

# Lightstone Value Plus REIT III

## FACT SHEET

(as of 12/31/2023)



Home2Suites Tukwila: Lightstone Value Plus REIT III Investment



Lightstone Value Plus REIT III, Inc. is a Maryland corporation formed on October 5, 2012, which elected to qualify as a real estate investment trust (“REIT”) for United States (the “U.S.”) federal income tax purposes beginning with the taxable year ending December 31, 2015. Through the Operating Partnership, we own, operate and develop commercial properties and make real estate-related investments. Since our inception, we have primarily acquired, developed and operated commercial hospitality properties, principally consisting of limited service hotels and one full-service hotel all located in the U.S. However, our commercial holdings may also to a lesser extent, consist of retail (primarily multi-tenanted shopping centers), industrial and office properties.

#### ESTIMATED NET ASSET VALUE (NAV) PER SHARE <sup>(1)</sup>

\$9.93 per share as of December 31, 2023.

#### DISTRIBUTION POLICY

Starting in Q1 2024, dividend payments have been put on hold.

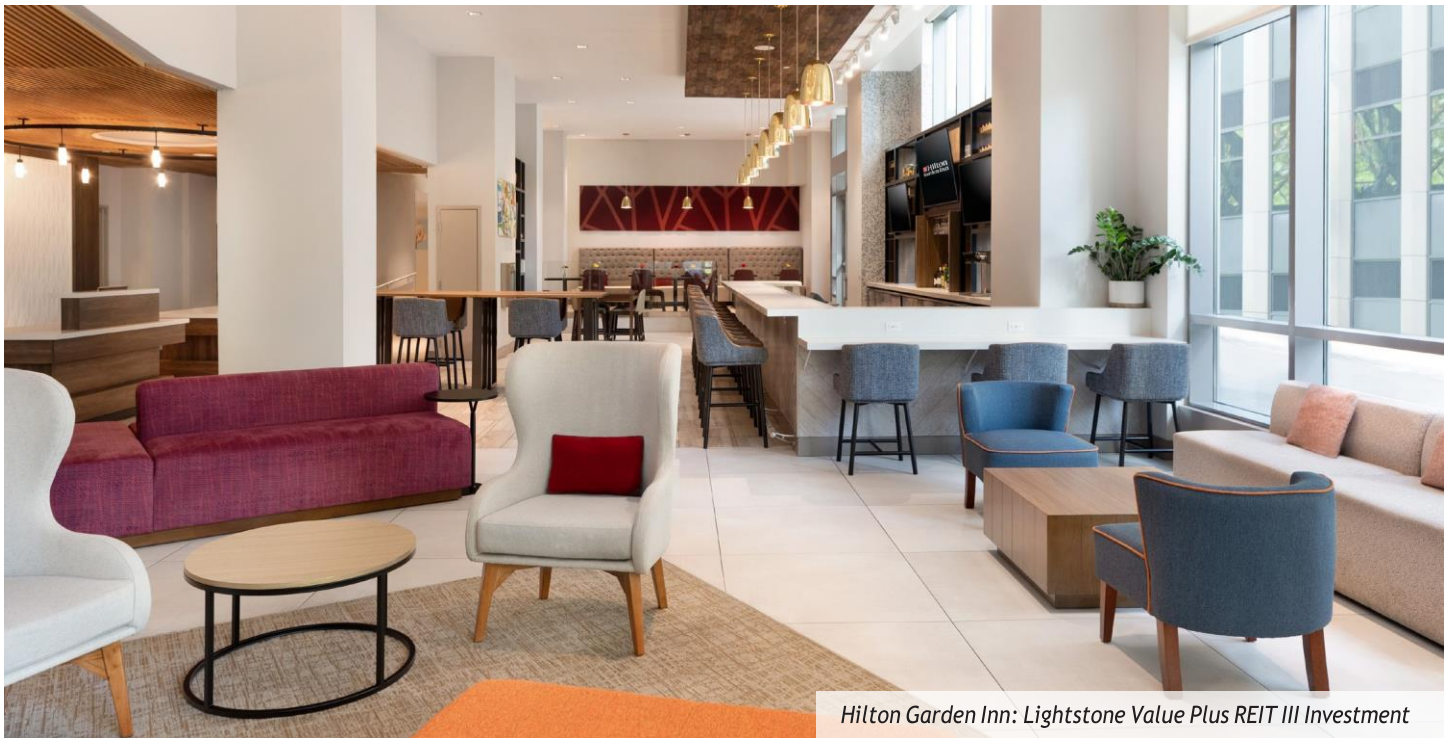
#### SHARE REDEMPTION PROGRAM (SRP)

Our share repurchase program (the “SRP”) may provide our stockholders with limited, interim liquidity by enabling them to sell their Common Shares back to the Company, subject to restrictions.

The annual limit on redemptions related to a stockholder’s death is established at 0.5%, while the limit for hardship-related redemptions is 0.5%. Requests for redemptions in connection with a stockholder’s death must be submitted and received by the Company within one year of the stockholder’s date of death for consideration.

## PRIMARY INVESTMENTS OF THE REIT:

ASSETS	OVERVIEW
<b>i. Limited service Hotel Portfolio</b>	Eight limited service hotels, containing a total of 872 rooms, include Hampton Inn - Des Moines, Courtyard - Durham, Hampton Inn - Lansing, Courtyard - Warwick, Home2 Suites - Salt Lake City, Home2 Suites - Tukwila, Fairfield Inn - Austin and Staybridge Suites - Austin.
<b>ii. Hilton Garden Inn - Long Island City Joint Venture (50% ownership)</b>	A 183-room, limited service hotel located in the Long Island City neighborhood in the Queens borough of New York City.
<b>iii. Moxy Williamsburg Joint Venture (25% ownership)</b>	The Williamsburg Moxy Hotel Joint Venture developed, constructed and owns a 216-room branded hotel located in the Williamsburg neighborhood in the Brooklyn borough of New York City, which opened on March 7, 2023.



Hilton Garden Inn: Lightstone Value Plus REIT III Investment



Moxy Williamsburg: Lightstone Value Plus REIT III Investment



Courtyard Warwick: Lightstone Value Plus REIT III Investment

EXCERPT FROM FINANCIAL STATEMENTS (for the years ended December 31, 2023 and 2022)

INCOME STATEMENT

	2023	2022
Revenue	29,088	28,311
Expenses	27,898	26,899
Net loss	(6,838)	(215)
Net loss attributable to company common shares	(6,838)	(215)
Net loss per common share	\$(0.53)	\$(0.02)

Amounts in thousands, except per share data

FUNDS FROM OPERATIONS (FFO) AND MODIFIED FUNDS FROM OPERATIONS (MFFO) <sup>(2)</sup>

	2023	2022
Net loss	(6,838)	(215)
Depreciation and amortization	4,105	4,865
Adjustments to equity earnings from unconsolidated entities, net	1,940	1,221
FFO	(793)	5,871
Loss on sale of marketable securities	40	-
Unrealized (gain)/loss on marketable securities	(60)	40
Adjustments to equity earnings from unconsolidated affiliated real estate entities	-	(258)
Gain on forgiveness of debt	-	(1,893)
MFFO	(813)	3,760

Amounts in thousands

BALANCE SHEET

	2023	2022
Net investment property	94,723	97,990
Investments in unconsolidated JV	20,240	21,755
Cash and marketable securities	11,044	21,705
Other Assets	1,971	1,365
Total Assets	127,978	142,815
Mortgages payable, net	57,161	60,814
Other liabilities	3,844	3,262
Total Liabilities	61,005	64,076
Stockholders' equity	54,881	66,647
Noncontrolling interests	12,092	12,092
Total Stockholders' Equity	66,973	78,739

Amounts in thousands

CASH FLOW STATEMENT

	2023	2022
Cash flows provided by operating activities	(9)	3,071
Cash flows provided by investing activities	(6,564)	(207)
Cash flows used in by financing activities	(7,965)	(1,112)
Change in cash, cash equivalents and restricted cash	(14,538)	1,752
Cash, cash equivalents and restricted cash, beginning of year	18,391	16,639
Cash, cash equivalents and restricted cash, end of period	3,853	18,391

Amounts in thousands

**FOOTNOTES:**

- (1) For a full description of the methodologies and assumptions, as well as certain qualifications, used to determine the estimated values of the Company's assets and liabilities in connection with the calculation of its NAV per Share of \$9.93, See the Company's Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on March 27, 2024. Please note that the Company's most recently published estimated NAV per Share of \$9.93 is as of December 31, 2023 and was calculated as of a specific date. Accordingly, the value of the Shares may fluctuate over time in response to developments related to individual assets in the portfolio and the management of those assets and in response to the real estate and capital markets. These risks have not been priced into the Company's estimated NAV per Share of \$9.93. There is no assurance of the extent to which the most current estimated valuation should be relied upon for any purpose after its effective date.
- (2) For a full description of the methodologies and assumptions, as well as certain qualifications, used to calculate Funds from Operations and Modified Funds from Operations, see the Company's Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on March 27, 2024.

**FORWARD LOOKING STATEMENTS:**

The foregoing includes 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 "believe," "expect," "intend," "anticipate," "estimate," "project" or similar expressions. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect actual results, performances or achievements. Factors that may cause actual results to differ materially from current expectations include, but are not limited to (i) changes in market factors that could impact our rental rates and operating costs, (ii) financing risks, such as the inability to obtain equity, debt, or other sources of financing on favorable terms, (iii) changes in governmental laws and regulations, (iv) the level and volatility of interest rates and the availability of suitable acquisition opportunities. Accordingly, there is no assurance that our expectations will be realized. We claim the safe harbor protection for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Forward-looking statements in the foregoing reflect our management's view only as of the date of this report, and may ultimately prove to be incorrect. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results, except as required by applicable law.