

The logo features the letters 'AR' in a large, white, serif font. A white arc curves over the top of the 'R'. To the right of the 'AR' is the word 'Global' in a smaller, white, sans-serif font.

AR Global

4<sup>th</sup> Quarter 2016 Webinar Series

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# Fourth Quarter 2016 Investor Presentation

## **Risk Factors**

For a discussion of the risks which should be considered in connection with our company, see the section entitled “Item 1A. Risk Factors” in American Realty Capital New York City REIT, Inc.’s (the “Company”) Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (“SEC”) on March 28, 2017.

## **Forward-Looking Statements**

This presentation may contain forward-looking statements. You can identify forward-looking statements by the use of forward looking terminology such as “believes,” “expects,” “may,” “will,” “would,” “could,” “should,” “seeks,” “intends,” “plans,” “projects,” “estimates,” “anticipates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases.

*Please review the end of this presentation and the fund’s Annual Report on Form 10-K for a more complete list of risk factors, as well as a discussion of forward-looking statements.*

# Investment Thesis



- Focused on acquiring New York City commercial real estate
- 3 Primary objectives\*:
  - Preserve and protect capital
  - Pay monthly stable cash distributions; and
  - Increase the value of assets in order to generate capital appreciation.
- The targeted period of the investment vehicle for a liquidity event is 3-6 years from the close of the initial offering, May 31, 2015.

## NYCR seeks to provide:

A large, solid gold circle containing the text 'Capital Preservation' in white serif font.

Capital  
Preservation

A large, solid grey circle containing the text 'Monthly Cash Distributions' in white serif font.

Monthly  
Cash  
Distributions

A large, solid dark red circle containing the text 'Capital Appreciation' in white serif font.

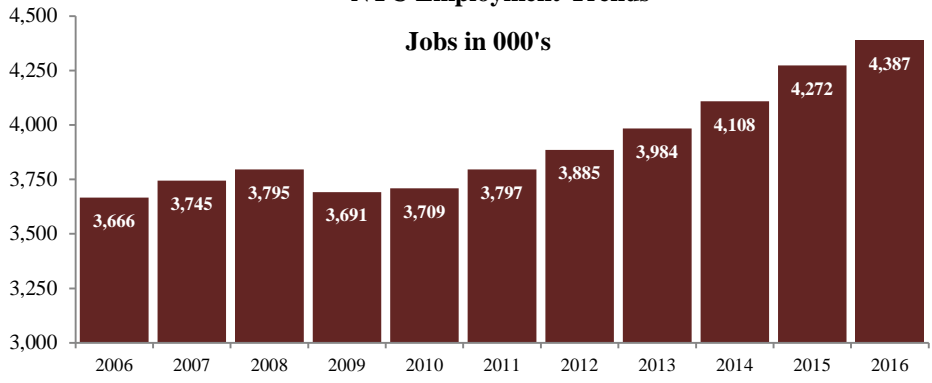
Capital  
Appreciation

\*There is no guarantee these objectives will be met.

# New York City Market Trends

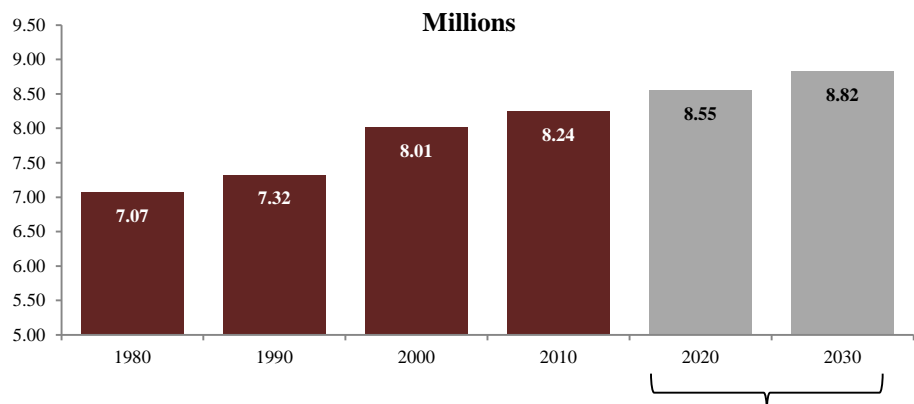


NYC Employment Trends <sup>(1)</sup>



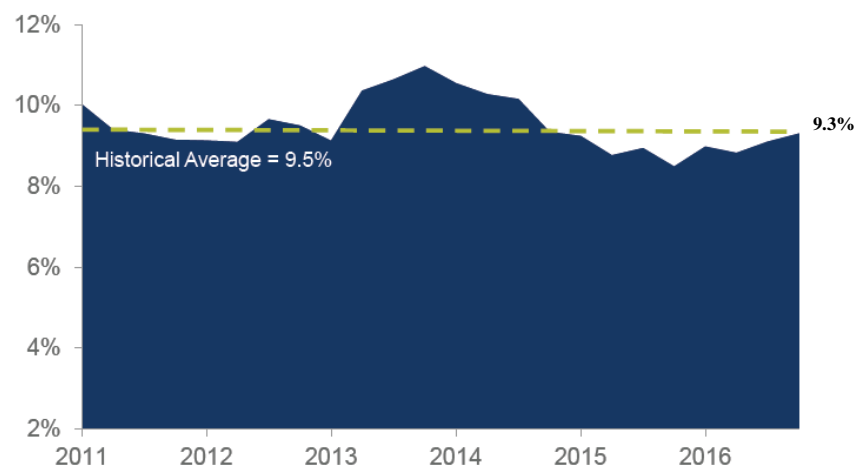
Employment is at record levels and reached 4.4mm in 2016

NYC Population at Record High <sup>(3)</sup>

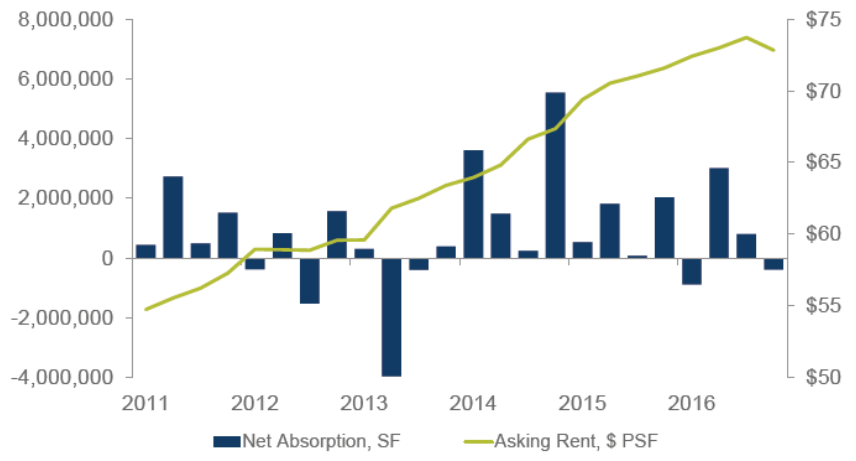


NYC population is forecasted to reach 8.8mm people in 2030

Overall Vacancy Rate - Manhattan Office <sup>(2)</sup>



Manhattan Overall Net Absorption/Asking Rents <sup>(2)</sup>



<sup>(1)</sup> Bureau of Labor Statistics.  
<sup>(2)</sup> Cushman & Wakefield Research, Q4 2016 data.  
<sup>(3)</sup> New York City Department of City Planning.

# Q4 2016 Highlights



- Occupancy was unchanged at 89.8% from Q3 2016 to Q4 2016
- Cash NOI <sup>(1)</sup> was roughly unchanged quarter over quarter (slight decrease by 1% from Q3 2016 to Q4 2016)
- Leverage remains low at ~26% debt / cost <sup>(2)</sup>
  - The \$96 million mortgage debt at 123 William was refinanced with a \$140 million refinancing on March 6, 2017 <sup>(3)</sup>
- Published estimated NAV of \$21.25 per share as of June 30, 2016 on October 26, 2016
- Higher leverage, deployment of cash, and lease up of vacancy is anticipated to improve earnings and distribution coverage

<sup>(1)</sup> See slides 13 and 14 for further discussion of Cash NOI.

<sup>(2)</sup> Based on total real estate investments, at cost and mortgage note payable, net of deferred financing costs per 12/31/16 balance sheet; pro forma leverage giving effect to 123 William refinancing is ~32%.

<sup>(3)</sup> 10 year term at 4.67% interest rate, interest only.

# Portfolio Snapshot



- 6 properties consisting of 1,091,571 square feet
- 89.8% occupancy as of 12/31/2016
- Weighted average remaining lease term of 6.2 years

Portfolio	Acquisition Date	Number of Properties	Rentable Square Feet	Occupancy (as of 12/31/16)	Remaining Lease Term (Years) <sup>(1)</sup>	All-in Cost <sup>(2)</sup>	Debt
<b>Unencumbered Assets</b>							
421 W 54th Street – Hit Factory	Jun. 2014	1	12,327	100%	3.8	\$7,408	-
400 E 67th Street – Laurel Condominium	Sept. 2014	1	58,750	100%	7.3	\$77,387	-
200 Riverside Boulevard – ICON Garage	Sept. 2014	1	61,475	100%	20.8	\$9,226	-
<u>9 Times Square</u>	Nov. 2014	<u>1</u>	<u>166,640</u>	<u>56.0%</u>	<u>4.5</u>	\$188,925	-
<i>Unencumbered Sub-total</i>		4	299,192	75.5%	6.6	\$282,946	-
<b>Encumbered Assets</b>							
123 William	Mar. 2015	1	542,676	97.7%	6.8	\$274,493	\$96,000 <sup>(3)</sup>
<u>1140 Avenue of the Americas</u>	Jun. 2016	<u>1</u>	<u>249,703</u>	<u>89.7%</u>	<u>5.3</u>	<u>\$187,086</u>	<u>\$99,000</u>
<i>Encumbered Sub-total</i>		2	792,379	95.2%	6.1	\$461,579	\$195,000
<b>Sub-total (Current Portfolio)</b>		<b>6</b>	<b>1,091,571</b>	<b>89.8%</b>	<b>6.2</b>	<b>\$744,525</b>	<b>\$195,000</b>

(1) Calculated as weighted average (based on annualized GAAP rent) as of 12/31/2016.

(2) Includes fees, closing costs, financing costs, major capex and prorrations.

(3) Per 12/31/16 balance sheet. The \$96 million mortgage debt at 123 William was refinanced with a \$140 million refinancing on March 6, 2017.

# Balance Sheet Summary



- Strong balance sheet
- Low leverage (~26% debt/cost ratio)<sup>(3)</sup>

\$ amounts in 000's

	<u>Q3 2016</u>	<u>Q4 2016</u>
Total Real Estate Investments (at Cost)	\$745,289	\$744,945
Cash <sup>(1)</sup>	53,150	47,671
Other Assets <sup>(2)</sup>	(13,231)	(19,012)
<b>Total Assets</b>	<b>\$785,208</b>	<b>\$773,604</b>
Mortgage Note Payable, net of DFC	190,672	191,328
Other Liabilities	41,995	42,085
<b>Total Liabilities</b>	<b>232,667</b>	<b>233,413</b>
<b>Total Stockholders' Equity</b>	<b>552,541</b>	<b>540,191</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$785,208</b>	<b>\$773,604</b>

~\$47mm of cash

26% debt/cost ratio <sup>(3)</sup>  
(32% pro forma for 123 William refinancing)

<sup>(1)</sup> Change in cash due primarily to capital expenditures and cash dividends.

<sup>(2)</sup> Other Assets includes accumulated depreciation.

<sup>(3)</sup> Based on total real estate investments at cost and total mortgage notes payable, net of DFC per 12/31/16 balance sheet; pro forma leverage giving effect to 123 William refinancing is ~32%.



# Key Initiatives



- Finish deployment of capital
  - Debt/cost ratio remains low at ~26% providing room for additional leverage and portfolio growth <sup>(1)</sup>
  - Management may complete \$100 to \$300 million of additional acquisitions using existing cash and additional leverage
  - Target leverage for pro forma portfolio is 40-50% of the aggregate fair market value of our assets
  
- Continue 9 Times Square office and retail leasing campaign

<sup>(1)</sup> Based on total real estate investments at cost and total mortgage notes payable, net of DFC per 12/31/16 balance sheet; pro forma leverage giving effect to 123 William refinancing is ~32%.

# 9 Times Square



**Tremendously valuable retail and signage located one block south of the Times Square bowtie.** The Property's location gives it a strong competitive advantage due to NYC's successful redevelopment of the retail to relocate the lobby from Seventh Avenue to 41<sup>st</sup> Street, increasing the valuable Seventh Avenue retail frontage. The new lobby and glass retail façade are expected to drive office rents at the property.

**Brand new, \$10 million state of the art signage system** containing over 9,000 square feet of digital LED and static illuminated signage. This will provide an opportunity to offer a retailer or advertiser brand exposure to millions of shoppers and pedestrians.

**In-place office leases are below market,** creating significant built-in upside from marking tenants to market following expiration of lease terms.

**Boutique office floorplates of 8,780 square feet** cater to a diverse tenant base, and attract high-quality tenants by offering the prestige of a full floor identity on a small footprint.

**Outstanding access to public transportation** including the Times Square subway station across the street (1, 2, 3, 7, A, C, E, N, Q, R, and S lines), the Port Authority Bus Terminal one block to the west, and Penn Station six blocks to the south.

**Over 40K SF of leasing activity** since acquisition, of which ~30K SF were new leases.

# Organizational Structure



## Board of Directors

**Michael Weil**  
*Executive Chairman*



**Elizabeth Tuppeny**  
*Independent Director*



**Abby Wenzel**  
*Independent Director*



**Lee Elman**  
*Independent Director  
& Audit Chair*



## Management Team

**Michael Weil**  
*CEO & President*



**Nicholas Radesca**  
*CFO and Treasurer*



**Jason Slear**  
*Head of Acquisitions*



**Michael Ead**  
*Senior Vice President  
and Counsel*



**Cindy Dip**  
*Controller*



**Zachary Pomerantz**  
*V.P. Asset Management*



**Stephen Rothstein**  
*Associate*

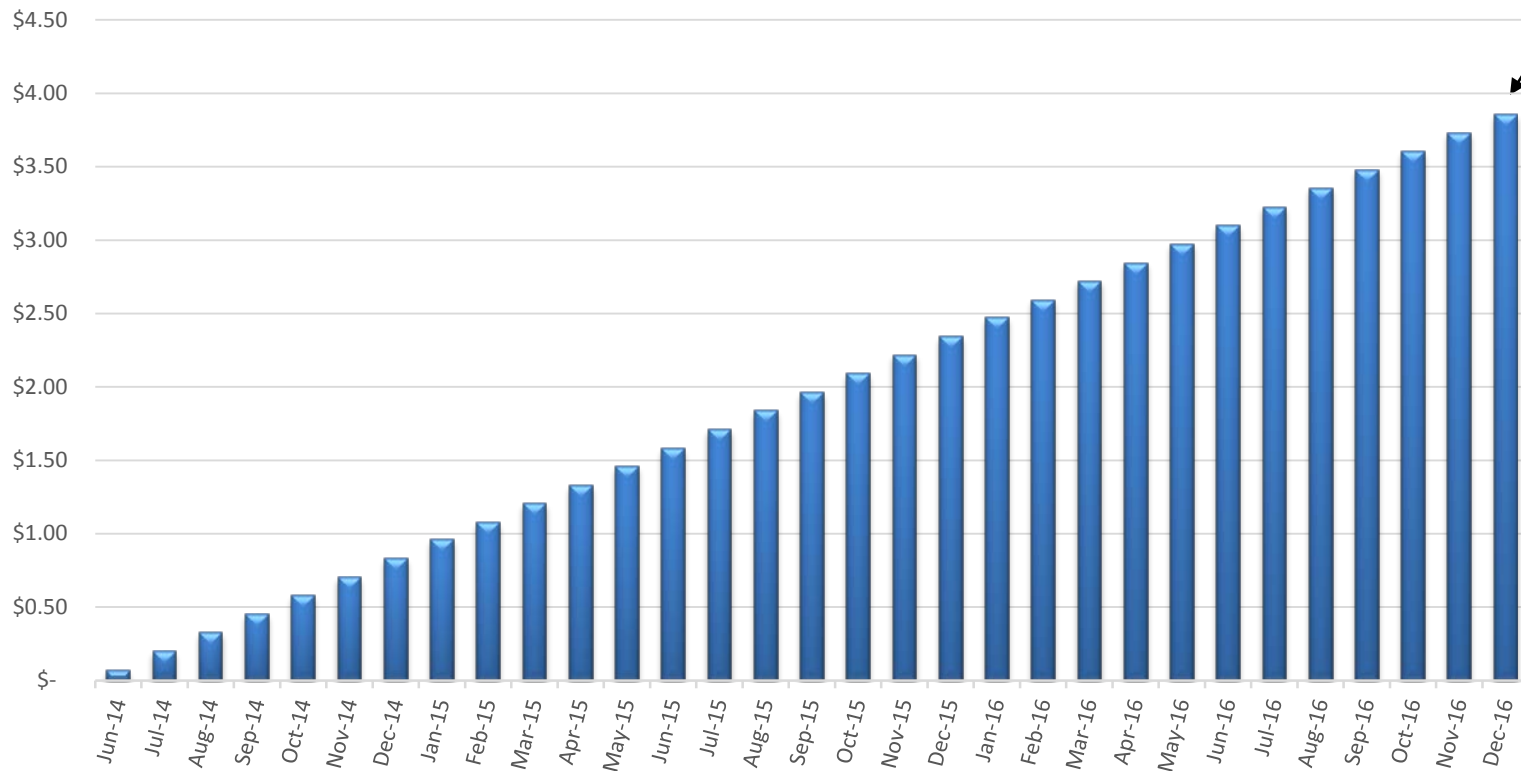


# Consistent Distributions



*Since Inception, American Realty Capital New York City REIT, Inc. has paid out \$3.86 per share of regular distributions in cash and DRIP.*

\$3.86 per share  
(cumulative) <sup>(1)</sup>



<sup>(1)</sup> Totals as of each period presented represent cumulative distributions per share paid to stockholders of record who have held shares since April 4, 2014, the date when our distributions began to accrue. On May 22, 2014, our board of directors authorized, and we declared, distributions of \$1.5125 per annum, per share of common stock. A portion of the distributions paid in cash has exceeded cumulative cash flow from operations and has been paid out of cash on hand and proceeds from the IPO.

# Cash NOI Reconciliation



- Below is a reconciliation from net loss, the most directly comparable GAAP financial measure, to Cash NOI.

(In thousands)	Three Months Ended	
	December 31, 2016	September 30, 2016
Net loss (in accordance with GAAP)	\$ (5,590)	\$ (4,369)
Acquisition and transaction-related	(632)	24
Depreciation and amortization	8,810	7,271
Interest expense	2,377	2,388
General and administrative	1,163	1,267
Asset management fee incurred from the Advisor	1,503	1,525
Income from Investment Securities and Interest	(44)	(56)
Loss on sale of investment securities	5	0
NOI	7,592	8,050
Amortization of above/below market lease assets and liabilities, net	(509)	(616)
Straight-line rent	325	17
Cash NOI	\$ 7,408	\$ 7,451

# Cash NOI Reconciliation (cont.)



- Cash net operating income ("Cash NOI") is a non-GAAP financial measure equal to net income (loss), the most directly comparable GAAP financial measure, less income from investment securities and interest, plus general and administrative expenses, acquisition and transaction-related expenses, depreciation and amortization, other non-cash expenses and interest expense. In calculating Cash NOI, we also eliminate the effects of straight-lining of rent and the amortization of above and below market leases. Cash NOI should not be considered an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity
- We use Cash NOI internally as a performance measure and believe Cash NOI provides useful information to investors regarding our financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level. Therefore, we believe Cash NOI is a useful measure for evaluating the operating performance of our real estate assets and to make decisions about resource allocations. Further, we believe Cash NOI is useful to investors as performance measures because, when compared across periods, Cash NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition activity on an unlevered basis. Cash NOI excludes certain components from net income in order to provide results that are more closely related to a property's results of operations. For example, interest expense is not linked to the operating performance of a real estate asset and Cash NOI is not affected by whether the financing is at the property level or corporate level. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. Cash NOI presented by us may not be comparable to Cash NOI reported by other REITs that define Cash NOI differently. We believe that in order to facilitate a clear understanding of our operating results, Cash NOI should be examined in conjunction with net income (loss) as presented in our consolidated financial statements.

**There are risks associated with an investment in our Company. The following is a summary of some of these risks. For a discussion of the risks which should be considered in connection with our Company, see the section entitled “Item 1A. Risk Factors” in the Company’s Annual Report on Form 10-K filed with the SEC on March 28, 2017.**

- We have a limited operating history which makes our future performance difficult to predict;
- All of our executive officers are also officers, managers or holders of a direct or indirect controlling interest in our advisor, New York City Advisors, LLC (our "Advisor") and other entities affiliated with AR Global Investments, LLC (the successor business to AR Capital, LLC, "AR Global"); as a result, our executive officers, our Advisor and its affiliates face conflicts of interest, including significant conflicts created by our Advisor’s compensation arrangements with us and other investor entities advised by AR Global affiliates, and conflicts in allocating time among these entities and us, which could negatively impact our operating results;
- We depend on tenants for our revenue and, accordingly, our revenue is dependent upon the success and economic viability of our tenants;
- We may not be able to achieve our rental rate objectives on new and renewal leases and our expenses could be greater, which may impact operations;
- Our properties may be adversely affected by economic cycles and risks inherent to the New York metropolitan statistical area ("MSA"), especially New York City;
- We are obligated to pay fees, which may be substantial, to our Advisor and its affiliates;
- We may fail to continue to qualify to be treated as a real estate investment trust for United States federal income tax purposes ("REIT");

# Risk Factors (continued)



- Because investment opportunities that are suitable for us may also be suitable for other AR Global-advised programs or investors, our Advisor and its affiliates may face conflicts of interest relating to the purchase of properties and other investments and such conflicts may not be resolved in our favor, meaning that we could invest in less attractive assets, which could reduce the investment return to our stockholders;
- No public market currently exists, or may ever exist, for shares of our common stock and our shares are, and may continue to be, illiquid;
- Our stockholders are limited in their ability to sell their shares pursuant to our share repurchase program (the "SRP") and may have to hold their shares for an indefinite period of time;
- If we and our Advisor are unable to find suitable investments, then we may not be able to achieve our investment objectives, or pay distributions with cash flows from operations;
- Increases in interest rates could increase the amount of our debt payments and limit our ability to pay distributions;
- We do not expect to generate sufficient cash flow from operations to fund distributions at our current level, and there can be no assurance we will be able to continue paying cash distributions at our current level or at all;
- We may be deemed to be an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"), and thus subject to regulation under the Investment Company Act; and
- As of December 31, 2016, we owned only six properties and therefore have limited diversification.



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- For account information, including balances and the status of submitted paperwork, please call us at (866) 902-0063

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- Financial Advisors may view client accounts, statements and tax forms at [www.dstvision.com](http://www.dstvision.com)

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- Shareholders may access their accounts at [www.ar-global.com](http://www.ar-global.com)



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**New York City REIT**

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[www.NewYorkCityREIT.com](http://www.NewYorkCityREIT.com)