AMERICAN INVESTORS COMPANY
DIRECT PARTICIPATION PROGRAM
FACT SHEET

OFFERING: ARCTRUST III		**SEC**	
		147	
SPONSOR: ARCTRUST Properties, Inc.		**REG D**	X

OFFERING SIZE: $25 million (final offering tranche)

MIN. INV.: $50,000

GREENSHOE AMT.: none

SUITABILITY: Accredited only

SUITABLE FOR QUALIFIED PLANS: Yes

INVESTMENT SUMMARY: The REIT was formed in 2018 and has previously raised $95 million. After recently pausing its fund-raising efforts to revalue the REIT's portfolio and re-price its shares, the REIT is now seeking to raise a final $25 million with which it intends to continue its strategy of developing and selectively acquiring retail, single tenant net lease properties that are 100% leased to creditworthy tenants under long-term leases – a continuation of the strategy followed by ARCTRUST III's predecessor, ARCTRUST. The REIT will also cooperate with creditworthy companies or developers on build-to-suit transactions and may structure purchase-leaseback transactions with suitable companies and will also invest in a variety of PAVRs (preferred appreciation vehicles). The REIT intends to employ primarily fixed-rate leverage up to a maximum of 75% of aggregate portfolio value subject to such leverage being accretive to distributions.

INVESTMENT OBJECTIVES: (1) generate current dividends, a significant percentage of which will be partially tax sheltered; (2) equity buildup through mortgage amortization; (3) capital appreciation through development and careful portfolio acquisition of suitable properties; and (4) realization of gains upon property sale or refinancing.

INVESTMENT PERFORMANCE EXPECTATIONS: The REIT's revised offering price is $10.47 and is based upon a recent valuation of the REIT's assets and liabilities. The REIT's current dividend is $.55 per share or 5.25% on current NAV. The REIT's ultimate business plan is to go public, merge with a public REIT or liquidate the portfolio on or before 12/31/2026, subject to two one-year extension options. Target IRR (assuming a five to seven-year hold) is 10%.

INVESTMENT RISKS: 1. Traditional risks associated with the operation of real estate. 2. Credit risk of underlying tenants and lessees. 3. General economic risks. 4. Foreclosure risks associated with the use of leverage.

BROKER-DEALER CONCESSION: 6%

% LEVERAGE USED: up to 75%

TOTAL FRONT-END LOAD: 9.5% + 2% acquisition fee (max)

EST. HOLDING PERIOD: 5-7 years

NET $ INTO ASSET(S): 90.5% before acquisition fee

CASH DIST. FREQ.: quarterly

WORKING CAPITAL RESERVE: as necessary

YRS. SPONSOR IN BUS.: 35 years

LIQUIDITY: annual share repurchase program subject to certain limitations; refer to page 70 of the PPM

BACK-END SHARING ARRANGEMENT: in addition to an asset management fee of 1.25% (on net REIT equity) and a 2% disposition fee (1/2 of which is payable only if the property is sold at a gain), operating cash flow and profits upon sale will be shared 70/30 subject to return of capital plus a 5.73% preferred return.

OTHER COMMENTS: ARC's first offering, ARC Corporate Realty Trust, went full-cycle and completed liquidation in 2008. The sponsor's second offering, ARCTRUST wrapped up its fundraising in 2018, is currently operating and continually evaluates asset sale opportunities and/or possible liquidity events. **An AIC acknowledgment is required in connection with sales of this offering, available at www.americaninvestorsco.com.**

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