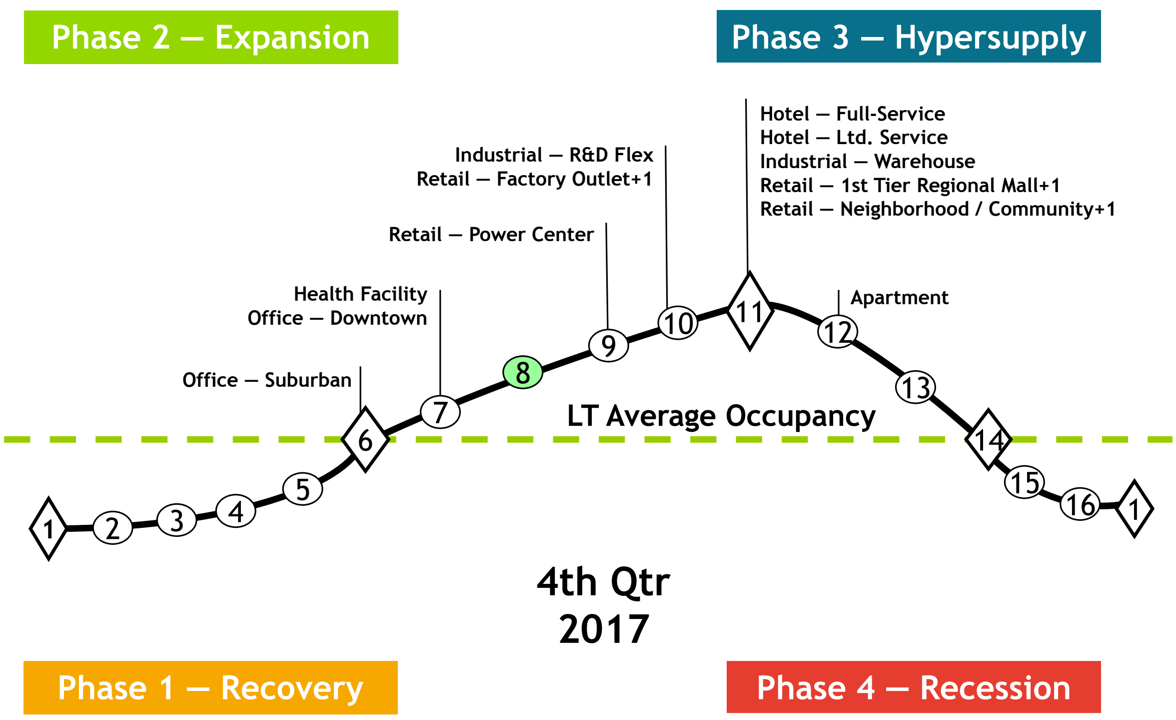
Cycle Monitor — Real Estate Market Cycles
Fourth Quarter 2017 Analysis

Real Estate Physical Market Cycle Analysis of 5 Property Types in 54 Metropolitan Statistical Areas (MSAs). Many economists expect the U.S. economy in 2018 to be as good as it was in 2017, with continued moderate job growth. 2017 was the most sustained and coordinated global upswing since the 2008 financial crisis with top economies like Japan and China beating forecasts. Income-producing real estate continues to see demand growth in all five property sectors. The only drawback is overbuilding in most apartment and some hotel markets. Many markets are seeing the highest occupancy levels ever recorded — since data became available in the 1970s (three full economic cycles). For the seventh year in a row, interest rates are expected to increase, but probably at lower increases than what has been historically experienced.

- Office occupancy increased 0.1% in 4Q17, and rents grew 0.5% for the quarter and 2.8% annually
- Industrial occupancy increased 0.2% in 4Q17, and rents grew 1.3% for the quarter and 5.6% annually
- Apartment occupancy declined 0.2% in 4Q17, and rents declined 0.2% for the quarter but were up 2.5% annually
- Retail occupancy increased 0.2%in 4Q17, and rents grew 0.4% for the quarter and 2.3% annually
- Hotel occupancy was flat in 4Q17, and room rates grew 0.3% for the quarter and 3.4% annually

National Property Type Cycle Locations



Source: Mueller, 2018

National Property Type Cycle Forecast graph shows relative positions of sub-property types.

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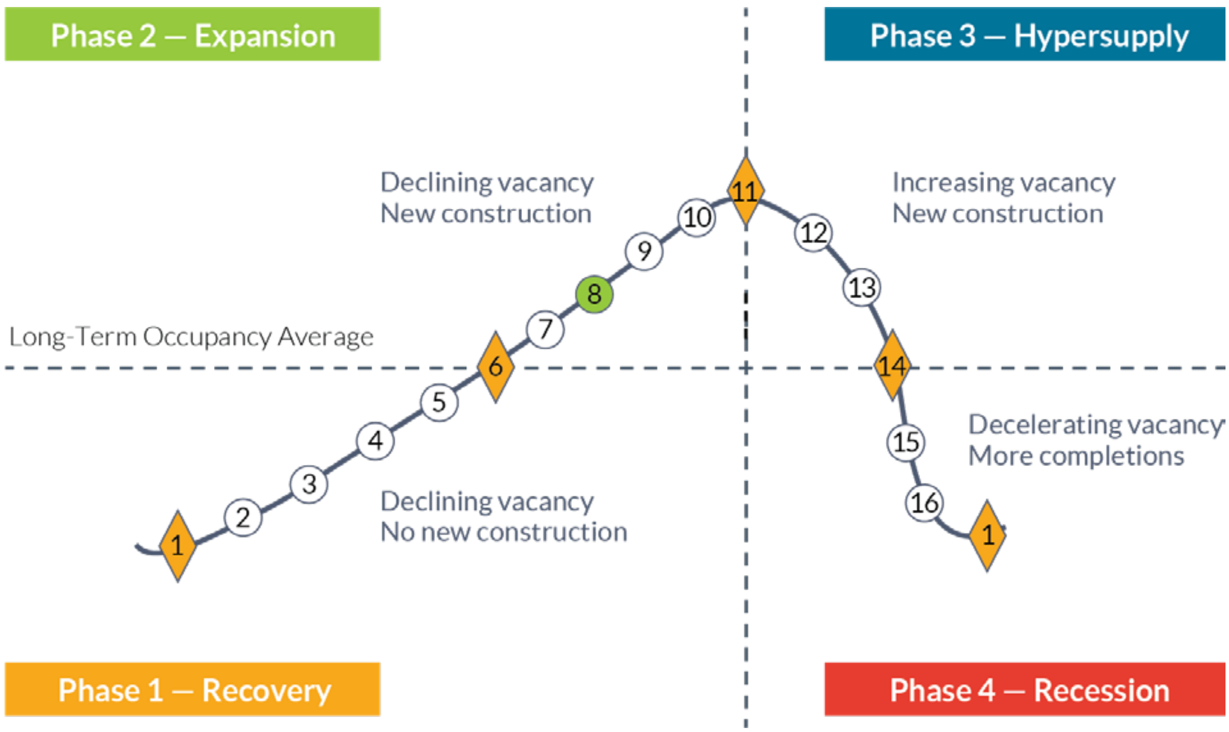
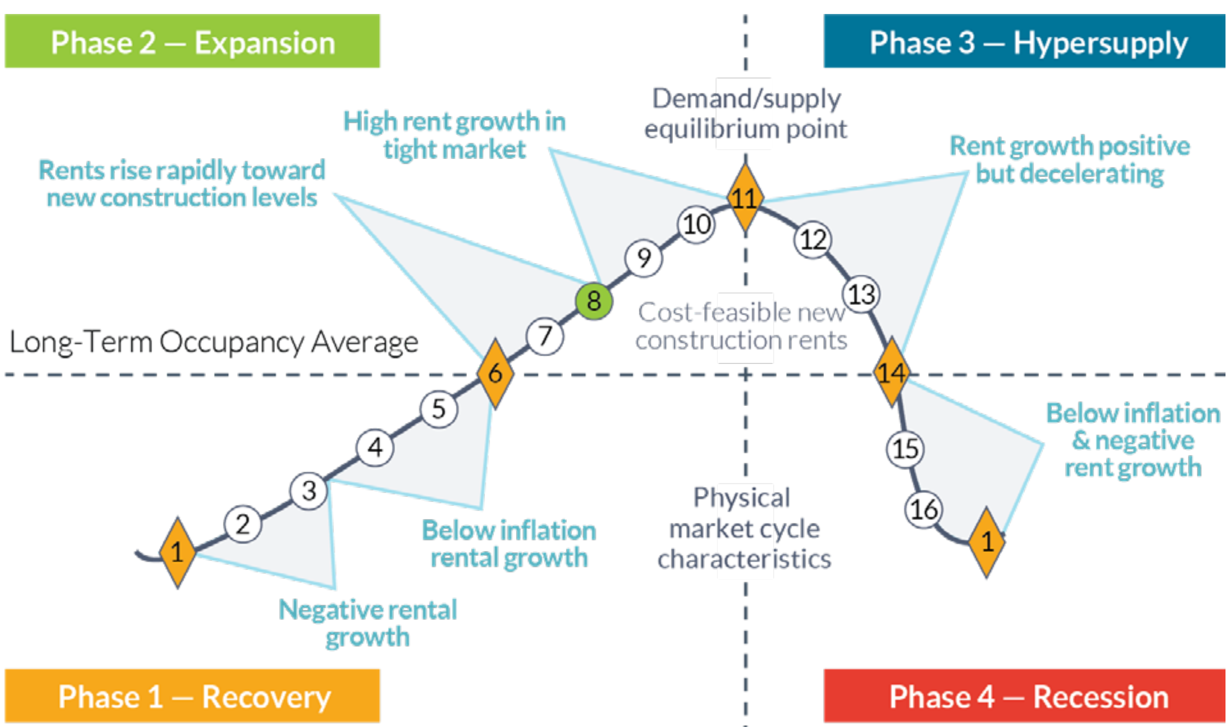
The cycle monitor analyzes occupancy movements in five property types in 54 MSAs. Market cycle analysis should enhance investment-decision capabilities for investors and operators. The five property type cycle charts summarize 270 individual models that analyze occupancy levels and rental growth rates to provide the foundation for long-term investment success. Commercial real estate markets are cyclical due to the lagged relationship between demand and supply for physical space. The long-term occupancy average is different for each market and each property type. ***Long-term occupancy average*** is a key factor in determining rental growth rates — a key factor that affects commercial real estate returns.

Market Cycle Quadrants



Source: Mueller, Real Estate Finance, 1996

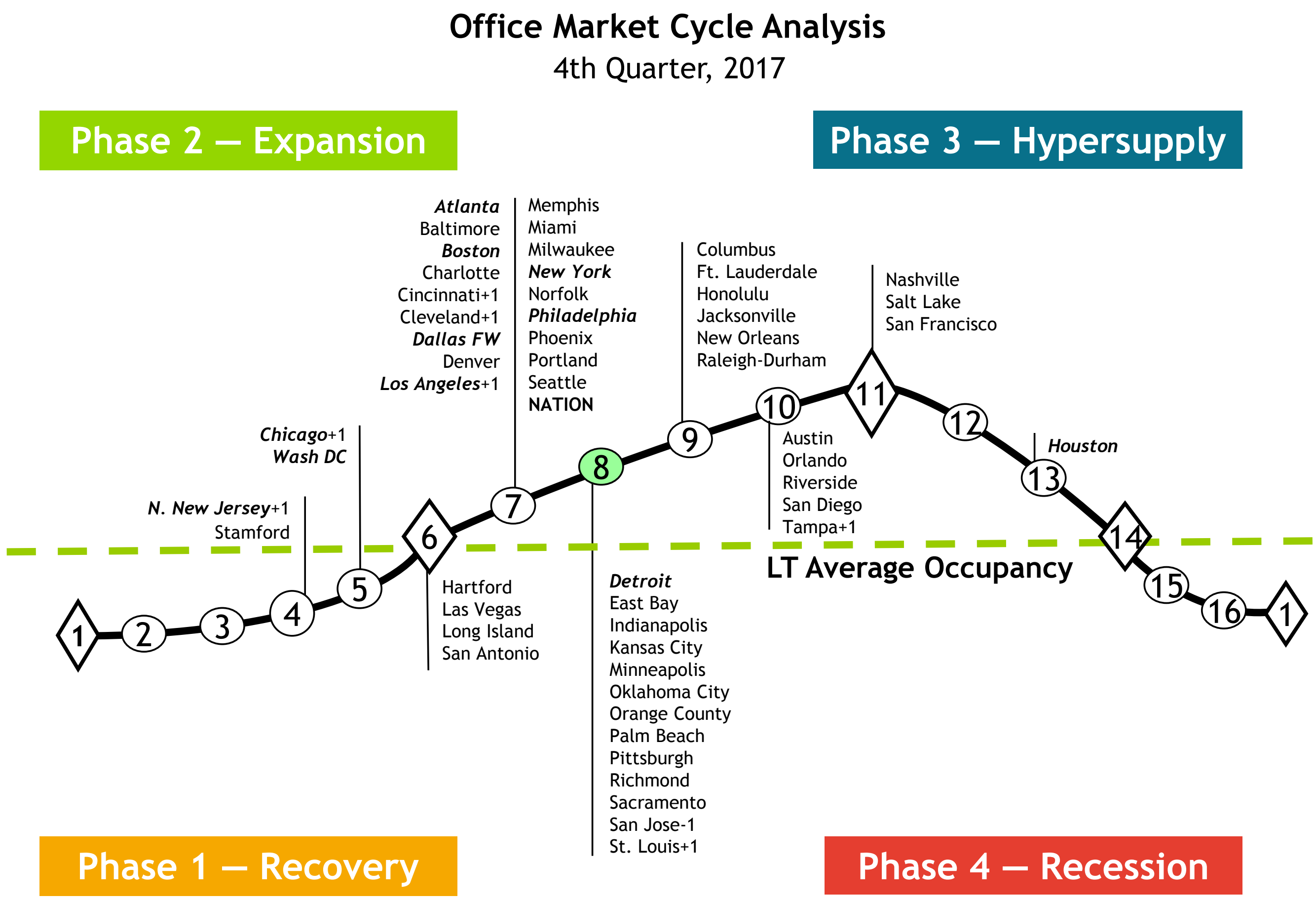
Rental growth rates can be characterized in different parts of the market cycle, as shown below.



Source: Mueller, Real Estate Finance, 1996

Office

The national office market occupancy level increased 0.1% in 4Q17 and was up 0.1% year-over-year. Demand grew more than 40 million square feet for the year. Many landlords have now found that the **WeWork** short-term office use concept is a popular way to attract tenants and are finishing full floors with flexible open office space that is furnished and ready to use. Many small startup firms have expanded in existing space over a year or two and firms as large as 30 employees may stay in this flexible space for several years. Average national rents increased 0.5% in 4Q17 and produced a 2.3% increase year-over-year.



Source: Mueller, 2018

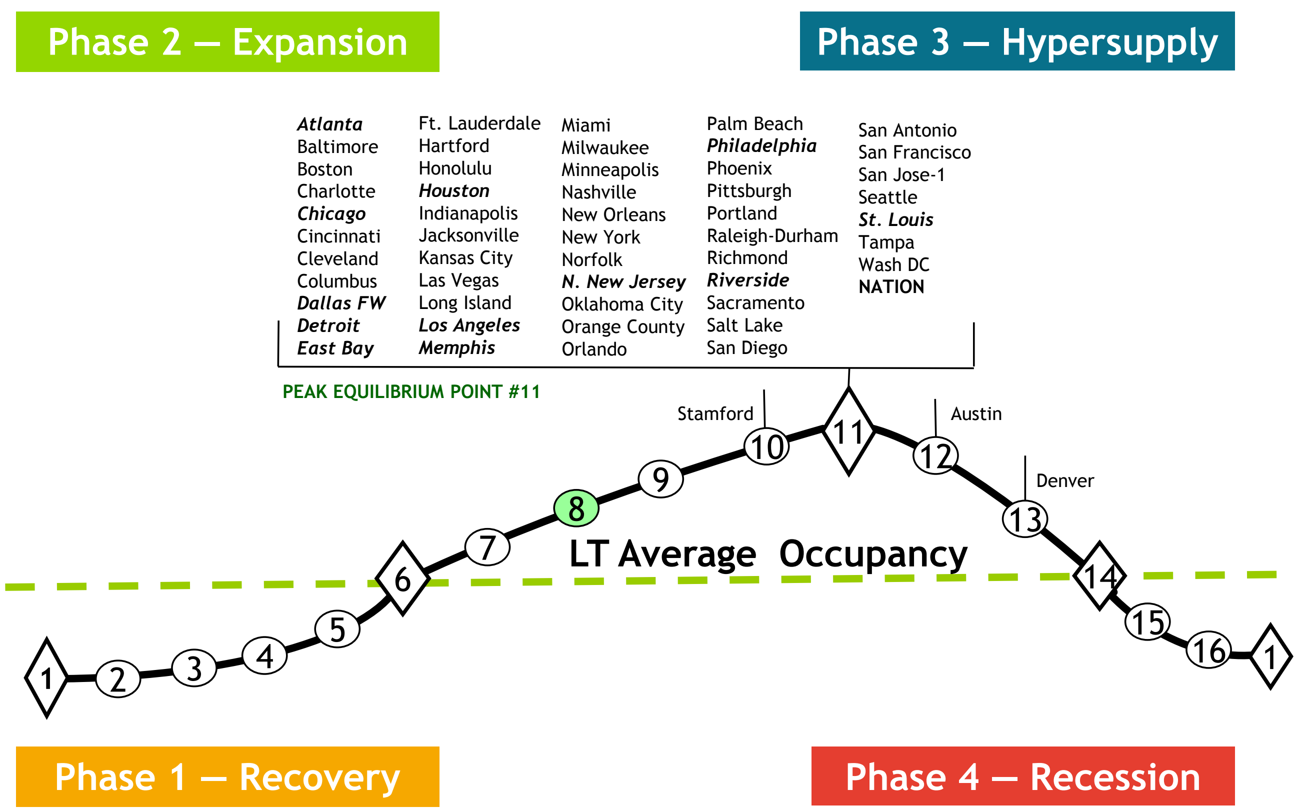
Note: The 11-largest office markets make up 50% of the total square footage of office space we monitor. Thus, the 11-largest office markets are in bold italic type to help distinguish how the weighted national average is affected.

Markets that have moved since the previous quarter are now shown with a + or - symbol next to the market name and the number of positions the market has moved is also shown, i.e., +1, +2 or -1, -2. Markets do not always go through smooth forward-cycle movements and can regress, or move backward in their cycle position when occupancy levels reverse their usual direction. This can happen when the marginal rate of change in demand increases (or declines) faster than originally estimated or if supply growth is stronger (or weaker) than originally estimated.

Industrial

Industrial occupancies increased 0.2% in 4Q17 and increased 0.6% year-over-year. Peak point #11 occurs when supply and demand are both growing at the same rate — this is known as economic equilibrium — a cycle peak does NOT mean that a downcycle is imminent. So **PEAK EQUILIBRIUM POINT #11** — where all but three industrial markets currently reside — could last for a long time. Our current model estimates that this equilibrium occupancy level could last through 3Q19, based on current demand and supply estimates. Most retailers are working on multi-year expansions of their e-commerce strategies, which rely heavily on warehouse space and the major e-commerce providers like Amazon and Walmart are expanding their last mile strategies, which also depend heavily upon warehouse space. In a perfect world, markets would be at peak equilibrium Point #11 at all times. Industrial national average rents increased 1.3% in 4Q17 and increased 5.6% year-over-year.

Industrial Market Cycle Analysis
4th Quarter, 2017



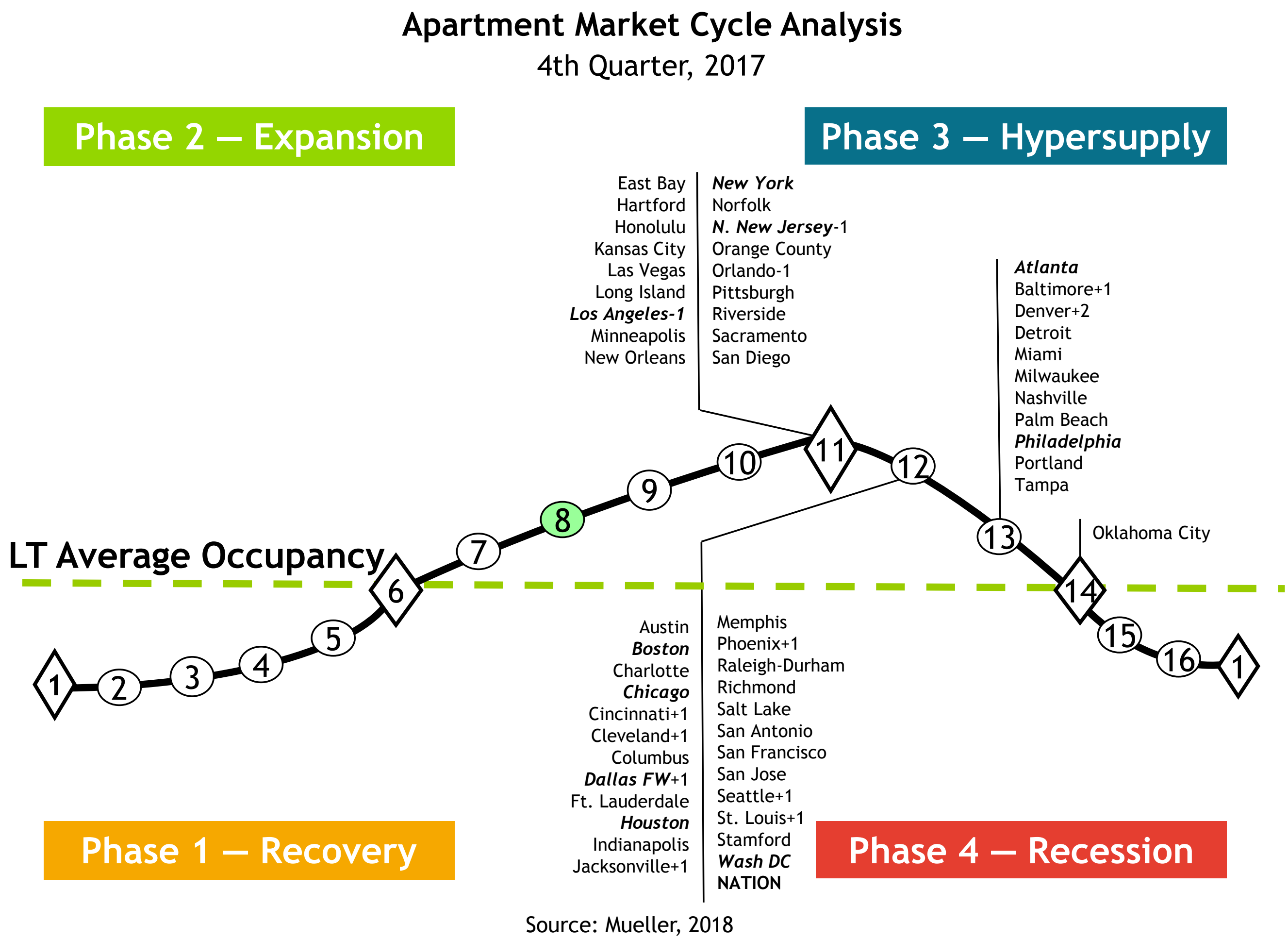
Source: Mueller, 2018

Note: The 12-largest industrial markets make up 50% of the total square footage of industrial space we monitor. Thus, the 12-largest industrial markets are in bold italic type to help distinguish how the weighted national average is affected.

Markets that have moved since the previous quarter are now shown with a + or - symbol next to the market name and the number of positions the market has moved is also shown, i.e., +1, +2 or -1, -2. Markets do not always go through smooth forward-cycle movements and can regress, or move backward in their cycle position when occupancy levels reverse their usual direction. This can happen when the marginal rate of change in demand increases (or declines) faster than originally estimated or if supply growth is stronger (or weaker) than originally estimated.

Apartment

The national apartment occupancy average declined 0.2% in 4Q17, but decreased 0.3% year-over-year. We are optimistic that supply growth should slow in 2018, as declining occupancy puts more caution into developer plans. Also, rising construction costs and labor shortages make it more difficult to build a profitable apartment building. Note that three markets had increased occupancies that moved them back to peak equilibrium point #11 on the cycle graph. Demand growth continues to be moderately strong, so some new construction is justified. Average national apartment rent growth declined 0.2% in 4Q17, but still increased 2.5% year-over-year.



Source: Mueller, 2018

Note: The 10-largest apartment markets make up 50% of the total square footage of multifamily space we monitor. Thus, the 10-largest apartment markets are in bold italic type to help distinguish how the weighted national average is affected.

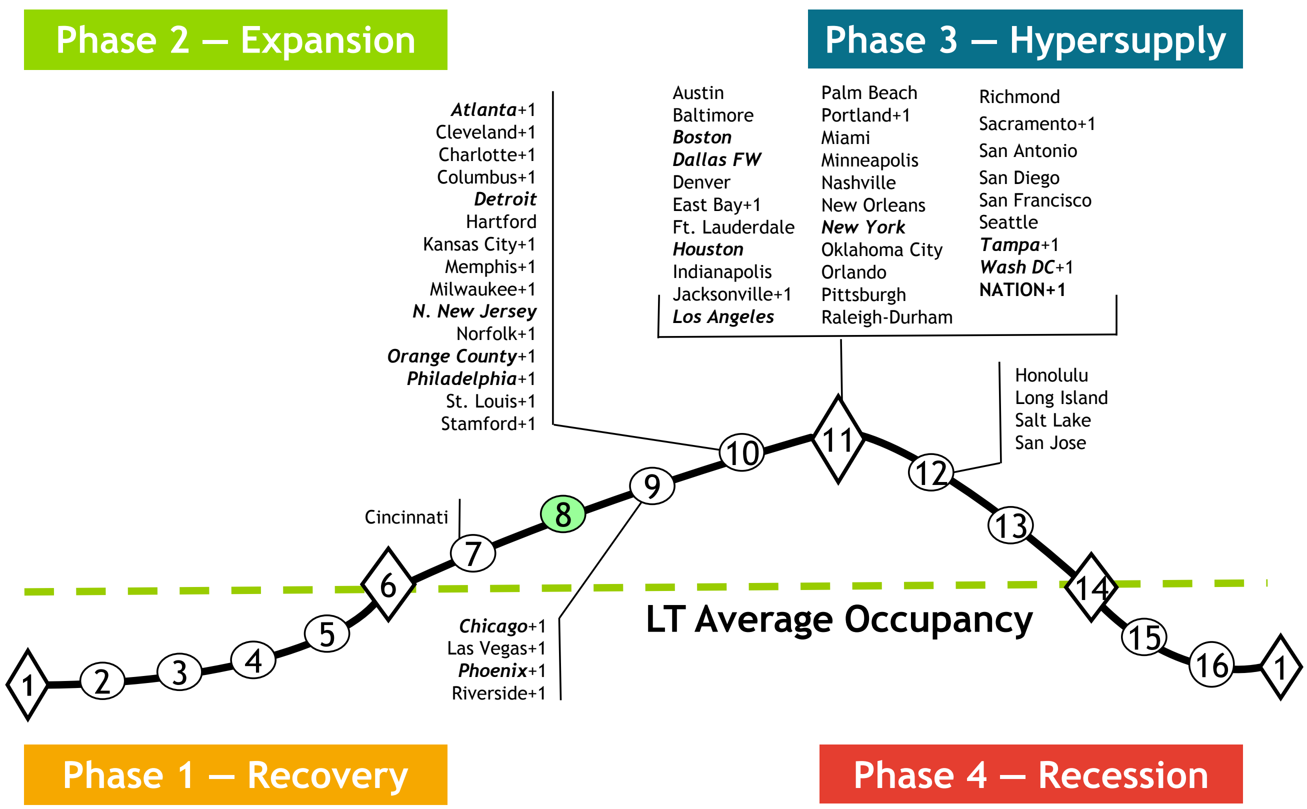
Markets that have moved since the previous quarter are now shown with a + or - symbol next to the market name and the number of positions the market has moved is also shown, i.e., +1, +2 or -1, -2. Markets do not always go through smooth forward-cycle movements and can regress, or move backward in their cycle position when occupancy levels reverse their usual direction. This can happen when the marginal rate of change in demand increases (or declines) faster than originally estimated or if supply growth is stronger (or weaker) than originally estimated.

Retail

Retail occupancies increased 0.2% in 4Q17 and were up 0.3% year-over-year. The national average retail occupancy level is more than 95%, which is higher than any cyclical peak in the last four cycles. Our estimates currently show this high occupancy should continue into 2019. While the national media emphasizes major national chain store closings, the amount of new-experience retail that is backfilling this vacated space seems to be keeping up. The key variable for retail has been the very low amount of new construction, however, that has allowed the low-demand / low-supply levels to remain in balance. National average retail rents increased 0.4% in 4Q17 and increased 2.3% year-over-year.

Retail Market Cycle Analysis

4th Quarter, 2017



Source: Mueller, 2018

Note: The 14-largest retail markets make up 50% of the total square footage of retail space we monitor. Thus, the 14-largest retail markets are in bold italic type to help distinguish how the weighted national average is affected.

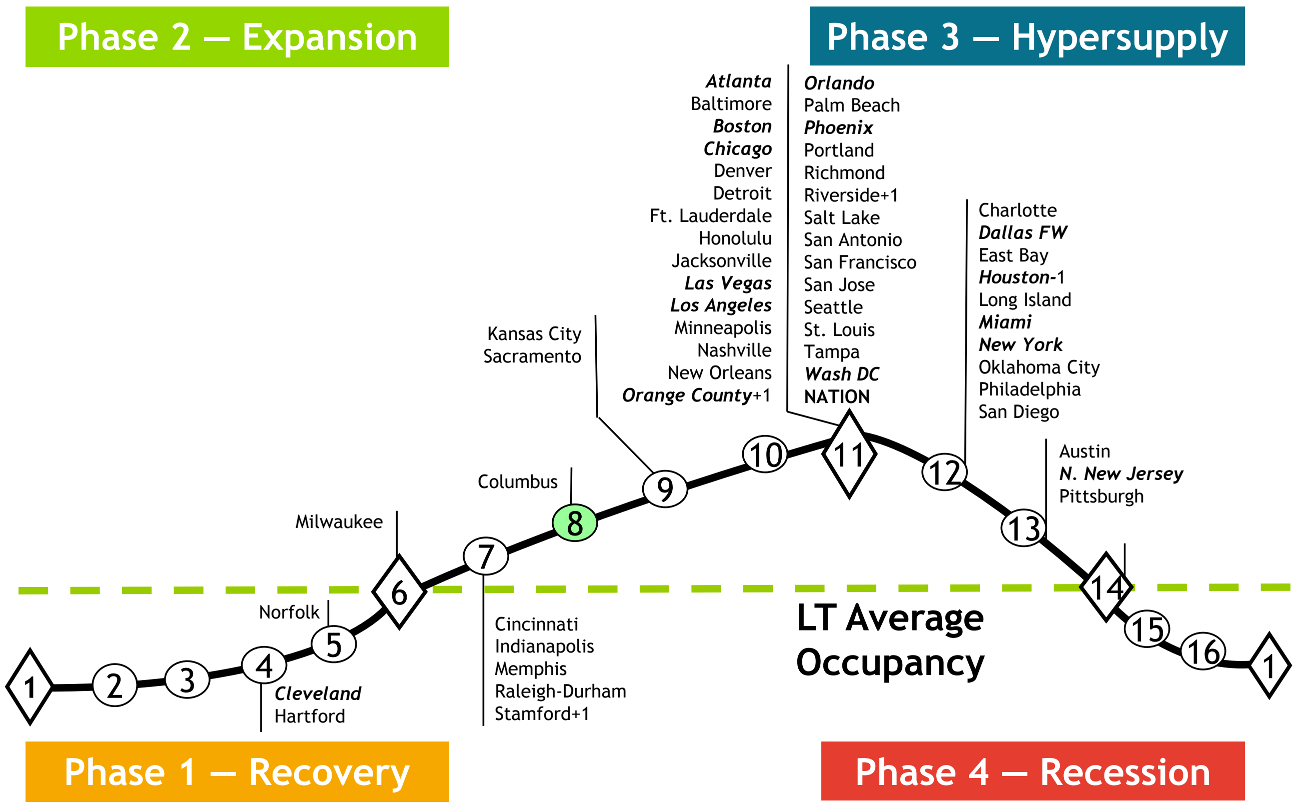
Markets that have moved since the previous quarter are now shown with a + or - symbol next to the market name and the number of positions the market has moved is also shown, i.e., +1, +2 or -1, -2. Markets do not always go through smooth forward-cycle movements and can regress, or move backward in their cycle position when occupancy levels reverse their usual direction. This can happen when the marginal rate of change in demand increases (or declines) faster than originally estimated or if supply growth is stronger (or weaker) than originally estimated.

Hotel

Hotel occupancies were flat in 4Q17 and increased 0.2% year-over-year. The national hotel occupancy average remains at peak equilibrium point of #11 in the cycle. Peak equilibrium can last for a long time if demand and supply stay in balance. Our model estimates that this could last through 2019. Low fuel costs continue to keep air and vehicle travel at reasonable rates that encourage hotel stays. Major hotel flags continue to expand their presence with new niche products that cater to different demographic groups. The national average hotel room rate increased 0.3% in 4Q17 and increased 3.4% year-over-year.

Hotel Market Cycle Analysis

4th Quarter, 2017



Source: Mueller, 2018

Note: The 14-largest hotel markets make up 50% of the total square footage of hotel space that we monitor. Thus, the 14-largest hotel markets are in boldface italics to help distinguish how the weighted national average is affected.

Markets that have moved since the previous quarter are now shown with a + or - symbol next to the market name and the number of positions the market has moved is also shown, i.e., +1, +2 or -1, -2. Markets do not always go through smooth forward-cycle movements and can regress, or move backward in their cycle position when occupancy levels reverse their usual direction. This can happen when the marginal rate of change in demand increases (or declines) faster than originally estimated or if supply growth is stronger (or weaker) than originally estimated.

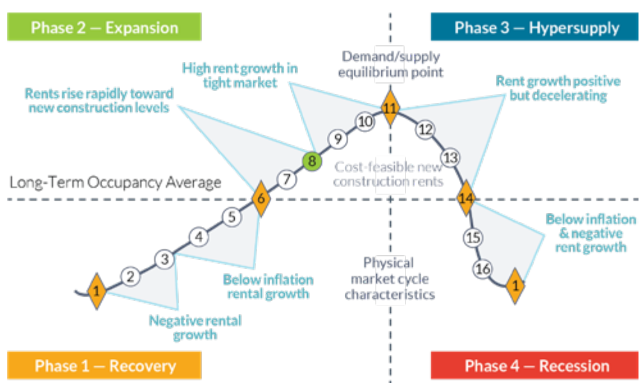
Market Cycle Analysis — Explanation

Supply and demand interaction is important to understand. Starting in Recovery Phase I at the bottom of a cycle (see chart below), the marketplace is in a state of oversupply from either previous new construction or negative demand growth. At this bottom point, occupancy is at its trough. Typically, the market bottom occurs when the excess construction from the previous cycle stops. As the cycle bottom is passed, demand growth begins to slowly absorb the existing oversupply and supply growth is nonexistent or very low. As excess space is absorbed, vacancy rates fall, allowing rental rates in the market to stabilize and even begin to increase. As this recovery phase continues, positive expectations about the market allow landlords to increase rents at a slow pace (typically at or below inflation). Eventually, each local market reaches its *long-term occupancy average*, whereby rental *growth is equal to inflation*.

In Expansion Phase II, demand growth continues at increasing levels, creating a need for additional space. As vacancy rates fall below the *long-term occupancy average*, signaling that supply is tightening in the marketplace, rents begin to rise rapidly until they reach a cost-feasible level that allows new construction to commence. In this period of tight supply, rapid rental growth can be experienced, which some observers call "rent spikes." (Some developers may also begin speculative construction in anticipation of cost-feasible rents if they are able to obtain financing). Once cost-feasible rents are achieved in the marketplace, demand growth is still ahead of supply growth — a lag in providing new space due to the time to construct. Long expansionary periods are possible and many historical real estate cycles show that the overall up-cycle is a slow, long-term uphill climb. As long as demand growth rates are higher than supply growth rates, vacancy rates will continue to fall. The cycle peak point is where demand and supply are growing at the same rate or *equilibrium*. Before equilibrium, demand grows faster than supply; after equilibrium, supply grows faster than demand.

Hypersupply Phase III of the real estate cycle commences after the peak / equilibrium point #11 — where demand growth equals supply growth. Most real estate participants do not recognize this peak / equilibrium's passing, as occupancy rates are at their highest and well above long-term averages, a strong and tight market. During Phase III, supply growth is higher than demand growth (hypersupply), causing vacancy rates to rise back toward the long-term occupancy average. While there is no painful oversupply during this period, new supply completions compete for tenants in the marketplace. As more space is delivered to the market, rental growth slows. Eventually, market participants realize that the market has turned down and commitments to new construction should slow or stop. If new supply grows faster than demand once the long-term occupancy average is passed, the market falls into Phase IV.

Recession Phase IV begins as the market moves past the long-term occupancy average with high supply growth and low or negative demand growth. The extent of the market down-cycle will be determined by the difference (excess) between the market supply growth and demand growth. Massive oversupply, coupled with negative demand growth (that started when the market passed through long-term occupancy average in 1984), sent most U.S. office markets into the largest down-cycle ever experienced. During Phase IV, landlords realize that they will quickly lose market share if their rental rates are not competitive. As a result, they then lower rents to capture tenants, even if only to cover their buildings' fixed expenses. Market liquidity is also low or nonexistent in this phase, as the bid–ask spread in property prices is too wide. The cycle eventually reaches bottom as new construction and completions cease, or as demand growth turns up and begins to grow at rates higher than that of new supply added to the marketplace.



Source: Mueller, Real Estate Finance, 1996

This research currently monitors five property types in 54 major markets. We gather data from numerous sources to evaluate and forecast market movements. The market cycle model we developed looks at the interaction of supply and demand to estimate future vacancy and rental rates. Our individual market models are combined to create a national average model for all U.S. markets. This model examines the current cycle locations for each property type and can be used for asset allocation and acquisition decisions.

Important Disclosures and Certifications

I, Glenn R. Mueller, Ph.D. certify that the opinions and forecasts expressed in this research report accurately reflect my personal views about the subjects discussed herein; and I, Glenn R. Mueller, certify that no part of my compensation from any source was, is, or will be directly or indirectly related to the content of this research report.

The views expressed in this commentary are the personal views of Glenn R. Mueller and do not necessarily reflect the views of Black Creek Group itself. The views expressed reflect the current views of Mr. Mueller as of the date hereof and neither Mr. Mueller nor Black Creek Group undertakes to advise you of any changes in the views expressed herein.

The information contained in this report: (i) has been prepared or received from sources believed to be reliable but is not guaranteed; (ii) is not a complete summary or statement of all available data; (iii) The information above is solely for informational purposes and constitutes neither an offer to sell nor the solicitation of an offer to buy securities to any person in any jurisdiction. The information presented herein is not, and is not intended to be, a complete discussion of all material information you should know about any product; and (iv) is not an offer to buy or sell any securities in the markets or sectors discussed in the report. The main purpose of this report is to provide a broad overview of the real estate market in general.

Any estimates, projections or predictions given in this report are intended to be forward-looking statements. Although we believe that the expectations in such forward-looking statements are reasonable, we can give no assurance that any forward-looking statements will prove to be correct. Such estimates are subject to actual known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those projected. We expressly disclaim any obligation or undertaking to update or revise any forward-looking statement contained herein to reflect any change in our expectations or any change in circumstances upon which such statement is based.

The opinions and forecasts expressed in this report are subject to change without notice and do not take into account the particular investment objectives, financial situation or needs of individual investors. Any opinions or forecasts in this report are not guarantees of how markets, sectors or individual securities or issuers will perform in the future, and the actual future performance of such markets, sectors or individual securities or issuers may differ. Further, any forecasts in this report have not been based on information received directly from issuers of securities in the sectors or markets discussed in the report. Black Creek Group LLC disclaims any and all liability relating to this report, including, without limitation, any express or implied representations or warranties for statements or errors contained in, or omissions from, this report.

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Dr. Mueller serves as a Real Estate Investment Strategist with Black Creek Group. In this role, he provides investment advice to certain affiliates of Black Creek Group regarding the real estate market and the various sectors within that market. Mr. Mueller's compensation from Black Creek Group and its affiliates is not based on the performance of any investment advisory client, offering or product of Black Creek Group or its affiliates.

Black Creek Group is a real estate investment management company that focuses on creating institutional-quality real estate financial products for individual and institutional investors. Certain affiliates of Black Creek Group also provide investment management services and advice to various investment companies, real estate investment trusts and other advisory clients about the real estate markets and sectors, including specific securities within these markets and sectors.

Dr. Mueller may from time to time have personal investments in real estate, in securities of issuers in the markets or sectors discussed in this report, or in investment companies or other investment vehicles that invest in real estate and the real estate securities markets (including investment companies and other investment vehicles for which an affiliate of Black Creek Group may serve as investment adviser). Real estate investments purchased or sold based on the information in this report could directly benefit Dr. Mueller by increasing the value of his personal investments.

This article is a general reference article regarding commercial real estate created by real estate sponsor, Black Creek Group (BCG). BCG is the sponsor of two NAV REIT offerings, DPF and BCI IV.

Black Creek Industrial REIT IV Risk Factors

- **Past performance is not a guarantee of future results. Investing in shares of Black Creek Industrial REIT IV Inc. (BCI IV) common stock involves a high degree of risk.**
- REITs are not suitable for all investors. BCI IV is subject to various risks related to owning real estate, including changes in economic, demographic and real estate market conditions. Due to the risks involved in the ownership of real estate and real estate-related investments, the amount of distributions BCI IV may pay to stockholders in the future, if any, is uncertain, there is no guarantee of any return on investment and stockholders may lose the amount they invest.
- BCI IV anticipates that its investment in real estate assets will be primarily concentrated in the industrial real estate sector and that its investments will be concentrated in the largest distribution and logistics markets in the United States. Such industry concentration may expose BCI IV to the risk of economic downturns in this sector to a greater extent than if its business activities included investing a more significant portion of the net proceeds of the offering in other sectors of the real estate industry; and such market concentrations may expose BCI IV to the risk of economic downturns in these areas. In addition, if BCI IV's tenants are concentrated in any particular industry, any adverse economic developments in such industry could expose BCI IV to additional risks. These concentration risks could negatively impact BCI IV's operating results and affect its ability to make distributions to its stockholders.
- Further, investing in BCI IV's common stock involves additional and substantial risks specific to BCI IV, including, among others, that:
  i. BCI IV has no prior operating history and there is no assurance that it will be able to achieve its investment objectives.
  ii. There is no public trading market for shares of BCI IV's common stock, and BCI IV does not anticipate that there will be a public trading market for its shares, so redemption of shares by BCI IV will likely be the only way to dispose of stockholders' shares. BCI IV's share redemption program will provide stockholders with the opportunity to request that BCI IV redeems stockholders' shares on a monthly basis, but BCI IV is not obligated to redeem any shares and may choose to redeem only some, or even none, of the shares that have been requested to be redeemed in any particular month, in its discretion. In addition, redemptions will be subject to available liquidity and other significant restrictions. Further, BCI IV's board of directors may modify, suspend or terminate its share redemption program if it deems such action to be in BCI IV's best interest and the best interest of its stockholders. As a result, BCI IV's shares should be considered as having only limited liquidity and at times may be illiquid.
  iii. A portion of the proceeds received in this offering is expected to be used to satisfy redemption requests. Using the proceeds from this offering for redemptions will reduce the net proceeds available to retire debt or acquire properties, which may result in reduced liquidity and profitability or restrict BCI IV's ability to grow its NAV.
  iv. The transaction price will not accurately represent the value of BCI IV's assets at any given time and the actual value of a stockholder's investment may be substantially less. BCI IV's board of directors arbitrarily determined the initial transaction price in its sole discretion and it is not based on the value of any assets BCI IV may own when a stockholder purchases shares in this offering. Until BCI IV commences monthly valuations, the transaction price will be fixed and will not be adjusted based on the underlying value of any assets it may own. Once BCI IV commences monthly valuations, the transaction price generally will be based on BCI IV's most recently disclosed monthly NAV of each class of common stock (subject to material changes as described above) and will not be based on any public trading market. In addition, the transaction price will not represent BCI IV's enterprise value and may not accurately reflect the actual prices at which BCI IV's assets could be liquidated on any given day, the value a third party would pay for all or substantially all of BCI IV's shares, or the price at which BCI IV's shares would trade on a national stock exchange. Further, BCI IV's board of directors may amend its NAV procedures from time to time.
  v. This is a "blind pool" offering; stockholders will not have the opportunity to evaluate all of the investments BCI IV will make before it makes them.
  vi. This is a "best efforts" offering and if BCI IV is unable to raise substantial funds, then BCI IV will be more limited in its investments.
  vii. BCI IV may change its investment policies without stockholder notice or consent, which could result in investments that are different from those described in this prospectus.
  viii. Some of BCI IV's executive officers, directors and other key personnel are also officers, directors, managers, key personnel and / or holders of an ownership interest in the Advisor, the Dealer Manager, and / or other entities related to BCI IV Advisors Group LLC, the parent of the Advisor and the sponsor of this offering, or the "Sponsor." As a result, they face conflicts of interest, including but not limited to conflicts arising from time constraints, allocation of investment and leasing opportunities, and the fact that certain of the compensation the Advisor will receive for services rendered to BCI IV is based on BCI IV's NAV, the procedures for which the Advisor assists BCI IV's board of directors in developing, overseeing, implementing and coordinating. BCI IV expects to compete with certain vehicles sponsored or advised by affiliates of direct and indirect owners of the Sponsor for investments and certain of those entities may be given priority with respect to certain investment opportunities.
  ix. The amount of distributions BCI IV may make is uncertain. BCI IV may pay distributions from sources other than cash flow from operations, including, without limitation, from borrowings, the sale of assets, or offering proceeds. The use of these sources for distributions may decrease the amount of cash BCI IV has available for new investments, share redemptions and other corporate purposes, and could reduce stockholders' overall return.
  x. If BCI IV fails to qualify as a REIT, it would adversely affect its operations and its ability to make distributions to its stockholders.
- This material contains forward-looking statements, including statements concerning investment objectives, strategies, other plans and objectives for future operations or economic performance that are based on BCI IV's current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties, as described in more detail in the "Risk Factors" section of the prospectus and in this sales material. Any of these statements could prove to be inaccurate, and actual events or investments and results of operations could differ materially from those expressed or implied in the forward-looking statement. Investors are cautioned not to place undue reliance on any forward-looking statements.
- DPF is also sponsored by affiliates of Black Creek Group. DPF offers share redemption programs that limit the number of shares to be redeemed during any quarter. For each year since 2009, DPF received redemption requests from Class E stockholders that exceeded the availability under DPF's Class E share redemption program (the "Class E SRP"). During this period, DPF redeemed, on a pro rata basis, a percentage of the Class E shares requested to be redeemed for each quarter (exclusive of requests made in connection with the death or disability of a stockholder) which ranged from approximately 1.0% to 26.1%. In addition, DPF lowered its quarterly distribution rate from $0.15 to $0.125 and then to $0.0875 per share between 2012 and 2014. In the first quarter of 2015, DPF raised the quarterly distribution rate to $0.09 per share and DPF has paid distributions at that quarterly rate through September 30, 2017. From December 2015 through August 2017, redemptions under the Class E share redemption program were only available in the event of the death or disability of a stockholder, subject to certain limitations. The DPF board of directors evaluated each quarter whether to make liquidity available to Class E stockholders desiring liquidity other than in the event of death or disability through a share redemption program or through a tender offer process. Effective as of September 1, 2017, as part of a broader restructuring, DPF terminated the existing Class E SRP and commenced a new share redemption program that applies to all of DPF's stockholders.
- **THIS IS NEITHER AN OFFER TO SELL NOR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES DESCRIBED IN THE BLACK CREEK INDUSTRIAL REIT IV PROSPECTUS. THE OFFERING IS MADE ONLY BY THE BLACK CREEK INDUSTRIAL REIT IV PROSPECTUS. THIS MATERIAL MUST BE PRECEEDED OR ACCOMPANIED BY A BLACK CREEK INDUSTRIAL REIT IV PROSPECTUS.**

Please be aware that BCI IV, BCI IV Advisors LLC (the "Advisor"), BCI IV Advisors Group LLC, Black Creek Capital Markets, LLC (the "Dealer Manager") and their respective officers, directors, employees and affiliates are not undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with BCI IV's public offering or the purchase of BCI IV's common stock and that the Advisor and the Dealer Manager have financial interests associated with the purchase of BCI IV's common stock, as described in BCI IV's prospectus, including fees, expense reimbursements and other payments they anticipate receiving from BCI IV in connection with the purchase of BCI IV's common stock. These materials are not intended as a recommendation to make an investment in BCI IV's common stock and investors should consult their financial advisors before making an investment decision.

Black Creek Diversified Property Fund Risk Factors

Past performance is not a guarantee of future results.

- Investing in real estate assets entails certain risks, including changes in: the economy, supply and demand, laws, tenant turnover, interest rates (including periods of high interest rates), availability of mortgage funds, operating expenses and cost of insurance. This investment will offer limited liquidity options to investors. Real estate investment trusts (REITs) are not suitable for all investors.
- Further, investing in Black Creek Diversified Property Fund (DPF) stock involves additional and substantial risks specific to DPF, including, among others, that:

i. There is no public trading market for shares of DPF's common stock, and DPF does not expect that there will ever be a public trading market for its shares, so redemption of shares by them will likely be the only way to dispose of your shares.

ii. DPF's redemption program imposes limits on redemptions. DPF may amend, suspend or terminate its share redemption program at any time. As a result, DPF's shares have only limited liquidity and may become illiquid. Beginning in the first quarter of 2009 through the third quarter of 2016, redemption requests for Class E shareholders exceeded the redemption limits set forth in DPF's Class E share redemption program and associated offering materials, which during that time frame was limited to a 5% per year cap and other limitations with respect to Class E shareholders and DPF conducted a number of self-tender offers to supplement this liquidity. As a result, investors who sought to redeem their Class E shares during that period only received a portion of the proceeds they requested, either through the redemption program or self-tender offers that were conducted by DPF, and were required to resubmit redemption requests periodically in order to renew their request to either have their shares tendered or purchased pursuant to a tender offer. During this time period, these Class E shareholders did continue to receive distributions on the shares they retained.

iii. The purchase and redemption price for shares of DPF's common stock will be generally based on the NAV of each class of common stock and will not be based on any public trading market. DPF's NAV will not represent DPF's enterprise value and may not accurately reflect the actual prices at which DPF's assets could be liquidated on any given day, the value a third party would pay for all or substantially all of DPF's shares, or the price that DPF's shares would trade at on a national stock exchange. The board of directors may amend DPF's NAV procedures from time to time.

iv. Some of DPF's executive officers and directors and other key personnel are also officers, directors, managers, key personnel and / or holders of an ownership interest in its advisor, its dealer manager and / or other entities related to its advisor. As a result, they face conflicts of interest, including but not limited to conflicts arising from time constraints, allocation of investment opportunities and the fact that the fees its advisor will receive for services rendered to DPF will be based on DPF's NAV, the procedures for which its advisor will assist its board of directors in developing, overseeing, implementing and coordinating.

v. If DPF fails to maintain its status as a REIT, it would adversely affect its results of operations and its ability to make distributions to its stockholders.

vi. The amount of distributions DPF may make is uncertain, are not guaranteed and may be modified at the program's discretion. DPF may pay distributions from sources other than cash flow from operations including, without limitation, the sale of assets, borrowings or offering proceeds (including the return of principal amounts invested). The use of these sources for distributions would decrease the amount of cash DPF has available for new investments, repayment of debt, share redemptions and other corporate purposes, and could potentially reduce your overall return and dilute the value of your investment in shares of DPF common stock. For each year from 2012 through 2015 and for the quarters ended June 30, 2016, September 30, 2016, December 31, 2016, March 31, 2017, June 30, 2017 and September 30, 2017, distributions were funded solely from cash flow from operations. The distributions for the three months ended March 31, 2016 were funded 95.3% from cash flow from operations and 4.7% from other sources.

vii. DPF's use of leverage increases the risk of loss on its investments.

viii. The payment of fees by DPF to its advisor and its dealer manager will reduce the cash available for distribution and will increase the likelihood that investors are unable to recover the amount of their investment in DPF.

ix. In connection with DPF's offering, it incurs fees and expenses. In particular, DPF expects to incur a dealer manager and distribution fee which are expected to reduce the amount of distributions received by certain investors and as a result will lower the overall return to such investors. Also, DPF has and expects to continue to incur organizational and offering related expenses which reduce the overall cash flow of DPF and negatively impact its NAV and could negatively impact your overall return.

This material must be read in conjunction with the DPF prospectus in order to understand fully all of the implications and risks of the offering of securities to which it relates. This document must be preceded or be accompanied by a prospectus, which contains important information about DPF. This is neither an offer to sell nor a solicitation of an offer to buy the securities described in the DPF prospectus. The offering is being made only by the DPF prospectus. Neither the Securities and Exchange Commission nor any other state securities regulator has approved or disapproved of the securities or determined if the prospectus is truthful or complete. In addition, the Attorney General of the State of New York has not passed on or endorsed the merits of the offering. Any representation to the contrary is unlawful. DPF is not an investment company registered under the Investment Company Act of 1940.

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