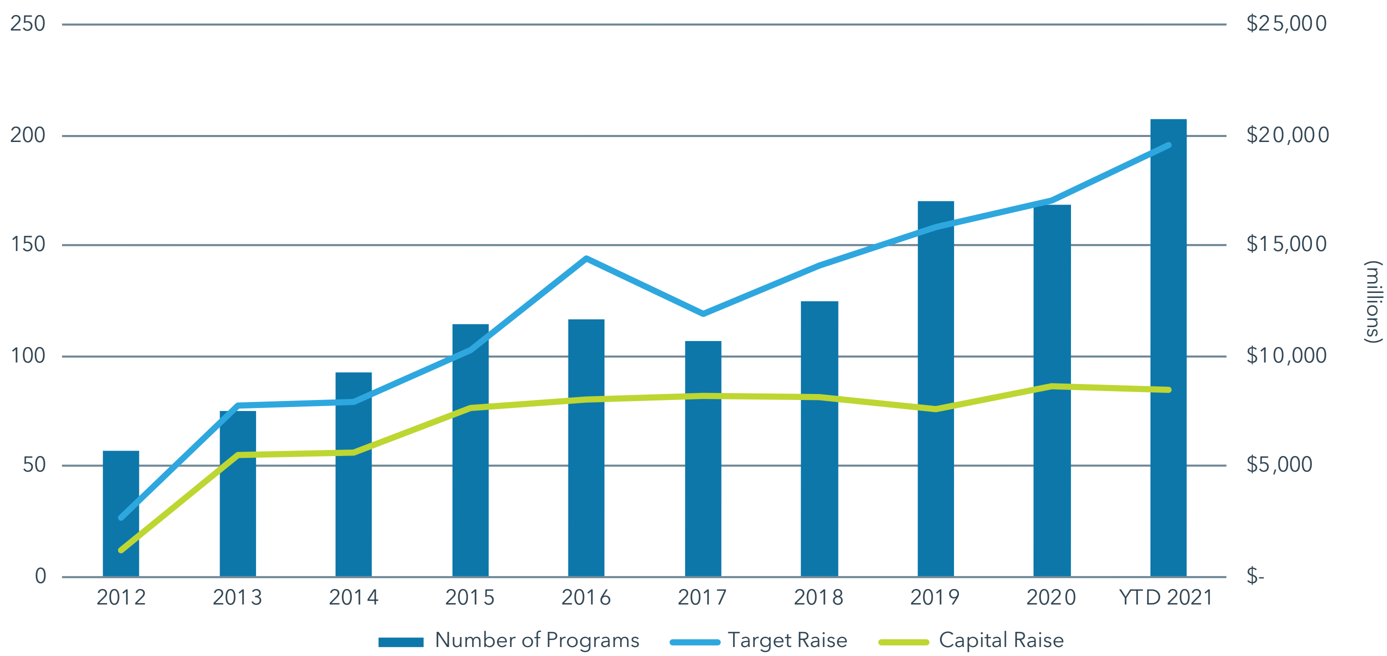
AI Insight currently covers 208 private placements, 12 open and 35 closed non-traded REITs, 25 open and 7 closed interval funds, and 2 open and 12 closed non-traded BDCs.

See the Alternative Investment Update as of September 2021 below for details.

Private Placements	
Current Fund Coverage Total	208
Aggregate Target Raise	$19.7 billion
Aggregate Reported Raise	$8.5 billion
Number of Funds Closed YTD	141
Average Fund Size	$97.8 million
Top 3 Categories by Target Raise	
Real Estate (Non-1031)	$7.0 billion
Private Equity/Debt	$5.4 billion
1031 Exchange	$2.9 billion

Current Coverage, Target, and Cumulative Capital Raise



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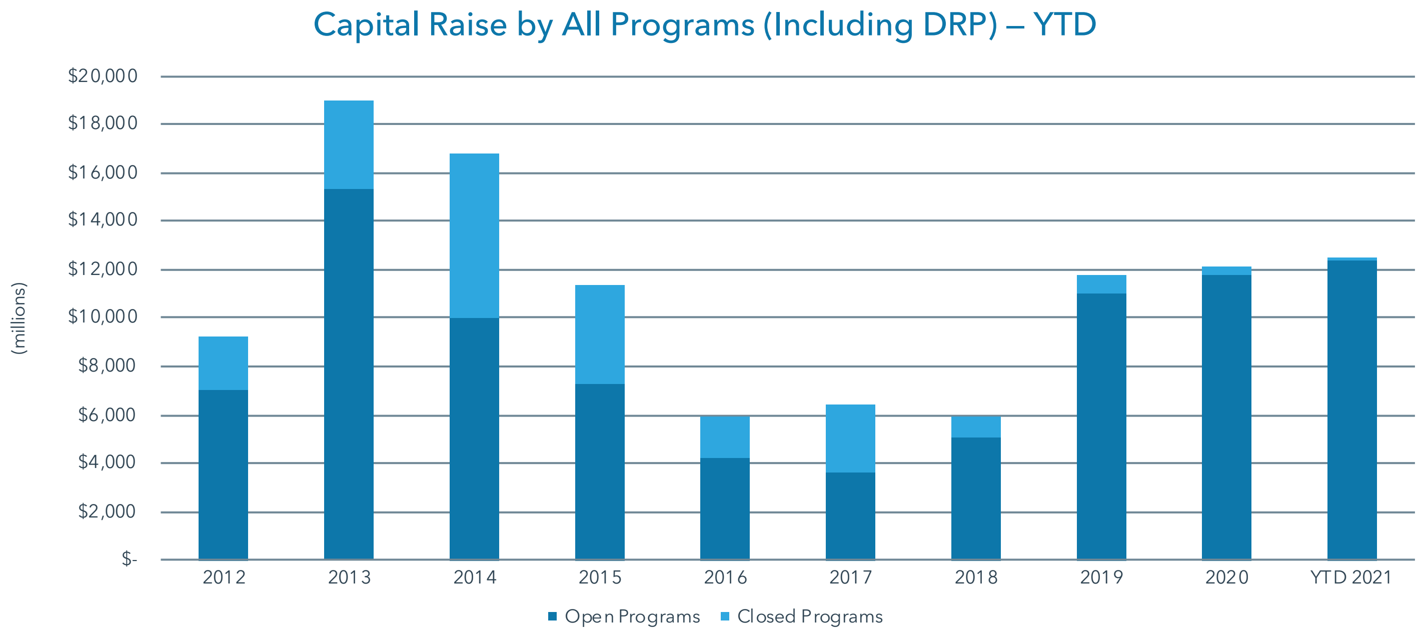
PRIVATE PLACEMENTS SUMMARY

- Despite a slowdown in 1031 activity, August was another strong month for funds added to our coverage. Private equity/debt, hedge funds, 1031s, and conservation funds have driven growth year-to-date, while opportunity zone activity is the only negative.

- 178 new funds have been added in 2021 making this a strong year and putting us well ahead in terms of new fund coverage (+75%) and aggregate target raise (+109%).
- As of September 1, AI Insight covers 208 private placements currently raising capital, with an aggregate target raise of $19.7 billion and an aggregate reported raise of $8.5 billion, or 43% of target.
- Real estate-related funds, including 1031s, Opportunity Zones, and non-1031 real estate LLCs and LPs, represent the largest component of our private placement coverage, at 68% of funds and 61% of target raise. Private equity/ debt funds comprise a relatively small amount of our coverage , just 16%, but account for 28% of target raise, even with several funds in the category not reporting a target.
- In terms of our coverage by general objective, income is the largest component at 54% of funds, while growth and growth and income follow at 29% and 17%, respectively.
- The average size of the funds currently raising capital is $95.5 million, ranging from $1.8 million for a specified private equity fund to $1.2 billion for a larger blind pool private equity fund. Seven funds do not report a target or current capital raise.
- 82% of private placements we cover use the 506(b) exemption, 14% use 506(c), and 4% have not yet filed their Form D with the SEC.
- 24 private placements closed to new investors in August, and 141 have closed in 2021. Funds that closed this year have been on the market for an average of 339 days. The funds that reported raised 90% of target; 84% met or exceeded their target; and only eight funds that missed their target raised less than half of target.

Non-Traded REITs (NTR)	
Number of Open Funds	18
Number of Lifecycle	4
Number of Perpetual	14
Number of Closed, Non-liquidated Funds	29
Number of Active Sponsors	16
Total AUM	$129.9 billion
Open NTR AUM	$75.1 billion
Closed, Non-liquidated AUM	$54.9 billion
Capital Raise YTD Open	$12.5 billion
New Funds Added	1
Liquidity Events (YTD)	1
Average Debt Ratio – Open	46.86%
Average Interest Rate on Debt – Open	2.77%
Average Distribution – Open Lifecycle	3.72%
Average Distribution – Open Lifecycle	5.07%
Properties Acquired (YTD)	269
Properties Sold (YTD)	140
Top 3 Capital Raise (YTD, Open NTRs)	
Blackstone Real Estate Income Trust, Inc.	$8.8 billion
Black Creek Industrial REIT IV	$564.3 million
Starwood Income Trust	$2.0 billion



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NON-TRADED REITS (NTR) SUMMARY

During the second quarter of 2021, there were 18 active, public non-traded REITs offered by 16 separate sponsors. One fund (InPoint Commercial Real Estate Income, Inc.), remain suspended with plans to reopen in the future. Three funds (Rodin Income Trust, Inc., and Strategic Student & Seniors Housing) closed in the second quarter. Additionally, Cottonwood Communities closed its initial offering and filed for a follow-on offering that is not yet effective. Procaccianti Hotel REIT, Inc. closed to new investors subsequent to the end of the quarter.

As of September 1, 2021, we cover 14 active and 33 closed, non-liquidated public NTRs.

Of the funds that raised capital in the second quarter, four were structured as traditional ("lifecycle") REITs with a defined liquidity lifecycle and event, while 14 were structured as perpetual life ("NAV") REITs. New entrants to the space over the last few years have primarily been NAV REITs although there have been no new entrants in 2021. Also of note, all of the lifecycle NTRs that we have covered recently have closed to new investors as of September 1, 2021. The remaining NTRs are structured as perpetual life, NAV REITs.

Notable events during the quarter for NTRs within our coverage included:

- The closing of Strategic Student & Senior Housing Trust, Inc. to new investors on May 1, 2021.
- The closing of Rodin Income Trust, Inc. to new investors on May 2, 2021.
- The bankruptcy announcement of Hospitality Investors Trust, Inc. (Formerly American Realty Capital Hospitality Trust, Inc.) on May 19, 2021. The company also announced a restructuring plan with Brookfield, the firm's largest investor.
- The merger agreement announcement by Griffin American Healthcare REIT III and IV on June 23, 2021. The combined entity will be merged and renamed American Healthcare REIT Holdings, LP.

Open NTRs on our platform raised $8.3 billion in Q2 2021, double the raise in Q1. The open funds have raised $12.5 billion year-to-date, up approximately 51% on a year-over-year basis. Perpetual life NAV REITs represented almost all of the total raise, 99.9%, with the remaining lifecycle REITs raising less than $9 million prior to their closing. Closed NTRs raised $111.2 million through distribution reinvestment programs.

Capital raise has been consistently concentrated in Blackstone Real Estate Investment Trust, Inc., which represented 71% of total raise in the first half of 2021. Starwood REIT, another diversified NAV REIT that is relatively new to the space, is gaining traction and raised 16% of total raise (up from 14% in Q1). The next closest competitor, Black Creek Industrial REIT IV, raised 5% of total raise.

- According to the IPA-Stanger Monitor, the Stanger NAV REIT Total Return Index and the Stanger Lifecycle REIT Total Return Index (both of which include returns of open and closed, non-liquidated NTRs) posted 3-month returns of 5.60% and 2.65%, respectively, as well as one-year annualized returns as of June 30, 2021 of 18.16% and -2.79%, respectively, and three-year annualized total returns of 8.96% and -0.28%, respectively. Both categories have rebounded since hitting their lows in Q3 and Q4 2020. NAV REITs have rebounded quicker given the more frequent pricing aspect of these REITs. Blackstone Real Estate Income Trust, Inc. and Nuveen Global Cities REIT posted the highest one-year trailing returns at 24.37% and 14.48%, respectively, which is not surprising given their high allocation to the top performing industrial and multifamily sectors. CIM Income NAV and InPoint Commercial Real Estate were the weakest performers, based on their exposure to retail, hospitality, and office-focused loans.

- Private real estate, as represented by The NCREIF Property Index, posted a quarterly total return of 3.59% in Q2, the highest quarterly return for the index since Q2 2011. Leveraged properties returned 4.09%. The quarterly total return was driven more by appreciation than income for the first time since before the pandemic, with appreciation contributing 2.54% and income 1.06%. Market values increased by 2.89% versus 0.92% for the prior quarter. All property types experienced improvements, although there was significant divergence in performance. Industrial, which has led all property types since Q1 2016, was up 8.89%, the highest quarterly return for any sector in the history of the NCREIF index. Even hotels were up 0.61%, while apartments, office, and retail returned 3.62%, 1.44%, and 0.90%, respectively. NCREIF sales volumes of 150 properties for the quarter were within the average range of 100 to 200 sales, up from 131 in Q1 and the low of 30 in Q2 2020.

- The traded REIT market, as represented by iShares US Real Estate ETF (NYSE:IYR), outperformed the S&P 500 in the first half of the year. Investors continued to favor the asset class for its alternative income stream compared with lower yielding bonds. Through June 30, 2021, the traded REIT market as represented by iShares US Real Estate ETF (NYSE:IYR) was up over 19%, outperforming the S&P 500 by more than 400 basis points.

Non-traded BDCs	
Number of Open Funds	3
Number of Closed, Non-liquidated Funds	11
Number of Active Sponsors	2
Total AUM	$23.9 billion
Capital Raise YTD Open	$5.2 billion
New Funds Added	0
Liquidity Events (YTD)	1
Total Return FYE 2020 – Open Funds	6.05%
Total Return FYE 2020 – Closed Funds	7.91%
Top 3 Capital Raise (YTD, Open Funds)	
Blackstone Private Credit Fund	$2.8 million
Owl Rock Core Income Corp.	$171.6 million
Owl Rock Capital Corporation II (closed April 30)	$26.5 million

NON-TRADED BDC SUMMARY

Non-traded BDCs open during the second quarter raised roughly $3 billion, the highest amount since 2016. The majority of this was raised by the new Blackstone BDC ($2.8 billion), while two Owl Rock funds raised $200 million. The closed BDCs that had not yet liquidated raised $38.7 million through distribution reinvestment programs.

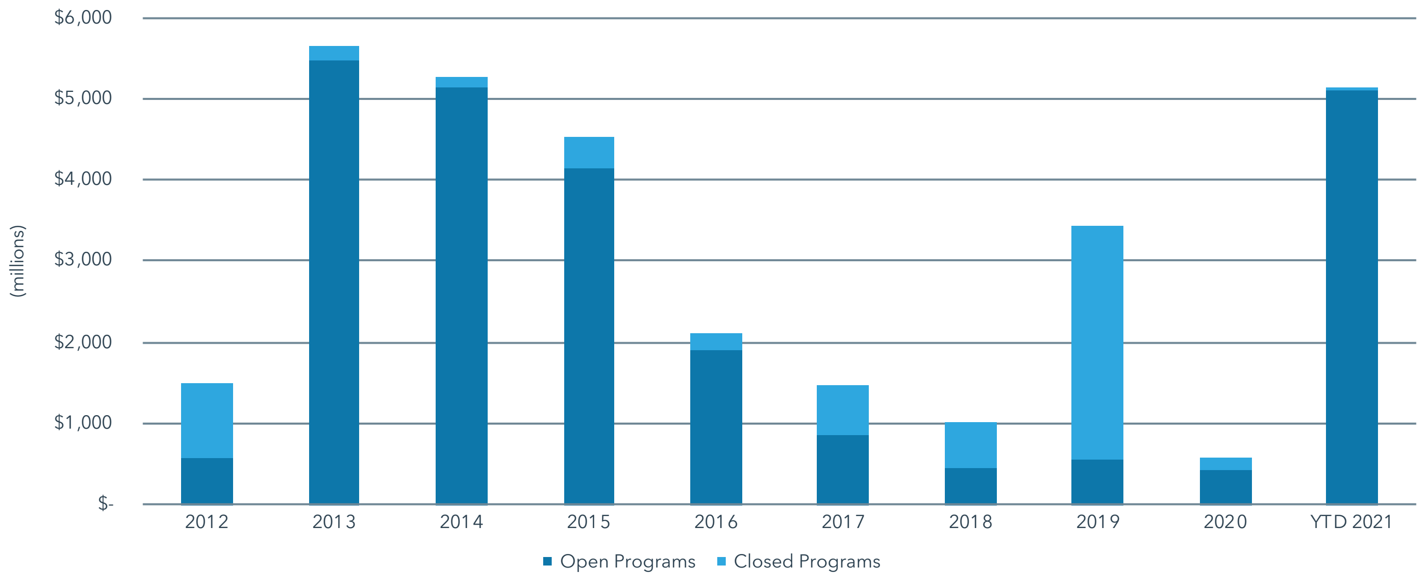
After falling to historic lows in 2020 as funds lowered yields to preserve capital, average distribution rates for open, public non-traded BDCs were within the average range of the last decade. The average distribution rate of 6.56%

is almost double what it was at year-end 2020, while the average for closed funds remains below average at 4.74%. Non-traded BDCs tend to pay lower yields than traded BDCs or direct middle market loan funds, as they tend to own a higher percentage of senior secured loans. According to Cliffwater, the average distribution rates for publicly traded BDCs and the direct lending middle market indices, both of which have significantly higher weightings to subordinated debt, were 8.77% and 8.70%, respectively.

Total returns have improved over the last few quarters for the non-traded BDC market. After declining in 2020, the average open, non-traded BDC reported year-to-date returns of 6.05%, while closed BDCs were up 7.91%. By comparison, the Cliffwater BDC Index was up 39% in the first half of the year (after declining 7% in 2020), while the Cliffwater Direct Lending Index ended the second quarter up 7.2% year-to-date.

With the addition of the $12 billion in assets managed by the Blackstone Private Credit BDC, the non-traded BDCs in our coverage universe managed nearly $24 billion in aggregate assets at the end of the second quarter of 2021, up significantly from $10 billion at year-end 2020. Of this, roughly 65% is in open BDCs while the remaining 35% is in closed, non-liquidated BDCs. The market capitalization of the Cliffwater BDC and the Cliffwater Direct Lending indices are roughly $49 billion and $156 billion, respectively. Additionally, Cliffwater reports that approximately $38 billion is currently managed in private non-traded BDCs.

Capital Raise by All Programs (Including DRP) – YTD



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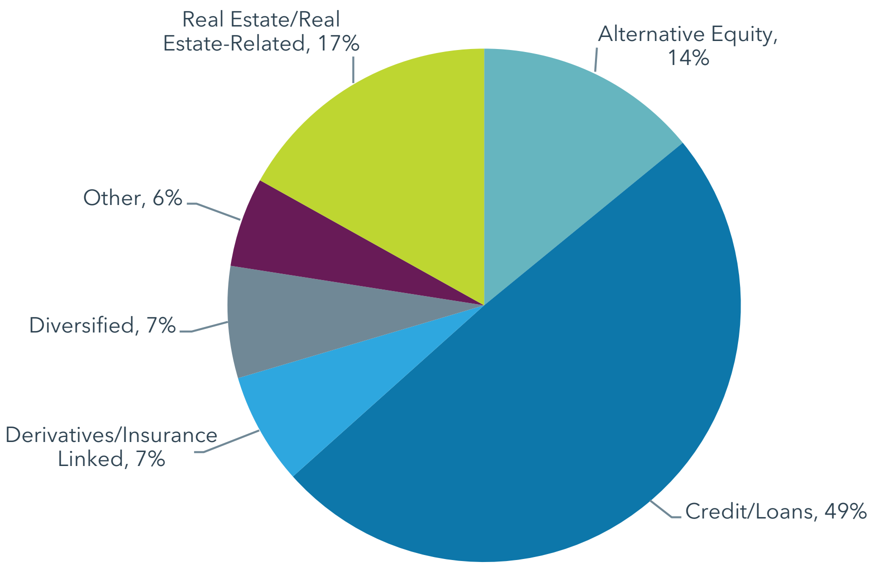
Interval Funds	
Number of Open Funds	71
Number of Funds in Registration	32
Aggregate Total Assets	$35.9 billion
Growth in Net Assets from Prior Period	16.00%
Average Total Return – FYE 2020	1.06%
Average Total Return – FYE 2019	5.05%
Top 3 Capital Raise (YTD, Open Funds)	
ACAP Strategic Fund	$9.1 billion
Griffin Institutional Access Real Estate Fund	$3.9 billion
Stone Ridge Alternative Lending Risk Premium Fund	$3.0 billion

Interval Funds – % of Funds



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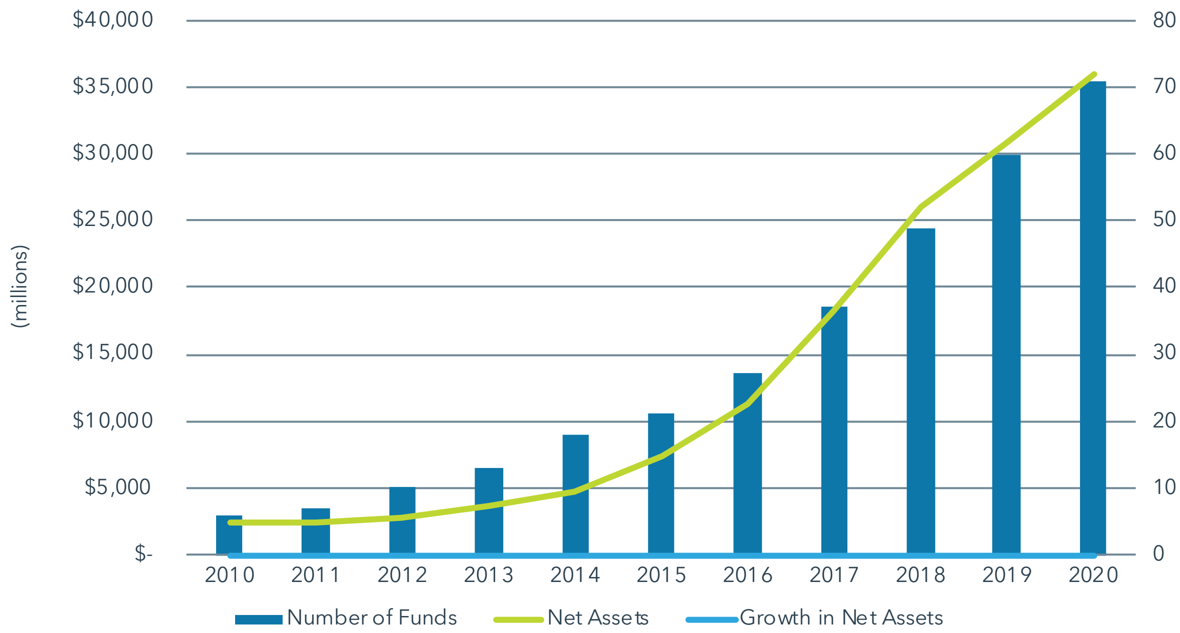
Interval Fund Growth – Net Assets and Number of Funds



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INTERVAL FUNDS SUMMARY

- As of the latest reporting period (FYE 2020), there were 71 active interval funds that manage approximately $35.9 billion in net assets.
- AI Insight covers 26 of these representing 91% of net assets.
- Net assets increased 15% from FYE 2019. While this is slower growth than prior years – net assets increased 56%, 53%, and 62% year-over-year in 2015, 2016, and 2017, respectively – it is still impressive, given that it occurred during the COVID-19 recession.
- Eleven new funds were declared effective in 2020, including the first cryptocurrency strategy (Arca U.S. Treasury Fund) to be approved, and one BDC conversion (Flat Rock Core Income Fund).

- The industry continued to see growth with five additional funds registered in 2020 and 12 in 2021, year-to-date.
- Goldman Sachs acquired Resource Real Estate Diversified Income Fund and the merger with Resource Real Estate Credit Income Fund was terminated. Resource Credit Income Fund is now managed by Sierra Crest Investment Management, an affiliate of BC Partners and LibreMax Capital, and has been renamed the Alternative Credit Income Fund. Sierra Crest also manages Portman Ridge (NYSE: PTMN), a publicly-traded BDC.
- Stone Ridge was one of the first and largest interval fund sponsors, but with the emergence of the space as a viable investment structure, their dominance has declined (16% of net assets vs. 50% in 2016).
- Several large sponsors have entered the market, including Lord Abbett, Nuveen, Invesco, First Eagle, and Calamos.
- Tender offer funds are another growing category of closed-end funds. At year-end 2020, there were 53 tender offer funds with an aggregate $26.6 billion in net assets. This is up from six funds with $6 billion in assets at the end of 2010.

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