

MOXY 28TH STREET

A MARRIOTT INTERNATIONAL HOTEL
NEW YORK, NY



Lightstone Real Estate Income Trust Inc. (“LREIT”) has made a \$37 million preferred equity investment commitment, of which \$20 million was funded as of August 30, 2016, for the development of a new Marriott Moxy hotel, located in Manhattan’s NoMad neighborhood. This commitment is for the development phase and is intended to create value beyond the capital costs. The 343-key hotel is expected to feature stylishly-appointed guestrooms with up-to-date amenities, a ground floor market restaurant, lobby bar, lounge, and a rooftop sky bar.¹

Lightstone believes the investment is suitable for LREIT due to the favorable location of the Project, attractive yield offered and the terms of the investment.

FINANCING PARAMETERS

- **Investment Type:** Preferred Equity
- **Investment Commitment:** \$37 million
- **Initial Term:** 12% annual cumulative, pre-tax, non-compounded return
5-year term
- **Development Phase:** Development

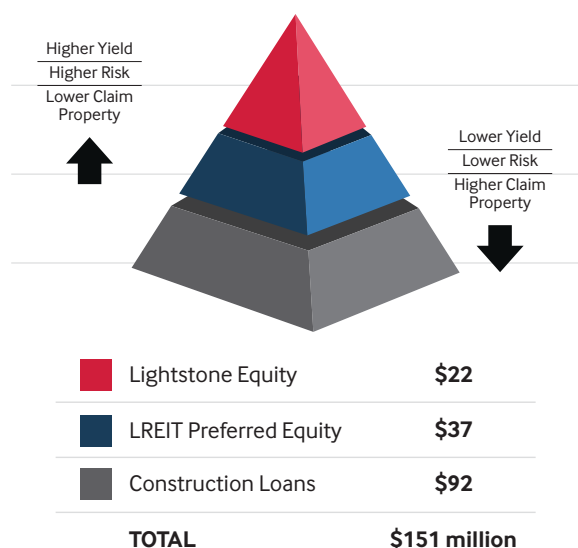
¹As with any development project, plans are subject to change.

The property pictured is an artist’s rendering and is subject to change. The rendering is representative of the 28th Street hotel that Lightstone has planned for development. LREIT does not own the property, but has made a preferred equity investment to help fund its development.

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. 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.

PRE-DEVELOPMENT CAPITAL STACK



As of August 2016

INVESTMENT RATIONALE

- The Project is located in a central area of Manhattan, within minutes to Madison Square Garden, Herald Square, Penn Station, and the High Line. It is conveniently located near three major subway lines.²
- The Manhattan lodging market is the strongest performing lodging market in the United States in terms of absolute RevPAR (revenue per available room) performance.²
- The market has delivered strong performance with occupancy averaging 81% from 1993–2014 and 84% from 2010 to 2014.²
- NYC is targeting a record 67 million visitors by 2021, up 19% from 56.4 million in 2014.^{3,4}

²JLL Research, as presented on October 12, 2015.

³"The Daily Lodging Report," AETHOS Consulting Group and Gaming USA Corporation, March 22, 2015.

YOU HAVE ARRIVED #ATTHEMOXY



Style-oriented and affordable, Moxy Hotels is a new hotel brand featuring modern residential design, fast Wi-Fi and inviting common areas.

Building upon its recent introduction in Europe, Moxy's brand is expected to launch in eight U.S. metropolitan locations, including New York City, San Francisco, Seattle, Tempe, New Orleans and Chicago. Moxy's first New York property, developed by Lightstone, will be created by the design firm Yabu Pushelberg.⁴

⁴Projections cannot be relied upon. Statements about Moxy Hotels are provided by Marriott International.



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**

Investing in our Common Shares involves a high degree of risk. Refer to the "Risk Factors" section of the prospectus to read about risks you should consider before buying our Common Shares. These risks include the following: (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 have paid, and expect to continue to pay, some of or all our distributions from sources other than our cash flow from operations, including from the proceeds of this offering or other offerings, cash advances to us by our advisor, cash resulting from a waiver of fees, and borrowings, including borrowings secured by our assets; this reduces our funds available for investments and your overall return may be reduced; (5) 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; (6) We will be subject to the general market risks associated with real estate construction and development; (7) 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; (8) Our operating results may be negatively affected by potential development and construction delays and resultant increased costs and risks; (9) Payment of fees to our advisor and its affiliates will reduce cash available for investment and payment of distributions; (10) If we are unable to raise substantial funds, we will not be able to diversify our portfolio; (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 faces 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) 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; (15) A limit on the number of shares a person may own may discourage a takeover of our company; (16) Your interest will be diluted if we issue additional securities; (17) 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; (18) 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.

Securities offered through Orchard Securities, LLC, member FINRA/SIPC. Lightstone Capital Markets is a branch office of Orchard Securities, LLC.

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