



LIGHTSTONE

Value Plus REIT III

SPRINGHILL SUITES GREEN BAY Green Bay, WI

Property Acquired: May 2016

AT A GLANCE

ACQUISITION PRICE

\$18,250,000/(\$143,701/key)

EST. REPLACEMENT COST

\$18,700,000/(\$147,500/key)

NET OPERATING INCOME (NOI)¹

\$1,795,000

OCCUPANCY²

72.94%

AVERAGE DAILY RATE (ADR)²

\$131.98

REVENUE PER AVAILABLE ROOM (REVPAR)²

\$96.26

CAP RATE³

9.8% (\$1,795,000/\$18,250,000)

PROPERTY OVERVIEW

Year Opened/Converted	2007/2013
Total Rooms	127
Land Area	2.28 acres

THE OPPORTUNITY

Green Bay has a high barrier to entry as the Green Bay Packers own 135 acres around the stadium and beyond, which we believe will limit new supply in the market. There are plans to add high end retail stores, a skating rink, residential condominiums, and restaurants in the area over the next few years.⁴

The Seller developed the property in 2007 as a Cambria Suites. In 2013, the Seller invested over \$1.97 million to convert the property to a SpringHill Suites. Substantial public areas and guest rooms' renovations were completed in 2011 and 2014, respectively.

The Property was acquired in an off-market transaction from the Seller, a local resident whose primary business is farming and was looking to cycle out of the business. Lightstone plans to implement a revamped sales and marketing strategy and include an in-house revenue management team.

DEMAND DRIVERS

- **Lambeau Field**, the home field of the Green Bay Packers of the National Football League is located only two blocks away from the Property. With a capacity of 80,750, Lambeau Field is the third-largest stadium in the NFL and the largest venue in the state of Wisconsin.⁵
- **Associated Bank** is a U.S. regional bank holding company headquartered in Green Bay, WI and the largest bank (by asset size) headquartered in Wisconsin with over 200 branches. As reported in 2016, it had \$28.2 billion in assets and was one of the top 50 publicly traded U.S. bank holding companies.⁶
- **Schreiber Foods** is a dairy company generating more than \$5 billion in annual sales. Forbes ranked Schreiber Foods as 82nd on its year 2015 list of privately held companies.⁷
- **Schneider**, headquartered in Green Bay, is a major employer employing over 18,000 people. It is a provider of truckload, intermodal and logistics services. Schneider is one of the largest truckload carriers in North America, with 11,650 company drivers, 10,000 company trucks and 33,000 trailers on the road. The company conducts business worldwide and its customers include more than two-thirds of the Fortune 500 companies.⁸

THIS SALES AND ADVERTISING LITERATURE MUST BE READ IN CONJUNCTION WITH THE PROSPECTUS IN ORDER TO UNDERSTAND FULLY ALL OF THE IMPLICATIONS AND RISKS OF THE OFFERING OF SECURITIES TO WHICH IT RELATES. A COPY OF THE PROSPECTUS MUST BE MADE AVAILABLE TO YOU IN CONNECTION WITH THIS OFFERING.

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(Additional information, including certain risk factors, are continued on back page.)

¹ Net operating income is based on the trailing 12-months, as of November 2015. Additionally, net operating income is calculated as all gross revenues from the property less all operating expenses, including property taxes and management fees but excluding depreciation.

² Trailing 12-months, as of November 2015.

³ Capitalization rate is determined by taking the net operating income at the time of acquisition, divided by the base purchase price of the property.

⁴ Projections cannot be relied upon.

⁵ <http://www.usatoday.com/story/sports/nfl/packers/2013/07/19/lambeau-field-expansion-revenue/2570289/>

⁶ <http://newsroom.associatedbank.com/about>

⁷ <http://www.forbes.com/largest-private-companies/list/2/#tab:rank>

⁸ <https://schneider.com/knowledge-hub/infographic/schneider-by-the-numbers>

PROPERTY OVERVIEW

SpringHill Suites Green Bay is a 127-room all-suite hotel located in the heart of the Lambeau Field district, within walking distance to the home of the Green Bay Packers, 4.5 miles from Green Bay Botanical Garden and 5.4 miles from Bay Beach Amusement Park. Substantial public areas and guest rooms' renovations were completed in 2011 and 2014, respectively.

Suites are 25 percent larger than comparably priced suites and designed to give more space to work and relax and offer a seamless blend of style and function along with microwave, mini-fridge, large work desk, and free high-speed internet access. There's a complimentary breakfast buffet, breakfast to-go and a 24-hour convenience store, as well as an indoor pool, hot tub and fitness center. Other amenities include free parking and laundry facilities.

Lightstone entered into a 15-year franchise agreement with Marriott upon acquisition.

GREEN BAY, WI REGIONAL OVERVIEW

Green Bay is the third-largest city in Wisconsin, after Milwaukee and Madison; it is also the third-largest city on the west shore of Lake Michigan, after Chicago and Milwaukee. Green Bay MSA's population, as of a July 2009 estimate, was approximately 304,783 reflecting a growth of 7.9% from the 2000 Census.

Unemployment is currently at 4.7%, compared to 5.0% for the U.S. City population is 104,952 and a median household income of \$40,824. According to Metropolitan Statistical Areas of Wisconsin report, from 2010-2016 the per capita personal income is projected to increase 22%. Over the same time frame employment is projected to increase 8.5%.⁹

⁹ Metropolitan Statistical Areas of Wisconsin, Winter 2014.
Projections cannot be relied upon.



Green Bay, WI



LIGHTSTONE

For more information, please call: **888.808.7348**

Lightstone, our Sponsor, is a diversified real estate company located in the United States. Since 1988, founder David Lichtenstein has grown Lightstone to one of the largest privately-held real estate companies in the country, with holdings in 25 states. Operating in all sectors of the real estate market, Lightstone's \$2 billion portfolio of owned, advised, or managed assets currently includes over 6 million leasable square feet of commercial properties, 11,000 residential units and 3,515 hotel keys. It also owns over 12,000 land lots across the country. Headquartered in New York City, Lightstone continues to grow its local presence with \$2.5 billion worth of projects currently under development in the residential and hospitality sectors.

Lightstone and its affiliates have been one of the largest developers of outlet shopping centers in the United States over the last 10 years. The company has owned, managed and developed 25 outlet centers totaling over 8 million leasable square feet.

Additionally, Lightstone believes there still are numerous opportunities throughout the United States within the select-service hospitality sector. Since 2007, Lightstone has been an investor in the sector and currently owns numerous hotels through its public non-traded real estate investment trusts.

RISK FACTORS INCLUDE:

(1) This is an initial public offering. There is no public trading market for our Common Shares, and there may never be one; (2) We are a "blind pool" offering because we currently have not identified most of the properties that we may acquire, and you will not have the opportunity to evaluate the merits of such investments. We and our advisor have limited operating history, our advisor has limited experience investing in hotels, and we have no established financing sources; (3) We have paid and will continue to pay substantial fees to our advisor and its affiliates, and our advisor and its affiliates, including all our executive officers and some of our directors, will face conflicts of interest caused by their compensation arrangements with us; (4) We may suffer from delays in locating suitable investments, which could adversely affect the return on your investment. Our ability to achieve our investment objectives and to make distributions to our stockholders is dependent upon the performance of our advisor in the acquisition of our investments and the determination of any financing arrangements, as well as the performance of our property managers in the selection of tenants and the negotiation of leases; (5) You are limited in your ability to sell your Common Shares pursuant to our share repurchase program; (6) There is limited liquidity in our Common Shares, and there can be no assurance that a liquidity event will ever occur; (7) There is no guarantee of distributions; we have made and will continue to make distributions from sources other than cash flow from operations, including the proceeds of our public offering or from borrowings (including borrowings secured by our assets); our organizational documents do not limit the amount of distributions we can fund from sources other than operating cash flow; (8) There is no limit on the amount of offering proceeds or borrowings we may use to fund distributions. Distributions paid from offering proceeds or borrowings may constitute a return of capital and reduce investor returns. Rates of distribution to you may not be indicative of our operating results; (9) Even if we terminate our advisor for poor performance, the special limited partner (an affiliate of our advisor) may elect to (a) receive cash in an amount equal to its net investment, or (b) retain the subordinated participation interests, and in the case of (a), to receive liquidation distributions as well. Such amounts may be substantial and, as a result, may discourage us from terminating our advisor; (10) We may employ substantial leverage to acquire assets and may acquire properties that are in depressed or overbuilt markets; (11) Investors may lose their entire investment; (12) Our failure to remain qualified as a REIT would subject us to U.S. federal income tax and potentially state and local tax, and would adversely affect our operations and the market price of our Common Shares; and (13) The share ownership restrictions of the Internal Revenue Code of 1986, as amended, for REITs and the share transfer and ownership restrictions in our charter may inhibit market activity in our Common Shares.

With the exception of the picture of Green Bay, WI at top right, the pictures herein are actual images of the Property, which is owned by Lightstone Value Plus REIT III.

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