

FOR IMMEDIATE RELEASE

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**STADT-SINATRA JOINT VENTURE COMPLETES ACQUISITION OF 272-UNIT
MULTIFAMILY ASSET IN AURORA, ILLINOIS**

CHICAGO, Illinois (November 6, 2015) – Stadt Group Ltd. in a JV with Sinatra & Company Real Estate announced that they have acquired Orchard Village Apartments for \$34.5 million with an equity investment from National Property REIT Corp., a private real estate investment trust controlled by Prospect Capital Corporation (NASDAQ: PSEC).

The 272-unit multifamily complex was built in 2000 and is located on 17.3-acres at 1240 W. Indian Trail Road in Aurora, IL. The acquisition marks Sinatra & Company's entry into the Chicago real estate market.

Orchard Village's units feature private entrances, spacious patios and balconies, full-size in-unit washers/dryers, and 9-foot or vaulted ceilings in most units. A stand-alone clubhouse features a fitness center, clubroom with kitchen, leasing/management office, and outdoor swimming pool with large sundeck. Stadt and Sinatra are implementing a value-add program, including in-unit and amenity upgrades and new amenities sought after by area residents.

ABOUT STADT GROUP

Stadt Group Ltd. (www.StadtGroup.com) is a vertically integrated residential property management, development and acquisitions firm headquartered in Chicago. The firm's

strategy is to acquire and manage value-add multifamily assets to achieve superior investment returns. Stadt Group is committed to the institutional quality multifamily market and is pursuing programmatic value added acquisitions in specific core and core plus markets.

ABOUT SINATRA & COMPANY REAL ESTATE

Sinatra & Company Real Estate (www.SinatraAndCompany.com) invests in distressed and value-add real estate opportunities. The company has invested in over \$150 million in real estate assets in Western New York and Southern California, which includes funding from Colony Capital, the Pritzker/Vlock Family Office, as well as local, regional and national banks.

ABOUT PROSPECT CAPITAL CORPORATION

Prospect Capital Corporation (www.prospectstreet.com) is a business development company that focuses on lending to and investing in private businesses. Prospect's investment objective is to generate both current income and long-term capital appreciation through debt and equity investments.

Prospect has elected to be treated as a business development company under the Investment Company Act of 1940 ("1940 Act"). Prospect is required to comply with a series of regulatory requirements under the 1940 Act as well as applicable NASDAQ, federal and state rules and regulations. Prospect has elected to be treated as a regulated investment company under the Internal Revenue Code of 1986. Failure to comply with any of the laws and regulations that apply to Prospect could have an adverse effect on Prospect and its shareholders.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, whose safe harbor for forward-looking statements does not apply to business development companies. Any such statements, other than statements of historical fact, are highly likely to be affected by other unknowable future events and conditions, including elements of the future that are or are not under Prospect's control, and that Prospect may or may not have considered; accordingly, such statements cannot be guarantees or assurances of any aspect of future performance. Actual developments and results are highly likely to vary materially from any forward-looking statements. Such statements speak only as of the time when made, and Prospect undertakes no obligation to update any such statement now or in the future.

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