



Sierra Income Corporation Breaks Escrow and Invests Initial Capital

New York, NY (May 22, 2012) – Sierra Income Corporation (“Sierra” or the “Company”), today announced that on April 17, 2012, the Company successfully reached the minimum escrow requirement and officially commenced its operations. As previously reported in the Company’s final prospectus, filed with the Securities and Exchange Commission on April 19, 2012, and in an effort to align itself with future shareholders, SIC Advisors, LLC, the Company’s investment advisor, has invested \$10.0 million in the Company.

Sierra is a non-traded business development company focused on originating and acquiring senior secured debt, second lien debt and, to a lesser extent, subordinated debt of private U.S. companies. Shares of Sierra are distributed through SC Distributors, LLC, a FINRA/SIPC member and the affiliated dealer manager of the offering.

Sierra commenced its operations and has invested \$9.7 million across 11 transactions, the details of which are listed below.

Company	Sector	Security Type	Maturity	Interest Rate*	Principal Amount (\$'MM)
Integra Telecom, Inc.	Communications	Senior Secured Bond	04/15/16	10.75%	\$ 0.75
IDQ Holdings, Inc.	Automotive	Senior Secured Bond	04/01/17	11.50%	1.00
EarthLink, Inc.	Communications	Senior Secured Bond	04/01/16	10.50%	1.00
Tempel Steel Company	Industrial	Senior Secured Bond	08/15/16	12.00%	1.00
Satmex Mexicanos, S.A. de C.V.	Communications	Senior Secured Bond	05/15/17	9.50%	1.00
Mohegan Tribal Gaming Authority	Gaming	Senior Secured Bond	11/01/17	11.50%	1.00
The Great Atlantic & Pacific Company, Inc.	Retail	Senior First Lien Loan	03/13/17	11.00%	0.95
Maxim Crane Works Holdings, Inc.	Industrial	Senior Secured Bond	04/15/15	12.25%	1.00
Welocalize, Inc.	Business Services	Senior First Lien Loan	11/19/15	10.50%	1.00
Plato Learning, Inc.	Education	Senior First Lien Loan	3/27/18	7.50%	0.50
Travelport LLC	Business Services	Senior Second Lien Loan	11/22/15	11.00%	0.50

“In addition to purchasing existing debt, we believe we can create additional value and enhance return potential for shareholders by originating private debt investments,” stated Seth Taube, Chief Executive Officer of the Company. “Our advisor has access to a robust pipeline of opportunities and is often sought out as a preferred partner, both by portfolio companies and other financing providers” continued Mr. Taube.

About Sierra Income Corporation

Sierra is a non-traded, externally managed, non-diversified closed end management investment company that has filed an election to be treated as a business development company under the Investment Company Act of 1940, as amended. The Company’s investment objective is to generate current income, and to a lesser extent, long-term capital appreciation. The Company invests primarily in senior secured debt, second lien debt and, to a lesser extent, subordinated debt of U.S. small and middle market companies with enterprise values ranging from approximately \$50 million to \$4 billion. There is no guarantee the Sierra Income Corporation will qualify as a registered investment company and failure to do so would subject the company to federal income tax on all income, which would have a material adverse effect on financial performance. Sierra’s investment activities are managed by its investment adviser, SIC Advisors, LLC, which is an investment adviser registered under the Investment Advisers Act of 1940, as amended.

About SIC Advisors LLC

SIC Advisors LLC, an affiliate of Medley LLC (“Medley”), is a registered investment adviser under the Investment Advisers Act of 1940, as amended. Medley specializes in credit investing, including direct private lending and corporate credit related strategies and provides first lien, second lien and unitranche term loans to lower middle-market and middle-market companies with an investment size between \$7-50 million. Medley supports acquisition and growth financings, leveraged buyouts, management buyouts, bank debt restructurings, CAPEX, Chapter 11 exit financing and DIP financing. Medley is headquartered in New York with offices in San Francisco.

[Click here to see a copy of Sierra Income Corporation’s Risk Factors.](#)

This is a speculative security and as such, involves a degree of high risk.

This is not an offer or a solicitation of an offer to buy the securities described herein. Such an offer can be made only by means of a prospectus. [Click here to obtain a prospectus.](#) Investment performance is not guaranteed. This is a speculative security and as such, involves a high degree of risk. **Securities offered through SC Distributors, LLC member FINRA and SIPC.**