



BDC Industry Review

SECOND QUARTER 2015

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September 10, 2015

We are pleased to release our second quarter 2015 Nontraded BDC Industry Report. 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 Partners.

With over \$20 billion in assets under management, nontraded BDCs continue to grow as a major piece of the alternative investment pie. Since 2012, the industry has seen over a 150% increase in growth. Additionally, there are currently almost \$8 billion of new offerings in registration with the SEC. 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 Partners 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 Partners

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

Jared Schneider
Managing Partner
Blue Springs Capital

Table of Contents:

Metric Definitions & Explanations	1
The History of Business Development Companies (BDCs)	4
Nontraded BDC Industry Highlights & Capital Market Overview	5
Full Cycle BDC Update	7
BDC Industry Summary & Comparison Tables	
BDC Overall Industry Summary	8
BDC Fund Offerings Summary	9
BDC Fee Comparison	10
BDC Performance Summary	10
Open Nontraded BDCs with Reported Operating Results	
CION Investment Corporation	12
Corporate Capital Trust, Inc.	13
Credit Suisse Park View BDC, Inc.	14
FS Energy & Power Fund	15
FS Investment Corporation III	16
HMS Income Fund Inc.	17
Sierra Income Corporation	18
Open Nontraded BDCs with Limited Operating Results	
Business Development Corporation of America II	19
Carey Credit Income Fund	19
Griffin-Benefit Street Partners BDC	19
NexPoint Capital	19
VII Peaks Co-Optivist Income BDC II, Inc.	19
Terra Income Fund	19
Triton Pacific Investment Corporation	19
Closed Nontraded BDCs with Reported Operating Results	
Business Development Corporation of America	20
FS Investment Corporation II.	21
Additional BDC Notes	22
Publication Schedule	23

Metric Definitions & 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) & 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

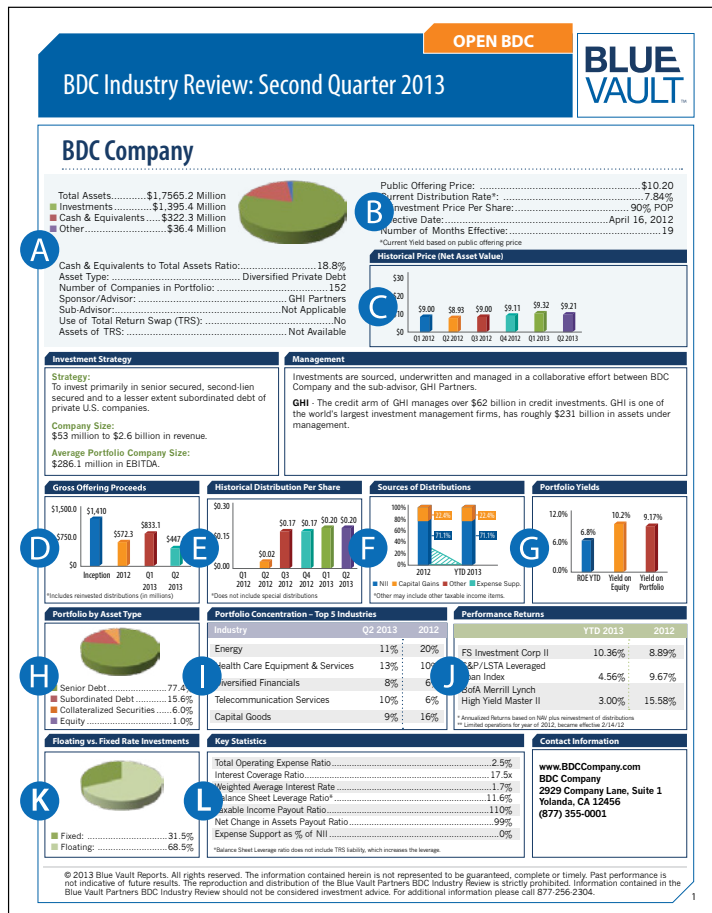
The sum of the fair value of the total assets minus the total liabilities divided by the total number of shares outstanding. This number is reported publicly at least every quarter.

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. In funds showing taxable income sources of distributions, unpaid & 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 & 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.

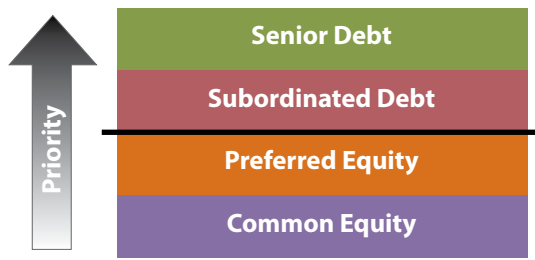
Yield on Equity – Calculated as the annualized total investment income for the quarter divided by average equity for the period.

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

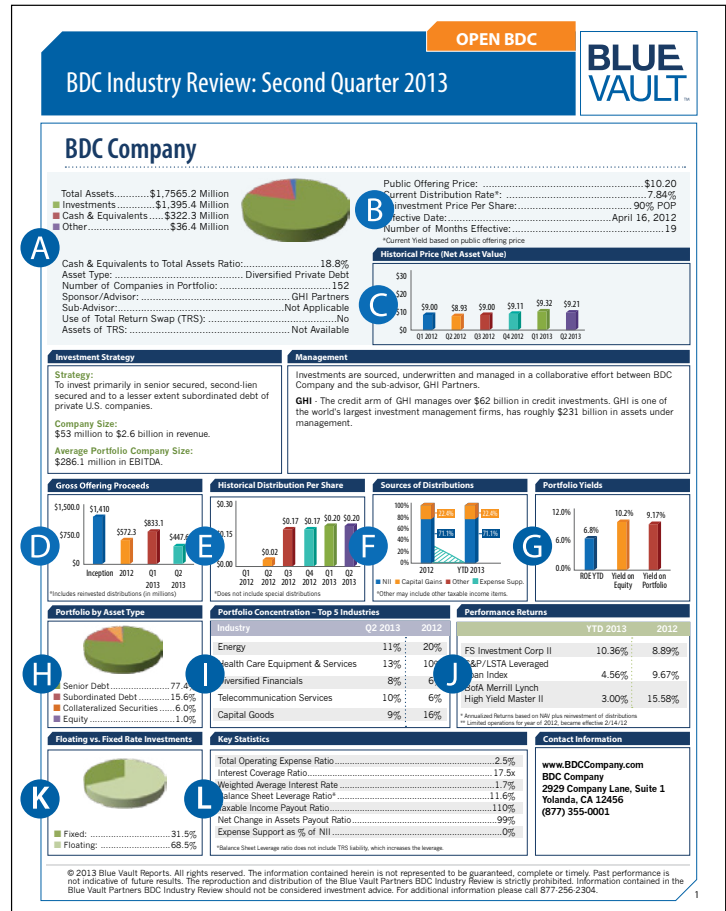


I Portfolio Concentration - Top 5 Industries

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 4 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 & 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.

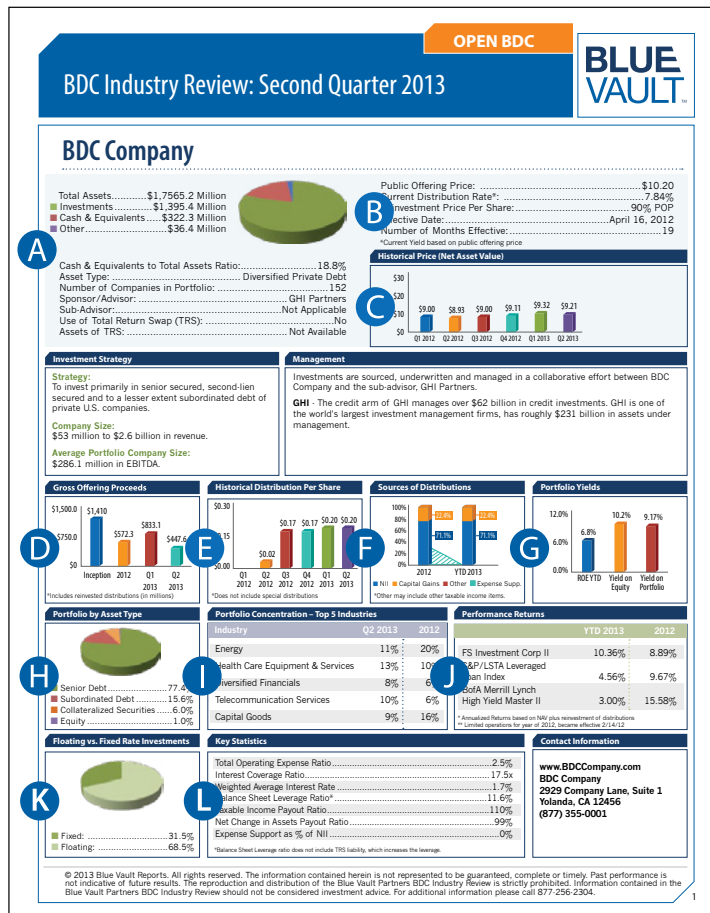
Interest Coverage Ratio – Calculated as the sum of Net Investment Income plus realized capital gains plus interest expense divided by total interest expense. This measures the ability of the company to pay ongoing interest expenses from operations.

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 & Capital Market Overview

BDC Industry Facts (as of June 30, 2015)

- \$20.2 billion in assets under management
- Average yield of 7.30%
- \$2.2 billion in capital raise for the first half of 2015
- The top-3 funds raised 65% of equity in the first half 2015 compared to 73% as of the 1st half of 2014
- The top-4 funds raised 76% of industry equity in the first half 2015, down from 83% in the 1st half of 2014
- 12 funds currently raising capital
- 2 closed funds (FS Investment Corporation II and Business Development Corporation of America)
- 1 full cycle fund, now listed (FS Investment Corporation [NYSE:FSIC])
- 5 funds in registration with \$7.8 billion of registered equity offerings

Capital Market Update

Capital Raise Has Slowed

Capital raise in the second quarter of 2015 slowed to its lowest quarterly capital raise in two years. The total raise for Q2 2015 was just over \$1.0 billion and first half of 2015 amounted to \$2.2 billion. The slowdown brings our forecast of capital raise for the year to just over \$5 billion.

Two factors that may have had an impact on capital raise are the stock market's volatility and the effect of a major capital raising BDC being closed after the first quarter. 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.

The volatility of oil prices and then translated to the stock market have increased fear in the markets. As fear increases from investors, capital raise typically slows as well. This can also be evidenced in outflows from equity mutual funds, which has occurred during the first half and well into the third quarter of 2015.

Assets Under Management Surpass Half of Traded BDC Market Cap

Assets under management (AUM) of the nontraded BDC industry of \$20.2 billion equal more than half of the market cap of traded BDCs at about \$37 billion. The nontraded structure continues to shine in the world of debt investments because of the ability to continuously originate and fund new investments in all cycles of the market.

Just Under \$8 Billion in New Registrations

As the industry grows, it is important to keep tabs on new fund registrations. Currently pending registrations total roughly \$7.8 billion. While there are new sponsors on the list, most are follow up funds to BDCs that are currently in the market and open to investors.

Fund Name	Total Assets 2015	Gross Proceeds 2015	Current Yield
Business Development Corporation of America (Closed)	\$ 2,441.9	\$ 155.0	7.78%
Business Development Corporation of America II	\$ 0.1	NA	NA
Carey Credit Income	\$ 88.1	NA	NA
CION Investment Corporation	\$ 794.9	\$ 244.9	7.00%
Corporate Capital Trust, Inc.	\$ 3,680.9	\$ 345.6	7.32%
Credit Suisse Park View BDC, Inc.	\$ 295.9	\$ 11.7	NA
FS Energy and Power Fund	\$ 3,973.2	\$ 369.0	7.23%
FS Investment Corporation II (Closed)	\$ 5,122.4	NA	7.11%
FS Investment Corporation III	\$ 1,934.5	\$ 699.9	7.03%
Griffin-Benefit Street Partners BDC Corporation	\$ 4.8	\$ 2.9	NA
HMS Income Fund, Inc.	\$ 797.1	\$ 178.8	7.07%
NexPoint Capital	\$ 21.0	\$ 10.0	NA
Sierra Income Corporation	\$977.4	\$ 158.0	8.00%
Triton Pacific Corporation	\$ 4.8	\$ 2.7	NA
VII Peaks Co-Optivist Income BDC II	\$ 46.0	\$ 8.7	7.20%
TOTAL	\$ 20,183	\$ 2,196	

Nontraded BDC Industry Highlights & Capital Market Overview

Fund Name	Sub-Advisor / Affiliated Sponsor	Dealer Manager	Registered Amount
Yorke Capital Corp.	Yorke Capital Management	Orchard Securities LLC	\$ 200,000,000
FS Energy & Power Fund II	Franklin Square Capital Partners & (Sub) GSO/Blackstone	FS2 Capital	\$ 3,000,000,000
FS Energy & Power Fund IV	Franklin Square Capital Partners & (Sub) GSO/Blackstone	FS2 Capital	\$ 2,637,500,000
Corporate Capital Trust II (A & T Shares)	KKR / CNL Financial	CNL Securities	\$ 1,460,250,000
Freedom Capital Corporation	Freedom Capital	Democracy Funding LLC	\$ 500,000,000
TOTAL AMOUNT REGISTERED			\$7,797,750,000

Nontraded BDCs Consistently Outperform Benchmarks

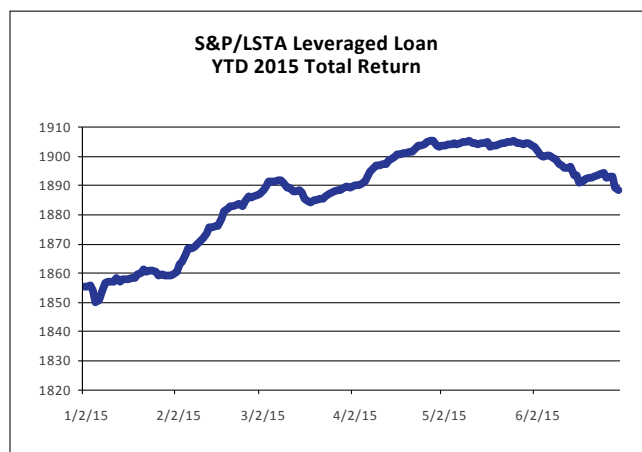
When considering performance, nontraded BDCs have consistently outperformed the benchmark indexes they are compared to. The two indices the S&P/LSTA Leveraged Loan Index, an index that tracks the total return of senior loans, and the Bank of America Merrill Lynch High Yield Master II Index, an index that tracks the total return of high yield loans are the best (albeit not perfect) available benchmarks for the types of investments that BDCs invest in.

On average the median BDC returns have outperformed the Leveraged Loan Index by 4.55% annually and the High Yield index by 1.97% annually. Year to date in 2015, BDCs have outperformed by 2.33% and 1.60% on the Leveraged Loan and High Yield indices respectively.

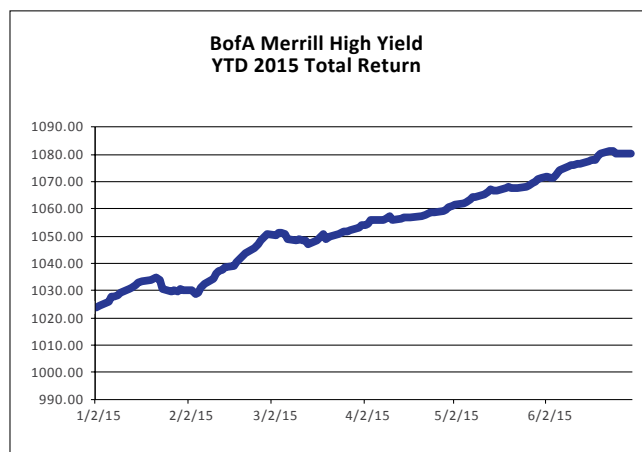
		YTD 2015	2014	2013	2012	2011*
Median Returns of BDC's		4.09%	6.19%	11.40%	14.19%	8.36%
Outperformance vs. Avg. Since 2012						
S&P/LSTA Lev. Loan	4.55%	2.33%	5.20%	6.15%	4.52%	6.85%
BofA High Yield Master	1.97%	1.60%	3.69%	3.98%	-1.04%	3.98%

Senior Loan Market Experienced Volatility in the First Half of 2015

Volatility came back significantly into the senior loan market, which is tracked by the S&P/LSTA Leveraged Loan Index. When looking at the chart, one can see that declines occurred at the end of both Q1 and Q2 in 2015. This effect will likely put pressure on the NAVs (Net Asset Values) of BDCs for the short-term.



Although the high yield bond/loan market, which is tracked by the Bank of America Merrill Lynch High Yield Master II Index, went through some volatility in the first half, it continued to charge upward through the end of the first half 2015.



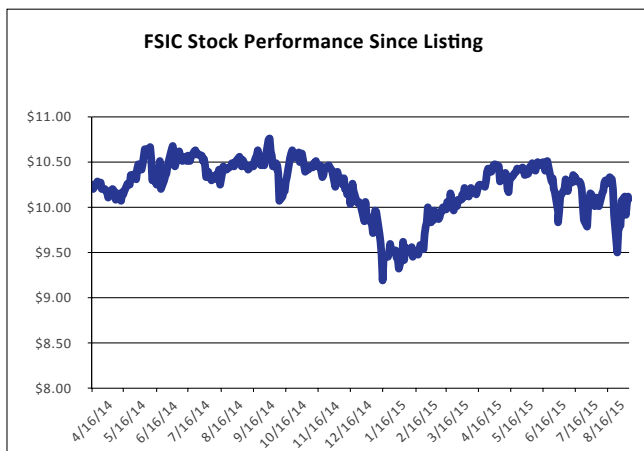
Full Cycle BDC Update

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". When it listed, it had roughly \$4.5 billion in assets under management.

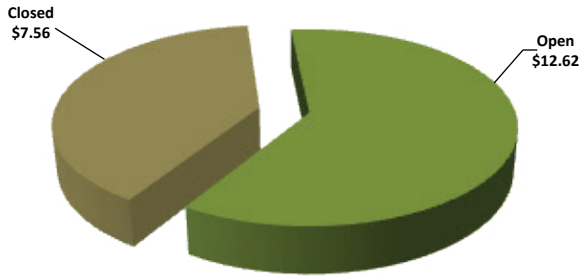
On the first day of being publicly traded, it closed at \$10.25. Shares were initially sold at \$10 per share, and the listing was viewed as a success. Over a year later, let's find out how it has performed and where it is today.

On September 4, 2015 FSIC closed at \$10.08, which is not a significant change in price since the day of listing. The stock has experienced some volatility in the past year or so, seeing swings of up to over 13%. The most recent dividend yield is 8.98%, however the Company changed its distribution frequency from monthly to quarterly.

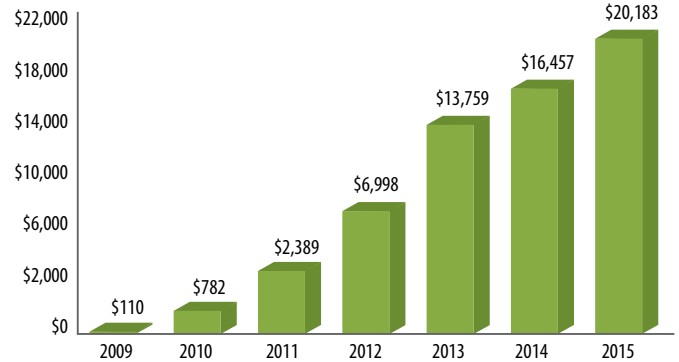


BDC Overall Industry Summary

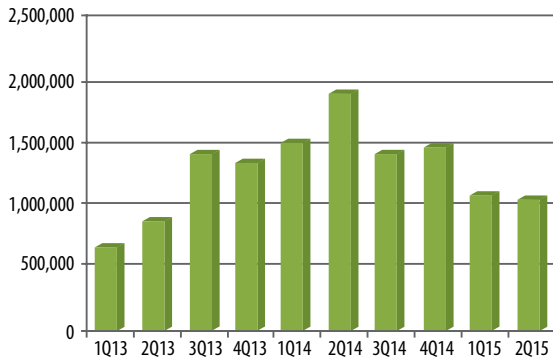
Total Nontraded BDC Industry Assets
(in \$ Billions) as of June 30, 2015



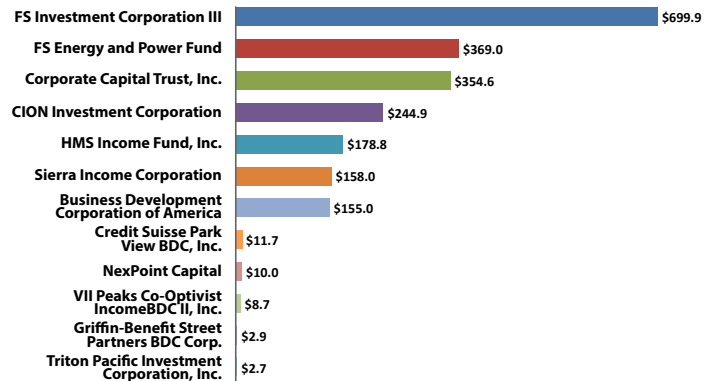
Total Industry Assets
(in \$ Millions) as of June 30, 2015



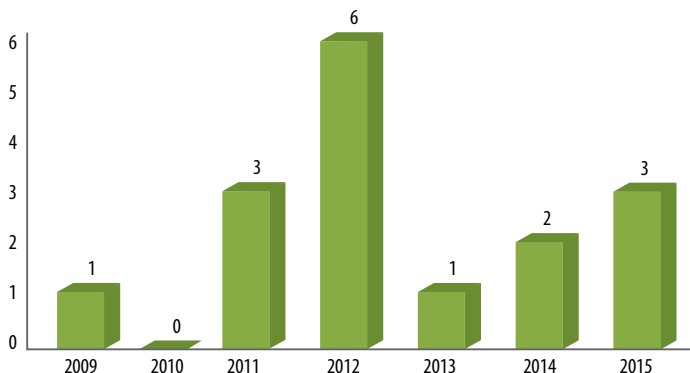
BDC Industry Capital Raise By Quarter
(1Q 2013 - 2Q 2015)



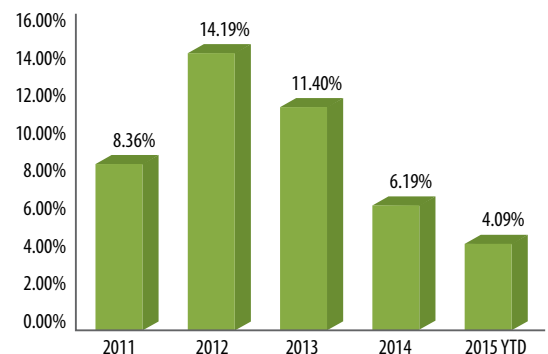
Gross Equity Raise YTD 2015
(in \$ Millions) as of June 30, 2015



New Product Introductions Since 2009



Median Total Returns of Nontraded BDCs
(Total Return of NAV + Distribution)



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BDC Fund Offerings Summary

Fund Name	Open/Closed	Effective Date	Sponsor/Advisor	Sub-Advisor	Total Assets Q2 2015	Gross Proceeds YTD 2015	Current Yield
Business Development Corporation of America	Closed	January 25, 2011	AR Capital	NA	\$2,441.9	\$155.0	7.78%
Business Development Corporation of America II	Open	September 8, 2014	AR Capital	NA	\$0.0	NA	NA
Carey Credit Income Fund	Open	July 24, 2015	WP Carey	Guggenheim Partners	\$88.1	NA	NA
CION Investment Corp	Open	July 2, 2012	Icon Investments	Apollo Global Management	\$794.9	\$244.9	7.00%
Corporate Capital Trust, Inc.	Open	April 4, 2011	CNL Financial Group	KKR	\$3,680.9	\$354.6	7.32%
Credit Suisse Park View BDC, Inc.	Open	March 19, 2015	Credit Suisse	NA	\$295.9	\$11.7	7.73%
FS Energy and Power Fund	Open	May 12, 2011	Franklin Square Capital Partners	GSO - Blackstone	\$3,973.2	\$369.0	7.23%
FS Investment Corporation II	Closed	February 14, 2012	Franklin Square Capital Partners	GSO - Blackstone	\$5,122.4	NA	7.11%
FS Investment Corporation III	Open	December 31, 2013	Franklin Square Capital Partners	GSO - Blackstone	\$1,934.5	\$699.9	7.03%
Griffin-Benefit Street Partners BDC Corp.	Open	January 20, 2015	Griffin Capital	Benefit Street Partners	\$4.8	\$2.9	NA
HMS Income Fund, Inc.	Open	June 4, 2012	Hines	Main Street Capital	\$797.1	\$178.8	7.07%
NexPoint Capital	Open	August 18, 2014	NexPoint Capital / Highland Capital Management	NA	\$21.0	\$10.0	NA
Sierra Income Corporation, Inc.	Open	April 16, 2012	Sierra - Medley Capital	NA	\$977.4	\$158.0	8.00%
Triton Pacific Corporation, Inc.	Open	September 4, 2012	Triton Pacific Group	NA	\$4.8	\$2.7	NA
VII Peaks Co-Optivist Income BDC II, Inc.	Open	March 1, 2012	VII-Peaks	NA	\$46.0	\$8.7	7.20%
TOTAL					\$20,183	\$2,196	

BDC Industry Review: Second Quarter 2015



BDC Fee Comparison

Effective Nontraded BDCs		Maximum Front-End Fees				Management Fees				Actual Operating Expenses
Fund Name	Sponsor/Advisor	Max. Sales Commission	Dealer-Manager Fee	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%	1.50%	11.50%	1.50%	20.00%	7.00%	8.75%	5.52%
Business Development Corporation of America II	AR Capital	7.00%	3.00%	1.50%	11.50%	1.50%	20.00%	7.00%	8.75%	NA
Carey Credit Income Fund - 2016 T	WP Carey	3.00%	2.75%	1.50%	8.15%	1.75 – 2.00%	20.00%	7.50%	9.38%	NA
Carey Credit Income Fund - I	WP Carey	NA	NA	NA	NA	2.00%	20.00%	7.00%	8.75%	NA
CION Investment Corp	Icon Investments	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	6.26%
Corporate Capital Trust, Inc.	CNL Financial Group	7.00%	3.00%	1.10%	11.10%	2.00%	20.00%	7.00%	8.75%	4.17%
Credit Suisse Park View BDC, Inc.	Credit Suisse	0.00%	1.50 + 0.50%	0.30%	1.80%	1.75%	20.00%	7.00%	8.75%	4.70%
FS Energy and Power Fund	Franklin Square Capital Partners	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	6.50%	8.13%	4.28%
FS Investment Corporation II	Franklin Square Capital Partners	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	6.60%
FS Investment Corporation III	Franklin Square Capital Partners	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	4.71%
Griffin-Benefit Street Partners BDC Corp.	Griffin Capital	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.00%	8.75%	NA
HMS Income Fund, Inc.	Hines	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	5.63%
NexPoint Capital	NexPoint Capital/ Highland Capital Management	7.00%	1.00%	1.00%	9.00%	2.00%	20.00%	7.50%	9.38%	NA
Sierra Income Corporation	Sierra - Medley Capital	7.00%	2.75%	1.25%	11.00%	1.75%	20.00%	7.00%	8.75%	11.48%
Triton Pacific Investment Corporation, Inc.	Triton Pacific Capital	7.00%	3.00%	2.00%	12.00%	2.00%	20.00%	8.00%	10.00%	NA
VII Peaks Co-Optivist Income BDC II, Inc.	VII-Peaks KBR	7.00%	3.00%	1.50%	11.50%	1.5% – 2.0%	20.00%	8.00%	NA	NA

*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	7.63%	7.63%	14.12%	15.19%	8.36%
CION Investment Corporation	ICON Investments	5.11%	6.92%	11.96%	—	—
Corporate Capital Trust	CNL Financial Group	2.90%	5.90%	11.40%	14.30%	12.23%
Credit Suisse Park View BDC	Credit Suisse	0.54%	—	—	—	—
FS Energy and Power Fund	Franklin Square Capital Partners	4.32%	-4.14%	10.49%	14.07%	2.11%
FS Investment Corporation II	Franklin Square Capital Partners	4.09%	6.92%	10.81%	8.82%	—
FS Investment Corporation III	Franklin Square Capital Partners	-1.37%	1.67%	—	—	—
HMS Income Fund	Hines	7.50%	2.13%	8.47%	—	—
Sierra Income Corporation	Sierra - Medley Capital	4.41%	6.48%	11.75%	—	—

Benchmark Comparison

S&P/LSTA Leveraged Loan Index	1.76%	0.99%	5.25%	9.67%	1.51%
BofA High Yield Master II Index	2.49%	2.50%	7.42%	15.58%	4.38%
Median	4.09%	6.19%	11.40%	14.19%	8.36%
Mean	3.29%	4.19%	11.29%	13.10%	7.57%

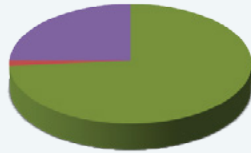
* All funds but FS Investment Corp had limited operations for the year of 2011, FS Investment Corp II had limited operations in 2012

* Note A - FS Investment Corp. III had a 1.67% total return for the year, but had limited operations breaking escrow in April 2014

BDC Industry Review: Second Quarter 2015

CION Investment Corporation

Total Assets.....	\$794.9 Million
Investments.....	\$584.9 Million
Cash & Equivalents.....	\$11.8 Million
Other.....	\$198.2 Million

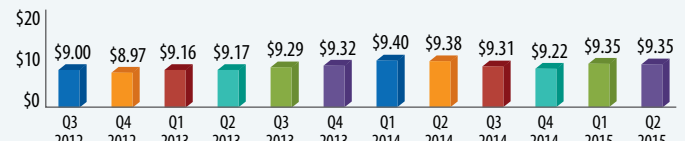


Public Offering Price:	\$10.45
Current Distribution Rate*:	7.00%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	July 2, 2012
Number of Months Effective:.....	35

*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....	1.5%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	146
Sponsor/Advisor:	ICON Investments / CIM
Sub-Advisor:.....	Apollo Investment Management
Use of Total Return Swap (TRS):	Yes
Assets of TRS:	\$653.0 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:

\$138.9 million in EBITDA

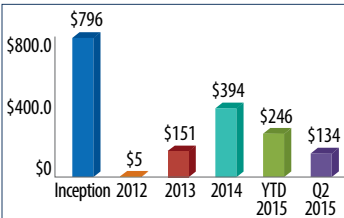
Management

Investments are sourced, underwritten and managed by CION 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.

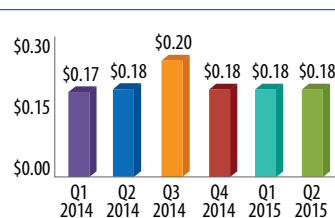
Apollo Investment Management - a subsidiary of Apollo Global – a global private equity, credit and real estate investment management firm with over \$163 billion in assets under management.

Gross Offering Proceeds



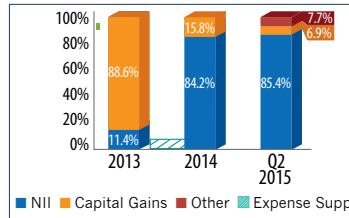
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



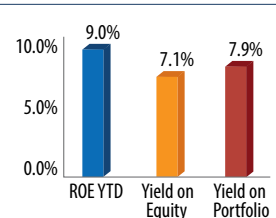
*Does not include special distributions

Sources of Distributions

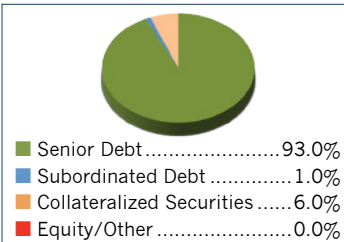


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

Industry	2015 YTD	2014
Services: Business	16%	25%
High Tech Industries	12%	13%
Healthcare & Pharmaceuticals	10%	3%
Diversified Financials	6%	11%
Banking, Finance, Insurance & Real Estate	6%	2%

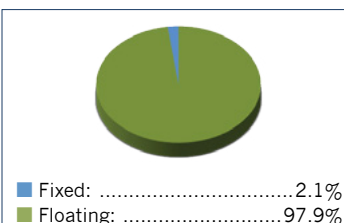
* Short-term Treasury Investments not included, includes TRS investments

Performance Returns

	2015* YTD	2014*	2013*
CION Investment Corp	5.11%	6.92%	11.96%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%	5.25%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%	7.42%

*YTD returns are not annualized

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	6.3%
Interest Coverage Ratio.....	109.3x
Weighted Average Interest Rate	0.5%
Leverage Ratio.....	34.5%
Taxable Income Payout Ratio.....	184.2%
Net Change in Assets Payout Ratio.....	87.0%
Expense Support % of Distribution.....	0.0%

www.CIONInvestmentcorp.com

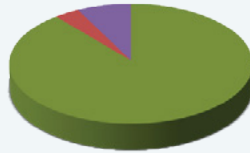
CION Investment Corp.
3 Park Avenue, 36th Floor
New York, NY 10016
(800) 435-5697

*See additional notes on page 22.

BDC Industry Review: Second Quarter 2015

Corporate Capital Trust, Inc.

Total Assets.....\$3,680.9 Million
 Investments.....\$3,227.9 Million
 Cash & Equivalents.....\$128.8 Million
 Other.....\$274.2 Million

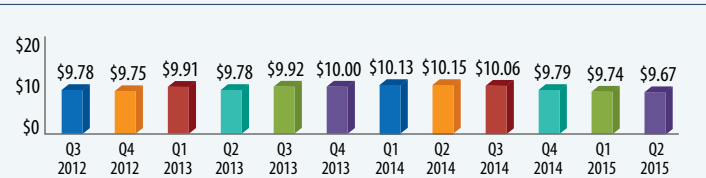


Public Offering Price:\$11.00
 Current Distribution Rate:7.32%
 Reinvestment Price Per Share:.....90% POP
 Effective Date:.....April 4, 2011
 Number of Months Effective:.....50

Cash & Equivalents to Total Assets Ratio:.....3.5%
 Asset Type: Diversified Private Debt
 Number of Companies in Portfolio*:141
 Sponsor/Advisor: CNL Financial Group
 Sub-Advisor:..... KKR
 Use of Total Return Swap (TRS): Yes
 Assets of TRS:\$389 Million

*Including TRS

Historical Price (Net Asset Value)



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

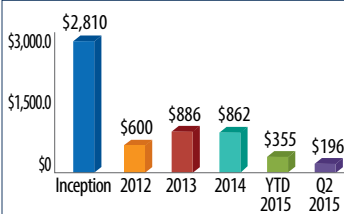
Management

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.

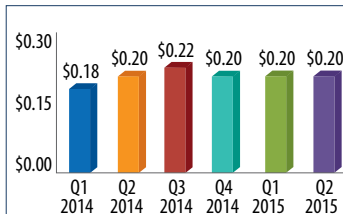
CNL – A private investment firm founded in 1973 that provides global real estate and alternative investment opportunities. CNL and its affiliates have formed or acquired companies with more than \$33 billion in assets.

Gross Offering Proceeds



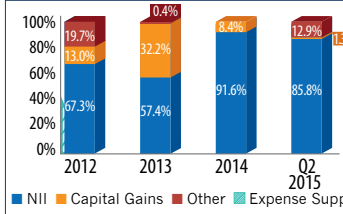
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



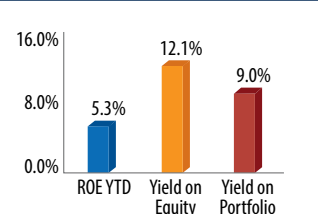
*Special distribution in Q4 2013 of \$0.03

Sources of Distributions

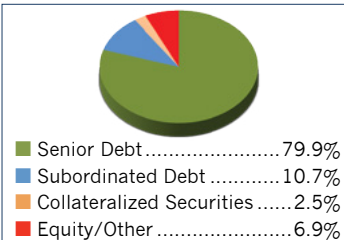


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

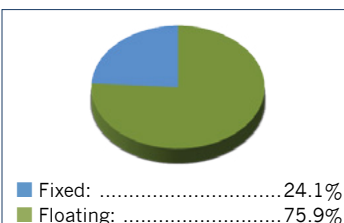
Industry	2015 YTD	2014
Software & Services	15%	8%
Consumer Durables & Apparel	11%	19%
Capital Goods	9%	5%
Retailing	7%	8%
Energy	6%	6%

Performance Returns

	2015 YTD	2014	2013	2012
Corporate Capital Trust, Inc.	2.90%	5.90%	11.40%	14.30%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%	5.25%	9.70%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%	7.42%	15.58%

* YTD returns are not annualized

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	4.2%
Interest Coverage Ratio	4.1x
Weighted Average Interest Rate**	2.9%
Leverage Ratio	36.0%
Taxable Income Payout Ratio*	66.4%
Net Change in Assets Payout Ratio	156.0%
Expense Support % of Distribution	0.0%

*Average borrowings stated in quarterly SEC filing. **Using stated weighted average borrowings in SEC filing.

Contact Information

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

*See additional notes on page 22.

BDC Industry Review: Second Quarter 2015

Credit Suisse Park View BDC, Inc.

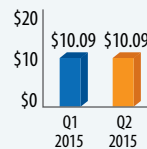
Total Assets.....	\$344.2 Million
Investments.....	\$311.5 Million
Cash & Equivalents.....	\$27.1 Million
Other.....	\$5.6 Million



Public Offering Price:	\$10.18
Current Distribution Rate:	7.73%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	March 18, 2015
Number of Months Effective:.....	3

Cash & Equivalents to Total Assets Ratio:.....7.9%
 Asset Type: Diversified Private Debt
 Number of Companies in Portfolio: 25
 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:

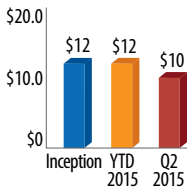
EBITDA between \$5 million and \$75 million

Management

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

Credit Suisse Asset Management – Part of Credit Suisse's global asset management business, CSAM manages approximately \$46.2 billion in the Americas and approximately \$392.5 billion worldwide.

Gross Offering Proceeds



*Includes reinvested distributions (in millions)

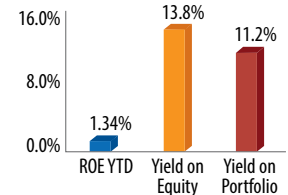
Historical Distribution Per Share

NA-Limited Operating Data

Sources of Distributions

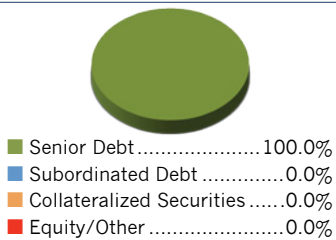
NA-Limited Operating Data

Portfolio Yields



*Commencing operation on March 18, 2015.

Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

Industry	2015 YTD	2014
Services: Business	16%	15%
Healthcare & Pharmaceuticals	13%	7%
Hotel, Gaming & Leisure	9%	4%
Energy: Oil & Gas	7%	8%
Automotive	7%	8%

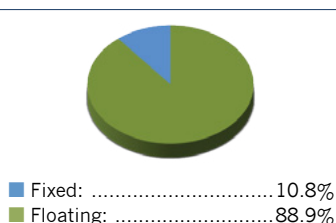
* Excludes TRS

Performance Returns

	2015 YTD**
Credit Suisse Park View BDC	0.54%
S&P/LSTA Leveraged Loan Index	1.76%
BofA Merrill Lynch High Yield Master II	2.49%

* YTD returns are not annualized

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	4.7%
Interest Coverage Ratio.....	11.7x
Weighted Average Interest Rate	2.9%
Leverage Ratio.....	31.1%
Taxable Income Payout Ratio*NA
Net Change in Assets Payout Ratio.....	.NA
Expense Support % of DistributionNA

* Commenced operations on April 2, 2014 - limited operating data

www.Credit-Suisse.com

Credit Suisse Asset Management
 One Madison Avenue
 New York, NY 10010-3629
 (212) 325-2000

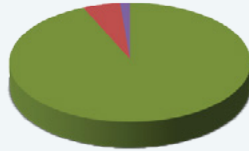
*See additional notes on page 22.

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BDC Industry Review: Second Quarter 2015

FS Energy & Power Fund

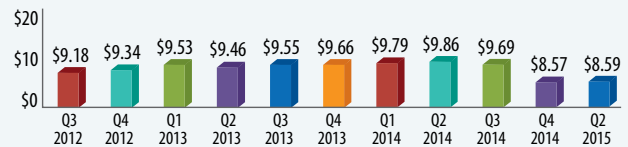
Total Assets.....\$3,973.2 Million
 Investments.....\$3,707.8 Million
 Cash & Equivalents.....\$210.1 Million
 Other.....\$55.3 Million



Public Offering Price:\$9.70
 Current Distribution Rate*:7.23%
 Reinvestment Price Per Share:.....90% POP
 Effective Date:.....May 12, 2011
 Number of Months Effective:.....49

Cash & Equivalents to Total Assets Ratio:.....5.3%
 Asset Type: Private Debt & Equity
 Number of Companies in Portfolio: 105
 Sponsor/Advisor: Franklin Square Capital Partners
 Sub-Advisor:.....GSO – Blackstone
 Use of Total Return Swap (TRS):No
 Assets of TRS:\$0 Million

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:

\$270.4 million in EBITDA

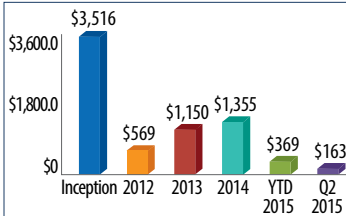
Management

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 \$81 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$310 billion in assets under management.

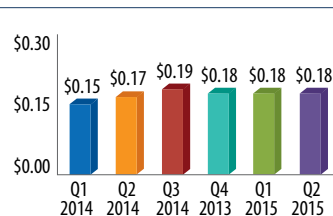
Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$16.8 billion in BDC assets.

Gross Offering Proceeds



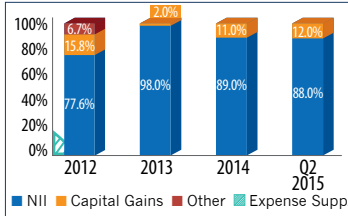
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



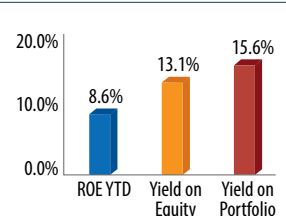
*Does not include special distributions

Sources of Distributions

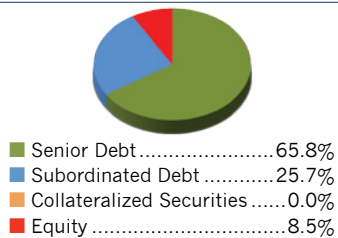


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

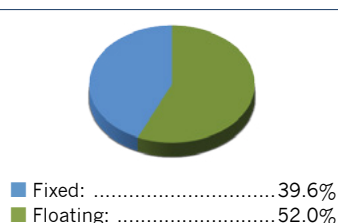
Industry	2015 YTD	2014
Upstream	60%	54%
Midstream	6%	7%
Downstream	1%	0%
Power	11%	10%
Service & Equipment	22%	29%

Performance Returns

	2015 YTD	2014	2013	2012
FS Energy & Power Fund	4.32%	(4.14%)	10.49%	14.07%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%	7.42%	15.58%

*YTD returns are not annualized

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	4.3%
Interest Coverage Ratio	3.1x
Weighted Average Interest Rate	2.3%
Leverage Ratio	25.0%
Taxable Income Payout Ratio	101.9%
Net Change in Assets Payout Ratio	95.8%
Expense Support % of Distribution	0.0%

Contact Information

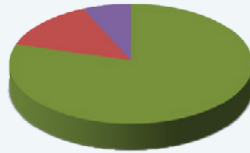
www.FSEnergyandPowerFund.com
Franklin Square Capital Partners
 2929 Arch Street, Suite 675
 Philadelphia, PA 19104
 (877) 372-9880

*See additional notes on page 22.

BDC Industry Review: Second Quarter 2015

FS Investment Corporation III

Total Assets.....	\$1,934.5 Million
Investments.....	\$1,538.5 Million
Cash & Equivalents.....	\$264.9 Million
Other.....	\$131.0 Million

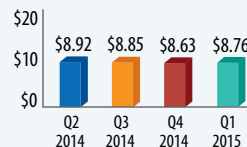


Public Offering Price:	\$9.95
Current Distribution Rate:	7.03%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	December 31, 2013
Number of Months Effective:.....	15

Cash & Equivalents to Total Assets Ratio:.....	13.7%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	119
Sponsor/Advisor:	Franklin Square Capital Partners
Sub-Advisor:.....	GSO - Blackstone
Use of Total Return Swap (TRS):	Yes
Assets of TRS:	\$368.9 Million*

*TRS Agreement began June 26, 2014

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:

\$261.3 million in EBITDA

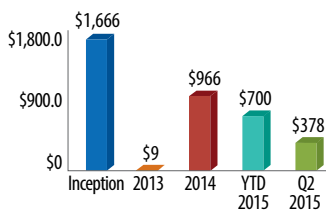
Management

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 \$81 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$310 billion in assets under management.

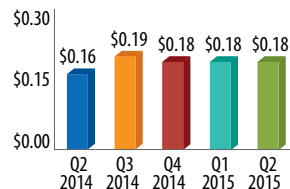
Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$16.8 billion in BDC assets.

Gross Offering Proceeds



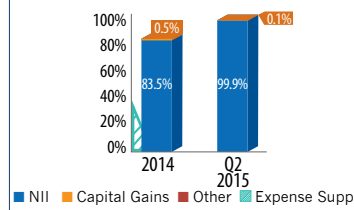
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



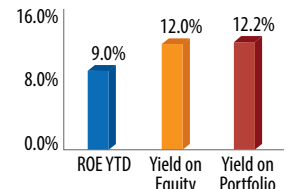
*Does not include special distributions

Sources of Distributions

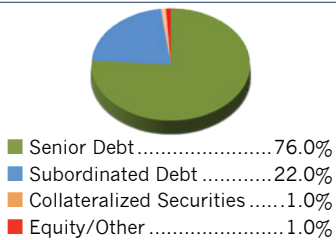


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

Industry	2015 YTD	2014
Energy	19%	16%
Software & Services	16%	12%
Consumer Services	14%	14%
Materials	9%	8%
Capital Goods	9%	5%

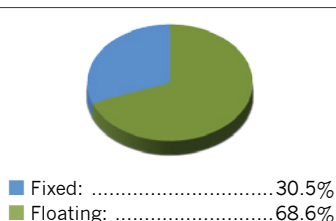
* Short-term Treasury Investments not included, includes TRS investments

Performance Returns

	2015 YTD	2014**
FS Investment Corporation III	5.79%	1.67%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%

* YTD returns are not annualized
** Annualized due to limited operating data in 2014

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	3.5%
Interest Coverage Ratio.....	11.6x
Weighted Average Interest Rate	2.7%
Leverage Ratio.....	19.6%
Taxable Income Payout Ratio*	100.1%
Net Change in Assets Payout Ratio	88.9%
Expense Support % of Distribution	0.0%

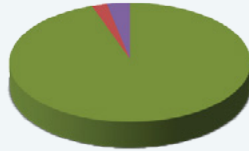
www.FSInvestmentCorpiii.com
Franklin Square Capital Partners
2929 Arch Street, Suite 675
Philadelphia, PA 19104
(877) 372-9880

*See additional notes on page 22.

BDC Industry Review: Second Quarter 2015

HMS Income Fund Inc.

Total Assets.....	\$797.1 Million
Investments.....	\$754.2 Million
Cash & Equivalents.....	\$17.2 Million
Other.....	\$25.7 Million

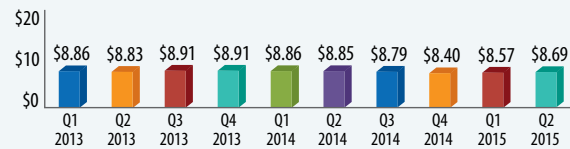


Public Offering Price:	\$9.90
Current Distribution Rate*:	7.07%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	June 4, 2012
Number of Months Effective:.....	36

*Current distribution rate based on public offering price declared January 9, 2015

Cash & Equivalents to Total Assets Ratio:.....	2.2%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	107
Sponsor/Advisor:	Hines
Sub-Advisor:.....	Main Street Capital Corporation
Use of Total Return Swap (TRS):	No
Assets of TRS:	\$0 Million

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)

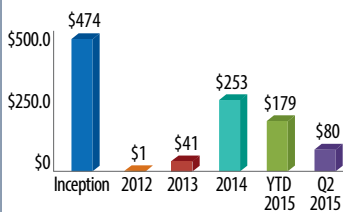
Management

Investments are managed by HMS Adviser, 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 \$84.9 billion of investments. Together with its predecessor, Hines has been investing and managing real estate for over 50 years..

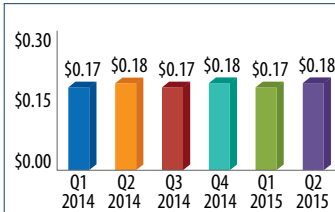
Main Street Capital – A manager of private debt and equity investments, Main Street Capital Corp. is a publicly traded BDC with a market capitalization of roughly \$2 billion.

Gross Offering Proceeds



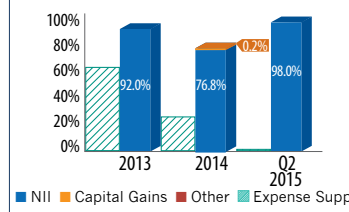
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



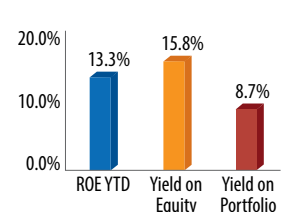
*Does not include special distributions

Sources of Distributions

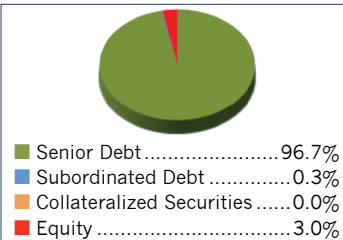


*Other may include other taxable income items.
*2.0% from Fee Waivers

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

Industry	2015 YTD	2014
Hotels, Restaurants, and Leisure	10%	8%
Media	8%	9%
Oil, Gas, and Consumable Fuels	5%	5%
Diversified Consumer Services	6%	5%
IT Services	6%	7%

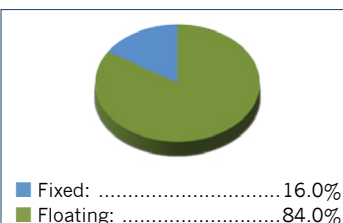
* Short-term Treasury Investments not included

Performance Returns

	2015 YTD	2014	2013	2012**
HMS Income Fund Inc.	7.50%	2.13%	8.47%	0.85%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%	7.42%	15.58%

* YTD returns are not annualized
** Limited operations for year of 2012, became effective 2/14/12

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	5.6%
Interest Coverage Ratio.....	6.1x
Weighted Average Interest Rate	4.0%
Leverage Ratio.....	38.0%
Taxable Income Payout Ratio*	93.0%
Net Change in Assets Payout Ratio	62.0%
Expense Support % of Distribution	0.0%

Contact Information

www.HinesSecurities.com/BDCS/HMS-Income-Fund
Hines Securities
 2800 Post Oak Boulevard, Suite 4700, Houston, TX 77056
 (888) 446-3773

*See additional notes on page 22.

BDC Industry Review: Second Quarter 2015

Sierra Income Corporation

Total Assets.....	\$977.4 Million
Investments.....	\$871.1 Million
Cash & Equivalents.....	\$24.1 Million
Other.....	\$82.1 Million

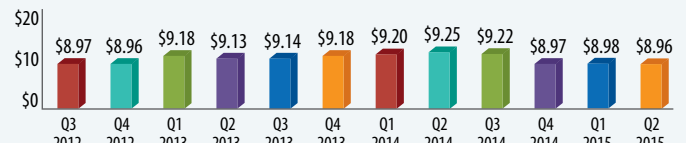


Public Offering Price:	\$10.00
Current Distribution Rate*:	8.00%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	April 16, 2012
Number of Months Effective:.....	38

*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....	2.5%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	85
Sponsor/Advisor:	SIC Advisors - Medley Capital
Sub-Advisor:.....	Not Applicable
Use of Total Return Swap (TRS):	Yes
Assets of TRS:	\$228.3 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 a lesser extent, subordinated debt.

Company Size:

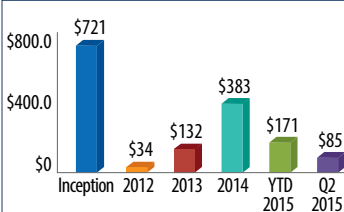
Enterprise value of \$50 million to \$4 billion

Management

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

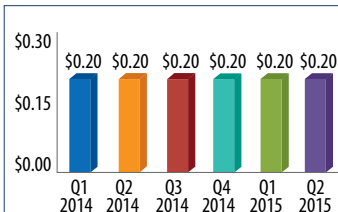
SIC Advisors - Medley Capital – Management team members bring an average of more than 20 years experience in principal finance, investment sourcing, credit analysis, transaction structuring, due diligence and investing. Medley Capital, the parent company of SIC Advisors has several private investment funds and a publicly traded BDC (Medley Capital Corporation) with combined assets of \$2 billion.

Gross Offering Proceeds



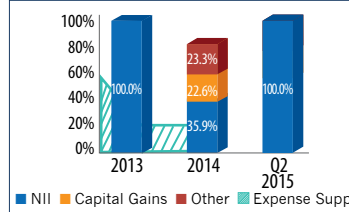
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



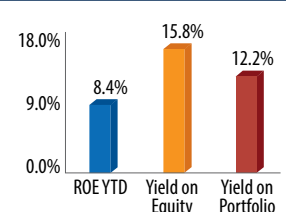
*Does not include special distributions

Sources of Distributions

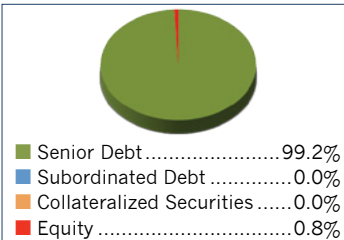


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

Industry	2015 YTD	2014
Services: Business	13%	NA
Hotel, Gaming & Leisure	10%	3%
Banking, Finance, Insurance & Real Estate	9%	4%
Automobile	8%	7%
High Tech Industry	7%	5%

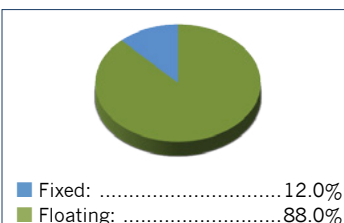
*Includes TRS Portfolio

Performance Returns

	2015* YTD	2014*	2013*
Sierra Income Corporation	4.41%	6.48%	11.75%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%	5.25%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%	7.42%

*Annualized Returns based on NAV plus reinvestment of distributions

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	11.5%
Interest Coverage Ratio.....	10.5x
Weighted Average Interest Rate	3.1%
Leverage Ratio.....	40.4%
Taxable Income Payout Ratio.....	96.0%
Net Change in Assets Payout Ratio.....	108.0%
Expense Support % of Distribution.....	0.0%

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

*See additional notes on page 22.

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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)	Investments (in \$ Millions)	Distributions Declared	Debt on Balance Sheet
Business Development Corporation of America II	September 8, 2014	Diversified Private Debt	\$0.1	No	NA	NA	NA	NA
Carey Credit Income Fund	July 24, 2015	Diversified Private Debt	\$88.1	No	NA	NA	NA	NA
Griffin-Benefit Street Partners BDC	January 20, 2015	Diversified Private Debt	\$4.8	Yes	\$2.9	NA	NA	NA
NexPoint Capital	August 18, 2014	Diversified Private Debt	\$26.8	Yes	\$10.0	\$16.7	NA	\$2.5
VII Peaks Co-Optivist Income BDC II, Inc.*	March 1, 2012	Diversified Private Debt	\$46.0	Yes	\$63.4	\$44.9	7.35%	None
Terra Income Fund	April 20, 2015	Diversified Private Debt	\$4.5	Yes	\$2.1	NA	NA	NA
Triton Pacific Investment Corporation	September 4, 2012	Diversified Private Debt	\$4.8	Yes	\$3.8	\$3.1	NA	NA

*Carey Credit Income Fund was excluded from full-page results due to the limited history of operating data as it became effective July 24, 2015

BDC Industry Review: Second Quarter 2015

Business Development Corporation of America

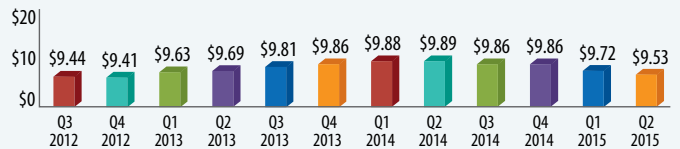
Total Assets.....\$2,441.9 Million
 Investments.....\$2,124.8 Million
 Cash & Equivalents.....\$271.4 Million
 Other.....\$45.7 Million



Public Offering Price:Closed
 Current Distribution Rate:7.78%
 Reinvestment Price Per Share:Set by Board
 Effective Date:.....January 25, 2011
 Number of Months Effective:.....53
 *Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....11.1%
 Asset Type:Diversified Private Debt
 Number of Companies in Portfolio:119
 Sponsor/Advisor:AR Capital - BDCA Adviser
 Sub-Advisor:.....Not Applicable
 Use of Total Return Swap (TRS):No
 Assets of TRS:\$0 Million
 *TRS was terminated on June 27, 2014

Historical Price (Net Asset Value)



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:

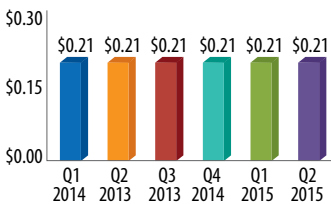
\$10 million to \$1 billion in revenue

Management

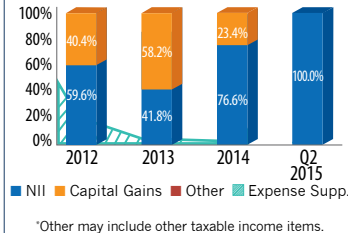
Investments are sourced, underwritten and managed by a single advisor and management team. BDCA Adviser is a wholly owned affiliate of AR Capital. The management team has experience in banking, loan origination, private equity investing & management, as well as real estate credit underwriting and investing.

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

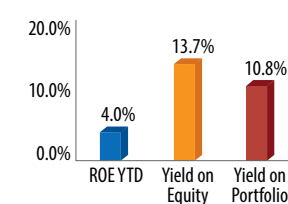
Historical Distribution Per Share



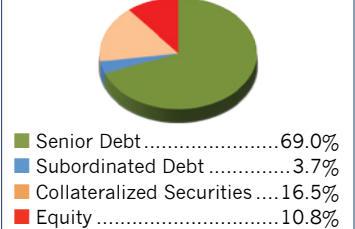
Sources of Distributions



Portfolio Yields



Portfolio by Asset Type



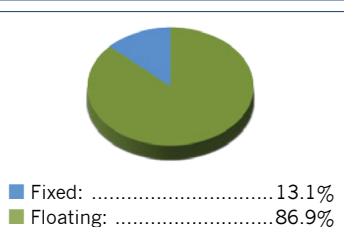
Portfolio Concentration – Top 5 Industries

Industry	2015 YTD	2014
Diversified Investment Vehicles	24%	27%
Hotels, Restaurants & Leisure	6%	3%
Health Care Providers & Services	5%	6%
Aerospace & Defense	5%	5%
Diversified Consumer Services	5%	4%

Performance Returns

	2015 YTD	2014	2013	2012
Business Development Corporation of America	7.63%	6.60%	14.12%	15.19%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%	7.42%	15.58%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	5.5%
Interest Coverage Ratio	7.0x
Weighted Average Interest Rate	3.3%
Leverage Ratio	30.0%
Taxable Income Payout Ratio*	104.0%
Net Change in Assets Payout Ratio	222.0%
Expense Support % of Distribution	0.0%

*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

*See additional notes on page 22.

BDC Industry Review: Second Quarter 2015

FS Investment Corporation II

Total Assets.....\$5,122.4 Million
 Investments.....\$4,668.4 Million
 Cash & Equivalents.....\$386.9 Million
 Other.....\$67.1 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

*Current distribution rate based on public offering price

Historical Price (Net Asset Value)



Cash & Equivalents to Total Assets Ratio:.....7.6%
 Asset Type:Diversified Private Debt
 Number of Companies in Portfolio:183
 Sponsor/Advisor:Franklin Square Capital Partners
 Sub-Advisor:.....GSO – Blackstone
 Use of Total Return Swap (TRS):No*
 Assets of TRS:\$0 Million

*FS Investment Corporation II terminated the TRS agreement on June 13, 2013

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:

\$206.4 million in EBITDA.

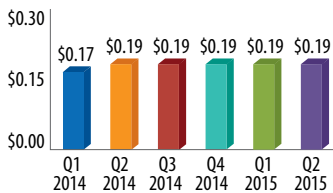
Management

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 \$81 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$310 billion in assets under management.

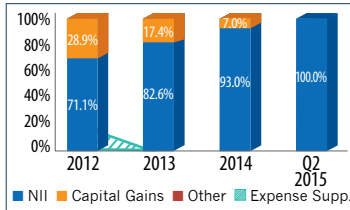
Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$16.8 billion in BDC assets.

Historical Distribution Per Share



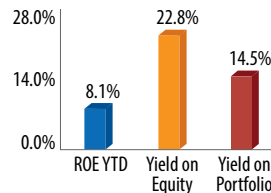
*Does not include special distributions

Sources of Distributions

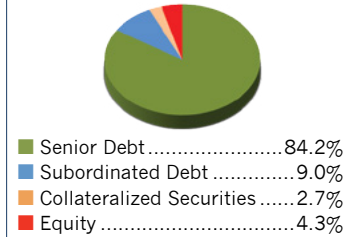


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

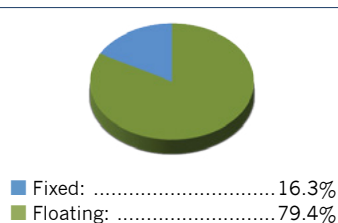
Industry	2015 YTD	2014
Energy	17%	14%
Consumer Services	12%	17%
Capital Goods	10%	9%
Software & Services	9%	8%
Materials	8%	6%

Performance Returns

	2015* YTD	2014	2013*	2012
FS Investment Corporation II	4.09%	6.92%	10.81%	8.82%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%	7.42%	15.58%

*YTD returns are not annualized
 *Limited operations for year of 2012, became effective 2/14/12

Floating vs. Fixed Rate Investments



*See additional notes on page 22.

Key Statistics

Total Operating Expense Ratio	6.6%
Interest Coverage Ratio	6.2x
Weighted Average Interest Rate	2.9%
Leverage Ratio	40.3%
Taxable Income Payout Ratio*	92.4%
Net Change in Assets Payout Ratio	100.4%
Expense Support % of Distribution	0.0%

Contact Information

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

Additional BDC Notes

Business Development Corporation of America

- Offering closed to new investors as of April 30, 2015
- High current yield of 7.78%
- 27.8% of portfolio comprised of Collateralized Securities and Equity Investments
- Diversified Investment Vehicles remains highest industry categorization at 23.6%
- NAV has decreased each of the past 4 quarters and is down from \$9.89 in Q2 14 to \$9.53 in Q2 15
- One company representing two investments and principal amount of \$4.2 M on non-accrual status

Credit Suisse Park View BDC, Inc.

- Became effective on March 18, 2015
- Invested in 10 portfolio companies with a for a total of \$99.9 million during the six months ending June 30, 2015
- One loan on non-accrual status representing 3.0% of the fair value of the portfolio

CIION Investment Corp.

- TRS utilization of \$652.9 M
- Lowest current yield of funds covered at 7.00%
- Total return of 5.11% YTD
- Lowest fund operating expense ratio of 1.9%
- NAV Q2 up to \$9.33 from \$9.22 end of 2014
- 97.9% of debt securities have a variable interest rate

Corporate Capital Trust

- Second largest open fund covered at \$3.68 B in total assets
- Software and Consumer Durable & Apparel industries comprise 26.4% of portfolio
- NAV down 4.73% YoY from \$10.15 to \$9.67
- Utilize \$388.9 M in TRS assets
- Public Offering Price reduced to \$10.75 for subscriptions received after August 4, 2015
- New Current Yield is 7.49%
- Three total companies representing \$3.58 M in TRS assets and \$61.75 M in investments on non-accrual status as of June 30, 2015
- Originated 6 new investments in 2015 representing \$397.3 M, 40.1% of investment activity

FS Energy and Power Fund

- Largest open fund covered at \$3.97 B in total assets
- NAV down \$1.27 YoY (12.9%)
- Low weighted average interest rate of 2.39%
- 39.6% of debt securities carry fixed rate
- Yield On Portfolio of 15.6%
- Realized \$40.5 M in losses in Q2 alone
- YTD return on NAV of 4.32%
- One equity investment representing amortized cost of \$55.6 M on non-accrual status, 0.1% of portfolio

FS Investment Corp. II

- Closed to new investors
- Issued \$52.8 M worth of new shares purely on DRIP
- Largest BDC covered with total assets of \$5.12 B
- Yield on Equity of 22.83%
- Energy, Consumer Services, and Capital comprise approx. 40% of portfolio
- Fund Operating Expense ratio of 6.60%
- One portfolio company representing \$2.4 M on non-accrual
- Directly originated \$697.3 M in new investments in Q2 alone
- Direct originations comprise 69% of portfolio

FS Investment Corp. III

- Commenced operation in April 2014
- 30.5% of debt portfolio has fixed rates
- Have had best raise YTD 2015 with \$699.9 M in gross proceeds
- Lowest total return YTD 2015 of funds covered of -1.37%
- 60% of investments in Upstream companies
- 99.9% of distributions are from NII less than 1 year after commencing operations
- One subordinated debt investment with principal amount of \$14.9 M on non-accrual

HMS Income Fund

- Public offering price of \$9.90
- Highest total return of funds covered YTD of 7.5%
- 96.7% of portfolio in Senior Secured Debt Investments
- Yield on Equity of 15.75%
- 2.00% of Distributions were sourced from expense support and waivers
- Top 5 industries only comprise 34.8% of portfolio
- One portfolio company representing two investments totaling \$4.4 M on non-accrual

Sierra Income Corp.

- Highest current yield of funds covered at 8.00%
- Highest fund operating expense ratio of 11.48%
- "Business Services" and "Hotel, Gaming, and Leisure" industries comprise 22.90% of portfolio
- 99.2% of portfolio is Senior Secured Debt
- Utilizes \$228.3 M of TRS assets
- One senior secured investment of \$766k on non-accrual

2015 Publication Schedule

	SEC 10-Q/10-K Release Date	Report Publication Date
Second Quarter 2015 (10-Q)	August 14, 2015	September 15, 2015
Third Quarter 2015 (10-Q)	November 13, 2015	December 17, 2015
2015 Year-in-Review	Year End 2015 Estimates	March 4, 2016
Fourth Quarter 2015 (10-K)	March 31, 2016	April 29, 2016
First Quarter 2016 (10-Q)	May 20, 2016	June 23, 2016