

# BROADSTONE

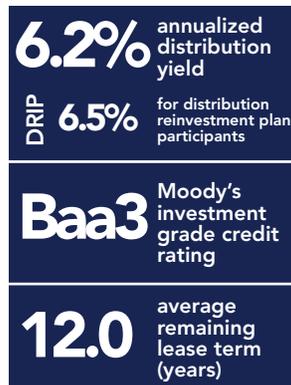


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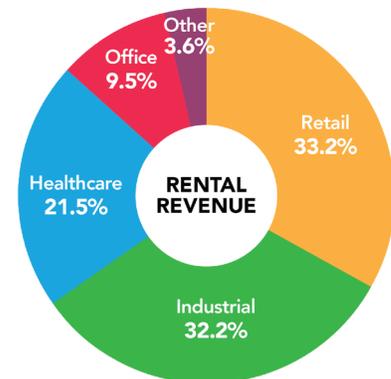
Broadstone Net Lease, Inc. (BNL) is a publicly reporting, privately offered Real Estate Investment Trust (REIT) with an investment grade credit rating of Baa3 from Moody's Investors Service (Moody's), that focuses on acquiring and holding freestanding, single-tenant, net-leased properties. Externally managed by Broadstone Real Estate, LLC, BNL began admitting outside shareholders on December 31, 2007. Since inception, the share price has increased from \$50 to \$85, and annual distributions have grown from \$3.50 to \$5.28 per share. Shares are offered via private placement, and new investors are accepted on a monthly basis.

## Portfolio Characteristics

- Portfolio is diversified by geography and industry.
- Long-term leases (weighted average remaining lease term of 12.0 years) with contractual rent increases.
- Credit-rated or credit-worthy tenants with demonstrated operating history.
- Disciplined hold/sell analysis performed regularly for every property.
- Focused on individual or portfolio acquisitions between \$5-\$300+ million.
- Acquires primarily retail, industrial, healthcare, and office properties.

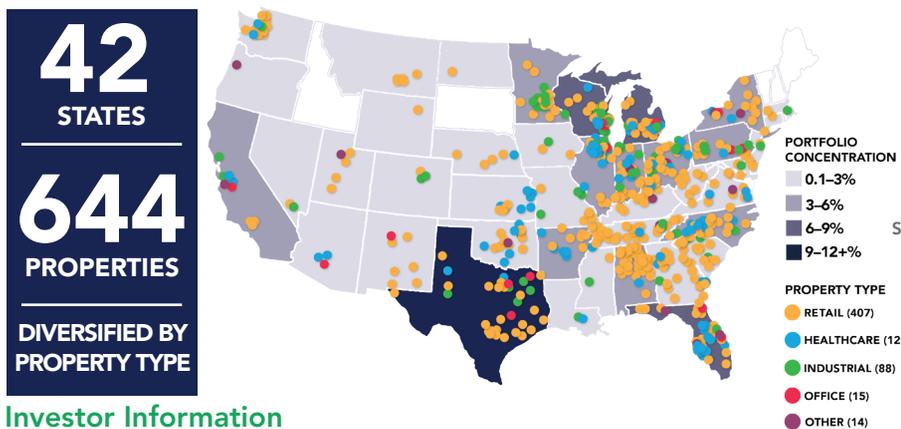


## Industry Diversification<sup>4</sup>

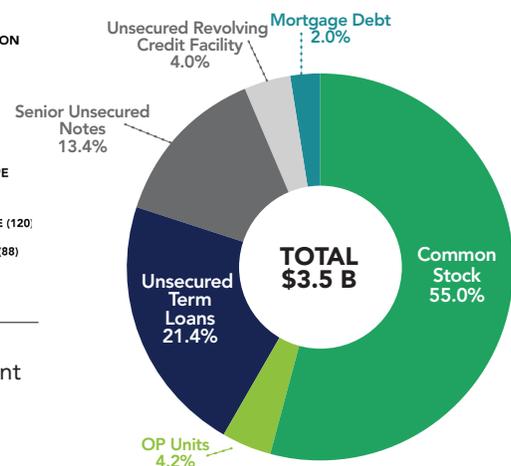


<sup>4</sup>The percentages above are based upon BNL's current monthly potential contractual rental revenue on a per property type basis divided by total potential contractual rental revenue. Late payments, non payments or other unscheduled payments are not considered in the calculation. Due to rounding, percentages may not add to 100 percent.

## Geographic Diversification



## Capitalization Structure<sup>5</sup>



**Total Market Capitalization = \$3.5 Billion**

## Investor Information

- 6.2% Annualized Distribution<sup>1</sup> – monthly distribution fully covered by BNL's current operations; 6.5% Annualized Distribution for dividend reinvestment plan (DRIP) participants.
- Direct placement of shares, undiluted by brokerage commissions or placement fees.
- Fee structure designed to be attractive for institutions, endowments, pension funds, family offices and high net worth individuals.<sup>2</sup>
- Monthly closings held for new and additional equity investments.
- More than \$58 million of shares held by insiders, and acquired at the same price and terms as other shareholders.<sup>3</sup>
- Open to accredited individual and institutional investors.
- Minimum initial investment (direct): \$500,000.
- Minimum initial investment (via financial advisor): \$250,000.
- Substantial tax sheltering of distributions for taxable investors; 1099 tax reporting.

<sup>1</sup>Annualized distribution yield stated is based on the share price of \$85. Annual distribution yield per share is not guaranteed and is determined at the sole discretion of the Board of Directors.

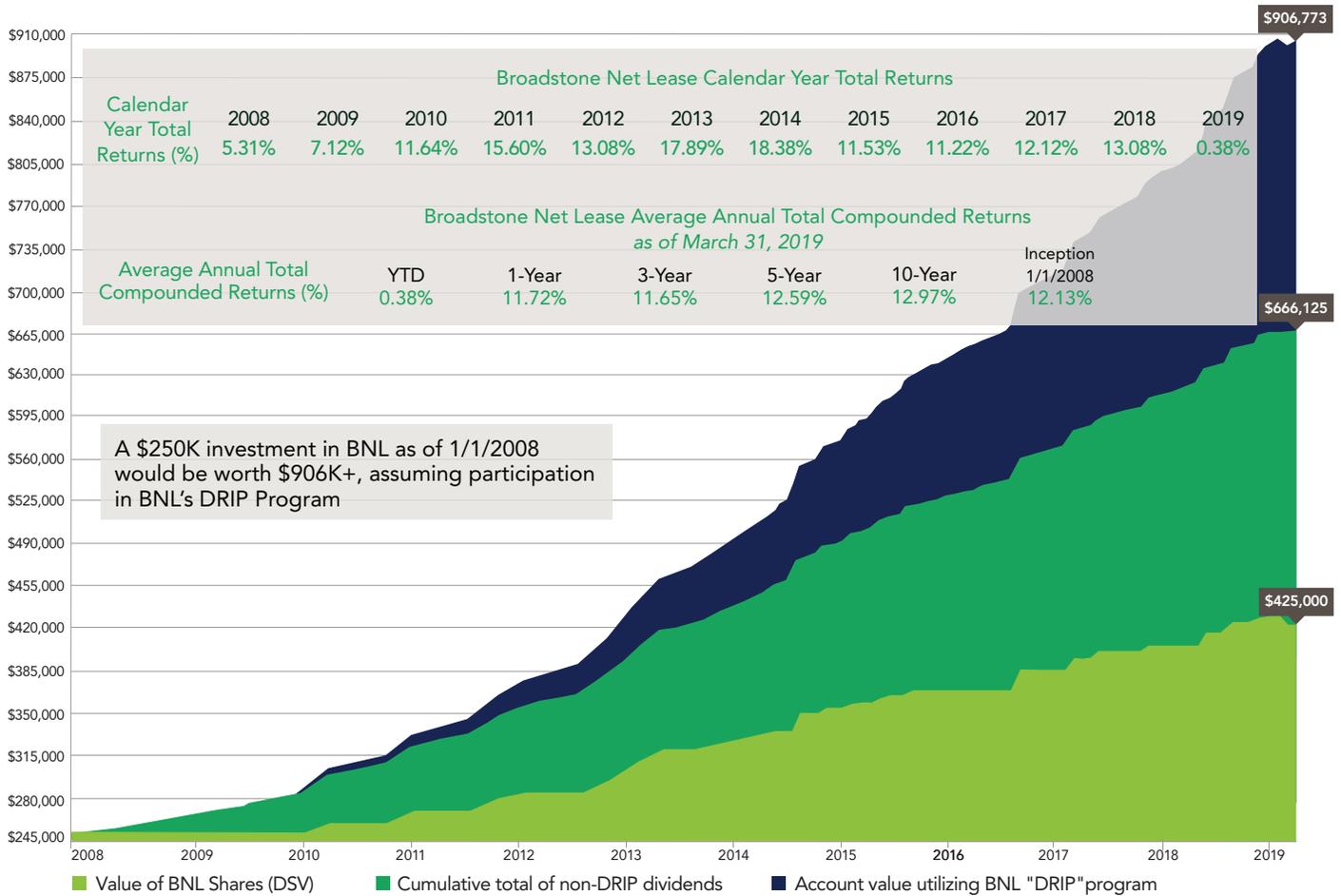
<sup>2</sup>Request a copy of our Investor Kit at [www.Broadstone.com](http://www.Broadstone.com) to view our complete fee structure.

<sup>3</sup>Insiders include BNL's founders, management team, Board of Directors, and Broadstone Real Estate, LLC

- Conservative use of leverage.
- Investment grade credit rating of Baa3 (with stable outlook) from Moody's.
- 95.0% of debt unsecured.

<sup>5</sup>The value of common stock and operating company unit equity is calculated by multiplying the total number of common shares and units by BNL's Determined Share Value (DSV) of \$85. Please view our website [www.Broadstone.com](http://www.Broadstone.com) for important definitions and calculation methodologies.

## Performance & Growth of \$250,000 Since Inception



Total Value of BNL Shares assumes \$250,000 investment at Broadstone Net Lease inception at \$50 Determined Share Value (DSV) and reinvestment of all dividends at 98% of DSV after December 31, 2009. The Average Annual Total Compounded Returns Chart is prepared on a rolling 12-month basis and assumes dividend reinvestment. For example, the total return figure for the one-year period (bottom chart) covers the period from April 1, 2018 to March 31, 2019. The Calendar Year Total Return assumes dividend reinvestment on all dividends paid throughout the calendar year. Performance data represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data presented. BNL is not required by law to follow any standard methodology when calculating and representing performance data. All performance data above is presented net of fees. The performance of BNL may not be directly comparable to the performance of other private or registered REITs.

## Important Disclosures Regarding Broadstone Net Lease, Inc. (BNL)

**Not an offer to sell securities** – Offers to sell interests in BNL are made exclusively through BNL's private placement memorandum. Offers, solicitations and sales are not made in jurisdictions where not lawful or prohibited. Securities are not offered to residents of Arizona.

**BNL's securities are privately offered:** BNL's securities have not been registered under the Securities Act of 1933, as amended (the "Securities Act"). BNL conducts its private offering in reliance upon the exemptions from Securities Act registration provided by Rule 506(c) under Regulation D promulgated under the Securities Act and Section 4(a) (2) of the Securities Act and certain state securities laws. BNL's securities have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "SEC"), the attorney general of the State of New York, any other state securities commission or any other regulatory authority, nor have any of the foregoing passed upon the accuracy or adequacy of the information presented. Any representation to the contrary is a criminal offense.

**BNL files public reports with the SEC:** BNL has registered its shares of common stock pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). BNL is subject to the registration requirements of Section 12(g) of the Exchange Act because as of December 31, 2016, the aggregate value of its assets exceeded the applicable threshold and its common stock was held of record by 2,000 or more persons. As a result of the registration of its common stock pursuant to the Exchange Act, BNL is subject to the requirements of the Exchange Act and the rules promulgated thereunder. In particular, BNL is required to file Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K, and Current Reports on Form 8-K and otherwise comply with the disclosure obligations of the Exchange Act applicable to issuers filing registration statements to register a class of securities pursuant to Section 12(g) of the Exchange Act.

**Investment Company Act** – BNL's securities are not subject to the protections of the Investment Company Act of 1940, as amended.

**Accredited investors only** – BNL's securities are only offered and sold to "accredited investors," as defined under the U.S. securities laws, pursuant to BNL's Private Placement memorandum (PPM) and related subscription documents. Individuals are accredited investors only if they meet certain minimum net worth or sustained annual income thresholds. Entities are accredited investors only if they hold sufficient assets or are completely owned by accredited investors.

**Transfers restricted; No trading market** – Transfers of BNL's securities are restricted by federal and state securities laws and certain provisions of our organizational documents. There is no trading market for the shares and there can be no assurance that such a market will develop in the foreseeable future. BNL's securities may not be transferred, resold or otherwise disposed of by an investor unless, in the opinion of counsel acceptable to us, registration under federal and applicable state securities laws is not required or compliance is made with the registration requirements of such laws.

**Liquidity of BNL's securities is limited** – Redemptions of BNL's securities are limited in amount and require that the shares have been held for required periods. Provisions of state law, REIT requirements and other matters may limit redemptions.

**Investments involve significant risks** – An investment in BNL's securities involves significant risks. Only investors who can bear the economic risk of an investment of this type for an indefinite period of time and the risk of loss of their entire investment should invest in BNL's securities. Factors that may cause our actual results, performance or achievements to differ materially from our stated expectations include, among others: general economic conditions; local real estate conditions in the markets where our properties are located; financial difficulties of

our tenants; loss of key personnel; interest rates rising; compliance with REIT requirements; and continued access to capital to fund growth. See the section entitled "Risk Factors" in our PPM for additional information.

**This is not investment, financial, legal, or tax advice** – This information is not investment, financial, legal, or tax advice and has been prepared without reference to any reader's investment profile or financial circumstances. You should obtain financial and tax advice and conduct diligent investigation of information material to you before making any investment decision.

**Performance data; Stock price** – The value of investments and the income or distributions from investments may fall or rise. BNL's stock price is not set by any market in the common stock but by our independent directors based on the net asset value of our portfolio of properties determined as described in the PPM. We are not required by law to follow any particular methodology in setting the stock price (referred to in our organizational documents as the "Determined Share Value"). There may be variations from time to time in how our independent directors apply or weight the criteria described in the PPM in setting the stock price.

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**Forward-looking statements** – This information contains forward-looking statements which we believe are based on reasonable assumptions but results will vary from our expectations and the variations may be material. You should not rely on forward-looking statements in making an investment decision.

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## SUPPLEMENT: INTERQUARTER UPDATE AS OF MAY 7, 2019

**2.63%**  
YEAR-TO-DATE TOTAL RETURN

The year-to-date total return, as of May 31, 2019 is 2.63%.

**\$86**  
DETERMINED SHARE VALUE (DSV)

During the May, 2019 Board meetings, the Broadstone Net Lease, Inc. (BNL) Board of Directors voted to increase the REIT's determined share value (DSV) to \$86 for May, June, and July, 2019 closings.

BNL's DSV has increased 72% from \$50 to current price of \$86, since inception.

**6.1%** | **6.4%**  
CASH YIELD | DRIP YIELD  
ANNUALIZED DISTRIBUTION YIELD

At the \$86 DSV, the distribution rate of \$0.44/per share represents an approximate 6.1% annualized yield for new investments.

For dividend reinvestment plan (DRIP) participants, distributions are reinvested at 98% of DSV. This represents a 6.4% annualized yield for new investments.

**643**   
PROPERTIES  
42 STATES

BNL currently owns 643 properties in 42 states.

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