



MEDALIST DIVERSIFIED REIT, INC.

Investor Presentation

June 2019



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Investment Highlights

Anticipated Annual Dividend Yield

- The Company intends to pay an annual dividend of 7.00%, payable quarterly
- US law requires real estate investment trusts ("REITs") to distribute annually at least 90% of its REIT taxable income

Experienced Management Team

- Management with 50+ years of combined experience in commercial real estate and Capital Markets.
- MDR's management team has purchased and managed properties with a total asset value of approximately \$165 million.

Strong Investment Track Record

- Medalist Fund I(1): 340k sf of retail and industrial and 290 multifamily units purchased
- 8% annualized cash distributions paid quarterly from Q3 2013 through Q1 2018
- Medalist Fund II(1): 177k sf of retail and industrial purchased
- 7.5% annualized cash distributions paid quarterly from Q1 2016 through Q2 2018

Strategy of Opportunistic Investing

- Extensive deal flow network in target markets due to long-standing relationships with brokers, owners and lenders
- Focus on value creation through a "hands-on" management approach

Market Opportunity

- Medalist Fund Manager, Inc., our manager, has identified market opportunities in commercial real estate in the secondary and tertiary markets
- The availability of debt financing at historically low rates

Experienced Team

Management

Thomas Messier
Director, Chief Executive
Officer

- 30 + years of experience in fixed income capital markets and CRE
- Extensive experience in real estate acquisition, financing, asset management, and investor relations
- Former Director of Global Capital Markets at First Union/Wachovia Bank, Senior VP of Capital Markets at Bank of America

William Elliott
Director, Chief Operating
Officer, President

- 30 + years of commercial real estate experience, sourcing, acquiring and managing investment properties
- Former Managing Partner of Prudential Commercial Real Estate, President of Virginia Realty and Development Company, President of the Central Virginia Region of Goodman Segar Hogan Hoffer, and Managing Director of GVA Advantis
- Licensed Real Estate Broker, Certified Property Manager (one-time CPM of the Year), Certified Value Engineer

Board of Directors

Neil Farmer
Director

- 30 + years of experience in real estate development
- Founded Farmer Properties, Inc., a real estate development located in Richmond, VA

Charles Polk(1)
Director Nominee

- 29 + years of experience in real estate development
- Serves as Managing Director for JLL since 2009
- Mr. Polk specializes in offering comprehensive real estate services
- Mr. Polk leads JLL's tenant representation and brokerage practices for the Richmond office

Charles Pearson(1)
Director Nominee

- 30 + years of accounting, tax and consulting services
- Mr. Pearson began his career with Deloitte and Touche in 1978 rising to Senior Manager before leaving the firm to open his own practice in 1989
- Mr. Pearson is a member of the American Institute of Certified Public Accountants (AICPA) and the Virginia Society of Certified Public Accountants

Company Overview

Over 50 years of combined real estate investment and management experience

About Medalist

- Medalist Fund Manager Inc. (“Medalist”) manages private equity funds that invest in value-add commercial real estate primarily located in Virginia, North Carolina, South Carolina, Georgia, Florida and Alabama.
- Medalist was founded in 2003 by Bill Elliott and Tim Messier, and is headquartered in Richmond, VA
- Since inception, Medalist has sourced and managed properties with a total asset value of approximately \$165 million
- Asset types sourced and managed include: Industrial/Flex, Retail, Multifamily, and Hospitality
- Assets are internally managed in conjunction with full-service property management firms – Shockoe Properties and Marshall Hotels & Resorts

Our Property Managers

Shockoe Properties

- Shockoe Properties, a wholly owned subsidiary of Dodson Commercial, is a full-service real estate firm with over 30 years of investment management experience
- MDR’s Bill Elliott became a Partner in Dodson Commercial in 2003 and maintains a 6.32% ownership stake
- Shockoe Properties is the property manager for all of Medalist’s and MDR’s non-hotel properties

Marshall Hotels & Resorts

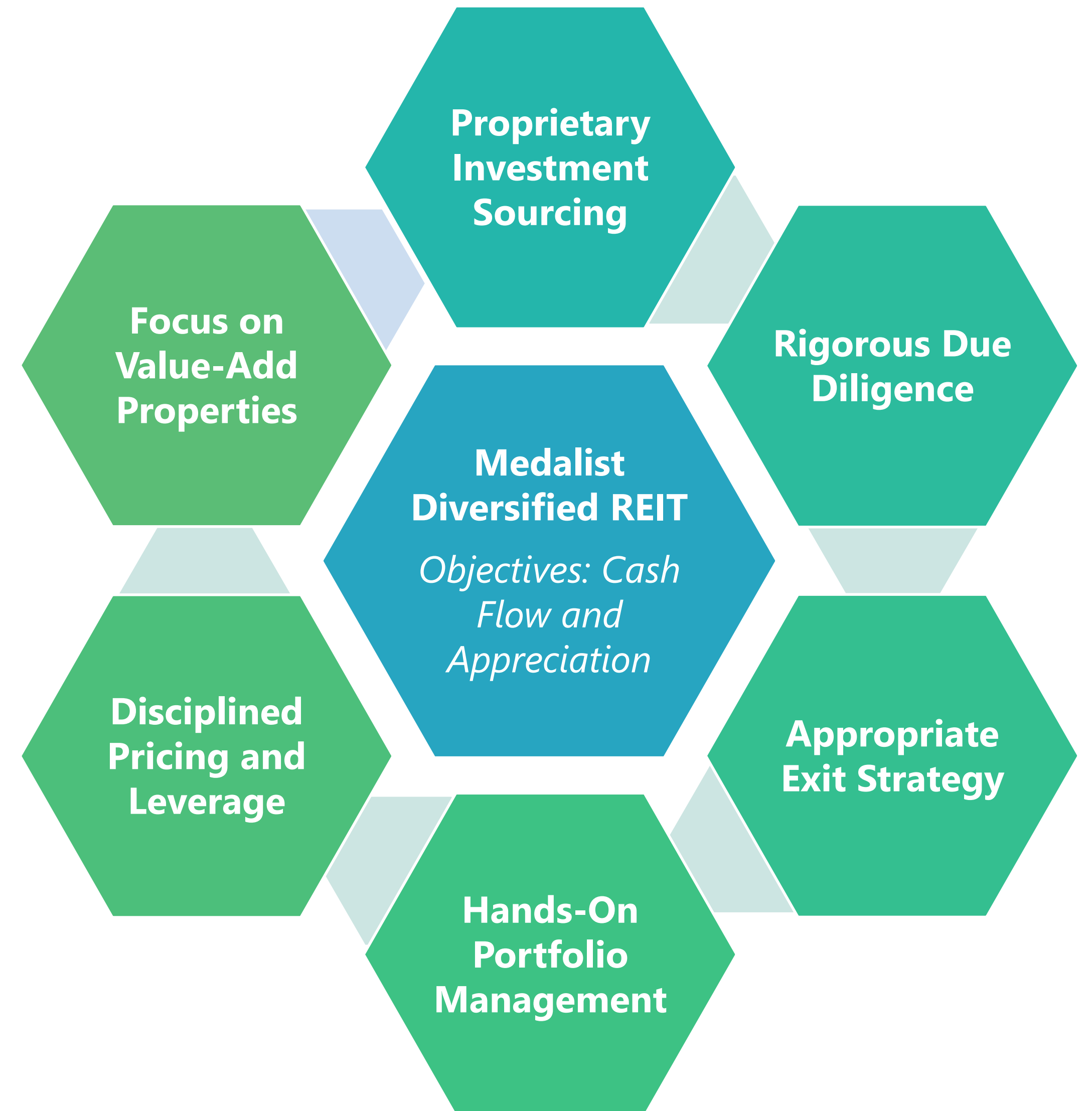
- Marshall Hotels & Resorts is a full-service hotel property management firm
- The firm was founded in 1980 and currently manages 55 hotels with an average of 120 keys per hotel & resorts
- Medalist has been working with Marshall Hotels & Resorts for over 10 years



Core Philosophies & Investment Strategies

Management has a proven track record with the following philosophies and strategies

- Medalist believes that its focus on value-add and opportunistic commercial real estate provides an attractive balance of risk and returns
- Medalist intends to use some or all of the following strategies to enhance performance, quality and value of our investments:
 - Proprietary investment sourcing
 - Consistent and replicable process for sourcing and conducting due diligence
 - Appropriate exit strategy
 - Hands-on portfolio management
 - Focusing on opportunistic properties

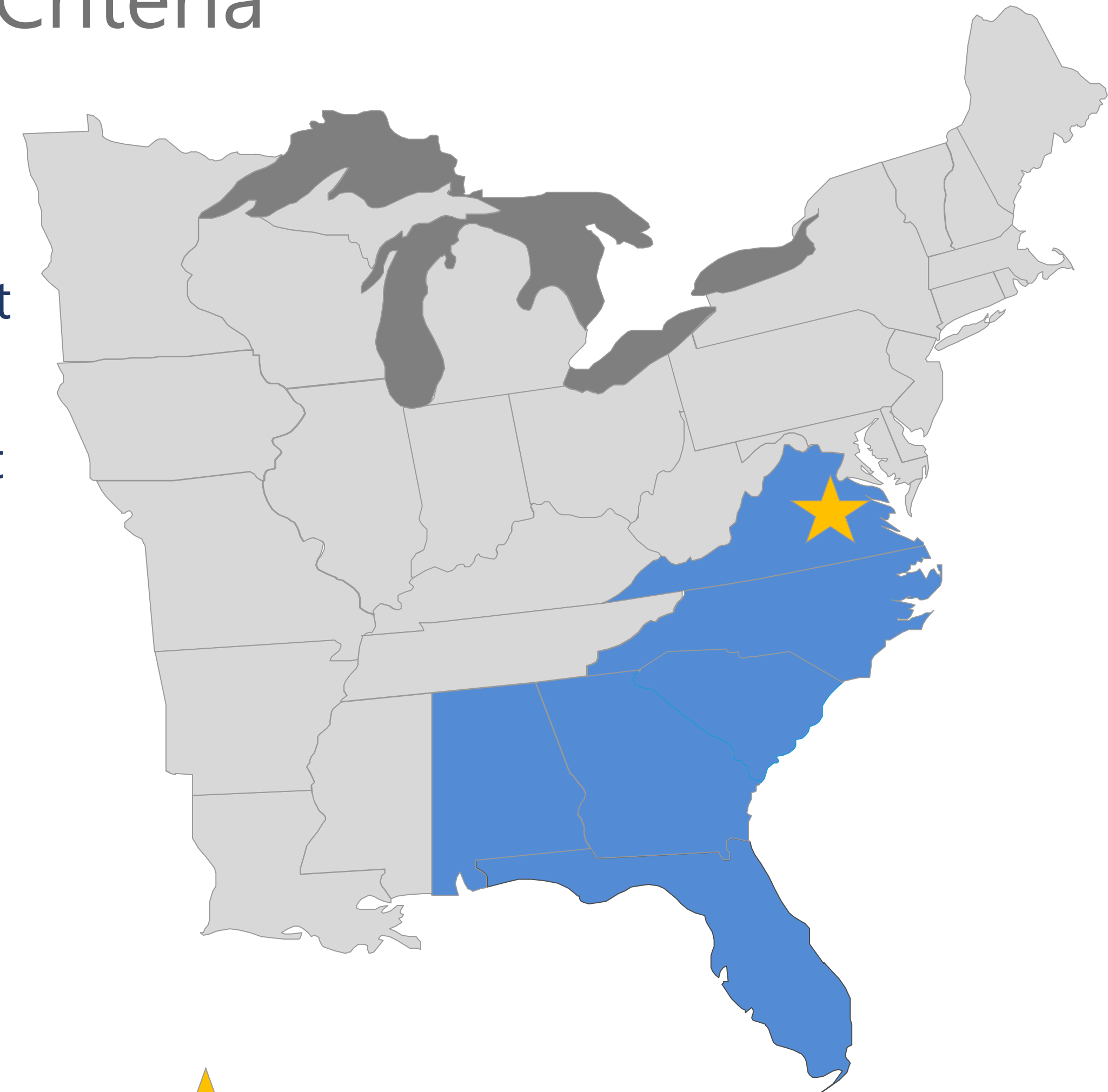


MDR's Investment Criteria

Target Investment Criteria

- Equity investments typically range from \$1MM - \$6MM
 - Equity investments can be as high as \$10MM without board approval
- Market leverage ratio for portfolio (80% maximum, without board approval)
- Average target property value between \$5MM - \$30MM
- Focus on VA, NC, SC, GA, FL and AL
- Target asset types include – Industrial/Flex, Multifamily, Retail, and Hospitality
- Value-add investment opportunities (under-managed, under-capitalized, and or under-performing assets)

MDR is targeting value-add investments in markets where its executive team maintains deep industry relationships and local market knowledge.

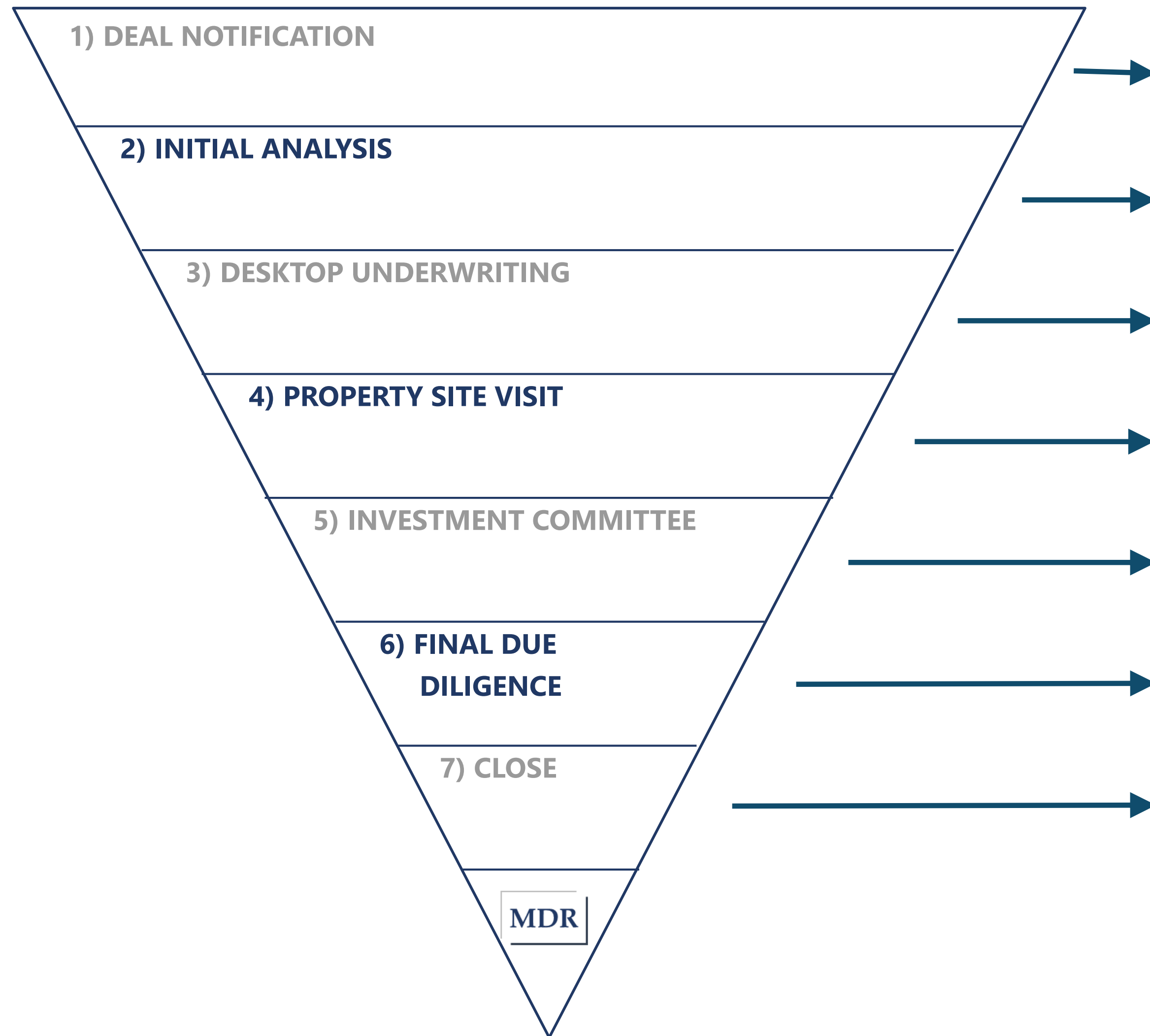


★ HEADQUARTERS

■ MDR TARGET MARKETS

Medalist's Acquisition Sourcing and Due Diligence

Acquisition Stage



Acquisition Procedures

- 1) Identify deal through proprietary relationships, brokers, and other proven sources
- 2) Does property meet fund criteria? - Does property meet asset criteria? - Is property located in favorable geographic location? - What are the economic drivers in the region?
- 3) Review market studies from nationally recognized firms - Receive preliminary mortgage quote from mortgage banker - Develop preliminary pro-forma - Generate preliminary pricing assessment
- 4) Assess physical property and expectations for capital expenditures - Assess surrounding areas, visibility - Meet with local market experts and personal contacts
- 5) Discuss property with advisory board to determine if bid should be made - Submit Letter of Intent consistent with fund objectives - If included in initial "Final Group of Buyers", submit best and final offer at request of seller
- 6) Go to contract - 3rd party formal due diligence (engineering, environmental, appraisal) - Develop business plan with property manager - Solicit bids and identify financing - Refine property pro-forma for expected holding period
- 7) Acquire property and implement business plan

Management Track Record

Medalist Fund I

- Approximately \$15.0 million of equity raised from high net worth, institutional and retail investors
- 8% annualized cash distributions paid quarterly to investors of record from Q3 2013 through Q1 2018
- 340,000 square feet of retail and industrial & 290 multifamily units purchased

Medalist Fund II

- Approximately \$5.7 million of equity raised from high net worth and retail investors
- 7.5% annualized cash distributions paid quarterly to investors of record from Q1 2016 through Q3 2018
- 177,000 square feet of retail and industrial space purchased

Medalist Diversified REIT Inc.

- Approximately \$32,900,000 in equity raised from high net worth, small institutions and retail investors
- Five 7.0% quarterly annualized cash distributions paid to MDR's investors to date
- Undivided interests in 207,739 square feet of retail and a 125-key hotel purchased to date
- Significant portion of the REIT's equity has come from reinvestment by former investors in the Medalist funds

Publicly-Traded REIT Benefits

Provides Market Access to Ownership of Portfolio Asset

Transparency

- Public SEC filer
- Corporate governance, required to comply with Sarbanes-Oxley Act and Nasdaq Capital Market requirements



Liquidity

- Ability to buy/sell MDR stock on the Nasdaq Capital Market
- MDR stock is listed under the symbol MDRR



Dividends

Requirement to distribute 90% of its taxable income



Asset Overview: MDR's Current Properties

Medalist Diversified REIT, Inc. – Franklin Square

- MDR’s first acquisition, Franklin Square is a 134,299 square foot shopping center located in Gastonia, North Carolina, which is in the Charlotte, North Carolina MSA
- Current tenants include, Ashley Furniture, Monkey Joes, Sprint PCS, T-Mobile, 6 other national tenants and 3 local tenants

Property Summary

Property Name	Franklin Square
Location	Gastonia, NC
Property Type	Retail
Net Rentable SF	134,299
Gross SF	134,299
# Units	22
In-Place Occupancy	92.5% ⁽¹⁾
In-Place NOI	\$1,797,419
Total Purchase Price	\$20,500,000
Going-in Cap Rate	8.8%
Purchase Date	4/28/2017



(1) As of March 31, 2019

Medalist Diversified REIT, Inc. – Hampton Inn

- The Greensboro Hampton Inn is a 125-key hotel strategically located 10 minutes from the Piedmont Triad International Airport that serves The Triangle, encompassing Greensboro, Winston Salem, and High Point, North Carolina
- It is also adjacent to several international office parks. This property was the second acquisition by MDR
- MDR owns an undivided 64% tenant-in-common interest in the Greensboro Hampton Inn; a third party owns the remaining 36% interest in the Greensboro Hampton Inn

Property Summary

Property Name	Hampton Inn – Airport
Location	Greensboro, NC
Property Type	Hotel
Net Rentable SF	52,331
Gross SF	65,414
# Rooms	127
Average Occupancy	67.6% ⁽¹⁾
In-Place NOI	\$1,147,600
Total Purchase Price	\$15,100,000
Going-in Cap Rate	7.6%
Purchase Date	11/3/2017



(1) As of March 31, 2019

Medalist Diversified REIT, Inc. – Hanover Square North

- The shops at Hanover Square North is a 73,440 SF retail center located in Mechanicsville, Virginia, which is located within Hanover County, a growth market in the MSA of Richmond, Virginia
- As of 2016, the Metro Richmond area had a population of 1,263,617
- 97% of the square footage is currently occupied by national tenants including Marshalls, Old Navy, Buffalo Wild Wings and the Armed Forces Recruitment Center
- MDR owns an undivided 84% tenant-in-common interest in Hanover Square North; a third party owns the remaining 16% interest in Hanover Square North

Property Summary

Property Name	Hanover Square North
Location	Mechanicsville, VA
Property Type	Retail
Net Rentable SF	73,440
Gross SF	73,440
# Units	12
In-Place Occupancy	97.0% ⁽¹⁾
In-Place NOI	\$1,022,161
Total Purchase Price	\$12,173,000
Going-in Cap Rate	8.4%
Purchase Date	5/8/2018



(1) As of March 31, 2019

Investment Highlights

Anticipated Annual Dividend Yield

Experienced Management Team

Strong Investment Track Record

Strategy of Opportunistic Investing

Market Opportunity

THANK YOU

CONTACT

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