

INVESTOR FACT SHEET

LIGHTSTONE REAL ESTATE INCOME TRUST INC.
 ("LREIT") DEVELOPMENT FINANCE REIT



The properties pictured are not owned by the issuer or its affiliates, but are representative of some of the types of properties that the issuer may finance.

OFFERING TYPE	Public Non-Traded Real Estate Investment Trust
PRIMARY OFFERING SIZE	\$300 million, exclusive of Distribution Reinvestment Plan ("DRIP")
INITIAL OFFERING PRICE PER SHARE	\$10 per share ¹
SUBORDINATED LOAN COMMITMENT	Lightstone's sponsor has committed to loan up to \$36 million on a subordinated basis to LREIT with the intention of helping to maintain an estimated per share net asset value ("NAV") close to the initial share offering price of \$10.00. The subordinated loan will be valued at \$0 until our estimated NAV exceeds the aggregate amount received from investors plus a cumulative, pre-tax, non-compounded return of 8.0%. After that point, the value of the subordinated loan will be subtracted from the value of the REIT's assets when the board of directors estimates the NAV. At that time, our sponsor will receive all distributions until it realizes a return of net investment plus 8% cumulative, pre-tax, non-compounded annual return. Thereafter, 85/15 split (Investors/Sponsor).
INVESTMENT AMOUNT	Minimum Initial Investment: \$1,000 \$2,500 (NY investors)
DISTRIBUTION REINVESTMENT	\$9.50 per share
DISTRIBUTION*	8% per annum, paid monthly
SHARE REPURCHASE PROGRAM²	Subject to limitations described in the prospectus, stockholders may sell their Common Shares back to us at the repurchase price determined by our Board of Directors: (a) In the case of the death of a stockholder, the price paid to acquire the Common Shares (b) The below percentages of the price paid to acquire the Common Shares, except in the case of the death of a stockholder: a. 92.5% for stockholders who have continuously held their Common Shares for at least one year b. 95% for stockholders who have continuously held their Common Shares for at least two years c. 97.5% for stockholders who have continuously held their Common Shares for at least three years d. 100% for stockholders who have continuously held their Common Shares for at least four years
INVESTOR SUITABILITY	Require that a purchaser of Common Shares have, excluding the value of a purchaser's home, home furnishings and automobiles, either: • \$70,000 gross annual income + \$70,000 net worth, or • \$250,000 net worth The following states have additional suitability requirements: AL, CA, IA, KS, KY, MA, ME, MI, MO, ND, NE, NJ, NM, NY, OH, OR, PA, TN, VT, and WA.
TAX REPORTING	Form 1099-DIV
NAV/VALUATION FREQUENCY	Lightstone expects the advisor will estimate LREIT's net asset value ("NAV") on a quarterly basis. On July 22, 2016, the board of directors established LREIT's estimated NAV per share of \$10.00 as of June 30, 2016.
LIQUIDITY STRATEGY³	Intends to complete a liquidation event within approximately 5 years following the completion of the offering. Such an event could include: (a) Sale of assets (b) Sale or merger of our company (c) Listing on a national securities exchange

* There is no guarantee of distributions. We will make some of or all our 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. From LREIT's inception through September 30, 2016, distributions totaled \$1,381,789 and were paid from offering proceeds (approximately \$246,007 or 18%), cash flows provided by operations (\$808,446, or 58%) and excess cash proceeds from the issuance of common stock through the distribution reinvestment program (\$327,336, or 24%). This will reduce our funds available for investments and your overall return may be reduced.

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.

This is neither an offer to sell nor a solicitation of an offer to buy the securities described herein. An offering is made only by prospectus. This literature must be preceded or accompanied by a current prospectus. You should read the current prospectus in order to understand fully all of the implications and risks of the offering of securities to which it relates. An investment in Lightstone Real Estate Income Trust Inc. should be made only after a careful review of the prospectus. All information contained in this material is qualified in its entirety by the terms of the current prospectus. The achievement of any goals is not guaranteed. For more complete information about investing in Lightstone Real Estate Income Trust Inc., including risks, charges and expenses, refer to our prospectus.

INVESTMENT OBJECTIVES^{4,5}

Our primary investment objectives are:

- to pay stable cash distributions to our stockholders
- to preserve and protect capital contributions

INVESTMENT STRATEGY⁵

LREIT's strategy is to originate, acquire and manage a diverse portfolio of real estate-related investments secured by or related to properties located primarily in the United States. We expect that a majority of our investments will be related-party investments. We seek to create and maintain a portfolio of investments that generate attractive and consistent cash distributions. Our focus on investing in debt instruments emphasizes the payment of stable cash distributions to our stockholders and the preservation and protection of your capital contribution as some of our primary investment objectives. We place a lesser emphasis on, but still may target, capital appreciation from our investments, compared to more opportunistic or equity-orientated strategies.

The period that we will hold our investments will vary depending on the type of investment, interest rates, investment performance, the micro and macro real estate environment, the capital markets and credit availability, among other factors.

EXIT STRATEGY^{3,5}

- Begin the process of achieving a liquidity event no later than five years after the termination of the offering
- Control loan terms favorable to the targeted portfolio liquidation date
- Maintain control of loan maturity dates through active portfolio management

ABOUT THE ADVISOR⁶



Lightstone is one of the most highly-regarded and diversified real estate companies 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 26 states. Operating in all sectors of the real estate market, Lightstone's \$2 billion portfolio currently includes over 6 million square feet of office, retail and industrial commercial properties, 10,000 residential units and 3,843 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.

For more information, please call: 800.304.0210

Footnotes: (1) It is anticipated that the Offering Price Per Share will be updated quarterly, based on the estimated appraised value of the portfolio. On July 25, 2016, LREIT adjusted its offering price to \$10.00 per Common Share in its primary offering, which is equal to the estimated net asset value per Common Share as of June 30, 2016. Price per share is subject to discount for some categories of investor. (2) This program can be terminated or amended at any time and it is capped at 5% of gross proceeds. (3) There is no guarantee a liquidity event will occur. (4) There is no guarantee of distributions. We will make some of or all our 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. From LREIT's inception through March 31, 2016, distributions totaled \$356,315 and were paid from cash flows provided by operations (\$17,003, or 5%), offering proceeds (\$280,017, or 79%) and excess cash proceeds from the issuance of common stock through the distribution reinvestment program (\$59,295, or 16%). (5) There can be no assurance that the Investment Objectives will be met, or that Lightstone will be able to execute on either Investment Strategy or the Exit Strategy. (6) As of September 30, 2016.

Summary of Risk Factors: (1) We and our advisor have a limited operating history and the performance of the prior real estate investment programs of our sponsor may not be indicative of our future results. (2) This is a "blind pool" offering, so you will not have the opportunity to evaluate all our investments before you invest. (3) There is no established trading market for our Common Shares, and there may never be one; therefore, it will be difficult for you to sell your Common Shares except pursuant to our share repurchase program. If you sell your Common Shares to us under our share repurchase program, you may receive less than the total price you paid for the Common Shares. (4) We expect to have a concentration of related-party investments. Therefore, if adverse business developments were to occur with respect to our sponsor or its related parties, our results of operations and the value of your Common Shares could be adversely affected. (5) We will be subject to the general market risks associated with real estate construction and development. (6) Our financial performance will depend on the successful development and redevelopment of properties that serve as security for the loans we make to developers or that are owned by entities in which we make preferred equity investments. (7) Our operating results may be negatively affected by potential development and construction delays and resultant increased costs and risks. (8) Payment of fees to our advisor and its affiliates will reduce cash available for investment and payment of distributions. (9) If we are unable to raise substantial funds, we will not be able to diversify our portfolio. (10) Our obligations under the subordinated agreement with our sponsor will entitle our sponsor to repayment of the outstanding advances under the subordinated agreement and accrued interest, in addition to the liquidation distributions to which our sponsor is entitled, that will reduce the liquidation distributions available to holders of our Common Shares. (11) If we internalize our management functions, your interest in us could be reduced, and we could incur other significant costs associated with being self-managed. (12) Our sponsor's other public programs may be engaged in competitive activities, including the origination and acquisition of our targeted investments. (13) Our advisor will face conflicts of interest with respect to related-party investments, which could result in a disproportionate benefit to our sponsor, its affiliates or other Lightstone-sponsored real estate investment programs. (14) A limit on the number of shares a person may own may discourage a takeover of our company. (15) Your interest could be diluted if we issue additional securities. (16) We have broad authority to incur debt, and high debt levels could hinder our ability to pay distributions and could decrease the value of your investment. (17) Our failure to qualify or 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.

Forward-Looking Statements: All statements contained in this brochure, other than statements of historical fact, are forward-looking statements. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words "may," "will," "believe," "expect," "intend," "anticipate," "estimate," "project," or similar expressions or variations thereof. These statements are based on LREIT's current plans and expectations and involve risks and uncertainties that could cause actual future events or results to be different than those described in or implied by such forward-looking statements. Investors are cautioned not to place undue reliance on any forward-looking statements.