space that Blue Vault does not currently cover in its research, but keeps track of. 'Shadow BDCs', although not an official term, are funds that have elected to become BDCs and most are publicly reporting financials and material events just like any other BDC. However, the funds did not pursue the traditional IPO filing and public sale process for raising funds.

Roughly \$3.6 billion in assets are managed by 'Shadow BDCs'. If taken into account, the nontraded BDC industry manages \$25 billion versus the official \$21.4 billion amount reported by Blue Vault. Some of the BDC sponsors are fairly well known names in the investment community as well. Names like Carlyle, Audax, TCW and Siguler Guff all manage BDCs through this model.

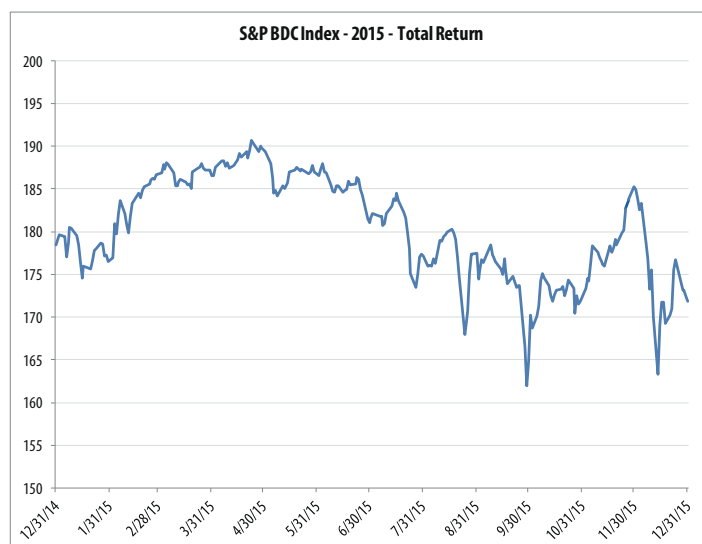
It is unclear yet whether any, if not all of these BDCs plan to do a public direct offering of securities or if they plan to list on an exchange when the market is more favorable to BDCs.

Nontraded BDCs Outperform Benchmarks Once Again

Nontraded BDCs posted a -0.46% total return for 2015. Although that seems like an unfavorable return, this industry outperformed publicly traded BDCs and both benchmark indexes tracked for BDCs.

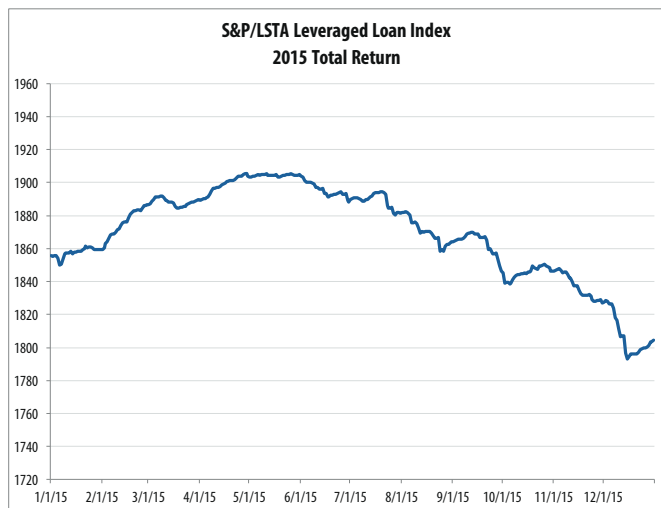
Index Total Returns	
Median Nontraded BDC Returns	-0.46%
S&P/LSTA Leveraged Loan Index	-2.83%
BofA Merrill Lynch High Yield Index	-4.87%
S&P BDC Index	-3.69%

The S&P BDC Index, which tracks the performance of traded BDCs, posted a -3.69% return for the year versus the -0.46% for nontraded BDCs.

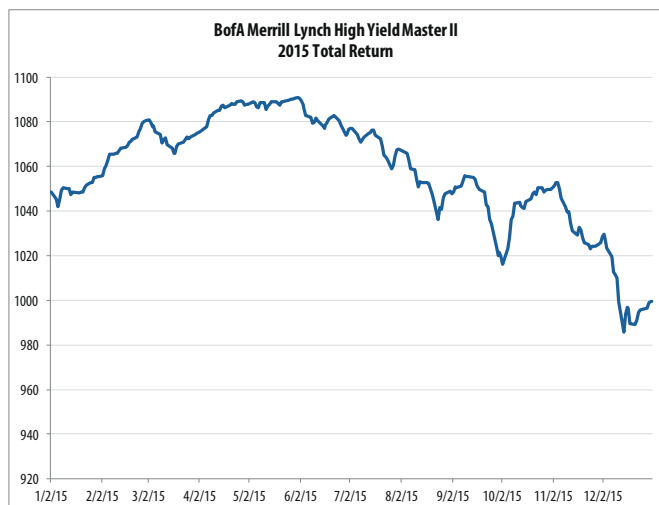


The total return of the senior loan market, tracked by the S&P/LSTA Leveraged Loan Index, was -2.83%. While there was a rally earlier in the year, the second half of 2015 saw significant declines. Again, much of the selloff stemmed from oil price contagion and overheating the stock market that created volatility.

Nontraded BDC Industry Highlights and Capital Market Overview



The high yield bond/loan market, which is tracked by the Bank of America Merrill Lynch High Yield Index, much like the leveraged loan market, experienced significant volatility in the second half of 2015. The high yield market's total return for 2015 was -4.87%.



What's in Store for 2016?

2016 has seen better performance in total return of loan portfolios. However, demand for middle market loans have slowed. According to the Thomson Reuters LPC's 2Q16 MM Investor Outlook Survey, middle market loan issuance was at it's lowest since 2010.

This slowdown can largely be attributed to the slowdown in M&A. Private equity groups, especially have slowed their deployment of capital after a fervent 2014 and 2015. Middle market company valuations are beginning to come down as the high valuations of 2014 and 2015 have cooled. This will bring the market back to a more 'normal' market.

Originations will depend largely on the relationships that lenders have with intermediaries, private equity groups and business owners. Those that have the longest standing and deepest relationships will be able to originate more loans with favorable terms.

FS Investment Corporation: Where Is It Now?

FS Investment Corp. was the first nontraded BDC in existence, which began operations in 2009. On April 16, 2014 it became listed on the New York Stock Exchange under the symbol "FSIC". The Company had \$4.2 billion in assets under management as of December 31, 2015. The market capitalization on April 25, 2016 was \$2.25 billion.

On the first day of being publicly traded, it closed at \$10.25. Shares were initially sold at \$10 per share, and the listing was viewed as a success. Over a year later, let's find out how it has performed and where

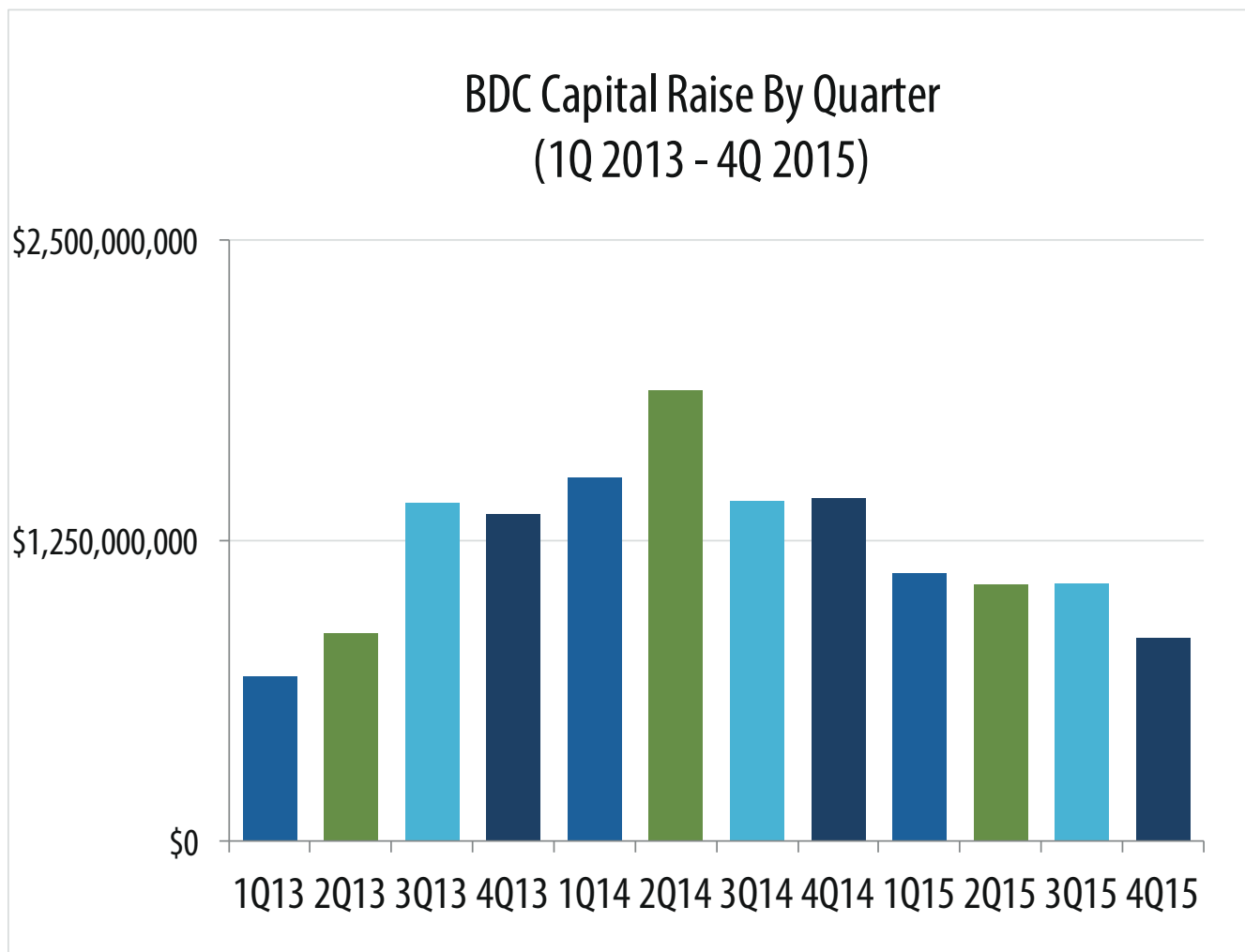
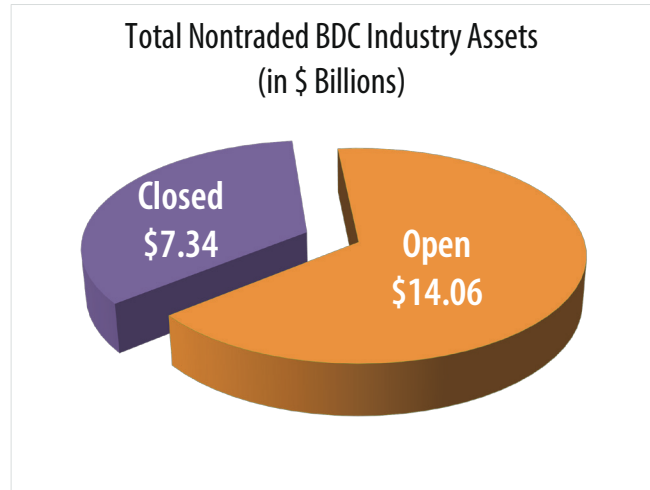
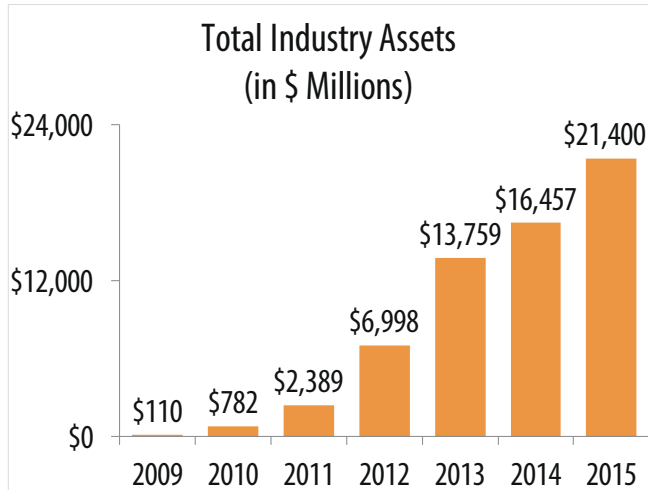
it is today.

On April 22, 2016 FSIC closed at \$9.33, 92 cents below its first day of trading. That price, \$9.33 is a 2.5% premium over its December 31, 2015 NAV of \$9.10. With many publicly traded BDCs currently trading at discounts of over 10% to NAV, the market is rewarding FSIC with a premium of 2.5%. The Company pays a quarterly dividend of approximately 9.2%.

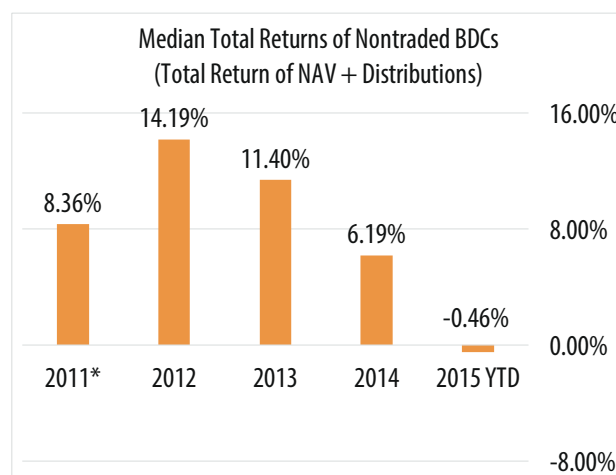
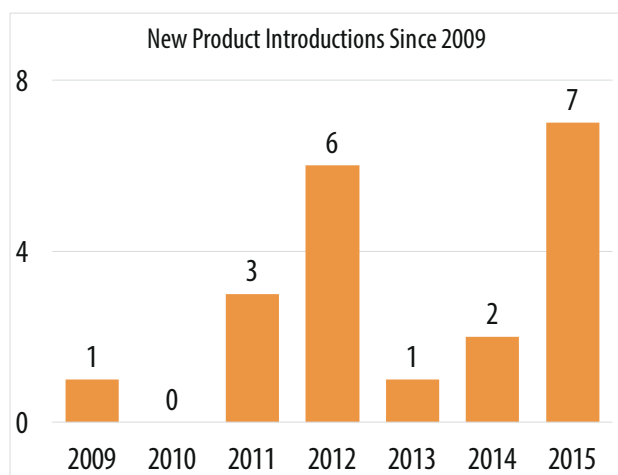
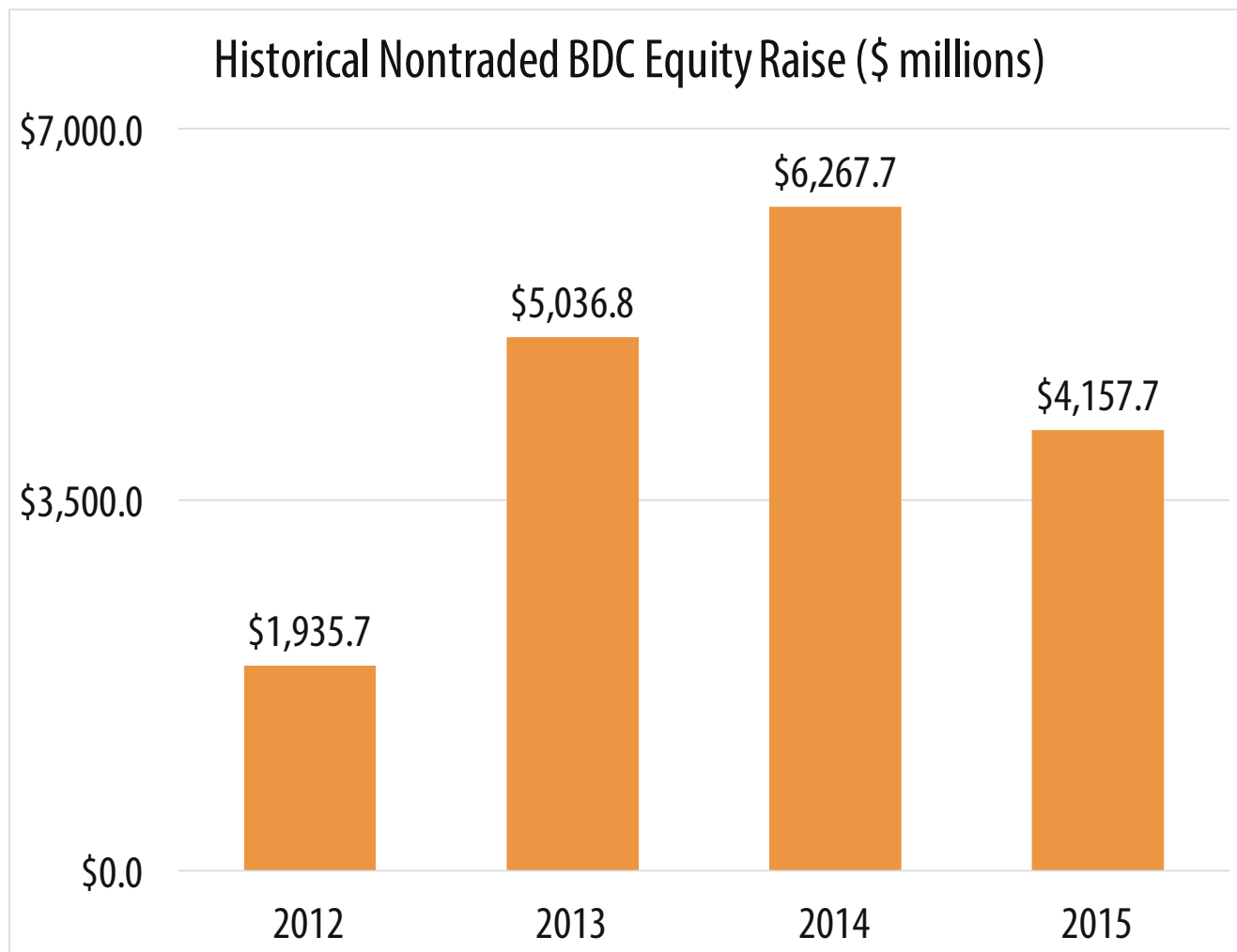
**FSIC Stock Price Performance
Since April 2014 Listing**



BDC Overall Industry Summary

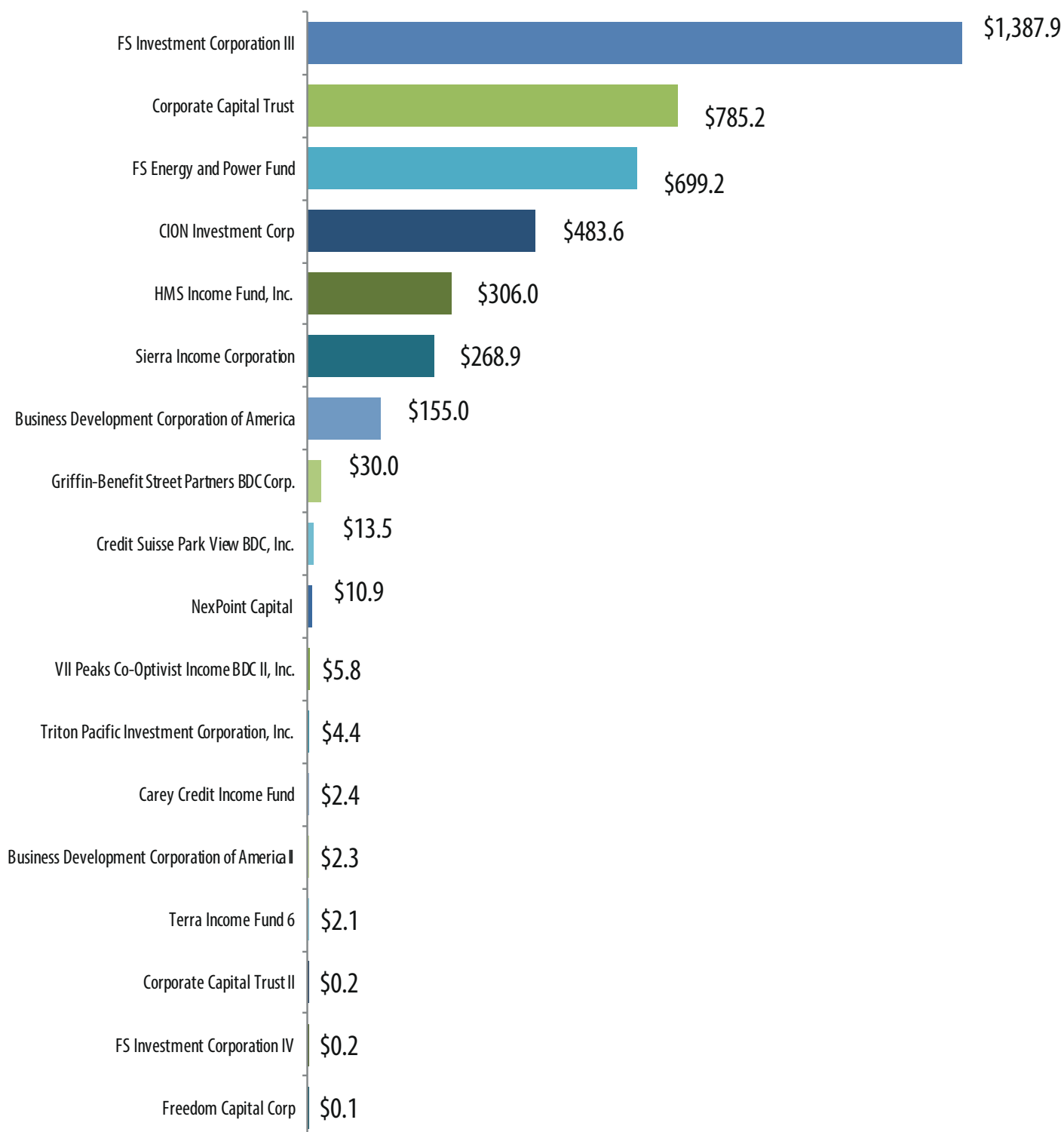


BDC Overall Industry Summary



BDC Overall Industry Summary

Gross Equity Raise in 2015 (in \$ Millions)



BDC Fund Offerings Summary

Fund Name	Open/ Closed	Effective Date	Sponsor/Advisor	Sub-Advisor	Total Assets	Gross Proceeds	Distribution Yield
					2015	2015	2015
Business Development Corporation of America (Closed)	Closed	1/25/2011	AR Capital	N/A	\$2,498.3	\$155.0	7.78%
Business Development Corporation of America II	Open	9/8/2014	AR Capital	N/A	\$4.3	\$2.3	N/A
Carey Credit Income	Open	7/24/2015	WP Carey / Guggenheim Partners	N/A	\$88.7	\$2.4	N/A
CION Investment Corp	Open	7/2/2012	Icon Investments	Apollo Global Management	\$907.6	\$483.6	7.35%
Corporate Capital Trust	Open	4/4/2011	CNL Financial Group	KKR	\$3,750.6	\$785.2	8.00%
Corporate Capital Trust II	Open	4/5/2011	CNL Financial Group	KKR	\$0.2	\$0.2	N/A
Credit Suisse Park View BDC	Open	3/19/2015	Credit Suisse Asset Management	N/A	\$343.9	\$13.5	9.71%
Freedom Capital Corp	Open	9/19/2015	Freedom Capital Investment Advisors	N/A	\$0.1	\$0.1	N/A
FS Energy and Power Fund	Open	5/12/2011	Franklin Square Capital Partners	GSO - Blackstone	\$3,499.4	\$699.2	9.45%
FS Investment Corporation II (Closed)	Closed	2/14/2012	Franklin Square Capital Partners	GSO - Blackstone	\$4,809.9	\$0.0	7.11%
FS Investment Corporation III	Open	12/31/2013	Franklin Square Capital Partners	GSO - Blackstone	\$3,058.5	\$1,387.9	7.73%
Griffin-Benefit Street Partners BDC Corp.	Open	1/20/2015	Griffin Capital / Benefit Street Partners	N/A	\$29.5	\$0.2	N/A
HMS Income Fund, Inc.	Open	6/4/2012	Hines	Main Street Capital	\$913.7	\$306.0	7.78%
NexPoint Capital	Open	8/18/2014	NexPoint Capital / Highland Capital Management	N/A	\$23.6	\$10.9	N/A
Sierra Income Corporation	Open	4/16/2012	Sierra - Medley Capital	N/A	\$1,066.6	\$268.9	8.79%
Terra Income Fund 6	Open	4/20/2015	Terra Capital Management	N/A	\$4.5	\$2.1	N/A
Triton Pacific Corporation	Open	4/20/2015	Triton Pacific Capital	N/A	\$7.6	\$4.4	N/A
VII Peaks Co-Optivist Income BDC II, Inc.	Open	3/1/2012	VII-Peaks	N/A	\$33.6	\$6.9	7.35%
TOTAL:					\$21,041	\$4,129	

BDC Fee Comparison

Effective Nontraded BDCs		Maximum Front-End Fees					Management Fees / Ongoing Fees				Actual Operating Expenses
Fund Name	Sponsor/ Advisor	Max. Sales Commission	Dealer-Mgr. Fee	Distribution Svc. Fee / Trail	Offering Expenses	Max. Total Load	AUM Fee	Incentive Fee Income/ Capital Gains	Preferred Return	Catch-Up Percent	Annualized Operating Expense Ratio (2015 YTD)*
Business Development Corporation of America	AR Capital	7.00%	3.00%	N/A	1.50%	11.50%	1.50%	20.00%	7.00%	8.75%	3.66%
Business Development Corporation of America II	AR Capital	7.00%	3.00%	N/A	1.50%	11.50%	1.00%	20.00%	7.00%	8.75%	N/A
Carey Credit Income Fund - 2016 T	WP Carey	3.00%	2.75%	0.90%	1.50%	8.15%	1.75%-2.0%	20.00%	7.50%	9.38%	7.36%
Carey Credit Income Fund - I	WP Carey			N/A			1.75%-2.0%	20.00%	7.50%	9.38%	7.36%
CION Investment Corp	Icon Investments	7.00%	3.00%	N/A	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	3.04%
Corporate Capital Trust	CNL Financial Group	7.00%	3.00%	N/A	1.10%	11.10%	2.00%	20.00%	7.00%	8.75%	3.95%
Credit Suisse Park View BDC, Inc.	Credit Suisse	0.00%	1.5% + 0.50%	N/A	0.30%	1.80%	1.75%	20.00%	7.00%	8.75%	5.71%
FS Energy and Power Fund	Franklin Square Capital Partners	7.00%	3.00%	N/A	1.50%	11.50%	2.00%	20.00%	6.50%	8.13%	4.55%
FS Investment Corporation II	Franklin Square Capital Partners	7.00%	3.00%	N/A	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	6.46%
FS Investment Corporation III	Franklin Square Capital Partners	7.00%	3.00%	N/A	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	5.02%
Griffin-Benefit Street Partners BDC Corp.	Griffin Capital	7.00%	3.00%	N/A	1.50%	11.50%	2.00%	20.00%	7.00%	8.75%	N/A
HMS Income Fund, Inc.	Hines	7.00%	3.00%	N/A	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	5.60%
NexPoint Capital	NexPoint Capital/ Highland Capital Management	7.00%	1.00%	N/A	1.00%	9.00%	2.00%	20.00%	7.50%	9.38%	N/A
Sierra Income Corporation	Sierra - Medley Capital	7.00%	2.75%	N/A	1.25%	11.00%	1.75%	20.00%	7.00%	8.75%	5.84%
Triton Pacific Investment Corporation, Inc.	Triton Pacific Capital	7.00%	3.00%	N/A	2.00%	12.00%	2.00%	20.00%	8.00%	10.00%	N/A
VII Peaks-KBR Co-Optivist Income BDC II, Inc.	VII-Peaks KBR	7.00%	3.00%	N/A	1.50%	11.50%	1.5%-2.0%	20.00%	8.00%	N/A	N/A

* Annualized Operating Expense Ratio uses expenses stated on the income statement and does not take into account expense support or fee waivers. Total Operating Expense Ratio will likely be overstated during the fundraising stage of each fund. The average net assets used in the calculation is likely to be less than current net assets, causing the ratio to be higher than if the fund was stabilized.

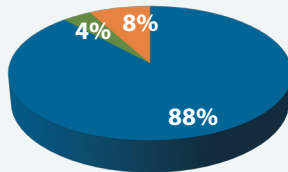
BDC Performance Summary

Effective Nontraded BDCs (Greater than \$50 million in AUM)			Total Returns				
Fund Name	Sponsor/Advisor	2015 YTD	2014	2013	2012	2011*	
Business Development Corporation of America	AR Capital	0.67%	7.63%	14.12%	15.19%	8.36%	
Carey Credit Income	WP Carey	-	-	-	-	-	
CION Investment Corp	ICON Investments	2.13%	6.92%	11.96%	-	-	
Corporate Capital Trust	CNL Financial Group	-0.90%	5.90%	11.40%	14.30%	12.23%	
Credit Suisse Park View BDC	Credit Suisse	1.00%	-	-	-	-	
FS Energy and Power Fund	Franklin Square Capital Partners	-15.87%	-4.14%	10.49%	14.07%	2.11%	
FS Investment Corporation II	Franklin Square Capital Partners	-1.94%	6.92%	10.81%	8.82%	-	
FS Investment Corporation III	Franklin Square Capital Partners	-0.93%	1.67%	-	-	-	
HMS Income Fund	Hines	2.14%	2.13%	8.47%	-	-	
Sierra Income Corporation	Sierra - Medley Capital	-0.46%	6.48%	11.75%	-	-	
Benchmark Comparison							
S&P/LSTA Leveraged Loan Index		-2.83%	0.99%	5.25%	9.67%	1.51%	
BofA Merrill Lynch High Yield Index		-4.87%	2.50%	7.42%	15.58%	4.38%	
Median		-0.46%	6.19%	11.40%	14.18%	8.36%	
Mean		-1.57%	4.19%	11.29%	13.10%	7.57%	
<p><i>* All funds but FS Investment Corp had limited operations for the year of 2011, FS Investment Corp II had limited operations in 2012</i></p>							

BDC Industry Review: Fourth Quarter 2015

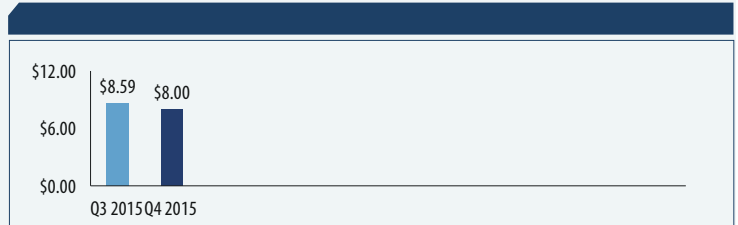
Carey Credit Income Fund

Total Assets.....	\$88.73 Million
Investments.....	\$78.23 Million
Cash & Equivalents.....	\$3.38 Million
Other.....	\$7.12 Million



Public Offering Price.....	(Class T) \$9.55, (Class I) \$25.00
Current Distribution Yield.....	(Class T) 7.0%, (Class I) 7.3%
Reinvestment Price Per Share.....	(Class T) 94.25%, (Class I) 97.00%
Effective Date.....	(Class T) 7/24/15, (Class I) 7/31/15
Number of Months Effective.....	(Class T) 5, (Class I) 5

Cash & Equivalents to Total Assets Ratio.....	3.8%
Asset Type.....	Diversified Private Debt
Number of Companies in Portfolio.....	32
Sponsor/Advisor.....	Carey Credit Advisors – WP Carey
Sub-Advisor.....	Guggenheim Partners
Use of Total Return Swap (TRS).....	No
Assets of TRS.....	Not Applicable



Investment Strategy

Strategy:
Carey Credit Income Fund intends to invest primarily in large, privately-negotiated loans to private middle market U.S. companies, focusing on senior secured debt investments.

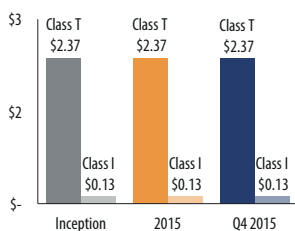
Company Size:
EBITDA between \$25 million to \$100 million and annual revenue ranging from \$50 million to \$1 billion.
Average Portfolio Company Size:
\$199.4 million in EBITDA

Management

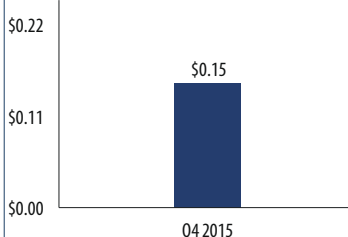
Carey Credit Advisors - WP Carey – W. P. Carey Inc. is a publicly traded REIT that provides long-term sale-leaseback and build-to-suit financing for companies worldwide. Its portfolio of global real estate has an enterprise value of \$10.4 billion. In addition, W. P. Carey manages a series of investment programs with approximately \$10.5 billion in AUM.

Guggenheim Partners – Guggenheim Partners, LLC is a global investment and advisory firm with more than \$240 billion in AUM. Its Corporate Credit team's long-term investment focus combined with its emphasis on downside protection has made it the investment manager of choice for many insurance companies, public pensions, foundations, and high-net-worth investors.

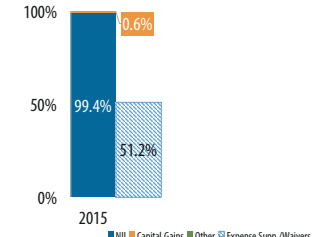
Gross Offering Proceeds



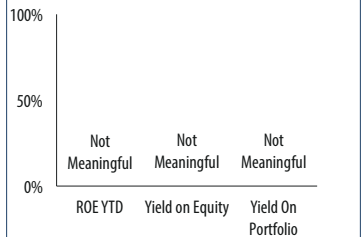
Historical Distribution Per Share



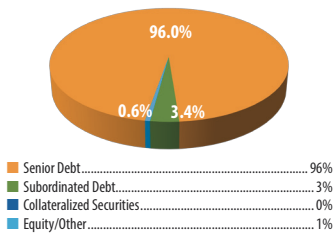
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

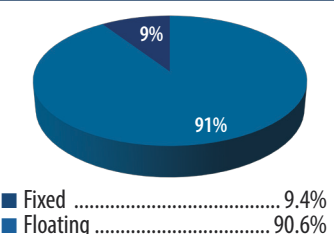
Industry	2015	2014
High Tech Industries	21.8%	NA
Aerospace & Defense	13.0%	NA
Banking, Finance, Insurance, etc.	9.2%	NA
Utilities: Electric	8.3%	NA
Telecommunications	8.0%	NA

Performance Returns

	2015 (T)	2015 (I)
Carey Credit Income Fund	Not Meaningful	
S&P/LSTA Leveraged Loan Index	-2.83%	
BofA Merrill Lynch High Yield Master II	-4.87%	

* Limited Operating History

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	7.36%
Interest Coverage Ratio	Not Meaningful
Weighted Average Interest Rate	NA
Leverage Ratio	46.2%
Taxable Income Payout Ratio	97.3%
Net Change in Assets Payout Ratio	Not Meaningful
Expense Support/Fee Waivers as % of Distribution	NA

Contact Information

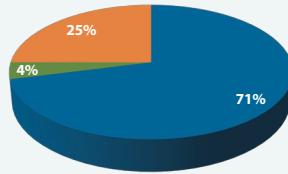
www.CareyCredit.com
Carey Credit Advisors, LLC.
50 Rockefeller Plaza
New York, NY 10020
1-800-WPCAREY

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BDC Industry Review: Fourth Quarter 2015

CIION Investment Corporation

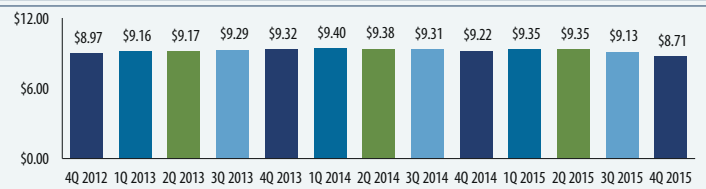
Total Assets	\$955.8 Million
Investments	\$699.8 Million
Cash & Equivalents	\$39.7 Million
Other	\$246.2 Million



Public Offering Price	\$9.95
Current Distribution Rate	7.34%
Reinvestment Price Per Share	90% POP
Effective Date	July 2, 2012
Number of Months Effective	41

Cash & Equivalents to Total Assets Ratio	4.2%
Asset Type	Diversified Private Debt
Number of Companies in Portfolio	142
Sponsor/Advisor	ICON Investments / CIM
Sub-Advisor	Apollo Investment Management
Use of Total Return Swap (TRS)	Yes
Assets of TRS (fair value)	\$683.1 Million

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

Primarily invests in the senior secured debt of U.S. middle market companies. The investment objective is to generate current income and to a lesser extent, capital appreciation for its investors.

Company Size:

EBITDA of \$50 million or less.

Average Portfolio Company Size:

\$181 million in EBITDA, \$80.4 million excluding TRS

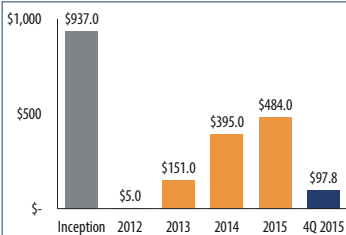
Management

Investments are sourced, underwritten and managed by CIION Investment Management, an ICON Investments subsidiary, and has engaged Apollo Investment Management as a sub-advisor to source investments and make investment recommendations.

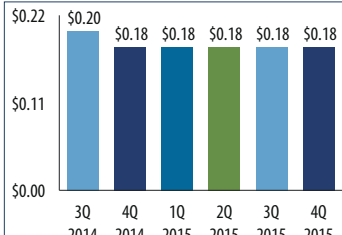
ICON Investments – With more than 27 years of experience and having made approximately \$4 billion in total investments, ICON provides direct financing to public and private companies through secured financing such as equipment financing.

Apollo Investment Management - a subsidiary of Apollo Global – a global private equity, credit and real estate investment management firm with over \$163 billion in assets under management.

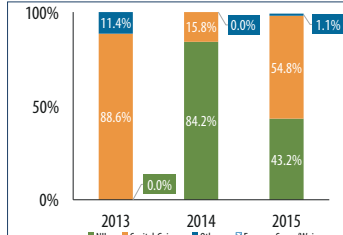
Gross Offering Proceeds



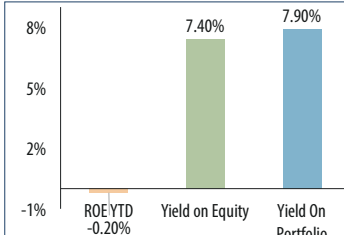
Historical Distribution Per Share



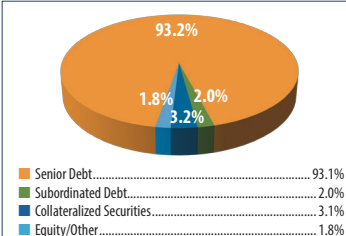
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

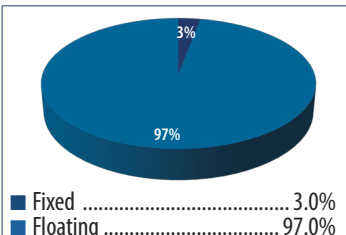
Industry	2015	2014
Services: Business	16.4%	25.4%
Healthcare & Pharmaceuticals	13.2%	2.9%
High Tech Industries	12.3%	13.0%
Diversified Financials	5.0%	10.6%
Chemicals, Plastics & Rubber	4.8%	4.3%

* Short-term Treasury Investments not included, includes TRS investments

Performance Returns

	2015	2014	2013
CIION Investment Corp	2.13%	6.92%	11.96%
S&P/LSTA Leveraged Loan Index	-2.83%	0.99%	5.25%
BofA Merrill Lynch High Yield Index	-4.87%	2.50%	7.42%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	3.0%
Interest Coverage Ratio	NA
Weighted Average Interest Rate	NA
Leverage Ratio	27.9%
Taxable Income Payout Ratio	100%
Net Change in Assets Payout Ratio	Not Meaningful
Expense Support/Fee Waivers as % of Distribution	0.0%

* Short-term Treasury Investments not included, includes TRS investments

Contact Information

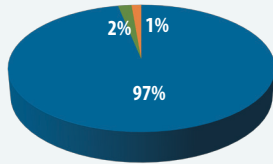
www.CIIONInvestmentcorp.com
 CIION Investment Corp.
 3 Park Avenue, 36th Floor
 New York, NY 10016
 800-435-5697

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BDC Industry Review: Fourth Quarter 2015

Credit Suisse Park View BDC, Inc.

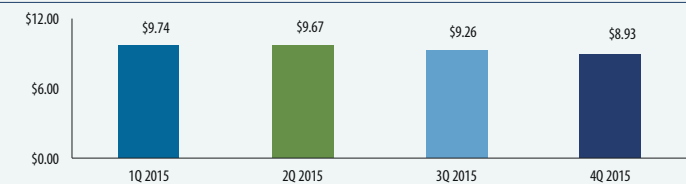
Total Assets	\$349.03 Million
Investments	\$337.74 Million
Cash & Equivalents	\$6.58 Million
Other	\$4.71 Million



Public Offering Price	\$9.42
Current Distribution Rate	9.71%
Reinvestment Price Per Share	90% POP
Effective Date	March 18, 2015
Number of Months Effective	9

Cash & Equivalents to Total Assets Ratio	1.9%
Asset Type	Diversified Private Debt
Number of Companies in Portfolio	28
Sponsor/Advisor	Credit Suisse Asset Management
Sub-Advisor	Not Applicable
Use of Total Return Swap (TRS)	No
Assets of TRS	Not Applicable

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To make direct investments in secured debt (including first and second lien senior secured loans), unsecured debt (including mezzanine debt) and, to a lesser extent, equity securities of middle-market U.S. companies.

Company Size:

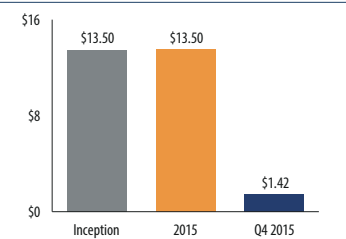
EBITDA between \$5 million and \$75 million

Management

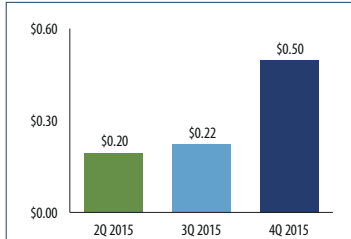
Credit Suisse Asset Management (CSAM) serves as the Advisor to the BDC. Investments are originated by CSAM's proprietary network, Credit Suisse's investment banking platform and Private Wealth Management group.

Part of Credit Suisse's global asset management business, CSAM manages approximately \$324.7 billion.

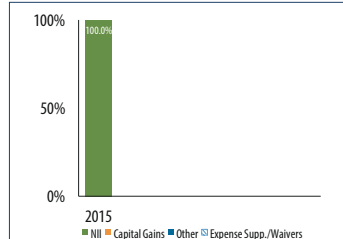
Gross Offering Proceeds



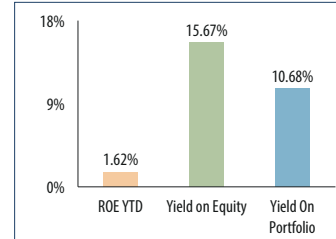
Historical Distribution Per Share



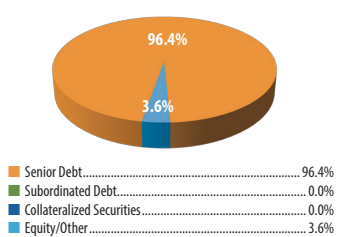
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



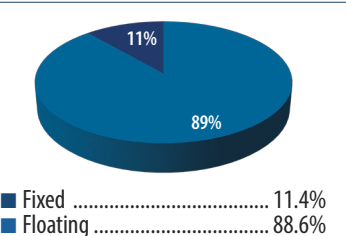
Portfolio Concentration - Top 5 Industries

Industry	2015	2014
Services: Business	16.4%	15.13%
Healthcare & Pharmaceuticals	16.2%	6.73%
High Tech Industries	10.9%	4.37%
Hotel, Gaming, & Leisure	9.5%	4.36%
Aerospace & Defense	6.9%	8.28%

Performance Returns

	2015
Credit Suisse Park View BDC	1.00%
S&P/LSTA Leveraged Loan Index	-2.83%
BofA Merrill Lynch High Yield Index	-4.87%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	5.71%
Interest Coverage Ratio	10.1x
Weighted Average Interest Rate	2.85%
Leverage Ratio	35.8%
Taxable Income Payout Ratio	106.1%
Net Change in Assets Payout Ratio	798.6%
Expense Support/Fee Waivers as % of Distribution	NA

Contact Information

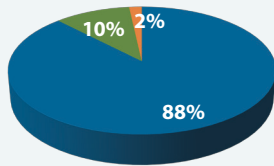
www.Credit-Suisse.com
 Credit Suisse Asset Management
 One Madison Avenue
 New York, NY 10010-3629
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BDC Industry Review: Fourth Quarter 2015

FS Energy & Power Fund

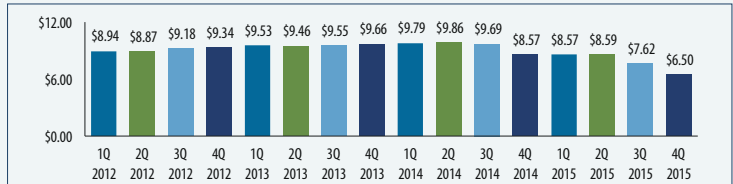
Total Assets	\$3,499.42 Million
Investments	\$3,069.50 Million
Cash & Equivalents	\$368.87 Million
Other	\$61.05 Million



Public Offering Price	\$7.50
Current Distribution Rate	9.45%
Reinvestment Price Per Share	90% POP
Effective Date	May 12, 2011
Number of Months Effective	55

Cash & Equivalents to Total Assets Ratio	10.5%
Asset Type	Private Debt & Equity
Number of Companies in Portfolio	90
Sponsor/Advisor	Franklin Square Capital Partners
Sub-Advisor	GSO – Blackstone
Use of Total Return Swap (TRS)	No
Assets of TRS	Not Applicable

Historical Price (Net Asset Value)



Investment Strategy

Strategy:
To invest primarily in the debt and income-oriented equity securities of private U.S. companies in the energy and power industry.

Company Size:
Not Applicable

Average Portfolio Company Size:
\$244.8 million in EBITDA, \$82.1 million for direct originations.

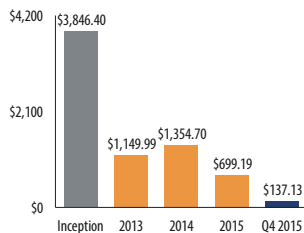
Management

Investments are sourced, underwritten and managed in a collaborative effort between Franklin Square (FS) Capital Partners and the sub-advisor, GSO Capital Partners, a Blackstone company.

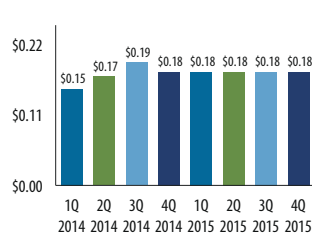
GSO - Blackstone – The credit arm of Blackstone, GSO manages over \$79.1 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$336 billion in assets under management.

Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$17.0 billion in BDC assets.

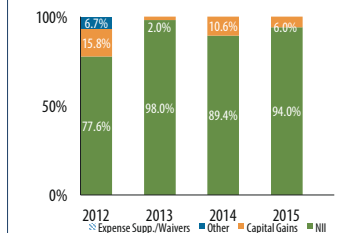
Gross Offering Proceeds



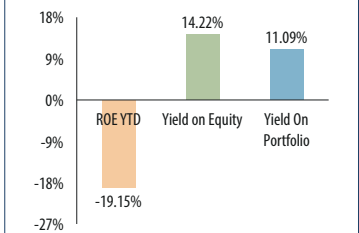
Historical Distribution Per Share



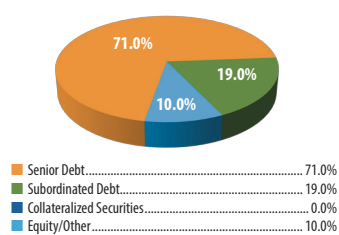
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

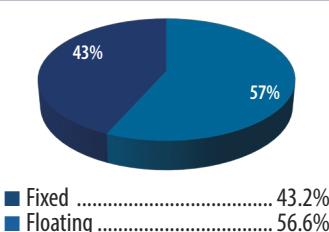
Industry	2015	2014
Upstream	55.0%	54.0%
Midstream	7.0%	7.0%
Downstream	0.0%	0.0%
Power	17.0%	10.0%
Service & Equipment	21.0%	29.0%

* Short-term Treasury Investments not included, includes TRS investments

Performance Returns

	2015	2014	2013	2012
FS Energy & Power Fund	(15.87%)	(4.14%)	10.49%	14.07%
S&P/LSTA Leveraged Loan Index	-2.83%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Index	-4.87%	2.50%	7.42%	15.58%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	4.55%
Interest Coverage Ratio	8.4x
Weighted Average Interest Rate	2.95%
Leverage Ratio	29.7%
Taxable Income Payout Ratio	102.0%
Net Change in Assets Payout Ratio	Not Meaningful
Expense Support/Fee Waivers as % of Distribution	0%

Contact Information

www.FSEnergyandPowerFund.com

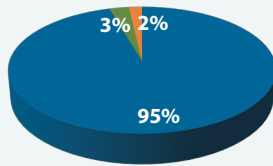
Franklin Square Capital Partners
2929 Arch Street, Suite 675
Philadelphia, PA 19104
877-372-9880

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BDC Industry Review: Fourth Quarter 2015

HMS Income Fund Inc.

Total Assets	\$893.41 Million
Investments	\$852.99 Million
Cash & Equivalents	\$24.00 Million
Other	\$16.42 Million

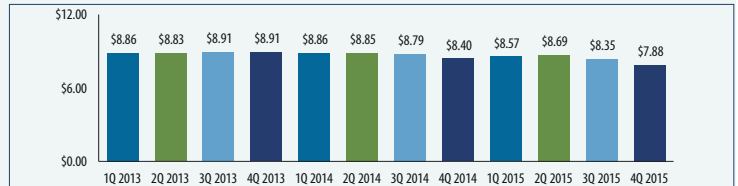


Public Offering Price*	\$9.00
Current Distribution Rate	7.78%
Reinvestment Price Per Share	90% POP
Effective Date	June 4, 2012
Number of Months Effective	42

*As of January 1, 2016

Cash & Equivalents to Total Assets Ratio	2.7%
Asset Type	Diversified Private Debt
Number of Companies in Portfolio	119
Sponsor/Advisor	Hines
Sub-Advisor	Main Street Capital Corporation
Use of Total Return Swap (TRS)	No
Assets of TRS	Not Applicable

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

Generate current income and to a lesser extent, capital gains primarily through debt and equity investments in privately owned U.S. lower middle market companies as well as upper middle market firms.

Company Size:

Annual revenues of \$10 million to \$150 million (lower middle market) up to \$3 billion (upper middle market).

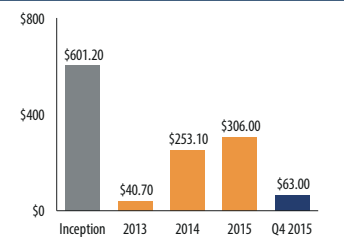
Management

Investments are managed by HMS Advisor, a Hines subsidiary, and sub-advised by Main Street Capital. Main Street provides sourcing, evaluation, negotiation and structuring for HMS's investments.

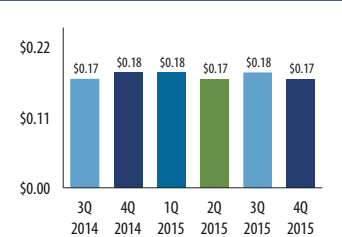
Hines – A global real estate investment firm that manages or has interests in over \$87 billion of investments. Together with its predecessor, Hines has been investing and managing real estate for over 50 years.

Main Street Capital – A manager of private debt and equity investments, Main Street Capital Corp. is a publicly traded BDC with a market capitalization of roughly \$2 billion.

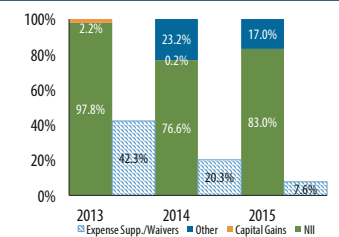
Gross Offering Proceeds



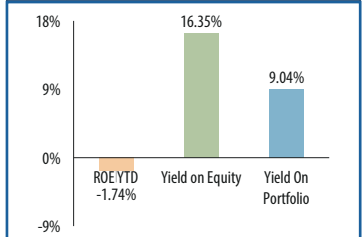
Historical Distribution Per Share



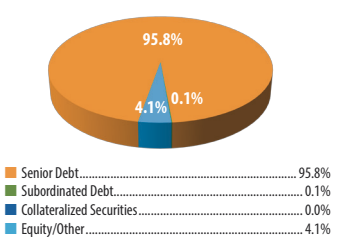
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



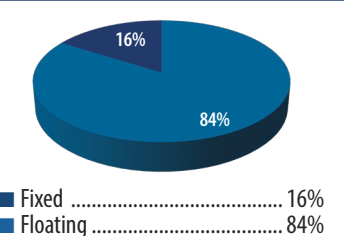
Portfolio Concentration – Top 5 Industries

Industry	2015	2014
Hotels, Restaurants, and Leisure	11.2%	7.6%
Media	7.9%	9.2%
Commercial Services and Supplies	5.5%	2.3%
IT Services	5.5%	7.1%
Oil, Gas, and Consumable Fuels	3.1%	4.7%

Performance Returns

	2015	2014	2013
HMS Income Fund	2.14%	2.13%	8.47%
S&P/LSTA Leveraged Loan Index	-2.83%	0.99%	5.25%
BofA Merrill Lynch High Yield Index	-4.87%	2.50%	7.42%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	5.6%
Interest Coverage Ratio	6.9x
Weighted Average Interest Rate	2.94%
Leverage Ratio	43%
Taxable Income Payout Ratio	110%
Net Change in Assets Payout Ratio	Not Meaningful
Expense Support/Fee Waivers as % of Distribution	7.6%

Contact Information

www.HinesSecurities.com/BDCS/HMS-Income-Fund

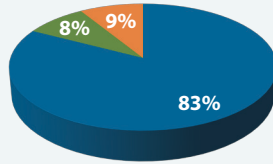
Hines Securities
2800 Post Oak Boulevard, suite 4700
Houston, TX 77056
888-446-3773

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BDC Industry Review: Fourth Quarter 2015

Sierra Income Corporation

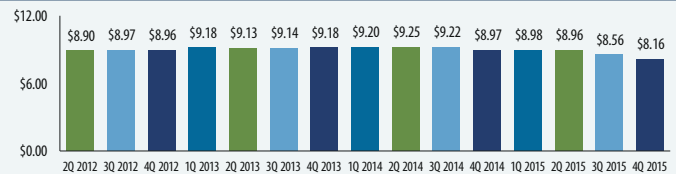
Total Assets	\$1,097.95 Million
Investments	\$907.36 Million
Cash & Equivalents	\$93.66 Million
Other	\$96.93 Million



Public Offering Price	\$9.10
Current Distribution Rate	8.79%
Reinvestment Price Per Share	90% POP
Effective Date	April 16, 2012
Number of Months Effective	44

Cash & Equivalents to Total Assets Ratio	8.5%
Asset Type	Diversified Private Debt
Number of Companies in Portfolio	89
Sponsor/Advisor	SIC Advisors - Medley Capital
Sub-Advisor	Not Applicable
Use of Total Return Swap (TRS)	Yes
Assets of TRS (fair value)	\$222.6 Million

Historical Price (Net Asset Value)



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 lesser extent, subordinated debt.

Company Size:

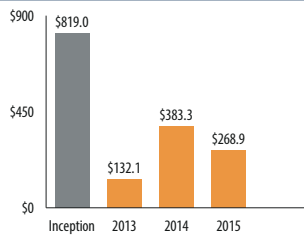
Enterprise value of \$50 million to \$4 billion

Management

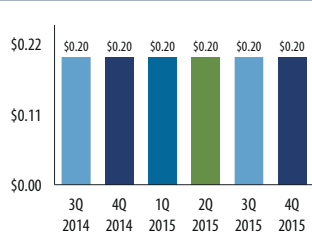
Investments are sourced, underwritten and managed by SIC Advisors, Medley Management professionals.

SIC Advisors - Medley Management – 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 Management, the parent company of SIC Advisors has several private investment funds and a publicly traded BDC (Medley Capital Corporation) with assets under management of over \$4.5 billion.

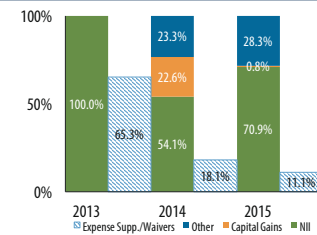
Gross Offering Proceeds



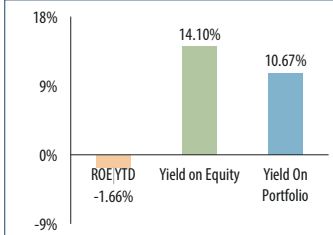
Historical Distribution Per Share



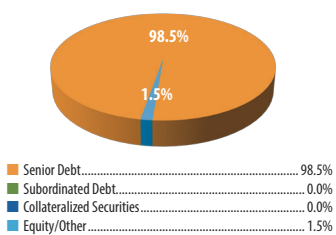
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



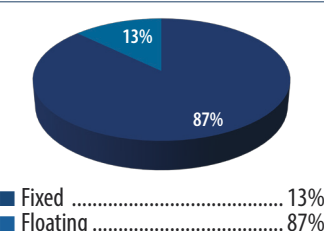
Portfolio Concentration – Top 5 Industries

Industry	2015	2014
Services: Business	16.0%	8.7%
Hotel, Gaming & Leisure	9.7%	14.4%
Automotive	8.2%	7.2%
High Tech Industries	7.7%	NA
Banking, Finance, Insurance & Real Estate	7.0%	9.9%

Performance Returns

	2015	2014	2013
Sierra Income Corporation	-0.46%	6.48%	11.75%
S&P/LSTA Leveraged Loan Index	-2.83%	0.99%	5.25%
BofA Merrill Lynch High Yield Index	-4.87%	2.50%	7.42%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	5.84%
Interest Coverage Ratio	5.7x
Weighted Average Interest Rate	3.16%
Leverage Ratio	40.2%
Taxable Income Payout Ratio	98%
Net Change in Assets Payout Ratio	Not Meaningful
Expense Support/Fee Waivers as % of Distribution	11%

Contact Information

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

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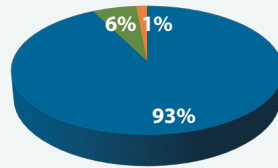
Effective Nontraded BDCs with Limited Operating Results (Under \$50mm in Assets)

	Effective Date	Investment Style	Total Assets (in \$ Millions)	Minimum Shares Sold / Funds Released from Escrow	Gross Offering Proceeds Raised Since Inception (in \$ Millions)	Gross Offering Proceeds Raised YTD	Gross Offering Proceeds Raised In the Quarter	Investments (in \$ Millions)	Distribution Rate Declared	Debt on Balance Sheet (in \$ Millions)
Business Development Corporation of America II	9/8/2014	Diversified Private Debt	\$4.3	Yes	\$2.3	\$2.3	\$2.2	\$1.3	NA	NA
Corporate Capital Trust II	10/9/2015	Diversified Private Debt	\$0.2	No	\$0.2	\$0.2	\$0.2	NA	NA	NA
Freedom Capital Corp	9/19/2015	Diversified Private Debt	\$0.1	No	\$0.1	\$0.1	\$0.1	NA	NA	NA
FS Investment Corporation IV	10/9/2015	Diversified Private Debt	NA	NA	NA	NA	NA	NA	NA	NA
Griffin-Benefit Street Partners BDC	1/20/2015	Diversified Private Debt	\$29.5	Yes	\$30.0	\$30.0	\$20.2	\$18.2	NA	NA
NexPoint Capital	8/18/2014	Diversified Private Debt	\$23.6	Yes	\$16.7	\$10.9	\$3.3	\$16.7	7.70%	\$2.5
VII Peaks Co-Optivist Income BDC II, Inc	3/1/2012	Diversified Private Debt	\$33.6	Yes	\$61.3	\$5.8	\$0.5	\$32.9	7.35%	None
Terra Income Fund	4/20/2015	Real Estate Private Debt	\$4.5	Yes	\$2.1	NA	NA	NA	NA	NA
Triton Pacific Investment Corporation	9/4/2012	Diversified Private Equity	\$7.6	Yes	\$9.9	\$4.4	\$1.9	\$5.5	NA	NA

BDC Industry Review: Fourth Quarter 2015

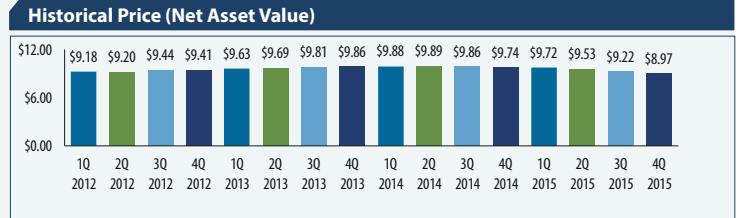
Business Development Corporation of America

Total Assets	\$2,498.29 Million
Investments	\$2,311.28 Million
Cash & Equivalents	\$93.66 Million
Other	\$36.59 Million



Last Offering Price	\$11.20
Current Distribution Rate	7.78%
Reinvestment Price Per Share	90% POP
Effective Date	January 25, 2011
Offering Close Date	April 30, 2015
Cumulative Capital Raised during Offering (in Millions)	\$1,900.0

Cash & Equivalents to Total Assets Ratio	6.0%
Asset Type	Diversified Private Debt
Number of Companies in Portfolio	125
Sponsor/Advisor	AR Capital - BDCA Advisor
Sub-Advisor	Not Applicable
Use of Total Return Swap (TRS)	Not Applicable
Assets of TRS	Not Applicable



Investment Strategy

Strategy:

To invest largely in senior secured and second lien debt securities and mezzanine debt securities issued by middle market companies.

Company Size:

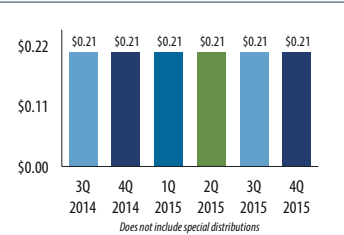
\$10 million to \$1 billion in revenue

Management

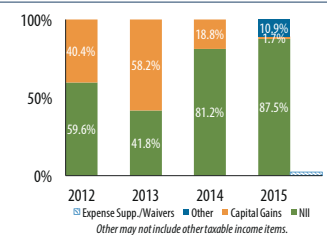
Investments are sourced, underwritten and managed by a single advisor and management team. BDCA Advisor is a wholly owned affiliate of AR Capital. The management team has experience in banking, loan origination, private equity investing, and management, as well as real estate credit underwriting and investing.

AR Capital – An alternative investment firm that invests in real estate and private company securities. AR Capital manages \$15 billion in alternative investments.

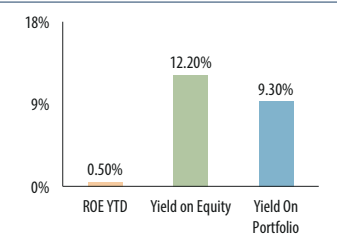
Historical Distribution Per Share



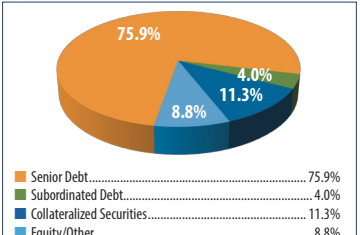
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



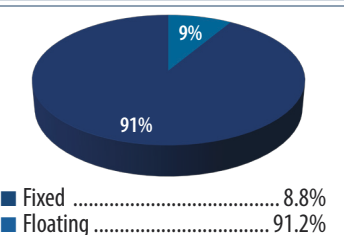
Portfolio Concentration – Top 5 Industries

Industry	2015	2014
Diversified Investment Vehicles	17.4%	27%
Aerospace & Defense	10.3%	5.4%
Hotels, Restaurants & Leisure	6.3%	3.4%
Media	6.0%	2.8%
Diversified Consumer Services	5.5%	3.7%

Performance Returns

	2015	2014	2013	2012	2011
Business Development Corporation of America	0.67%	7.63%	14.12%	15.19%	8.36%
S&P/LSTA Leveraged Loan Index	-2.83%	0.99%	5.25%	9.67%	1.51%
BofA Merrill Lynch High Yield Index	-4.87%	2.50%	7.42%	15.58%	4.38%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	3.66%
Interest Coverage Ratio	5.3x
Weighted Average Interest Rate	3.74%
Leverage Ratio	34%
Taxable Income Payout Ratio	135%
Net Change in Assets Payout Ratio	1858%
Expense Support/Fee Waivers as % of Distribution	2%

**BDCA only reports adjusted net investment income quarterly, may differ from taxable income*

Contact Information

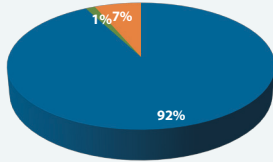
www.BDCofAmerica.com
 Realty Capital Securities
 Three Copley Place, Suite 3300
 Boston, MA 02116
 877-373-2522

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BDC Industry Review: Fourth Quarter 2015

Corporate Capital Trust, Inc.

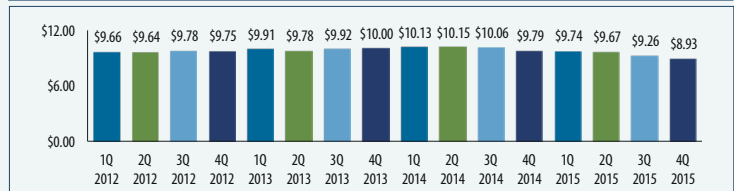
Total Assets	\$4,045.13 Million
Investments	\$3,729.33 Million
Cash & Equivalents	\$54.02 Million
Other	\$261.78 Million



Public Offering Price**	\$10.00
Current Distribution Rate**	8.00%
Reinvestment Price Per Share	90% POP
Effective Date	April 4, 2011
Offering Close Date	February 12, 2016
Cumulative Capital Raised during Offering (in Millions)	\$3,204.3

*Shares still offered through RIA Channel
**Offering price and distributions rate were \$9.80 and 8.21% as of March 29, 2016.

Historical Price (Net Asset Value)



Cash & Equivalents to Total Assets Ratio	1.3%
Asset Type	Diversified Private Debt
Number of Companies in Portfolio	140*
Sponsor/Advisor	CNL Financial Group
Sub-Advisor	KKR
Use of Total Return Swap (TRS)	Yes
Assets of TRS (fair value)	\$308.2 Million

* Number of Companies includes TRS

Investment Strategy

Strategy:

To invest in senior and subordinated debt of medium and large sized U.S. companies. Investments in companies may be accompanied by warrants, options, equity co-investments or other forms of equity.

Company Size:

EBITDA greater than \$25 million

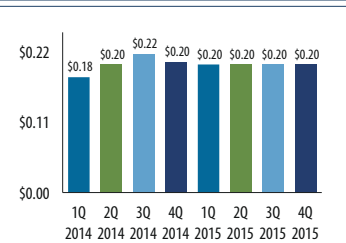
Management

Investments are sourced, underwritten and managed in a collaborative effort by KKR and CNL. Although the investment activity is primarily led by KKR, the partnership provides dual underwriting for investments.

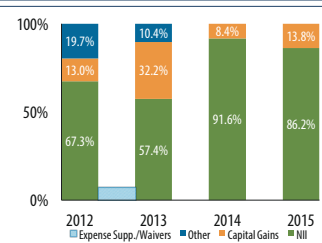
KKR – A global investments firm that manages over \$101.6 billion in assets. The firm was founded in 1976 and has completed 250 private equity transactions with a total value of more than \$480 billion.

CNL – A private investment firm founded in 1973 that provides global real estate and alternative investment opportunities. CNL and its affiliates have formed or acquired companies with more than \$33 billion in assets.

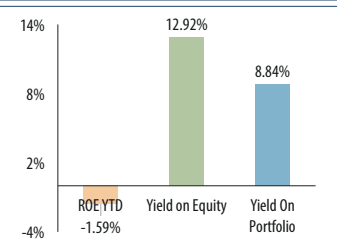
Historical Distribution Per Share



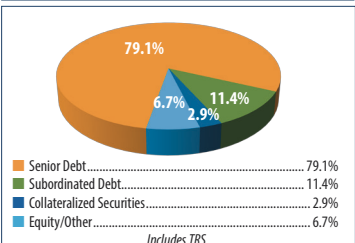
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

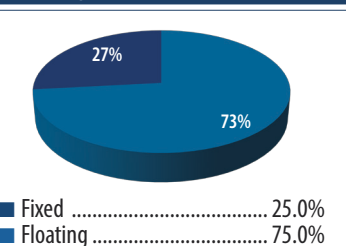
Industry	2015	2014
Capital Goods	16.2%	8.8%
Software & Services	12.0%	15.4%
Consumer Durables & Apparel	9.2%	15.6%
Retailing	8.4%	7.9%
Diversified Financials	5.8%	4.7%

Includes TRS investments

Performance Returns

	2015	2014	2013	2012
Corporate Capital Trust, Inc	-0.90%	5.90%	11.40%	14.30%
S&P/LSTA Leveraged Loan Index	-2.83%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Index	-4.87%	2.50%	7.42%	15.58%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	3.95%
Interest Coverage Ratio	7.3x
Weighted Average Interest Rate	2.94%
Leverage Ratio	40%
Taxable Income Payout Ratio	94%
Net Change in Assets Payout Ratio	Not Meaningful
Expense Support/Fee Waivers as % of Distribution	0%

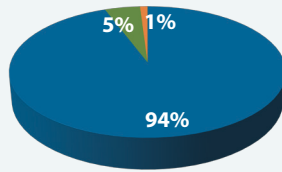
Contact Information

www.CorporateCapitalTrust.com
 CNL Financial Group Inc.
 450 S. Orange Ave.
 Orlando, FL 32801
 407-650-1000

BDC Industry Review: Fourth Quarter 2015

FS Investment Corporation II

Total Assets	\$4,809.87 Million
Investments	\$4,532.88 Million
Cash & Equivalents	\$228.78 Million
Other	\$48.22 Million



Last Offering Price	Closed
Current Distribution Rate*	7.11%
Reinvestment Price Per Share	Set by Board*
Effective Date	February 14, 2012
Offering Close Date	March 5, 2014
Cumulative Capital Raised during Offering (in Millions)	\$3,286.8

Cash & Equivalents to Total Assets Ratio	4.8%
Asset Type	Diversified Private Debt
Number of Companies in Portfolio	165
Sponsor/Advisor	Franklin Square Capital Partners
Sub-Advisor	GSO – Blackstone
Use of Total Return Swap (TRS)	No
Assets of TRS (fair value)	Not Applicable

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To invest primarily in senior secured, second-lien secured and to a lesser extent subordinated debt of private U.S. companies.

Company Size:

\$50 million to \$2.5 billion in revenue.

Average Portfolio Company Size:

\$168.7 million in EBITDA for direct. \$70.3 million originations.

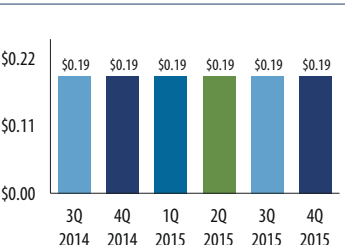
Management

Investments are sourced, underwritten and managed in a collaborative effort between Franklin Square (FS) Capital Partners and the sub-advisor, GSO Capital Partners, a Blackstone company.

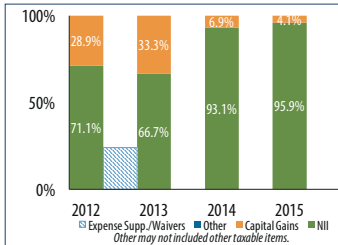
GSO - Blackstone – The credit arm of Blackstone, GSO manages over \$79.1 billion in credit investments. Blackstone is one of the world's largest investment management firm, has roughly \$336 billion in assets under management.

Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$17.0 billion in BDC assets.

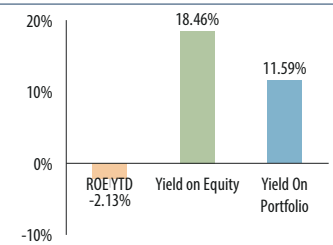
Historical Distribution Per Share



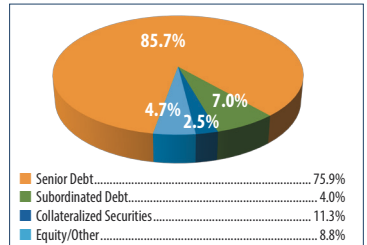
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



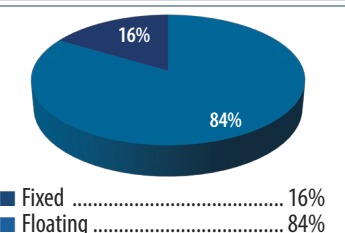
Portfolio Concentration – Top 5 Industries

Industry	2015	2014
Energy	14.0%	14.0%
Software & Services	11.0%	8.0%
Capital Goods	11.0%	9.0%
Consumer Services	10.0%	17.0%
Consumer Durables & Apparel	8.0%	6.0%

Performance Returns

	2015	2014	2013	2012
FS Investment Corporation II	-1.94%	6.92%	10.81%	6.11%
S&P/LSTA Leveraged Loan Index	-2.83%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Index	-4.87%	2.50%	7.42%	15.58%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	6.46%
Interest Coverage Ratio	5.7x
Weighted Average Interest Rate	2.90%
Leverage Ratio	42.5%
Taxable Income Payout Ratio	91.3%
Net Change in Assets Payout Ratio	Not Meaningful
Expense Support/Fee Waivers as % of Distribution	0%

*BDCs only reports adjusted net investment income quarterly, may differ from taxable income

Contact Information

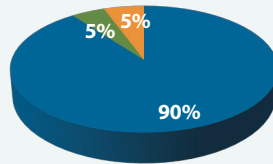
www.FSInvestmentCorpII.com
 Franklin Square Capital Partners
 2929 Arch Street, Suite 675
 Philadelphia, PA 19104
 877-372-9880

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BDC Industry Review: Fourth Quarter 2015

FS Investment Corporation III

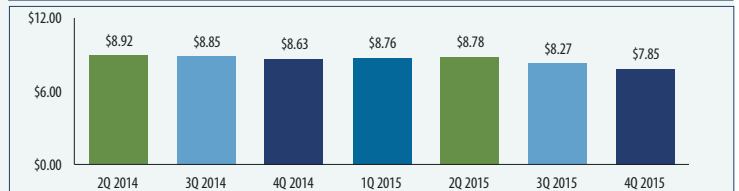
Total Assets	\$3,058.49 Million
Investments	\$2,744.63 Million
Cash & Equivalents	\$142.39 Million
Other	\$171.46 Million



Public Offering Price	\$9.05
Current Distribution Rate	7.73%
Reinvestment Price Per Share	90% POP
Effective Date	December 31, 2013
Offering Close Date	February 29, 2016
Cumulative Capital Raised during Offering	\$2,354.5

*Shares still offered through RIA channel.

Historical Price (Net Asset Value)



Cash & Equivalents to Total Assets Ratio	4.7%
Asset Type	Diversified Private Debt
Number of Companies in Portfolio	130
Sponsor/Advisor	Franklin Square Capital Partners
Sub-Advisor	GSO - Blackstone
Use of Total Return Swap (TRS)	Yes
Assets of TRS (fair value)	\$365.2 Million

Investment Strategy

Strategy:

To invest primarily in senior secured, second-lien secured and to a lesser extent subordinated debt of private U.S. companies.

Company Size:

\$50 million to \$2.5 billion in revenue

Average Portfolio Company Size:

\$212.8 million in EBITDA, \$77.8 million in EBITDA for direct originations

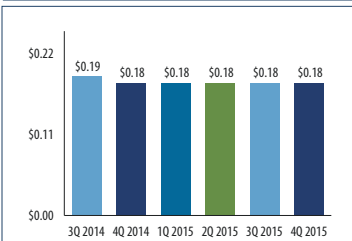
Management

Investments are sourced, underwritten and managed in a collaborative effort between Franklin Square (FS) Capital Partners and the sub-advisor, GSO Capital Partners, a Blackstone company.

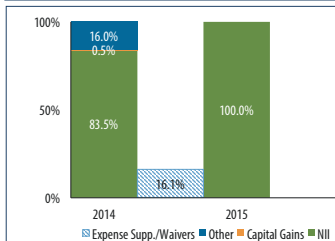
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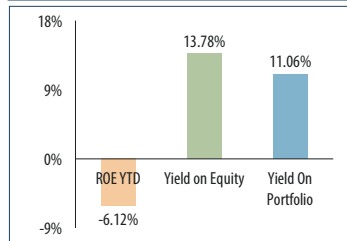
Historical Distribution Per Share



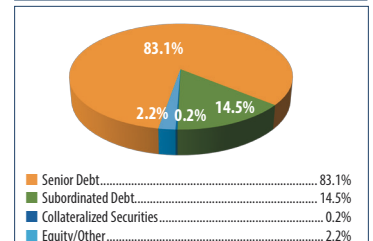
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Portfolio Yields



Portfolio by Asset Type



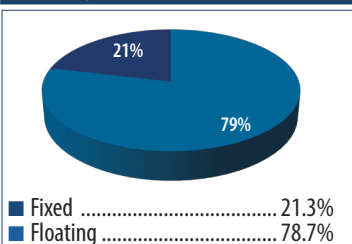
Portfolio Concentration – Top 5 Industries

Industry	2015	2014
Software & Services	15%	12%
Health Care Equipment & Supplies	15%	1%
Capital Goods	10%	5%
Commercial & Professional Svc.	10%	11%
Consumer Services	9%	14%

Performance Returns

	2015	2014
FS Investment Corporation III	-0.93%	1.67%
S&P/LSTA Leveraged Loan Index	-2.83%	0.99%
BofA Merrill Lynch High Yield Index	-4.87%	2.50%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	5.02%
Interest Coverage Ratio	9.0x
Weighted Average Interest Rate	2.72%
Leverage Ratio	41.8%
Taxable Income Payout Ratio	93.0%
Net Change in Assets Payout Ratio	Not Meaningful
Expense Support/Fee Waivers as % of Distribution	0.0%

Contact Information

<http://www.Franklinsquare.com/Our-Funds/FSIC-III/Overview>
 Franklin Square Capital Partners
 2929 Arch Street, Suite 675
 Philadelphia, PA 19104
 877-372-9880

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Additional BDC Notes

Business Development Corporation of America

- Offering closed to new investors as of April 30, 2015.
- Three companies on non-accrual status with an amortized cost and fair value of \$51.2 million and \$33.0 million.
- 17.4% of the portfolio comprised of Diversified Investment Vehicles.
- 91.2% of the debt investments are floating rate.

Carey Credit Income Fund

- The master fund was seeded by the sponsor and sub-advisor with \$50 million.
- The 2016 T fund became effective July 24, 2015 and the I fund became effective July 31, 2015. Both funds are feeder funds that feed into the master fund (the metric reporting entity), Carey Credit Income Fund.
- 96% of the portfolio is invested in senior debt.
- 90.6% of the debt investments are floating rate.

CION Investment Corp.

- 2nd highest in total return for 2015 at 2.13%.
- Lowest annualized operating expense ratio in the industry of 3.04%
- Capital gains include \$30.3 million of TRS portfolio income, which acts effectively as net investment income.
- No current non-accruals in the portfolio.
- 97.0% of debt investments are floating rate.
- AUM grew 88% since year-end 2014, from \$508.1 million to \$955.8 million.

Corporate Capital Trust

- Closed offering to broker dealer channel in February 2016, but offering remained open to RIA channel.
- \$18.3 million of investment income came from non-recurring fee income, including \$7.8 million in restructuring fees from one portfolio company.
- Originated investments accounted for 61.9% of the portfolio at the end of 2015.

Credit Suisse Parkview BDC

- Highest yield BDC with a current 9.45% distribution rate.
- Became effective on March 18, 2015.
- 96.4% of the portfolio is comprised of senior debt.

FS Energy and Power Fund

- As of March 1, 2016, the public offering price was \$6.95 with an annualized distribution rate of 10.16%
- Worst performing BDC in 2015 with a -15.87% total return, due to its focus on the energy sector and the volatility seen in that market.

FS Investment Corp. II

- Closed to new investors.
- Largest BDC covered with total assets of over \$4.8 billion.
- Underperforming investments add up to an expected loss of \$19.6 million and one investment is on non-accrual with an amortized cost of \$2 million and a fair value of \$369,000.
- Originated investments account for 79% of the portfolio or \$3.6 billion.
- \$9.3 million of investment income came from non-recurring fee income.
- The Advisor waived \$10.3 million in management fees for the year ended December 31, 2015.

FS Investment Corp. III

- Closed offering to broker dealer channel in February 2016, but offering remained open to RIA channel.
- Originated transactions make up 69% of the portfolio.
- Top capital raiser with \$1.4 billion raised for the year ended December 31, 2015.
- Fully covering distributions from net investment income.

HMS Income Fund

- Highest total return of funds covered 2.14% for 2015.
- 95.8% of portfolio in senior debt investments.
- Hotels, Restaurants and Leisure investments made up 11.2% of the portfolio.

Sierra Income Corporation

- Three portfolio companies with a fair value of \$9.9 million were on non-accrual status.
- "Other fee income" that includes non-recurring fees such as origination, prepayment, amendment, administration and other fees totaled \$10.7, or 12.4% of total investment income, for the year ended December 31, 2015.



In February Blue Vault launched an all new www.BlueVaultPartners.com!

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