

BlueVault
P A R T N E R S , L L C

Nontraded REIT Industry Review

THIRD QUARTER 2012

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December 10, 2012

Blue Vault Partners is pleased to provide you with the Nontraded REIT Industry Review—Third Quarter 2012 Report. For the period ending September 30, 2012, there were a total of 72 nontraded REITs. This figure includes four new offerings that became effective during the third quarter as well as two new offerings that became effective during the fourth quarter. We also note that we have discontinued our coverage of Green Realty Trust, Inc. due to the fact that it has not raised any capital and by prospectus, closed to new investments on December 9, 2012.

Included in this quarter's report is an overview of the commercial real estate industry, acquisition and disposition activity, a review of the Office and Healthcare Sectors and an in-depth discussion of the Liquidating LifeStage. Thirteen REITs with significant investments in office and healthcare-related properties are also included. In addition, we will also provide more insight on the following key highlights:

- Total assets under management increased to \$80.3 billion, up from \$78.6 billion in the previous quarter.
- Primarily driven by the reinvestment of capital received from full-cycle events that have taken place throughout the year, new capital raised during the third quarter totaled \$2.9 billion and represents a 16% increase compared to the previous quarter.
- As a result of the increase in capital, real property acquisitions for the quarter also increased significantly to \$3.5 billion compared to \$2.6 billion during the previous quarter.

As always, it is our goal to continuously look for ways to enhance the information we provide to our readers. With that in mind, please note the following new items we have added to the report this quarter:

- A comparison of Blue Vault estimated MFFO ratios versus Company reported ratios on the LifeStage Summary pages and individual REIT pages.
- Cumulative funds raised during the offering period (including DRP proceeds) for each closed REIT.
- The renaming of the "Debt Maturity" to "Debt Repayment Schedule" in order to better reflect the percentage of the total portfolio's debt principal that will be repaid in the current year and over the next five years.
- Quarterly trend data for share redemptions and a revision to the calculation to better illustrate the number of shares redeemed divided by the weighted average shares outstanding for the quarter.

We thank you for your business and support.

Our Best Regards,

Stacy Chitty
Managing Partner

Vee Kimbrell
Managing Partner

David Steinwedell
Managing Partner

Nontraded REIT Industry Review: Third Quarter 2012



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Metric Definitions & Explanations

A Portfolio Details Includes a summary of the portfolio holdings for the current period as reported on the REIT's balance sheet. Items categorized as real estate assets include real property, land, properties held for sale, buildings under construction and when applicable, investments in other real estate ventures, and/or real estate loans. Securities are defined as marketable securities which may include investments in CMBS securities. Items defined as "other" typically include lease intangibles, restricted cash and other miscellaneous items.

This section also includes a current overview of the REIT's investment strategy as it relates to the current percentage of cash available for future investments, the types of real estate assets the REIT intends to purchase and the number of properties actually purchased as of the current quarter end. Details such as the amount of square feet, units, rooms or acres owned are also included as well as the percentage leased for current real estate holdings.

The initial offering date is defined as the date the REIT was considered "effective" by the SEC and began raising money in its public offering. The number of months indicates how long the REIT has been raising capital and the anticipated offering close date is the date the REIT anticipates closing the REIT to new investments. The current price per share and reinvestment price per share are based on either the most recent offering price or the most recent price published as a result of a portfolio valuation.

LifeStages™ Blue Vault Partners has established distinct stages within a nontraded REIT's life that have distinguishing characteristics regarding asset base, capital raise, investment style and operating metrics. REITs are categorized within the publication by their LifeStages.

Effective LifeStages – during the Effective or Open phase of a nontraded REIT, active fund raising occurs under an initial offering or follow-on offering.

- **Emerging** – characterized by slow ramp-up of capital raising and commencement of acquisitions. Metrics are typically not meaningful and vary widely.
- **Growth** – Acceleration of both capital raise and acquisitions. Metrics begin to show some signs of stability but can be erratic.
- **Stabilization** – Distinct formation of the REIT's personality. Refinement of debt strategy and diversification. Metrics gain further stability.

Closed LifeStages – during the Closed phase of a nontraded REIT, active fund raising has ceased however, new capital can still be added to the REIT through Distribution Reinvestment Programs (DRIP).

- **Mature** – Refinement of the portfolio through dispositions, targeted acquisitions and debt policy. Metrics should begin to move into line with publicly traded REITs. Also, valuation of shares begins within 18 months from the close of equity raising.
- **List or Liquidate** – positioning of the portfolio for sale or for listing on a public exchange. An external investment banker may be hired for guidance and to finalize refinement of the portfolio and its metrics to compete as a traded REIT.

Investment Styles – Blue Vault Partners has further classified and categorized each REIT according to a particular investment style based on the following definitions:

- **Core** – defined as a REIT that generates a high percentage of its



total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in terms of asset values.

- **Value Add** – defined as a REIT that achieves a balanced total return generated by income and asset appreciation with some volatility in asset values.
- **Opportunistic** – defined as a REIT that generates a high percentage of its total return from asset appreciation and a low percentage from income. REITs in this category are also expected to exhibit a higher level of volatility in asset values.
- **Debt** – defined as a REIT that invests primarily in real estate related debt and/or mortgage instruments.

- B Gross Dollars Raised** Defined as sales of nontraded REIT shares, including those purchased with reinvested dividends.
- C Current Distribution & Historical Distribution** The annualized distribution yield for each quarter or calendar year. Distribution yields are calculated using the distribution amount per share, as declared by the board of directors, and dividing the annualized amount by the offering price.
- D FFO & MFFO Payout Ratios** Cash distributions paid as a percentage of the REITs Funds from Operations (FFO) or Modified Funds from

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Metric Definitions & Explanations

Operations (MFFO) during the indicated time frame. “Distributions paid” also includes cash distributions that were reinvested when applicable.

This metric is helpful in understanding how much of the Funds from Operations (FFO) or Modified Funds from Operations (MFFO)—that is, the income from operations—is used to pay the distributions. If the Payout Ratio is over 100%, this typically indicates that the REIT is using money from other sources—outside of income—to pay distributions. It is common for REITs that have been fundraising for less than two years to have payout ratios that are higher than 100% as the main objective during this initial fundraising period is to acquire properties as new capital is raised. Once the REIT has closed to new investments and the rental income becomes more stabilized, the payout ratio tends to decline towards a more ideal ratio of 100% or less.

In addition to reporting earnings like other companies, REITs report Funds from Operations (FFO). This is due to the fact that REITs have high depreciation expenses because of how properties are accounted for under accounting rules. High real estate depreciation charges—which are required accounting—can seem unrealistic given that real estate assets have often appreciated and been sold for a profit. Besides, depreciation expenses aren’t real cash expenditures anyway. So FFO adds back the depreciation expenses—and makes other adjustments as well. Keep in mind that FFO is a non-GAAP financial measure of REIT performance. GAAP stands for Generally Accepted Accounting Principles. Non-GAAP means that FFO is not an accounting standard.

The National Association of Real Estate Investment Trusts (NA-REIT) has defined FFO as:

Net Income
+ Depreciation
–/+ Gains/Losses on Property Sales (removes one-time items)
–/+ Adjustments for unconsolidated joint ventures and partnerships

FFO

Unfortunately, the NAREIT definition isn’t uniform in practice. Not every REIT calculates FFO according to the NAREIT definition or they may interpret the NAREIT definition differently. Blue Vault Partners presents FFO in keeping with the NAREIT definition to the best of our ability, given the public information made available by each REIT in the quarterly filings. We may attempt to deduce FFO for nontraded REITs that are not forthcoming, but cannot guarantee the accuracy.

FFO does have some limitations:

- **FFO is an accrual measure of profitability, not a cash measure of profitability.** That is because FFO (and net income) records income and expenses, regardless of whether or not cash has actually changed hands.
- FFO contains another weakness: it does not subtract the capital expenditures required to maintain the existing portfolio of properties. Real estate holdings must be maintained, so FFO is not quite the true residual cash flow remaining after all expenses and expenditures. FFO is an imperfect measure of REIT performance, but it is the best that we have for the non-traded REIT industry at this time. Blue Vault Partners is employing the NAREIT definition and adjusting company-reported FFO to comply with NAREIT whenever possible.



“Modified Funds from Operations” or “MFFO”, is a supplemental measure which is intended to give a clearer picture of the REIT’s cash flow given the limitations of FFO as indicated above. **It is important to keep this metric in mind while reviewing FFO calculations for each REIT. In general, MFFO is considered to be a more accurate measure of residual cash flow for shareholders than simple FFO and it provides a better predictor of the REIT’s future ability to pay dividends.**

While one REIT’s reported MFFO may not be completely comparable to another REIT’s reported MFFO, new guidelines set forth by the Investment Program Association (IPA) in November 2010 now offer a more consistent approach to reporting MFFO for the nontraded REIT community. For REITs that do not report MFFO, Blue Vault Partners presents estimates in accordance with these new IPA guidelines. MFFO is generally equal to the REIT’s Funds from Operations (FFO) with adjustments made for items such as acquisition fees and expenses; amounts relating to straight line rents and amortization of above or below intangible lease assets and liabilities; accretion of discounts and amortization of premiums on debt investments; non-recurring impairments of real estate-related investments; mark-to-market adjustments included in net income; non-recurring gains or losses included in net income from the extinguishment or sale of debt, hedges, foreign exchange, derivatives or securities holdings, unrealized gains or losses resulting from consolidation from,

Metric Definitions & Explanations

or deconsolidation to, equity accounting, and adjustments for consolidated and unconsolidated partnerships and joint ventures.

E Debt Repayment Schedule The due date for a debt when the principal must be repaid. The commercial real estate industry has a little over a trillion dollars in maturing loans coming due in the next few years. The challenge is renewing these loans in a time of tight credit and fallen real estate values. If a REIT cannot refinance, it has to divest of assets, which reduces Funds from Operations (FFO) and endangers a payout to investors. If the majority of a REIT's debt is maturing in the next 12-24 months, this could be an issue.

F Current Debt Ratio The ratio of Total Debt divided by Total Assets. There is no perfect debt level for a REIT; some sectors use more debt than others. But what was once considered reasonable debt can become a problem in a difficult economic environment. A careful REIT investor will look at both the Current Debt Ratio and the Interest Coverage Ratio to gauge if a REIT is overleveraged. Also, see the Debt Maturity schedule for any debt refinancing challenges on the horizon.

G Debt Breakdown Gives a snapshot of total debt as itemized on the balance sheet and divides into the amount financed at fixed rates versus the amount financed at variable rates. REITs commonly utilize interest rate swap agreements to effectively fix rates on variable rate debt. Blue Vault reports variable rate debt that has been effectively hedged via swap contracts as fixed rate debt. Terms and maturity ranges are presented for all debt outstanding.

H Interest Coverage Ratio Calculated as year to date adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization), divided by year to date Interest Expense.

Adjusted EBITDA is defined as EBITDA before acquisition expenses and impairments. All EBITDA figures referenced in this report have been adjusted unless otherwise provided by the individual REIT. Since it's tough to gauge how much debt is too much or too little, the Interest Coverage Ratio is another clue to a REIT's debt health. The Interest Coverage Ratio is a measure of a REIT's ability to honor its debt interest payments. A high ratio means that the company is more capable of paying its interest obligations from operating earnings. So even if interest costs increase due to higher costs of borrowing, a high Interest Coverage Ratio shows that a REIT can handle those costs without undue hardship. The analyst community typically looks for an **Interest Coverage Ratio of at least two (2)—that is, operating income is at least twice the costs of interest expenses—to maintain sufficient financial flexibility.** When the Interest Coverage Ratio is smaller than one (1), that means the REIT may not be generating enough cash from its operations to meet its interest obligations. With a ratio less than one, the company has significant debt obligations and may be using its entire earnings to pay interest, with no income leftover to repay the debt. On the other hand, a very high interest coverage ratio may suggest that the company is missing out on opportunities to expand its earnings through leverage.

I Redemptions REIT shares bought back from the shareholder/investor by the REIT under a program referred to as the Share Redemption Program (SRP), to provide investors with a limited form of liquidity. This Program is severely limited in the number of shares that can be repurchased annually. Most REITs also have a provision that allows



them to suspend this liquidity feature upon Board approval.

Share redemption ratios are provided for comparison purposes only and may not be calculated in the same manner in which each individual REIT's share redemption program guidelines dictate. With that in mind, please refer to the individual REIT offering documents for more details. In an attempt to standardize this metric and make general program comparisons, we calculate redemption ratios by dividing the actual number of shares redeemed by the weighted average number of shares outstanding.

J Lease Expirations Date when the lease ends and the landlord will need to re-lease space. Percentages reported are based on annualized base rents unless otherwise noted.

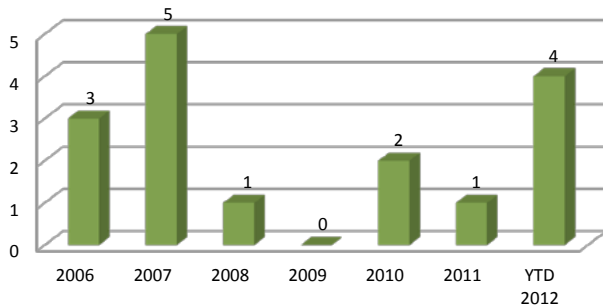
LifeStage Ranges: For certain metrics we have provided a summary of data ranges that include the minimum, maximum and median data points for each LifeStage. The actual value for each REIT is indicated along the LifeStage Range indicator in order to quickly determine how each REIT has performed against its peers. In circumstances where a particular metric may not be calculated due to missing or unavailable information, the value may be labeled "Not Available". Whenever FFO, MFFO or EBITDA are negative, ratios are "Not Meaningful."

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Overall Industry Summary

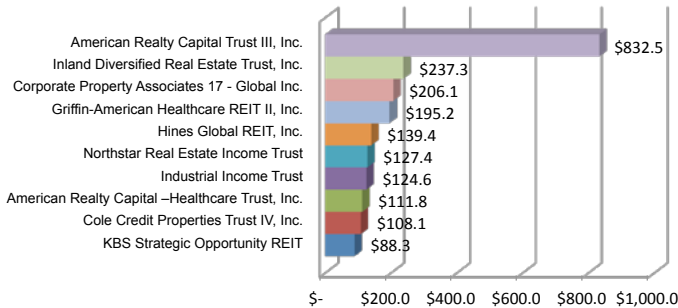
Full-Cycle Events Since 2006
Year-to-Date through December 10, 2012



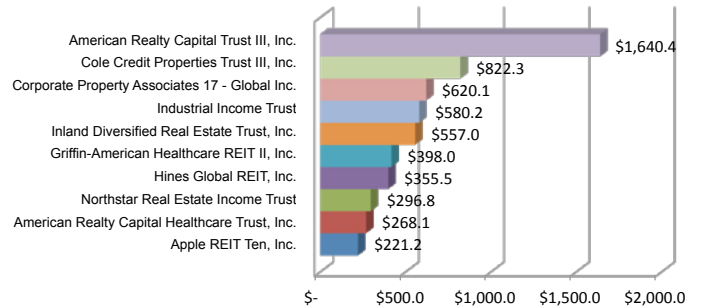
Total Investor Proceeds Raised per Quarter
(in \$ Billions)



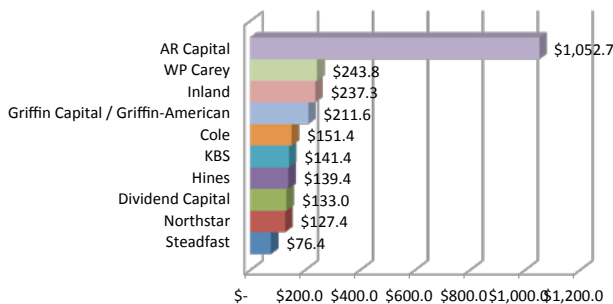
Top-10 REITs Ranked by Investor Proceeds Raised
Third Quarter 2012 (in \$ Millions)



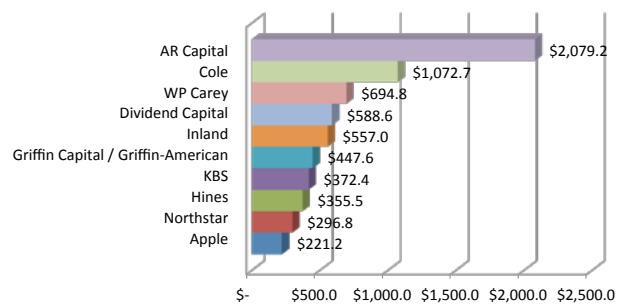
Top-10 REITs Ranked by Investor Proceeds Raised
Year-to-Date as of September 30, 2012 (in \$ Millions)



Top-10 Sponsors Ranked by Investor Proceeds Raised
Third Quarter of 2012 (in \$ Millions)



Top-10 Sponsors Ranked by Investor Proceeds Raised
Year-to-Date as of September 30, 2012 (in \$ Millions)

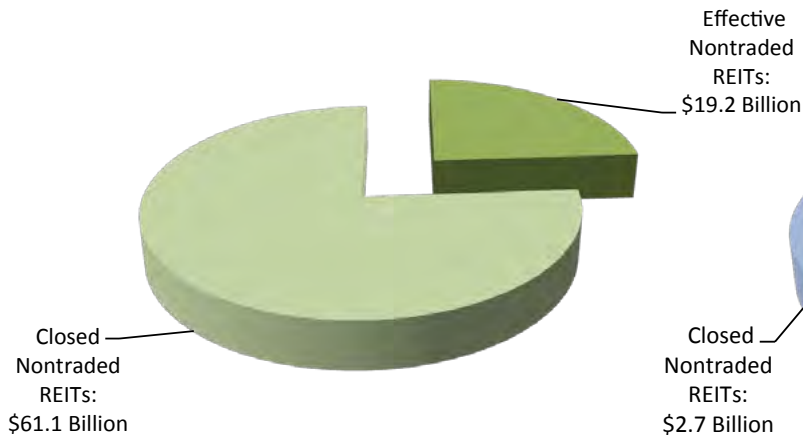


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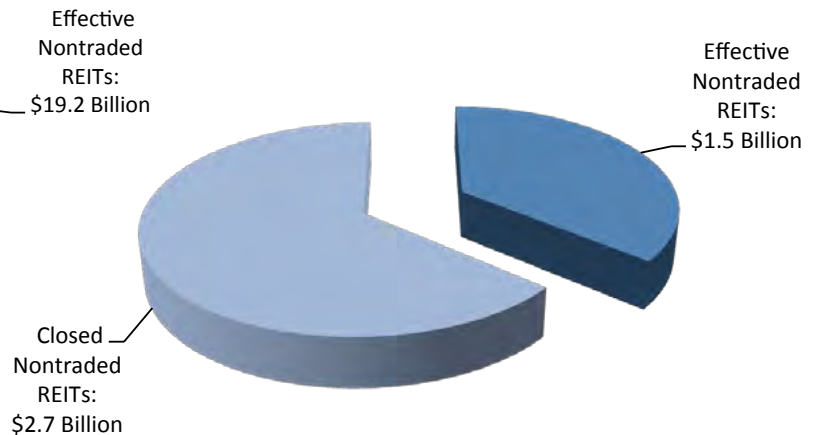


Overall Industry Summary

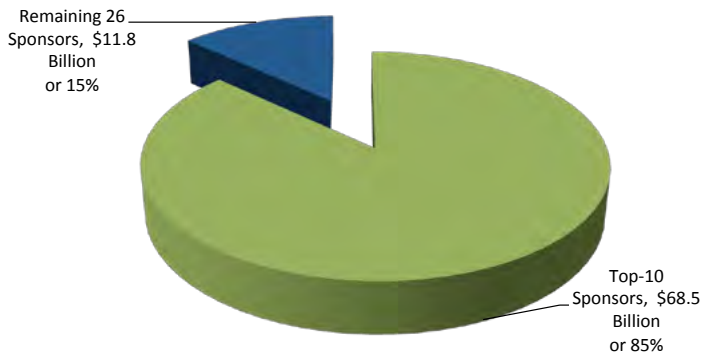
Total Nontraded REIT Industry Assets: \$80.3 Billion
as of September 30, 2012



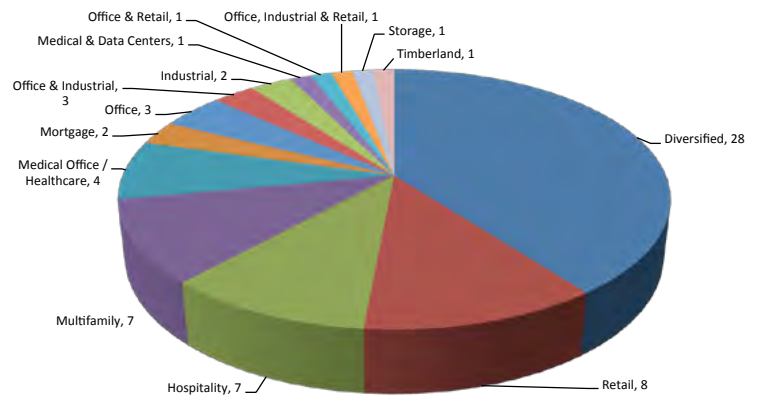
Total Nontraded REIT Industry Cash & Equivalents: \$4.2 Billion



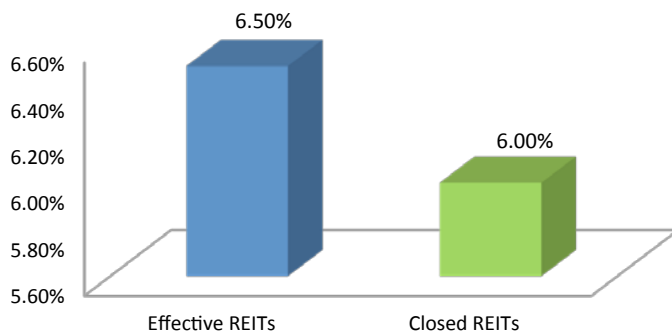
Top-10 Nontraded REIT Sponsor Market Share
as of September 30, 2012



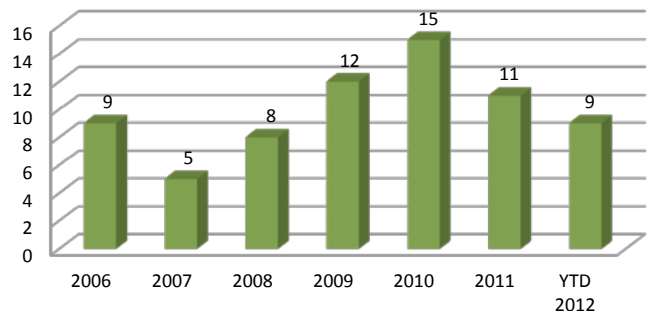
Breakdown of Nontraded REIT Asset Types



**Effective vs. Closed Nontraded REITs:
Median Distribution Yield Comparison - 3Q 2012**



**New Product Introductions since 2006
Year-to-Date through December 10, 2012**



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Emerging LifeStage REITs

Emerging LifeStage REITs	Total Assets (in \$ millions)	Cash to Total Assets Ratio	Number of Properties / Investments	Current Distribution Yield	Current Debt to Total Assets Ratio	YTD FFO Payout Ratio	YTD MFFO Payout Ratio Blue Vault Estimated	YTD MFFO Payout Ratio Company Reported	YTD Interest Coverage
AEI Core Property Income Trust, Inc.	\$0.1	86.7%	0	NA	NA	NA	NA	NA	NA
American Realty Capital - Retail Centers of America, Inc.	\$23.2	4.4%	1	6.40%	82.8%	NM	NM	NM	0.6
American Realty Capital Daily Net Asset Value, Inc.	\$26.2	4.5%	6	6.39% / 6.44%	80.6%	NM	70%	70%	1.5
American Realty Capital Global Trust, Inc.	\$0.07	NA	1	7.10%	NA	NA	NA	NA	NA
American Realty Capital Trust IV, Inc.	\$8.2	73.8%	4	6.60%	NA	NA	NA	NA	NA
Clarion Partners Properties Trust	\$0.9	21.7%	1	5.50%	NA	NA	NA	NA	NA
Cole Corporate Income REIT, Inc.	\$120.1	18.1%	6	6.50%	18.6%	NM	136%	NR	3.0
Cole Credit Property Trust IV, Inc.	\$175.7	6.8%	32	6.25%	22.5%	NM	136%	NR	2.0
Cole Real Estate Income Strategy (Daily NAV), Inc.	\$32.9	1.7%	9	5.21%	65.2%	86%	71%	NR	1.8
Inland Real Estate Income Trust, Inc.	\$1.8	3.4%	5	NA	NA	NA	NA	NA	NA
MVP REIT, Inc.	\$2.1	4.8%	0	5.40%	NA	NA	NA	NA	NA
Northstar Healthcare Income Trust, Inc.	\$0.2	100.0%	0	NA	NA	NA	NA	NA	NA
O'Donnell Strategic Industrial REIT, Inc.	\$2.3	97.8%	0	6.50%	NA	NA	NA	NA	NA
Plymouth Opportunity REIT, Inc.	\$2.5	25.0%	2	0.15 shares per share	NA	NA	NA	NA	NA
United Realty Trust, Inc.	\$0.002	100.0%	0	NA	NA	NA	NA	NA	NA
MEDIAN*	\$2.3	19.9%	1	6.40%	65.2%	86%	104%	70%	1.8
AVERAGE*	\$26.4	39.2%	4	6.21%	53.9%	86%	103%	70%	1.8
MINIMUM*	\$0.0	1.7%	0	5.21%	18.6%	NM	70%	NM	0.6
MAXIMUM*	\$175.7	100.0%	32	7.10%	82.8%	86%	189%	70%	3.0

*Among those REITs that have data during this period

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Growth LifeStage REITs

Emerging LifeStage REITs	Total Assets (in \$ millions)	Cash to Total Assets Ratio	Number of Properties / Investments	Current Distribution Yield	Current Debt to Total Assets Ratio	YTD FFO Payout Ratio	YTD MFFO Payout Ratio Blue Vault Estimated	YTD MFFO Payout Ratio Company Reported	YTD Interest Coverage
American Realty Capital Healthcare Trust, Inc.	\$486.5	5.9%	36	6.80%	41.1%	165%	97%	97%	2.7
American Realty Capital New York Recovery REIT, Inc.	\$236.0	7.2%	12	6.05%	51.0%	180%	113%	113%	2.5
Apple REIT Ten, Inc.	\$649.9	19.2%	31	7.50%	12.6%	128%	121%	121%	8.4
Bluerock Enhanced Multifamily Trust, Inc.	\$63.5	6.1%	4	7.00%	65.0%	NM	NM	NM	NM
Carey Watermark Investors, Inc.	\$137.5	30.2%	6	6.00%**	26.7%	88%	380%	380%	8.8
Carter Validus Mission Critical REIT	\$331.6	1.5%	13	7.00%	40.3%	NM	142%	142%	3.1
CNL Healthcare Trust, Inc.	\$192.3	20.4%	8	7.00%**	49.5%	NM	NM	NM	0.3
Dividend Capital Diversified Property Trust, Inc.	\$2,726.9	2.2%	94	7.53%	59.5%	101%	95%	101%	2.0
Global Growth Trust, Inc.	\$90.5	23.5%	4	0.08 shares per share	34.4%	NA	NA	NA	NM
Global Income Trust, Inc.	\$86.1	19.8%	6	6.50%	53.2%	NM	641%	641%	1.2
Griffin Capital Net Lease REIT, Inc.	\$276.7	2.1%	11	6.75%	58.6%	223%	107%	107%	2.2
Hartman Short Term Income Properties XX, Inc.	\$33.5	0.8%	3	7.00%	22.1%	691%	229%	229%	2.2
Independence Realty Trust	\$132.6	2.7%	7	6.00%	62.0%	86%	84%	84%	2.2
Jones Lang Lasalle Income Property Trust, Inc.	\$725.9	5.6%	33	2.85%	61.9%	25%	52%	NR	1.6
KBS Legacy Partners Apartment REIT, Inc.	\$215.0	15.3%	5	6.50%	64.3%	NM	3308%	NR	1.2
KBS Real Estate Investment Trust III, Inc.	\$326.9	14.4%	6	6.50%	39.9%	230%	182%	NR	3.3
Lightstone Value Plus Real Estate Invest Trust II, Inc.	\$59.4	12.1%	4	6.50%	23.7%	134%	124%	124%	19.0
Moody National REIT I, Inc.	\$20.4	35.9%	1	8.00%	54.3%	NM	159%	122%	1.5
Phillips Edison - ARC Shopping Center REIT, Inc.	\$242.9	6.5%	20	6.50%	52.8%	310%	87%	87%	3.6
Resource Real Estate Opportunity REIT	\$148.6	16.8%	12	0.015 shares per share	7.3%	NA	NA	NA	3.0
Steadfast Income REIT, Inc.	\$346.4	6.1%	19	7.00%	60.0%	NM	125%	125%	1.8
TNP Strategic Retail Trust, Inc.	\$272.3	1.1%	20	7.00%	66.7%	NM	906%	301%	1.0
United Development Funding IV	\$288.5	8.4%	57	8.20%	9.3%	98%	89%	89%	12.7
MEDIAN*	\$236.0	7.2%	11	6.80%	51.0%	134%	124%	122%	2.2
AVERAGE*	\$351.7	11.5%	18	6.68%	44.2%	189%	371%	179%	4.0
MINIMUM*	\$20.4	0.8%	1	2.85%	7.3%	25%	52%	84%	0.3
MAXIMUM*	\$2,726.9	35.9%	94	8.20%	66.7%	691%	3308%	641%	19.0

*Among those REITs that have data during this period

**Includes cash and stock distributions

Nontraded REIT Industry Review: Third Quarter 2012



Stabilizing LifeStage REITs

Stabilizing LifeStage REITs	Total Assets (in \$ millions)	Cash to Total Assets Ratio	Number of Properties / Investments	Current Distribution Yield	Current Debt to Total Assets Ratio	YTD FFO Payout Ratio	YTD MFFO Payout Ratio Blue Vault Estimated	YTD MFFO Payout Ratio Company Reported	YTD Interest Coverage
Corporate Property Associates 17 - Global, Inc.	\$3,751.2	13.1%	373	6.50%	36.2%	109%	119%	119%	3.1
Griffin-American Healthcare REIT II, Inc.	\$1,136.0	0.9%	121	6.60%	33.9%	NM	106%	92%	4.3
Hines Global REIT, Inc.	\$2,005.5	3.6%	23	6.50%	49.1%	194%	99%	99%	2.6
Industrial Income Trust Inc.	\$1,757.4	0.9%	173	6.25%	44.2%	160%	105%	104%	2.5
KBS Strategic Opportunity REIT, Inc.	\$378.1	17.5%	17	3.52%	8.4%	NM	NM	NR	1.4
Northstar Real Estate Income Trust, Inc.	\$608.0	29.0%	18	8.00%	23.8%	159%	170%	170%	6.8
Strategic Storage Trust, Inc.	\$579.6	3.1%	100	7.00%	53.2%	754%	427%	427%	1.7
Wells Core Office REIT, Inc.	\$456.0	1.8%	11	6.00%	29.0%	193%	124%	99%	4.7
MEDIAN*	\$872.0	3.4%	62	6.50%	35.1%	177%	119%	104%	2.9
AVERAGE*	\$1,334.0	8.7%	105	6.30%	34.7%	262%	164%	159%	3.4
MINIMUM*	\$378.1	0.9%	11	3.52%	8.4%	109%	99%	92%	1.4
MAXIMUM*	\$3,751.2	29.0%	373	8.00%	53.2%	754%	427%	427%	6.8

*Among those REITs that have data during this period

Nontraded REIT Industry Review: Third Quarter 2012



Maturing LifeStage REITs

Maturing LifeStage REITs	Total Assets (in \$ millions)	Cash to Total Assets Ratio	Number of Properties / Investments	Current Distribution Yield	Current Debt to Total Assets Ratio	YTD FFO Payout Ratio	YTD MFFO Payout Ratio Blue Vault Estimated	YTD MFFO Payout Ratio Company Reported	YTD Interest Coverage
American Realty Capital Trust III, Inc.	\$1,653.4	41.8%	382	6.60%	9.5%	NM	146%	146%	5.0
Behringer Harvard Multifamily REIT I, Inc.	\$2,756.4	17.5%	48	3.50%	36.0%	259%	236%	NR	2.9
Behringer Harvard Opportunity REIT II	\$408.2	14.9%	11	NA	53.2%	NM	3077%	NR	0.9
Behringer Harvard Real Estate Investment Trust, Inc.	\$3,239.0	0.1%	52	1.00%	67.1%	35%	62%	62%	1.5
Chambers Street Properties	\$2,481.6	7.7%	124	6.00%	25.3%	135%	126%	115%	2.6
CNL Lifestyle Properties, Inc.	\$2,983.6	4.3%	177	5.81%	36.6%	121%	124%	124%	2.6
Cole Credit Property Trust III, Inc.	\$7,242.7	1.2%	968	6.50%	43.5%	116%	97%	95%	3.1
Cornerstone Core Properties REIT, Inc.	\$90.2	5.4%	13	NA	50.7%	NA	NA	NA	NM
Corporate Property Associates 16 - Global, Inc.	\$3,443.3	2.4%	503	6.70%	52.3%	93%	82%	82%	2.6
Hines Real Estate Investment Trust, Inc.	\$2,836.6	3.5%	55	5.00%	47.1%	154%	166%	166%	2.1
Inland American Real Estate Trust, Inc.	\$10,836.4	3.0%	887	5.00%	55.6%	95%	96%	NR	2.3
Inland Diversified Real Estate Trust, Inc.	\$1,966.0	5.8%	125	6.00%	45.6%	94%	86%	86%	2.8
KBS Real Estate Investment Trust, Inc.	\$2,990.2	3.0%	816	NA	63.6%	36%	63%	63%	1.6
KBS Real Estate Investment Trust II, Inc.	\$2,849.6	1.8%	34	6.50%	46.8%	77%	89%	89%	4.1
Landmark Apartment Trust of America, Inc.	\$451.4	1.5%	19	3.00%	66.6%	NM	456%	76%	1.1
Lightstone Value Plus Real Estate Investment Trust, Inc.	\$602.2	3.6%	31	7.00%	42.8%	374%	120%	120%	4.8
Paladin Realty Income Properties, Inc.	\$219.7	4.3%	14	6.00%	76.1%	151%	151%	151%	1.5
Sentio Healthcare Properties, Inc.	\$231.9	9.4%	20	2.50%	62.5%	55%	57%	NR	2.2
Wells Timberland REIT, Inc.	\$353.8	3.3%	1	NA	37.6%	NA	NA	NA	1.8
MEDIAN*	\$2,481.60	3.6%	52	6.00%	47.1%	106%	120%	95%	2.5
AVERAGE*	\$2,507.17	7.1%	225	5.14%	48.3%	128%	308%	106%	2.5
MINIMUM*	\$90.2	0.1%	1	1.00%	9.5%	35%	57%	62%	0.9
MAXIMUM*	\$10,836.4	41.8%	968	7.00%	76.1%	374%	3077%	166%	5.0

*Among those REITs that have data during this period

Nontraded REIT Industry Review: Third Quarter 2012



Liquidating LifeStage REITs

Liquidating LifeStage REITs	Total Assets (in \$ millions)	Cash to Total Assets Ratio	Number of Properties / Investments	Current Distribution Yield	Current Debt to Total Assets Ratio	YTD FFO Payout Ratio	YTD MFFO Payout Ratio Blue Vault Estimated	YTD MFFO Payout Ratio Company Reported	YTD Interest Coverage
Apple REIT Six, Inc.	\$747.8	0.0%	66	7.20%	7.8%	81%	81%	80%	28.2
Apple REIT Seven, Inc.	\$851.7	0.0%	51	7.00%	22.7%	112%	112%	NR	6.8
Apple REIT Eight, Inc.	\$925.3	0.0%	51	5.00%	27.8%	109%	109%	NR	4.2
Apple REIT Nine, Inc.	\$1,553.9	1.3%	89	8.10%	10.9%	115%	117%	122%	19.5
Behringer Harvard Opportunity REIT, Inc.	\$423.0	12.1%	13	NA	45.4%	NM	NM	NR	NM
Cole Credit Property Trust II, Inc.	\$3,337.8	1.4%	753	6.25%	52.8%	104%	105%	104%	2.2
Wells Real Estate Investment Trust II, Inc.	\$5,620.2	0.9%	70	5.00%	26.1%	98%	100%	100%	3.6
MEDIAN*	\$925.30	0.9%	66	6.63%	26.1%	107%	107%	102%	5.5
AVERAGE*	\$1,922.81	2.2%	156	6.43%	27.6%	103%	104%	102%	10.8
MINIMUM*	\$423.0	0.0%	13	5.00%	7.8%	81%	81%	80%	2.2
MAXIMUM*	\$5,620.2	12.1%	753	8.10%	52.8%	115%	117%	122%	28.2

*Among those REITs that have data during this period

Top Line Assessment of the Nontraded REIT Industry – 3rd Quarter 2012

While the presidential election may be over, uncertainty remains among investors as they await the outcome of the “fiscal cliff” and monitor ongoing concerns in the international markets. But as it relates to commercial real estate, the current interest rate environment has been a blessing to the industry, allowing for the flow of capital into refinancings and restructurings due to lower interest costs. And even though the commercial real estate market has only recently begun to reflect this unease, with the election behind us, the hope is that any leasing and corporate investment activity that had been previously sidelined will now begin to move forward and trigger future growth opportunities.

In the third quarter of 2012, new capital raised by effective REITs totaled \$2.9 billion, up from \$2.5 billion in 2Q 2012. Driven mainly by full-cycle events, Blue Vault continues to believe that the industry will raise close to \$10 billion by year-end.

Capital Raised by Quarter
as of September 30, 2012 (in \$ Billions)



The generally steady availability of investment capital and debt for most commercial real estate product types have allowed for modest valuation increases across most property types and markets. Vacancy rates continue to stabilize, helping rental rates to show some growth. Financing is still a dominant driver and where there is plentiful debt capital, there will be plentiful competition and price increases. While core property types remain the preferred choice of investors, some capital is beginning to pursue value-add and opportunistic acquisitions.

Key Nontraded REIT Trends

- **Acquisitions** – transactions increased compared to second quarter results.
- **Dispositions** – totalled \$725.3 million.
- **Most Active REITs** – the five most active REITs were responsible for roughly 56% of total acquisitions during the quarter.
- **Capital Raise** – was up 16% for the quarter at \$2.9 billion raised.
- **New Offerings** – six new offerings became effective between July and November including the re-opening of Dividend Capital Diversified Property Fund, Inc.
- **Full Cycle Events** – Corporate Property Associates 15, Inc. merged with W.P. Carey, a publicly-traded REIT affiliate.

This issue of the Nontraded REIT Industry Review will focus on the Office and Healthcare Sectors and review the Liquidating LifeStage REITs.

Capital Market Overview

As uncertainty reigns, a flight to quality continues with investors seeking core assets and major markets for investment. The top tier markets remain the predominant target for investment matched with strong interest in multifamily across the country. In the third quarter, total commercial real estate investment volume has moved in line with historic norms of approximately \$50 billion per quarter according to Real Capital Analytics.

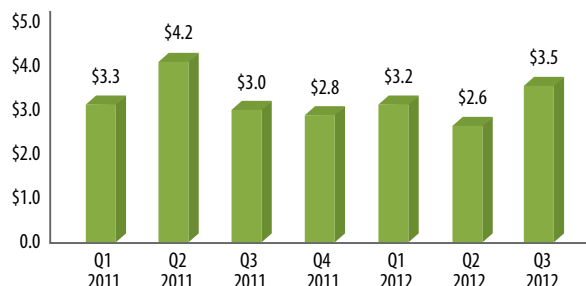
Debt availability and pricing remained attractive with record low interest rates being offered for high quality locations and core loans. The overhang of CMBS maturities has yet to create excess stress on the market but concerns remain about delinquencies and the ability of more marginal loans to be refinanced. Development activity has been concentrated in the multifamily sector with very little speculative development occurring in any other sector.

Nontraded REIT Transaction Review

Acquisitions

A total of \$3.5 billion of acquisitions were completed in the third quarter, up significantly from the \$2.6 billion in the second quarter 2012. On a year-over-year basis, volumes were up \$0.5 billion. Nontraded REITs appear to be efficiently placing raised capital through new acquisitions and taking advantage of low interest rates with modest leverage levels.

Nontraded REIT Real Property Acquisitions by Quarter
as of September 30, 2012 (in \$ Billions)



The five most active nontraded REITs accounted for 56% of the total acquisition volume for the quarter. This list includes:

1. Inland Diversified Real Estate Trust, Inc.	\$498.3 million
2. American Realty Capital Trust III, Inc.	\$427.7 million
3. Hines Global REIT, Inc.	\$373.4 million
4. Cole Credit Property Trust III, Inc.	\$371.0 million
5. Griffin-American Healthcare REIT II, Inc.	\$277.4 million

In addition, notable transactions for the quarter include:

- Cole Credit Property Trust IV, Inc. purchased 14 properties including four Benihanas, six Stripes and two Wawas.
- \$82.4 million in international transactions were completed by Hines Global REIT, Inc. and Global Income Trust.
- Recently renamed Chambers Street Properties purchased a 1.1 million square foot distribution center occupied by Coleman in Kansas for \$57.6 million (\$52/square foot).
- Carter Validus Mission Critical REIT, Inc. purchased two data centers in Texas for \$213/square foot from Behringer Harvard Opportunity REIT I, Inc.
- AR Capital sponsored nontraded REITs completed a total of \$570 million in acquisitions during the quarter.

Dispositions

Year-to-date, dispositions by nontraded REITs have totaled \$1,365 million. Third quarter results increased 113% to \$725.3 million from \$340 million in the second quarter.

The most active nontraded REITs disposing of properties during the third quarter were:

1. Inland American Real Estate Trust	\$323.9 million
2. Behringer Harvard REIT I	\$131.0 million
4. Jones Lang Lasalle	\$66.5 million
4. Hines Real Estate Investment Trust, Inc.	\$60.5 million

Notable transactions include:

- Inland American Real Estate Trust sold a Lodging Portfolio of 12 properties and 1,643 rooms for \$116 million. The REIT also sold Fannin Street Apartments in Houston, TX, with 678 units for \$72.5 million.
- Behringer Harvard REIT I sold One City Centre in Houston, TX, a 609,000 sq. ft. office property for \$131 million.
- Jones Lang Lasalle Income Property Trust relinquished Marketplace at Northglenn in Colorado, a 439,000 sq. ft. shopping center, for the outstanding mortgage loan balance of \$62.3 million.

Office Sector Overview

The US office sector is slowly recovering from the Great Recession with firming in fundamentals across most markets and some stronger absorption and rental rate growth trends beginning to emerge in technology related markets. Demand is expected to continue to be driven by the following factors:

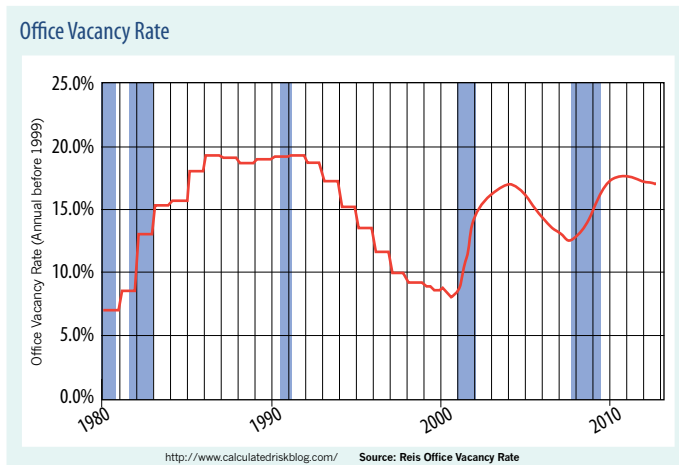
- **It is all about the economy and jobs** – since office space holds office workers, as the economy improves and hiring begins, more space will need to be occupied.
- **First Tier Markets** – investor capital has been focusing on the top markets in the US; New York, Washington D.C., San Francisco and Boston.
- **Government Use** – like it or hate it, the government, both Federal and State, is a large user of office space. Their occupancy has been declining and is expected to continue to do so as all levels of government look to cut costs.

Office Fundamentals

Occupancy and rental rates showed modest, but slowing, improvement in the third quarter of 2012. According to Cassidy Turley, net absorption slowed 50% to 6.4 million square feet nationally with over half of the 80 markets surveyed reporting negligible gains or negative absorption. Average rental rates remained basically flat at \$21.69 per square foot.

The Presidential election and global economic issues have slowed decision making by businesses regarding space utilization. The threat of the “fiscal cliff” will remain a major issue.

With the direct tie of office usage to employment, the balance of 2012 and potentially the first half of 2013 are expected to be flat as well.



Capital Markets Outlook

Reflecting the overall market fundamentals, investment and capital availability varies by geographic location depending upon each market’s recovery rate. Office investment showed some rebound during the quarter after slowing in the first half of the year. Cap rates remain low for stable core assets, especially in major markets. Selected activity has begun to be seen in value-add plays as well as in secondary geographic locations. The continued availability of CMBS debt has provided pressure relief for mortgage demand.

Nontraded REIT Office Sector Participation

Eight nontraded REITs are identified as focused on Office with a total of \$18.6 billion of assets under management. This figure does not include diversified REITs that may also have office property investments. These REITs owned 1,054 properties totaling 103.0 million square feet as of the third quarter. Office Sector Acquisition volume by these nontraded REITs in the quarter totaled \$109.6 million. Dispositions for the quarter were \$191.5 million with Wells REIT II having an approximately \$300 million portfolio of office assets being marketed for sale.

Notable Office Transactions

- Wells Core Office REIT purchased two Illinois properties in separate transactions totaling \$58.6 million (\$220/square foot).
- Two campuses were purchased by KBS Strategic Opportunity REIT totaling 719,886 square feet in Bellevue

- and Atlanta for \$95.7 million (\$133/square foot).
- Hines Real Estate Investment Trust sold its 11% interest in the 1.8 million square foot Shell Plaza in downtown Houston, TX as part of the sale of the property for approximately \$550 million (\$306/square foot).

Healthcare Sector Overview

Healthcare has become a buzzword on both the political and real estate stages. One of the fastest growing investment sectors in commercial real estate, healthcare is comprised of medical office properties, senior care, and hospital and outpatient facilities. The win by President Obama will mean that healthcare reform will most likely proceed. REITs investing in healthcare real estate are looking to leverage longer term leases and the historically high renewal rates of medical practices to provide stable income flow.

Healthcare Sector Real Estate Trends

A significant increase in investor demand for healthcare-related properties has caused a drop in cap rates and an uptick in pricing. In addition to nontraded REITs focusing on the sector, other funds have raised capital specifically focused on this investment. New development has followed and the healthcare sector will be impacted by the following factors:

- **Aging Baby Boomers** – this large segment of American society is moving into their sixties and will require more care and medical expenditures driving demand for basic services, specialty care and senior living.
- **Healthcare Act** – like it or not, it will have an impact on healthcare needs and usage with the biggest being demand for outpatient facilities competing with the increasing shortage of physicians and nurses.
- **Population growth** – continued growth of the population through birth rate and immigration creating needs for general practices and medical offices.
- **Information Technology** – the movement to store records digitally will change where many doctors can place their practices. The demand for structurally reinforced floors will decline, however, the need for extra water and power will remain.

Meeting the needs of these social and demographic trends will create new opportunities in the healthcare sector as the business model of health delivery is modified and updated.

Nontraded REIT Healthcare Sector Participation

Five nontraded REITs concentrate or invest heavily in the Healthcare sector with a total of \$2.4 billion of assets under management including Griffin-American Healthcare REIT II, Carter Validus Mission Critical REIT, Sentio Healthcare Properties, CNL Healthcare Trust and American Realty Capital Healthcare Trust.

As of third quarter, healthcare related nontraded REITs owned 198 properties comprising 8.0 million sq. ft. Acquisition volume by these REITs totaled \$542.3 million. No dispositions occurred in the quarter.

Notable Healthcare Transactions

- **Griffin-American Healthcare REIT II** completed \$277.4 million in acquisitions in twelve transactions purchasing both medical office buildings and senior care facilities.
- **American Realty Capital Healthcare** completed a total of \$109.4 million in transactions including a portfolio transaction of three Aurora Trust Health Care properties for \$63 million.
- **Sentio Healthcare Properties** acquired four assisted living facilities in Texas and Illinois for \$39.2 million.

In the past year, Healthcare Trust of America, a \$2.5 billion nontraded REIT, became publicly traded by listing its shares on the New York Stock Exchange.

Blue Vault Partners LifeStages

Blue Vault created the LifeStage classification system for individual nontraded REITs to assist investors in understanding the performance of different REITs during the lifecycle of the REIT. Two major phases exist in the life of nontraded REITs; the Effective stage is defined by capital raising and the Closed stage is defined by post capital raise activities. Blue Vault has further segmented individual LifeStages within each phase that are defined by the age of the REIT, amount of capital raise and acquisitions, stability and diversification and ultimately, preparation for a liquidity event.

In this issue, we will review the final Lifestage, Liquidating.

Liquidating LifeStage

After a nontraded REIT has completed the Maturing LifeStage and positioned its portfolio to meet its investment strategy, the REIT enters the final LifeStage in which it either liquidates its assets or lists on a public exchange. REITs moving into this LifeStage have typically spent six to 36 months in the Maturing LifeStage preparing for the sale of assets or listing on a national securities exchange. Nontraded REITs have been decreasing the time frames for both capital raising and closed LifeStages thus accelerating the time line for liquidity.

The asset size range of this LifeStage is broad, generally \$500 million to \$10+ billion. The Liquidating LifeStage REITs own a median of 66 properties, but the range of properties is also wide, ranging from 13 to over 700 properties.

The Liquidating LifeStage is characterized by the following:

- Selection of Strategy – while generally referred to as “list or liquidate”, nontraded REITs can also create a full-cycle event by merging with another entity.
- Identification of Investment Banker – either late in the Maturing LifeStage or at the beginning of the Liquidating LifeStage, an investment banker is generally selected to assist the board of directors by identifying the exit strategy that is most beneficial for shareholders.

Liquidating LifeStage REITs are at the end of their nontraded lifecycle. The Board of Directors and Sponsor are charged with pursuing a strategy to maximize value to shareholders subject to the market conditions at the time. From 2008 to 2010, limited activity occurred due to the massive instability in the commercial real estate and publicly traded markets. 2011 and 2012 have seen an increasing level of activity that is expected to continue over the next two years. There are currently seven nontraded REITs categorized as Liquidating LifeStage by Blue Vault Partners.

The Liquidating LifeStage shows particular traits and issues including:

- Metrics that mirror those of their publicly-traded counterparts.
- Refined capital market strategies with only selected acquisitions and dispositions.
- Obtaining a credit rating on the portfolio and placement of public debt, especially if a REIT is going to list its stock on an exchange.
- Offering of IPO shares as part of the listing strategy to ensure institutional ownership.
- Staggered share liquidation provisions for existing investors to prevent a “run on the bank” sale of shares that would negatively impact the remaining investors.
- Portfolio sale of some or all assets.
- Merger with another REIT that may be either an affiliate of the Sponsor or an unaffiliated third-party.
- Refinement of Board of Directors, if listing, to add expertise and gravitas to satisfy the public markets.

As was detailed in the Blue Vault Partners/University of Texas full-cycle performance study, nontraded REITs have exhibited returns slightly lower than their public and private benchmarks but with less volatility in returns over time. Blue Vault will be updating its study in 2013 to incorporate more recent full cycle events and to examine the impact of changes in nontraded REIT fees, hold periods and size on total return results.

New Offerings

Six new nontraded REIT offerings became effective between July and October. Those new offerings include:

- **NorthStar Healthcare Income Trust, Inc.** – the second nontraded REIT to be sponsored by Northstar Advisors.
- **Jones Lang LaSalle Income Property Trust** – a private REIT that re-opened to new investments as a public nontraded REIT. The REIT has \$725.9 million in assets under management and owns 33 properties.
- **Dividend Capital Diversified Property Fund, Inc.** – a nontraded REIT that previously closed to new investments in September 2009. The REIT re-opened to new investments in 2012 and will offer various share classes and a daily NAV structure. The REIT has \$2.7 billion in assets under management and owns 94 properties and approximately \$200 million in debt-related investments.
- **American Realty Capital Trust IV, Inc.** - the seventh nontraded REIT sponsored by AR Capital. This REIT is one of six currently effective offerings from AR Capital.
- **MVP REIT, Inc.** – the first nontraded REIT to be sponsored by MVP Capital Partners.
- **United Realty Trust, Inc.** - the first nontraded REIT to be sponsored by United Realty Advisor Holdings.

Full Cycle Events

As a nontraded REIT enters into the Liquidating LifeStage, it must examine the various exit strategies available to it. In the past, nontraded REITs have been able to list on national exchanges, pursue merger opportunities or complete large portfolio dispositions.

In the third quarter, the following events occurred:

- **W.P. Carey** completed the merger of Corporate Property Associates 15, Inc. into their currently publicly traded parent, W.P. Carey, Inc. and converted that entity to a REIT.
- **Landmark Apartment Trust of America** (previously Apartment Trust of America) completed a \$536.5 million recapitalization in early August.

Additional REITs that have made changes moving them toward full cycle events:

- **Wells Real Estate Investment Trust II, Inc.** recently waived its internalization fee as part of its process to examine options to list or liquidate.
- **KBS Real Estate Investment Trust I, Inc.** waived the internalization fee to its advisor, as well as all of the other REITs sponsored by KBS.
- **Chambers Street Properties** – CB Richard Ellis Realty Trust changed its name to Chambers Street Properties and appointed a new CEO and President.

American Realty Capital Healthcare Trust became effective in 2011 and acquires medical office buildings and other healthcare-related facilities. As of the end of the third quarter 2012, the REIT had \$486.5 million in assets in 36 properties totaling 1.5 million square feet. The REIT is in the Growth Lifestage of effective REITs, which is characterized by accelerated growth in capital raise and acquisitions. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- In October 2012, the payment of cash asset management fees were eliminated and replaced by the potential issuance of Class B units to the Advisor based upon performance. No units have been approved by the Board or issued through the date of the filing.
- The REIT is experiencing very strong capital raising and acquisition volume.
- A significant portion of the REIT’s debt is due to be repaid in 2015 exposing it to potential interest rate and refinance risk.

Capital Stack Review

- Capital Raise – \$337.1 million has been raised since inception with \$111.8 million raised this past quarter, marking five quarters of steadily increasing capital raise.
- Debt – Current debt ratio is 41.1% down from 64.3% at year-end with 100% of the REIT’s debt in fixed instruments.
- Debt Maturity – 53.1% of the REIT’s debt is due to be repaid in 2015.
- Loan Activity – The REIT entered into a \$50 million revolving credit facility in May, expanded to \$200 million in October.
- Cash on Hand – 5.9% of total assets, which is below the median for the LifeStage.

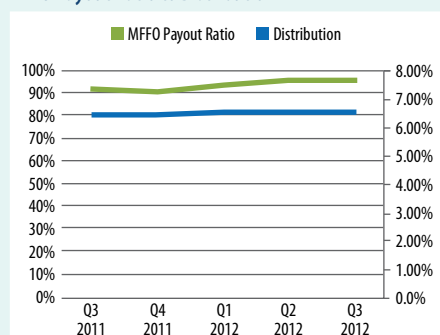
Metrics

- Distribution – 6.8% over the past three quarters, increased from 6.6% in December 2011.
- Distribution Source – Distributions have been funded 100% with cash flow from operations and proceeds from the DRIP.
- MFFO Payout Ratio – 97% year-to-date, up from 90% at year-end.
- Fee Waivers and Deferrals – During 2012, \$868,000 of asset management, property management and leasing fees were waived by the Advisor.
- Interest Coverage Ratio – Year-to-date ratio of 2.7 as of September 30, 2012, improving from 2.2 as of March 31, 2012.
- Impairments – None reported.

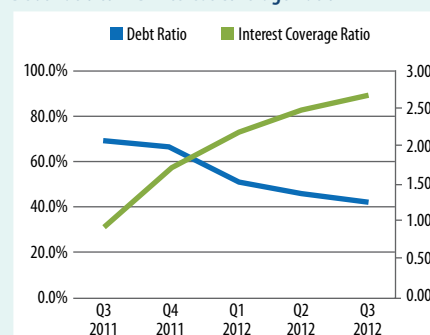
Real Estate

- Acquisitions – 22 properties have been purchased in 2012 totaling \$291.7 million (\$293 per square foot). \$109.4 million in three properties (\$299 per square foot) have been purchased in the third quarter, of note:
 - A multi-tranche acquisition was entered into in September 2011. Three of the four tranches have been closed on 8 properties. Two properties remain to be closed in the final tranche.
 - 2012 purchases have averaged an 8.4% cap rate.
 - Average lease term remaining of 2012 purchases is 12.5 years.
- Occupancy – 97.7%, up slightly from year-end 2011.
- Lease Expirations – 96.5% of leases expire in 2017 or later. Average weighted lease term remaining is 11.6 years.
- Dispositions – None reported.
- Diversification – The REIT has concentrations of properties in Texas (36.7%), Wisconsin (14.6%) and Nevada (13.4%), which is not unusual for this LifeStage.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



Behringer Harvard REIT I, Inc. became effective in 2003 and invests in institutional quality real estate. As of the third quarter 2012, the REIT had \$3.2 billion in assets in 52 properties totaling 20.6 million square feet. The REIT closed to new investments in December 2008 and is in the Maturing Lifestage of Closed REITs that is marked by a refinement of the portfolio through dispositions, strategic acquisitions and debt. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- In August, the REIT became self managed and internalized the advisory function and personnel previously provided by Behringer Advisors in return for 10,000 shares of Convertible Preferred Stock worth approximately \$2.7 million at the end of the quarter.
- A significant portion of the REIT’s outstanding debt is due to be repaid before 2017 exposing the portfolio to potential interest rate and refinancing risks.
- Continuing a trend from 2011, the REIT has completed two foreclosure sales, losing all equity on those investments. At quarter end, six loans are in default in the portfolio with a combined loan balance of \$158.8 million.
- Problems are exacerbated by a debt level above its Board of Director’s policy to limit borrowings to 55% and low cash on hand to pay for tenant improvements, leasing commissions, loan payoffs and other cash needs.
- The issues being faced by the REIT are demonstrated in its 1% distribution rate and \$4.64 per share valuation. To support the distribution and cash availability, the previous sponsor waived certain fees for more than three years.

Capital Stack Review

- Debt – with a debt ratio of 67.1%, the REIT is well above the median for the Maturing LifeStage. 97% of the REITs debt is fixed rate.

- Debt Maturity – 90% of the company’s debt is due to be repaid before 2017.
- Loan Activity - Minnesota Center was foreclosed upon by the lender in January and the REIT’s TIC interest in St. Louis Place was foreclosed upon in February. Six loans are in default in the portfolio with a combined loan balance of \$158.8 million.
- Cash on Hand – 0.1%, well below median.

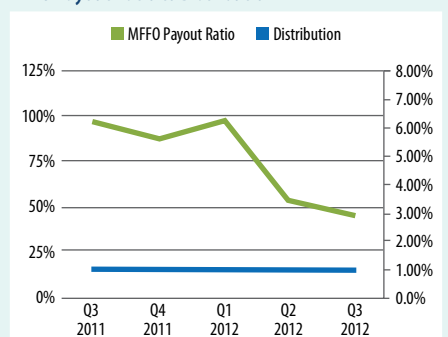
Metrics

- Distribution – 1%, which has been maintained for nine quarters.
- Distribution Source – Paid from operating cash flow and borrowings.
- MFFO Payout Ratio – 62% year-to-date down from 69% at year-end 2011.
- Fee Waivers and Deferrals – \$5.7 million in asset management fees were waived by the advisor prior to the internalization of management.
- Interest Coverage Ratio – 1.5 which is below median compared to other REITs in this LifeStage.
- Impairments – \$24.5 million in losses were reported year-to-date, down from \$47.8 million taken in 2011.

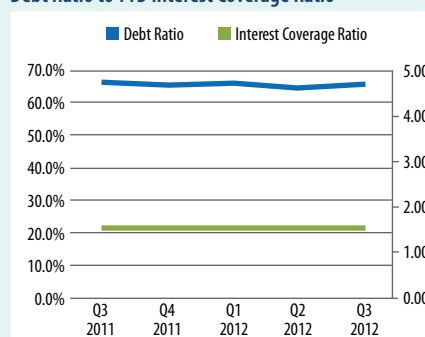
Real Estate

- Acquisitions – None completed this year; however, the development of Two BriarLake Plaza, a 318,000 square foot office building in Houston, TX, was started this year.
- Occupancy – 85%, up 1% from year-end.
- Lease Expirations – 51% of the REITs tenants expire in 2018 or later.
- Dispositions – Three properties have been sold in 2012 totaling \$189.6 million (\$238 per square foot) including:
 - One City Centre in Houston for \$131 million (\$215 per square foot).
 - Two properties were sold in the second quarter on the West coast with proceeds used to pay down debt.
- The REIT’s TIC interest in Alamo Plaza was sold in October for a \$5 million loss.
- Diversification – Chicago, Houston and Philadelphia represent over 45% of the net operating income of the REIT.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



Carter Validus Mission Critical REIT became effective in 2010 and acquires mission critical real estate assets focused on data center and healthcare sectors located throughout the United States. As of the end of the third quarter, the REIT had \$331.6 million in assets in 11 properties totaling 941,000 square feet. The REIT is in the Growth Lifestage of effective REITs, which is characterized by accelerated growth in capital raise and acquisitions. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- Typical of this LifeStage, the REIT has experienced dramatic growth in acquisitions and capital raising in 2012.
- In addition to the equity assets owned by the REIT, the REIT owns two notes receivable totaling \$15.7 million.
- Metrics are trending toward more stable levels but still reflect unevenness, typical of Growth Lifestage REITs.

Capital Stack Review

- \$108 million has been raised in 2012 with \$48.1 million raised during the third quarter marking five quarters of steadily increasing capital raise.
- Debt – Current debt ratio is 40.3% up from 18.6% at year-end with 64% of the REIT’s debt in fixed instruments.
- Debt Maturity – 37.2% of the REIT’s debt is due to be repaid in 2015 or later.
- Loan Activity – The REIT entered into a \$55 million line of credit with KeyBank in the first quarter.
- Cash on Hand – 1.5%, which is below the median for the LifeStage.

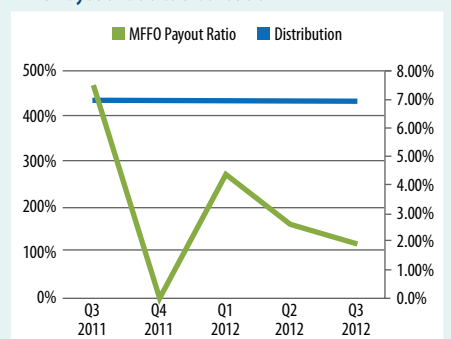
Metrics

- Distribution – The distribution yield remained steady at 7.0% over the past five quarters.
- Distribution source – 27.1% of distributions have been funded with cash from operations and the balance from proceeds from the offering.
- MFFO Payout Ratio – 113% in the quarter down from 282% for Q1 2012.
- Fee Waivers and Deferrals – Effective January 2012, the Advisor waived asset management fees for the periods during which the distribution payout ratio is greater than 100%. Fees of \$621,000 have been waived in 2012.
- Interest Coverage Ratio – 3.1 for the quarter up strongly from 1.4 at year-end 2011.
- Impairments – None reported.

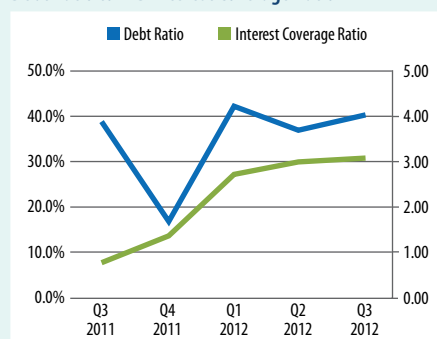
Real Estate

- Acquisitions – \$230 million (\$249 per square foot) in 10 acquisitions have been completed in 2012 including:
 - A 22% joint venture interest in a data center in Atlanta.
 - Five acquisitions were data centers and five were health care.
 - Since the closing of the third quarter, two additional acquisitions have been completed totaling \$60.1 million.
- Occupancy – 100% on par with year-end 2011.
- Lease Expirations – weighted average lease term remaining is 12.4 years.
- Dispositions – None reported.
- Diversification – The REIT owns four properties in Texas and two in Georgia; concentrations in ownership are expected in the LifeStage.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



CNL Healthcare Trust became effective in 2011 and changed its name from CNL Properties Trust in February 2012. The REIT acquires senior housing and healthcare sector properties. As of the end of the third quarter, the REIT had \$192.3 million in assets in 15 senior housing properties, 10 of which were owned through unconsolidated joint ventures, plus one land development parcel. The REIT is in the Growth Lifestage of effective REITs, which is characterized by accelerated growth in capital raise and acquisitions. The investment style of this REIT is considered to be "Core," which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- The REIT participates in two separate joint ventures, both entered into in June 2012. The first, CHTSun IV, is for a 55% interest in seven housing properties and the second, Windsor Manor, is for a 75% interest in three senior housing properties.
- In conjunction with a third party developer, the construction of the 96-unit, HarborChase senior living community was commenced with the purchase of 5.03 acres of land in August. The developer will receive a promoted interest based upon the success of the project.
- Metrics are trending toward more stable levels but still reflect unevenness typical of Growth Lifestage REITs.

Capital Stack Review

- Capital Raise – \$125.7 million has been raised since inception with \$43.2 million raised this past quarter marking four quarters of steadily increasing capital raise.
- Debt – Current debt ratio is 49.5% declining steadily from 66.8% as of Q1 2012. 100% of the REIT's debt is in fixed instruments.
- Debt Maturity – 53.6% of the REIT's debt is due to be repaid in 2017 or later.

- Loan Activity – The Company has two long-term active loans totaling \$95.2 million. One is for the Primrose portfolio and the second is a \$40 million mezzanine loan for the CHTSun IV joint venture. A construction loan for \$17.3 million was entered into for the HarborChase development. No borrowing had occurred on the loan as of quarter end.
- Cash on Hand – 20.4% which is above median but not unexpected at this LifeStage.

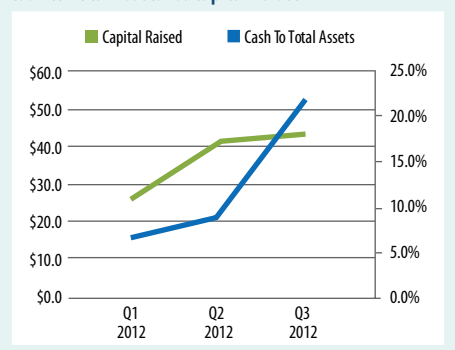
Metrics

- Distribution – The distribution yield remained steady at 7.0% over the past three quarters.
- Distribution source – All distributions have been funded with proceeds from the offering.
- MFFO Payout Ratio – Not a meaningful number, which is typical for REITs at this LifeStage.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 0.3 year to date which is below the median compared to other REITs in this LifeStage.
- Impairments – None reported.

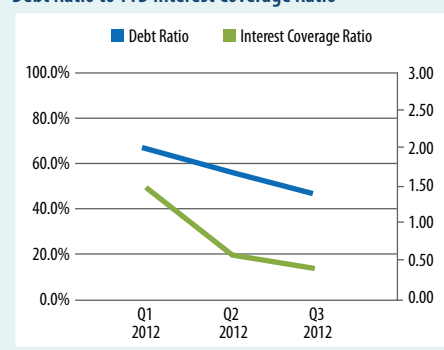
Real Estate

- Acquisitions – \$84.1 million (\$205,583 per unit) in five senior housing properties, the Primrose Portfolio, were acquired in February 2012.
 - The properties were acquired under long-term, triple net leases through 2022.
 - The REIT placed five senior housing properties under contract in October for \$85.1 million (\$244,540 per unit) and a second portfolio of five senior housing properties for \$73.1 million (\$226,316 per unit).
- Occupancy – 94.4% down from 96.4% in Q1 2012.
- Lease Expirations – Remaining lease term is 10 years.
- Dispositions – None reported.
- Diversification – Given the early LifeStage of the REIT, diversification measures are not meaningful.

Cash to Total Assets vs. Capital Raised



Debt Ratio to YTD Interest Coverage Ratio





Griffin-American Healthcare REIT II became effective in 2009 to acquire medical office buildings and healthcare-related facilities. As of the end of the third quarter, the REIT had \$1.1 billion in assets in 121 properties totaling 4.5 million square feet. The REIT is in the Stabilization stage of effective REITs, which is marked by the distinct formation of the REIT's investment premise and stabilization of operating metrics. The investment style of this REIT is considered to be "Core," which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- In November 2011, the REIT announced that it had changed its name from Grubb & Ellis Healthcare REIT II and changed advisors to Griffin-American Healthcare REIT Advisor. The senior management of the Grubb & Ellis Advisor moved to Griffin-American.
- The REIT cleaned up its ownership with a purchase of 200 units of limited partnership interests in its operating partnership from BGC Partners for \$4.3 million.
- The REIT's \$1.5 billion follow-on offering was filed with the SEC in June.
- On November 7, 2012, the offering share price was increased to \$10.22 per share for the balance of outstanding shares from the Initial Offering. DRIP shares will be offered at \$9.71 per share.

Capital Stack Review

- Capital Raise – The REIT raised \$195.2 million in the third quarter, bringing it to \$886.1 million raised since inception and \$398 million raised year to date.
- Debt Ratio – 33.9%, up from 16.1% at year-end 2011 with 61.2% in fixed instruments.
- Debt Maturity – 45.1% of debt is due to be repaid before or in 2015 with 39.7% in 2017 or later.

- Loan Activity – A \$200 million credit agreement, expandable to \$350 million, was entered into in June.
- Cash on Hand – 0.9%, below median for the LifeStage.

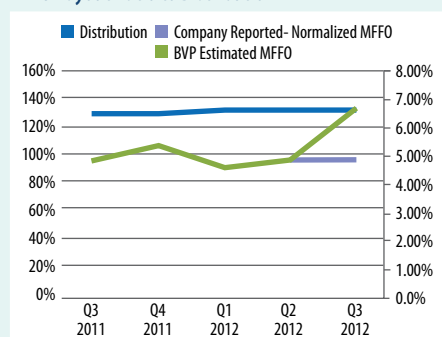
Metrics

- Distribution Rate – 6.60% for the year-to-date, up from 6.50% in 2011.
- MFFO Payout Ratio – 106% year-to-date (based on IPA guidelines), up slightly from the 103% as of year-end 2011. The Company's reported normalized MFFO was 92% year-to-date which includes the purchase of a subordinated distribution.
- Distribution Source – 32.3% of distributions were funded from cash flow from operations with the balance from proceeds of the offering.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 4.3, above median compared to other REITs in this LifeStage.
- Impairments – None reported.

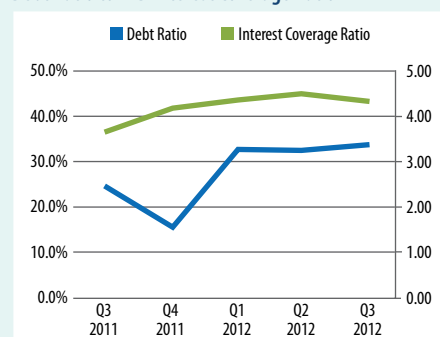
Real Estate

- Acquisitions – \$277.4 million was purchased in the third quarter bringing the REIT's 2012 total to \$654.7 million in 65 buildings, of note:
 - A \$166.5 million, nine city portfolio of skilled nursing properties was completed in the first quarter.
 - Nine portfolio purchases have been made in 2012.
 - 53% of acquisitions were medical office buildings with the balance being skilled nursing facilities, hospitals, and assisted living facilities.
- Occupancy – 96.8%, up slightly from year-end.
- Lease Expirations – Weighted average lease term remaining of 9.4 years.
- Dispositions – None reported.
- Diversification – Based on assets, the portfolio is broken down by the following reportable segments; Medical Office (50%), Skilled Nursing (32%), Hospital (14%) and Assisted Living (3%).

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



Griffin Capital Net Lease REIT became effective in 2009 and acquires single tenant net lease properties that are leased to creditworthy corporate tenants. As of the end of the third quarter 2012, the REIT had \$276.7 million in total assets which included 11 properties encompassing 2.8 million square feet. The REIT is in the Growth Lifestage of effective REITs, which is characterized by accelerated growth in capital raise and acquisitions. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- The initial offering was extended until May 5, 2013 in August by the board of directors. A follow-on offering has been approved for \$1.1 billion in shares to commence on or before the expiration of the initial offering.
- A significant portion of the REIT’s debt is due to be repaid in 2014, which potentially exposes the REIT to interest rate and refinance risk.
- Metrics are trending toward more stable levels but still reflect unevenness typical of Growth Lifestage REITs.

Capital Stack Review

- \$103.9 million has been raised since inception in the public offering with \$16.4 million raised this past quarter. The \$49.6 million raised through three quarters has exceeded the 2011 total raise.
- Debt – Current debt ratio is 58.6% down from 63.1% in Q1 2012 with 59% of the REIT’s debt in variable rate instruments.
- Debt Maturity – 60.3% of the REIT’s debt is due to be repaid in 2014.
- Loan Activity – The REIT added Fifth Third Bank to the KeyBank Credit Agreement, adding a \$35 million commitment. In addition, in November the REIT added

Union Bank of California to the KeyBank Credit Agreement with a \$25 million commitment, bringing the agreement to an aggregate \$175 million.

- Cash on Hand – 2.1%, which is below median for the LifeStage.

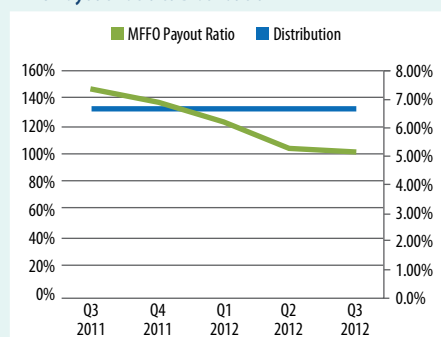
Metrics

- Distribution – Yield remained steady at 6.75% over the past eleven quarters.
- Distribution source – Year-to-date, 57% of distributions have been funded with cash flow from operations with the balance with proceeds from the offering.
- MFFO Payout Ratio – 107% year-to-date, down from 158% for year-end 2011 and better than median for the Lifestage.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 2.2 for the quarter up from 1.7 at year-end.
- Impairments – None reported.

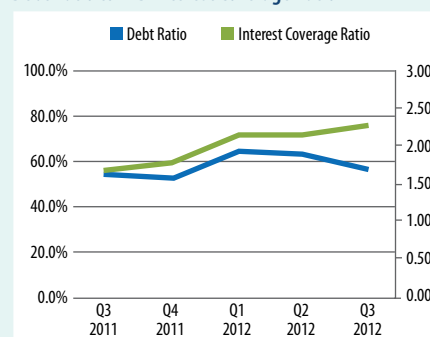
Real Estate

- Acquisitions – No acquisitions were completed in the third quarter; however, \$105.3 million (\$203 per square foot) in acquisitions were completed in the first half of the year.
 - 4 properties were purchased this year at a weighted average implied cap rate of 7.77%.
 - Two properties have been purchased in November for a total of \$32.6 million.
- Occupancy – The portfolio is 100% leased which is in line with year-end 2011.
- Lease Expirations – 96.6% of the REIT’s leases expire in 2017 or later.
- Dispositions – None reported.
- Diversification – Tenant concentrations exist with LTI (20.7%), AT&T (13.6%) and Plainfield (13.1%) of the aggregate rental income received by the REIT.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



Hines Real Estate Investment Trust became effective in 2004 and invests primarily in institutional quality office properties in the United States. The REIT's portfolio includes 55 properties totaling 25 million square feet including: 41 U.S. office properties, one industrial property in Dallas and Brazil, each, and 12 retail properties with assets totaling \$2.8 billion. The REIT was closed to new investments in December 2009 and is in the Maturing Lifestage of Closed REITs that is marked by a refinement of the portfolio through dispositions, strategic acquisitions and debt. The investment style of this REIT is considered to be "Core," which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- The REIT has been valuing its shares since 2006, with a valuation as of September 30, 2012 of \$7.78 per share. On November 20, 2012, the board of directors established a new estimated value per share of \$7.61.
- The REIT has substantial passive joint venture investments in the Hines Core Fund (27% interest) and Weingarten Grocery Center Portfolio (70% interest).
- A significant portion of the REIT's debt is due to be repaid prior to 2017, which potentially exposes the REIT to interest rate and refinance risk.

Capital Stack Review

- Debt – 47.1%, up slightly from year-end 2011. 100% of the REITs debt is fixed rate.
- Debt Maturity – 69.4% of the company's debt is due to be repaid prior to 2017.
- Loan Activity – A \$159.5 million mortgage that was set to expire in November 2012 has been extended 90 days to allow for refinancing.
- Cash on Hand – 3.5%, slightly below median.

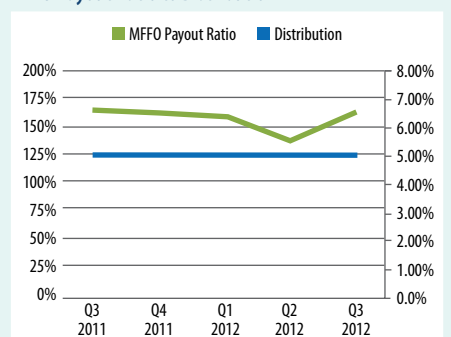
Metrics

- Distribution – 5.0% on original share price of \$10.00, which has been maintained for seven quarters.
- Distribution Source – 30% of the distribution was a special distribution returning shareholder invested capital funded by the sale of property. The balance was funded from operating cash flow.
- MFFO Payout Ratio – 166% year-to-date, up from 133% at year-end.
- FFO Payout Ratio – 154% year-to-date, above median compared to other REITs in this LifeStage.
- Fee Waivers and Deferrals – The Advisor waived a portion of its asset management fee, reducing it from 0.75% to 0.50%, for the year.
- Interest Coverage Ratio – 2.1, up significantly from 1.4 at year-end.
- Impairments – An impairment of \$46.1 million was taken on directly owned properties in New York and Washington in the second quarter. In addition, impairments totaling \$12.5 million were taken on indirectly owned properties.

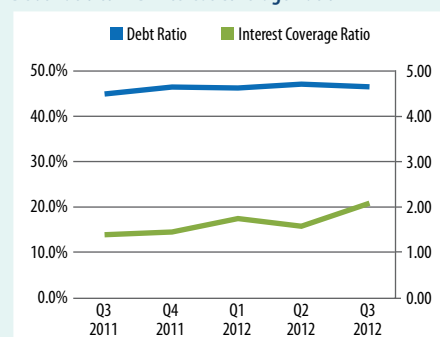
Real Estate

- Acquisitions – None reported.
- Occupancy – 87% on par with last quarter.
- Lease Expirations – 48.6% of the REIT's leases expire in 2017 or later.
- Dispositions – The 1.8 million square foot, One and Two Shell Plaza, which the REIT had a 11% joint venture interest, was sold for \$550 million (\$305 per square foot).
- Diversification – 17% of the portfolio is leased to Legal, 13% to Finance and Insurance, 11% to Manufacturing and 11% to Information and Technology companies.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



KBS Real Estate Investment Trust launched its public offering in January 2006 and invested in commercial real estate and real estate related investments. As of the third quarter 2012, the REIT had \$3 billion in assets in 811 properties totaling 18.2 million square feet. The REIT closed to new investments in May 2008 and the REIT is now in the Maturing Lifestage of Closed REITs that is marked by a refinement of the portfolio through dispositions, strategic acquisitions and debt. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- Given the magnitude of changes in the REIT’s portfolio and debt obligations, the REIT is managing its portfolio to comply with financing agreements and maintain liquidity reserves.
- A significant portion of the REIT’s debt is due to be repaid prior to 2017 exposing the portfolio to interest rate and refinancing risks.
- The REIT has taken losses on its mezzanine loans and has taken additional impairments in anticipation of further real estate related asset losses.
- In September 2011, the REIT took possession of the Gramercy Portfolio through the rights it had in its mezzanine loan. The portfolio consisted of 867 properties including 576 bank branch properties and 291 office buildings and other facilities. The REIT obtained equity interest in the portfolio and also assumed debt (\$1.4 billion as of third quarter) as a result of its assumption.
- As of the third quarter, some properties in the Gramercy Portfolio have been sold and a portion of the debt has been paid down.
- Lenders to the REIT have imposed restrictive debt covenants regarding loan-to-value and debt service coverage. Failure to maintain the covenants will result in further restrictions including limits on future borrowing and restriction of use of cash. Two mortgage loans were out of compliance at the end of the third quarter.
- By charter, the REIT was to list or liquidate by November 2012 unless a majority of the independent directors determined that liquidation was not in the best interest of investors at present and that liquidation will be revisited within the year to determine if conditions within the portfolio have improved to allow for liquidation. The board has already announced that liquidation will be unlikely in 2013 as well.
- In 2009, the REIT began valuing its shares and has a current share price of \$5.16 with the next share price update expected in December 2012.
- During 2012, the distribution was suspended and redemptions remained severely limited to improve liquidity.

Capital Stack Review

- Debt – With a debt ratio of 63.9%, the REIT is above median for the Maturing LifeStage. 66% of the REITs debt is fixed rate.
- Debt Maturity – 45.2% of the company’s debt is due to be repaid in 2013-2014.
- Loan Activity – A \$154.9 million loan, the Goldman Mortgage Loan, associated with the Gramercy Portfolio matured without repayment. In addition, a \$6.1 million loan has matured in October. The REIT is in negotiations with the lenders on a resolution to the issues. A \$43.5 million loan was foreclosed upon in July 2012. A mezzanine loan was entered into for \$39 million to pay off outstanding amounts due related to the Gramercy Portfolio.
- Cash on Hand – 3.0% of total assets.

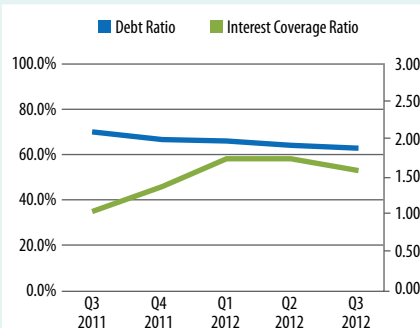
Metrics

- Distribution – The board of directors suspended the distribution in March 2012.
- Distribution Source – Not meaningful.
- MFFO Payout Ratio – This ratio is not applicable due to the suspension of the distribution.
- Fee Waivers and Deferrals – None reported
- Interest Coverage Ratio – 1.6, below Maturing LifeStage median of 2.5.
- Impairments – \$18.2 million in impairments have been reported for 2012.

Real Estate

- Acquisitions – None reported.
- Occupancy – 86%, up 1% from year-end 2011.
- Lease Expirations – 59% of leases expire in 2017 or later.
- Dispositions – Several sales transactions of real estate, securities and debt totaling over \$400 million have occurred to reduce the portfolio during the past year. In addition, the REIT:
 - Entered into an agreement to sell 115 properties worth approximately \$485 million to an affiliate of Gramercy
 - In November, entered into an agreement to sell 41 properties for \$250 million.
- Diversification – geographic concentration exists in North Carolina (10.6%) and in tenancy with Bank of America (25.5%) and Wells Fargo Bank (25.8%).

Debt Ratio to YTD Interest Coverage Ratio



KBS Real Estate Investment Trust II became effective in 2008 and invests in a diverse portfolio of real estate and real estate related assets. The REIT has \$2.8 billion in assets in 26 properties totaling 11.1 million square feet plus 8 real estate related assets. Closing of capital raising occurred in December 2010. The REIT is in the Maturing Lifestage of Closed REITs that is marked by a refinement of the portfolio through dispositions, strategic acquisitions and debt. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- The portfolio is projected to be 80-90% core real estate and 10-20% real estate related investments including loans, mezzanine debt, equity in real estate companies, securities and derivatives. Currently assets are balanced 87%/13% real estate to real estate related instruments.
- A significant portion of the REIT’s debt is due to be repaid in the next three years exposing the portfolio to potential refinance and interest rate risks.

Capital Stack Review

- Debt – With a debt ratio of 46.8%, the REIT is slightly higher than the median for the Maturing LifeStage. 88% of the REIT’s debt is fixed rate.
- Debt Maturity – 46.6% of the company’s debt is due to be repaid in 2015 with an additional 33.7% maturing in 2016.
- Loan Activity – A \$58.8 million note was originated in the first quarter of which \$52.3 million has been borrowed on the Summit I & II buildings.
- Cash on Hand – 1.8%, below median compared to other REITs in this LifeStage.

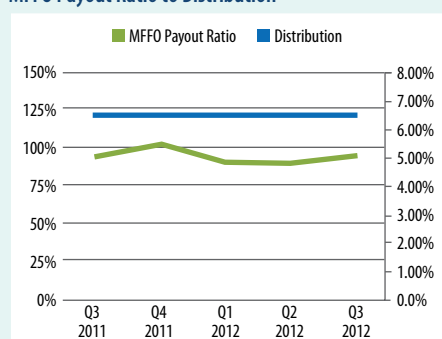
Metrics

- Distribution – 6.50%, which has held steady for the past 13 quarters.
- Distribution Source – Paid from operating cash flow and sale of shares through DRIP.
- MFFO Payout Ratio – 89% year to date down from 100% at year-end 2011.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 4.1, better than the Maturing LifeStage median of 2.5.
- Impairments – None reported.

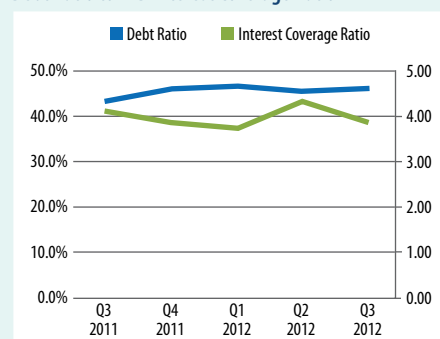
Real Estate

- Acquisitions – No acquisitions have been completed this year.
- Occupancy – 94%, down 2% from last quarter.
- Lease Expirations – 49.9% of non-cancelable operating leases expire in 2017 or later with an average remaining term of 6.1 years.
- Dispositions – Sold the Hartman II industrial building in Austell, GA for \$12.7 million (\$48.51 per square foot) resulting in a gain on sale of \$2.5 million.
- Diversification – The portfolio consists of 20 office properties, one office/flex, a portfolio of four industrial properties and one individual industrial property. Of the portfolio, 200 N. LaSalle in Chicago represents 20.2% of the assets of the REIT. In addition, Legal Services and Finance Industries make up 20.4% and 20.2% of the tenancy, respectively.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



KBS Real Estate Investment Trust III became effective in October, 2010, and acquires a diverse portfolio of real estate properties and real estate related investments, primarily in office and industrial assets. As of the end of the third quarter, the REIT had \$326.9 million in assets in five office properties totaling 1.2 million square feet and one first mortgage loan. The REIT is in the Growth LifeStage of Effective REITs, which is characterized by accelerated growth in capital raise and acquisitions. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- All of the REIT’s debt is due to be repaid prior to 2015, which exposes the REIT to interest rate and refinance risk.
- Metrics are trending toward more stable levels but still reflect unevenness typical of Growth Lifestage REITs.

Capital Stack Review

- \$35.9 million equity raised this past quarter, down from \$43.3 million the previous quarter and bringing total equity raise for the year to \$127.9 million.
- Debt – Current debt ratio is 39.9% down from 43.7% in the first quarter with 100% of the REIT’s debt in variable rate instruments.
- Debt Maturity – 43.3% and 56.7% of the REIT’s debt matures in 2013 and 2014, respectively.
- Loan Activity – The REIT entered into a \$100 million portfolio loan with U.S. Bank in April.
- Cash on Hand – 14.4% which is above the median but not unusual for this LifeStage.

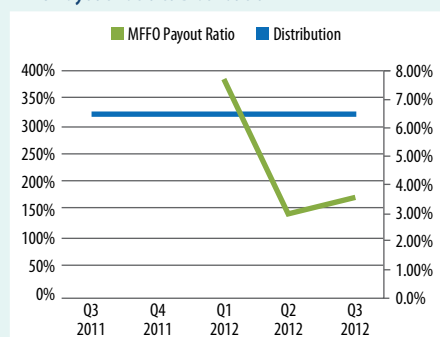
Metrics

- Distribution – The distribution yield remained steady at 6.5% over the past five quarters.
- Distribution Source – Distributions have been funded 61% from cash flow from operations with the balance from debt financing.
- MFFO Payout Ratio – 165% in the third quarter down from 371% for Q1 2012.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 3.3 for the quarter, which is better than median of 2.2 for the Growth LifeStage.
- Impairments – None reported.

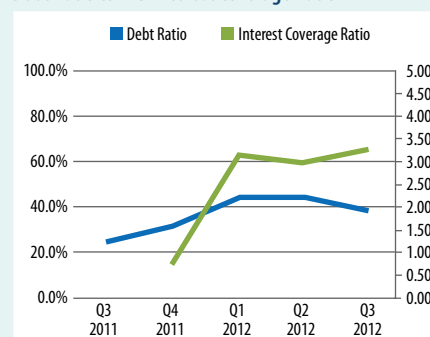
Real Estate

- Acquisitions – Year-to-date, \$182.8 million (\$205 per square foot) in acquisitions were completed for three office properties. No acquisitions occurred in the third quarter.
 - The 522,043 square foot Town Center in Plano, TX was purchased for \$112.6 million (\$216 per square foot) in the first quarter.
- Occupancy – 91% down from 97% at year-end 2011.
- Lease Expirations – 64% of the leases expire prior to 2017.
- Dispositions – None reported.
- Diversification – Three of the five assets owned by the REIT and 74% by purchase price are in Texas. It is not unusual to have high concentrations in this LifeStage.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



Sentio Healthcare Properties became effective in 2008 and invests primarily in health care properties and other real estate related assets located in the United States. The REIT had \$231.9 million in assets in 20 properties totaling 1.1 million square feet as of the end of the third quarter 2012. The REIT is currently in the Maturing Lifestage of Closed REITs that is marked by a refinement of the portfolio through dispositions, strategic acquisitions and debt. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- The REIT has changed names and advisors within the last two years. In addition, the board of directors suspended the REIT’s follow on offering in April 2011 and the DRIP was suspended in May 2011.
- The REIT has \$93 million invested in five separate joint ventures with varying equity interests.
- A share price of \$9.02 was established in December 2011, effective September 2011.

Capital Stack Review

- Debt – 62.5%, the REIT is above median for the Maturing LifeStage. 78.6% of the REIT's debt is fixed rate.
- Debt Maturity – 68.3% of the company’s debt matures in 2017 or later.
- Loan Activity – The REITs KeyBank credit facility was paid off in August. In July, the REIT financed five properties for seven years under Fannie Mae’s DUS plan.
- Cash on Hand – 9.4%, well above median and a trend that has continued for the past 11 quarters.

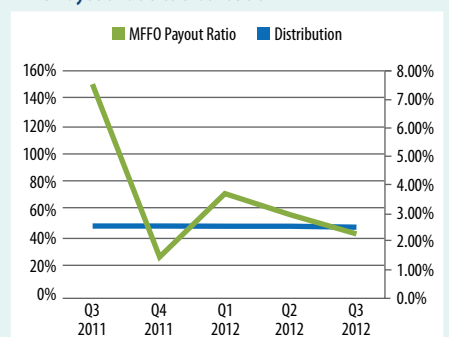
Metrics

- Distribution – 2.50%, which has been maintained for five quarters.
- Distribution Source – Paid from operating cash flow and proceeds from financings.
- MFFO Payout Ratio – 57% year-to-date, down from 149% and year-end 2011 and reflective of the reduction in the distribution percentage.
- FFO Payout Ratio – 55% year-to-date, better than median for the LifeStage.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 2.2 and steadily improving over the last 4 quarters.
- Impairments – None reported.

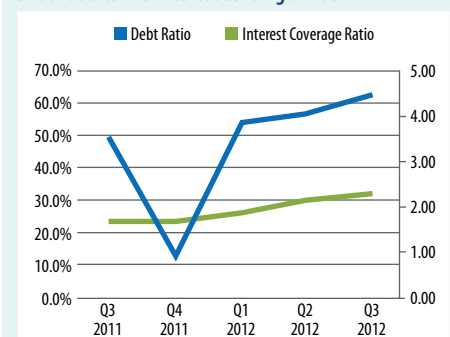
Real Estate

- Acquisitions – \$39.2 million in acquisitions were completed in the third quarter including:
 - An 80% joint venture interest in four assisted living facilities located in IL and TX with a total of 264 beds in 152 units.
- Occupancy – 89.2%, up slightly from last quarter.
- Lease Expirations – Not reported.
- Dispositions – None reported.
- Diversification – Geographic concentrations exist in Texas (24.8%), South Carolina (15.1 %) and Pennsylvania (14.3%).

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio



Wells Core Office Income REIT became effective in June 2010 and invests in office and industrial properties in the United States leased to creditworthy companies and governmental agencies. The REIT has \$456 million in assets in 11 office properties totaling 1.9 million square feet. The REIT is in the Stabilization stage of effective REITS, which is marked by the distinct formation of the REIT's investment premise and stabilization of operating metrics. The investment style of this REIT is considered to be "Core," which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- The REIT announced it would cease raising capital at the end of its Initial Offering, June 10, 2013.
- In August, the REIT's share redemption program was amended to provide for all redemptions to be paid at 91% of the offering price.

Capital Stack Review

- Capital raise – The REIT raised \$52.8 million in the third quarter, bringing it to \$173.2 million raised in 2012.
- Debt Ratio – Lower than median at 29% with 100% in variable rate instruments
- Debt Maturity – 75.6% of debt is due to be repaid in 2017 or later.
- Loan Activity – A \$300 million unsecured debt facility was entered into in the quarter.
- Cash on Hand – 1.8% below median for the Lifestage.

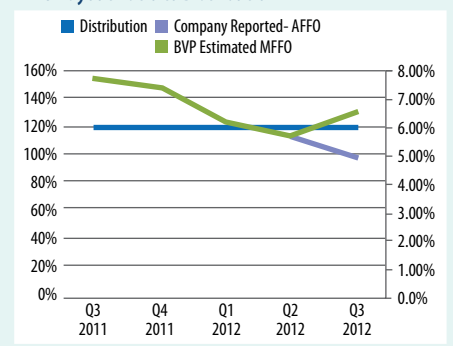
Metrics

- Distribution Rate – Steady at 6.0% since Q2 2011.
- MFFO Payout Ratio – Year-to-date of 124%, down from 157% average for 2011.
- Distribution Source – 64% of distributions were funded by cash flow from operations year to date with the balance from borrowings.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 4.7, up slightly from the previous quarter and well above the median for the LifeStage.
- Impairments – None reported.

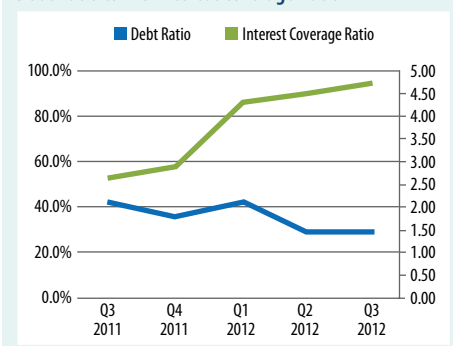
Real Estate

- Acquisitions – Three properties have been purchased in 2012 totaling \$149.9 million (\$280/square foot) including two in the third quarter. Of note:
 - All properties purchased have been 100% leased.
 - Two properties were purchased in IL for a total of \$59 million (\$221/square foot) in the 3Q in separate transactions.
- Occupancy – 100% leased.
- Lease Expirations – 96% of the leases expire in 2017 or later.
- Dispositions – None.
- Diversification – 37% of assets are owned in Texas and 15% of assets are in Illinois. It is not unusual for a REIT in this LifeStage to have high concentrations of ownership.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio





Wells Real Estate Investment Trust II became effective in 2003 and focuses on high-quality office properties leased to creditworthy companies. The REIT commenced its public offering in December 2003 and closed to capital raising in June 2010. Currently, the REIT has \$5.6 billion of assets totaling 22.2 million square feet. The REIT owns 69 office properties and one hotel. All are in the continental United States with the exception of one office property in Moscow, Russia. The REIT is in the Liquidating Lifestage of Closed REITS, which is recognized by the positioning of the portfolio for sale or for listing on a public exchange. The investment style of this REIT is considered to be “Core,” which is typically defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in asset values.

Key Highlights

- The REIT announced in November its plan to become independent of its sponsor in the first quarter of 2013 with a listing of the REITs shares on a national securities exchange as “most likely.”
- A dedicated management team is being identified by the Advisor to manage the REIT’s operations as employees of the REIT.
- In June, the REIT announced that the Advisor had waived payment of internalization fees.
- The share price was adjusted to \$7.33 per share as of the end of the third quarter in a November valuation, a reduction from \$7.47 per share.

Capital Stack Review

- Debt – With a debt ratio of 26.1%, the REIT is below median for Closed REITs. 96% of the REITs debt is fixed rate. Included are \$250 million of 7-year bonds issued in 2011 and due in 2018.
- Debt Maturity – 52.9% of the company’s debt is due to be repaid in 2017 or later.

- Loan Activity – At the beginning of 2012, the REIT closed on a four year, unsecured term loan at an interest rate of 2.63%. The maximum \$450 million in total proceeds has been funded.
- Cash on hand – 0.9% of total assets.

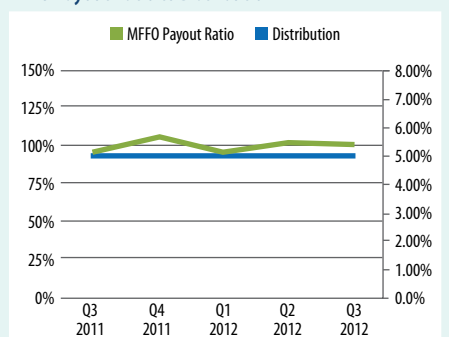
Metrics

- Distribution – 5.0%, based upon a \$10.00 per share price, stable since the beginning of 2011. The quarterly distribution rate will be reduced in the fourth quarter to 3.8%, based upon a \$10.00 share price or 5.2% on the \$7.33 valuation per share.
- Distribution Source – Paid 100% from cash flow from operating activities.
- MFFO Payout Ratio – 100% year-to-date up modestly from 97% at year-end 2011.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 3.6 reflects the very low debt ratio in the REIT.
- Impairments – A loss of \$18.5 million was taken relative to the 180 E. 100 South office building in Salt Lake City, Utah.

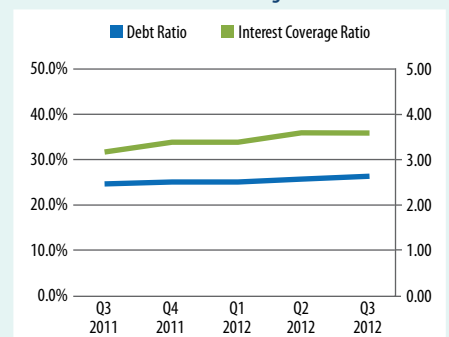
Real Estate

- Acquisitions – None completed in 2012.
- Occupancy – 91.7% on par with last quarter.
- Lease Expirations – 59% of the leases in the portfolio expire in 2017 or later with an average remaining lease term of 6.7 years.
- Dispositions – None reported in the third quarter, year-to-date, \$60.1 million has been sold in two assets. The REIT has a nine-property portfolio currently under contract for \$260.5 million with a targeted closing in the fourth quarter.
- Diversification – Properties are owned in 22 states, the District of Columbia and Moscow, Russia with 15% of the portfolio located in Atlanta, GA.

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio





Nontraded REIT Industry Review: Third Quarter 2012

American Realty Capital – Retail Centers of America, Inc.

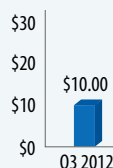
Total Assets.....	\$23.2 Million
Real Estate Assets	\$21.4 Million
Cash	\$1.0 Million
Securities	\$0.0 Million
Other	\$0.7 Million



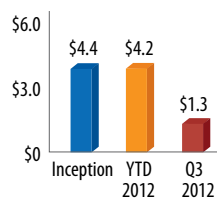
Initial Offering Date:	March 17, 2011
Number of Months Fundraising:	18
Anticipated Offering Close Date:	March 17, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	4.4%
Asset Type:	Retail
Number of Properties:	1
Square Feet / Units / Rooms / Acres:	105,970
Percent Leased:	94.7%
LifeStage.....	Emerging
Investment Style	Core

Historical Price

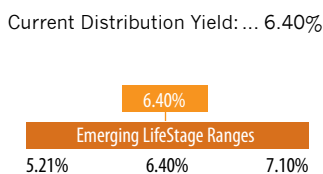


Gross Dollars Raised*

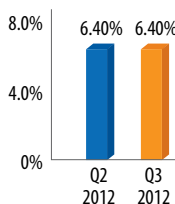


*Includes reinvested distributions (in millions)

Current Distribution



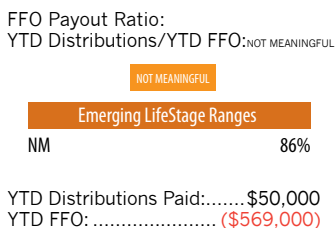
Historical Distribution



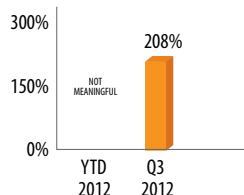
Contact Information

www.retailcentersofamerica.com
American Realty Capital – Retail Centers of America
 405 Park Avenue, 12th floor
 New York, NY 10022
 (212) 415-6500

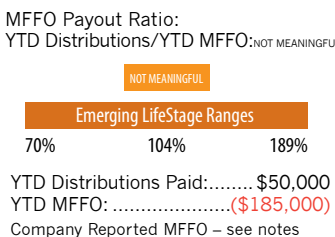
Year to Date FFO Payout Ratio



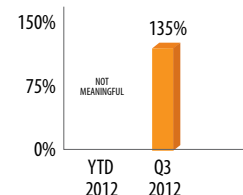
Historical FFO Payout Ratio



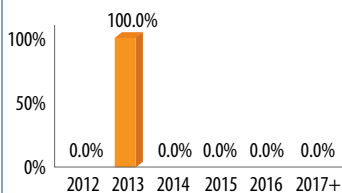
Year to Date MFFO Payout Ratio



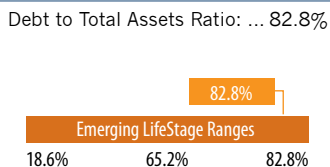
Historical MFFO Payout Ratio



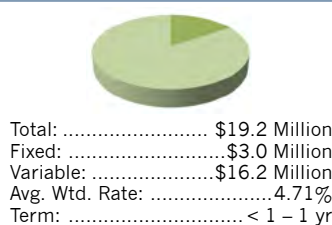
Debt Repayment Schedule



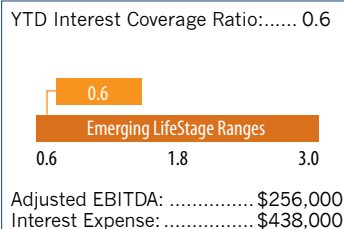
Current Debt Ratio



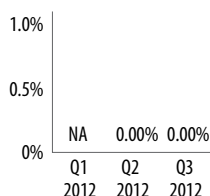
Debt Breakdown



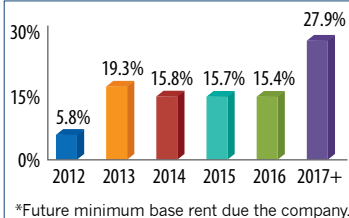
Interest Coverage Ratio



Redemptions



Lease Expirations



Trends and Items of Note

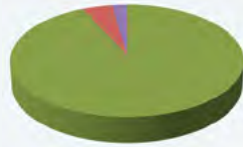
- On September 19, 2011, the REIT's board of directors declared a distribution at a rate of \$0.0017534247 per day, 6.40% annualized. The distributions began to accrue on September 8, 2012, the date of the REIT's initial property acquisition.
- The Company did not acquire any properties during the third quarter.
- Cash to total assets is 4.4% which is significantly below median compared to other REITs in the Emerging LifeStage.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 96 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

American Realty Capital Daily Net Asset Value, Inc.

Total Assets.....	\$26.2 Million
Real Estate Assets	\$24.4 Million
Cash.....	\$1.2 Million
Securities	\$0.0 Million
Other.....	\$0.6 Million



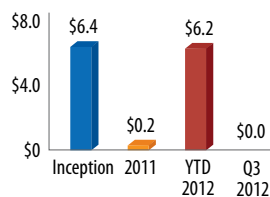
Initial Offering Date: August 15, 2011
 Number of Months Fundraising: 14
 Anticipated Offering Close Date: August 15, 2013
 Current Price per Share: See Below
 Reinvestment Price per Share: See Below

Cash to Total Assets Ratio: 4.5%
 Asset Type: Diversified
 Number of Properties: 6
 Square Feet / Units / Rooms / Acres: 148,248 Sq. Ft.
 Percent Leased: 100.0%
 LifeStage..... Emerging
 Investment Style Core

Historical Price

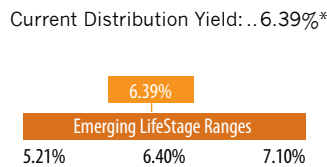


Gross Dollars Raised*

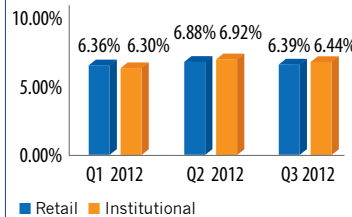


*Includes reinvested distributions (in millions)

Current Distribution



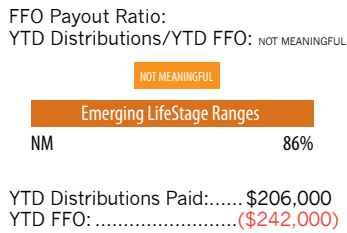
Historical Distribution



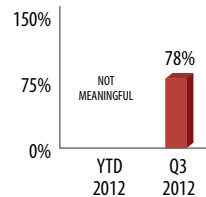
Contact Information

www.AmericanRealtyCap.com
 405 Park Avenue
 New York, NY 10022
 212-415-6500

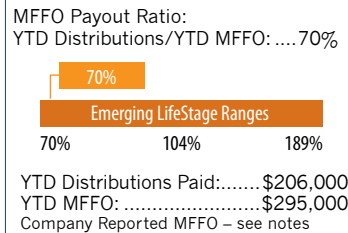
Year to Date FFO Payout Ratio



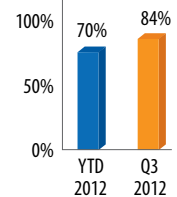
Historical FFO Payout Ratio



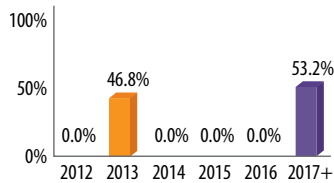
Year to Date MFFO Payout Ratio



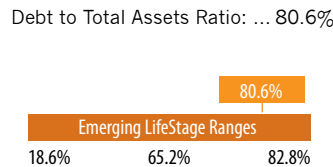
Historical MFFO Payout Ratio



Debt Repayment Schedule



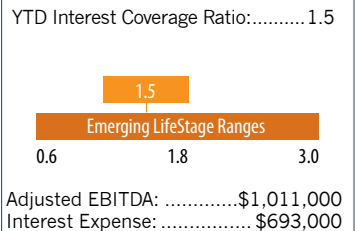
Current Debt Ratio



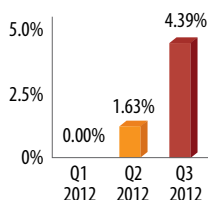
Debt Breakdown



Interest Coverage Ratio



Redemptions



Lease Expirations

Weighed average lease term is 13.7 yrs

Trends and Items of Note

- The current distribution yield referenced above is based on the retail share price of \$9.86 as of September 30, 2012. The annualized yield based on the institutional share price of \$9.79 is 6.44% as of September 30, 2012.
- The Company did not acquire any properties during the third quarter.
- The Company's cash to total assets ratio is significantly below median compared to other REITs in the Emerging LifeStage.
- The Company hedged \$9.7 million of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



American Realty Capital Healthcare Trust, Inc.

Total Assets.....	\$486.5 Million
Real Estate Assets	\$446.7 Million
Cash	\$28.8 Million
Securities	\$0.0 Million
Other	\$11.0 Million



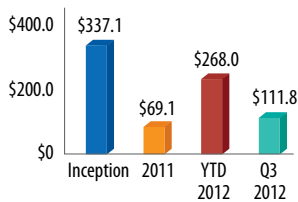
Initial Offering Date:	February 18, 2011
Number of Months Fundraising:	19
Anticipated Offering Close Date:	February 18, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio: 5.9%
 Asset Type: Medical Office / Healthcare
 Number of Properties: 36
 Square Feet / Units / Rooms / Acres: 1,518,016 Sq. Ft.
 Percent Leased: 97.7%
 LifeStage..... Growth
 Investment Style Core

Historical Price



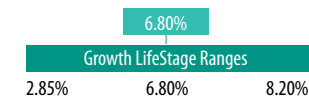
Gross Dollars Raised*



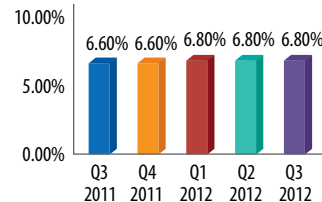
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.80%



Historical Distribution

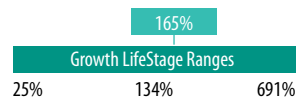


Contact Information

www.AmericanRealtyCap.com
 405 Park Avenue
 New York, NY 10022
 877-373-2522

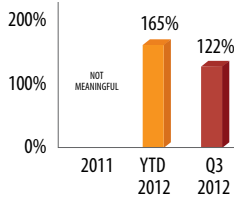
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 165%



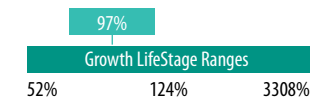
YTD Distributions Paid:..... \$8,077,000
 YTD FFO: \$4,883,000

Historical FFO Payout Ratio



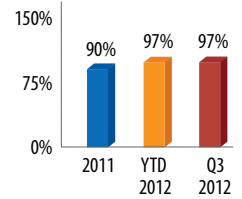
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 97%

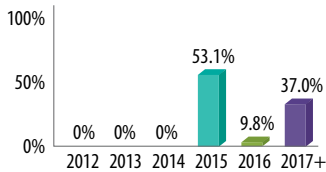


YTD Distributions Paid:..... \$8,077,000
 YTD MFFO: \$8,363,000
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

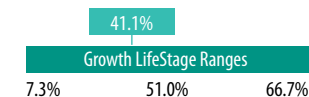


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 41.1%

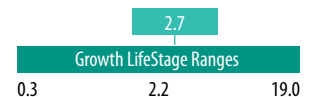


Debt Breakdown

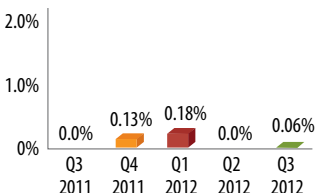
Total: \$200.1 Million
 Fixed: \$200.1 Million
 Variable: \$0.0 Million
 Avg. Wtd. Rate: 5.00%
 Term: 3 – 5 yrs

Interest Coverage Ratio

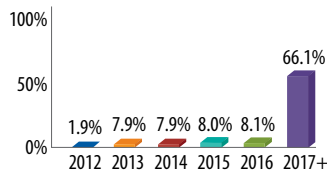
YTD Interest Coverage Ratio: 2.7



Redemptions



Lease Expirations*



*Future Minimum Base Rent Payments

Trends and Items of Note

- For the quarter ended September 30, 2012, the REIT acquired four medical office buildings and one hospital, collectively containing 366,367 square feet, representing an aggregate contract purchase price of \$109.4 million.
- On October 25, 2012, the Company amended its credit facility agreement to increase the maximum commitment to \$200.0 million with a modified "accordion" feature to allow the REIT, under defined circumstances, to increase the aggregate commitment up to a maximum of \$400.0 million.
- For the quarter ended September 30, 2012, the REIT's debt to total assets ratio declined to 41.1% compared to 45.7% during the previous quarter.
- The Company's year-to-date Interest Coverage Ratio is above median compared to other Growth LifeStage REITs.
- The Company hedged \$22.3 million of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



American Realty Capital New York Recovery REIT, Inc.

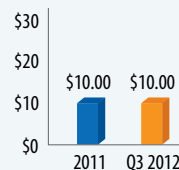
Total Assets.....	\$236.0 Million
Real Estate Assets	\$209.0 Million
Cash.....	\$16.9 Million
Securities	\$0.0 Million
Other.....	\$10.1 Million



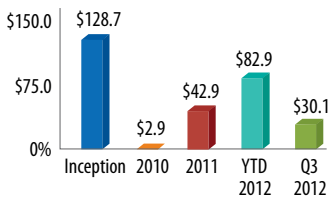
Initial Offering Date:	September 2, 2010
Number of Months Fundraising:	25
Anticipated Offering Close Date:	September 2, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	7.2%
Asset Type:	Office & Retail
Number of Properties:	12
Square Feet / Units / Rooms / Acres:	294,638 sq ft
Percent Leased:	94.6%
LifeStage.....	Growth
Investment Style	Value Add

Historical Price



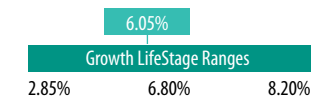
Gross Dollars Raised*



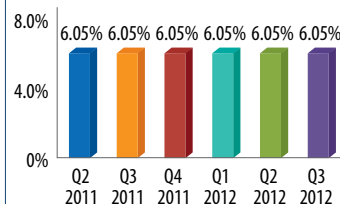
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.05%



Historical Distribution

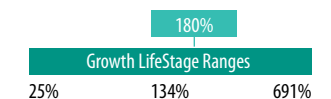


Contact Information

www.AmericanRealtyCap.com
**American Realty Capital
 New York Recovery REIT, Inc.**
 405 Park Avenue
 New York, NY 10022
 212-415-6500

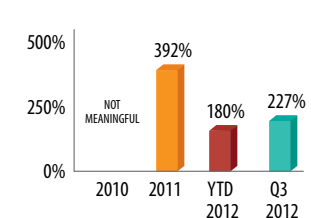
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 180%



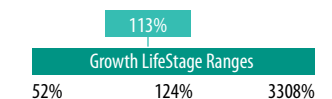
YTD Distributions Paid: ... \$4,330,000
 YTD FFO: \$2,409,000

Historical FFO Payout Ratio



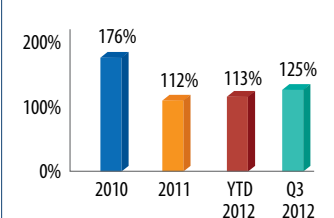
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 113%

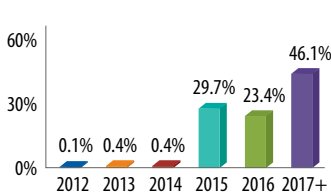


YTD Distributions Paid:.. \$4,330,000
 YTD MFFO: \$3,819,000
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

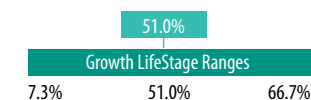


Debt Repayment Schedule

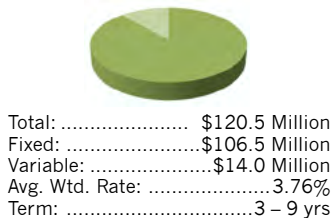


Current Debt Ratio

Debt to Total Assets Ratio: ... 51.0%

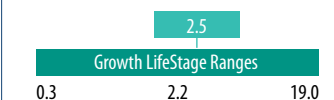


Debt Breakdown



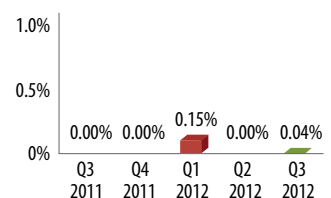
Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.5



Adjusted EBITDA: \$8,795,000
 Interest Expense: \$3,466,000

Redemptions



Lease Expirations

Weighted average lease terms
 is 9.2 yrs

Trends and Items of Note

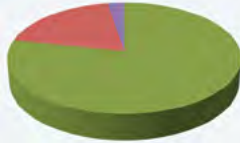
- For the quarter ended September 30, 2012, the REIT acquired a residential building, located at 163 Washington Avenue in Brooklyn, New York for a contract purchase price of \$31.5 million, exclusive of closing costs. The property contains 41,613 rentable square feet and includes 49 residential rental units and one commercial unit leased to a day care provider. In addition, the property contains a 36-space parking facility and 20 storage units.
- The Company is communicating with its tenants to evaluate whether any of its properties may have been affected by Hurricane Sandy in a manner that would have resulted in any property damage or financial impact, as well as the REIT's ability to recover, through its insurance policies, any loss due to interruption of business or damage to any property.
- The Company's cash to total assets ratio increased to 7.2% compared to the previous quarter's ratio of 1.3%.
- The Company's year-to-date Interest Coverage Ratio has remained steady at 2.5 for the past two quarters.
- The Company hedged \$33.2 million of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 96 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

Apple REIT Ten, Inc.

Total Assets.....	\$649.9 Million
Real Estate Assets	\$507.8 Million
Cash.....	\$125.0 Million
Securities	\$0.0 Million
Other.....	\$17.1 Million



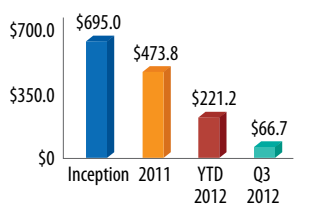
Initial Offering Date:	January 19, 2011
Number of Months Fundraising:	20
Anticipated Offering Close Date:	January 19, 2013
Current Price per Share:	\$11.00
Reinvestment Price per Share:	Not Applicable

Cash to Total Assets Ratio:	19.2%
Asset Type:	Hospitality
Number of Properties:	31
Square Feet / Units / Rooms / Acres:	3,882 Rooms
Percent Leased:	73%
LifeStage.....	Growth
Investment Style	Core

Historical Price



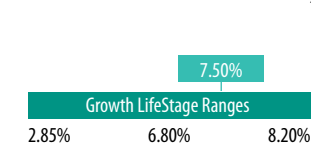
Gross Dollars Raised*



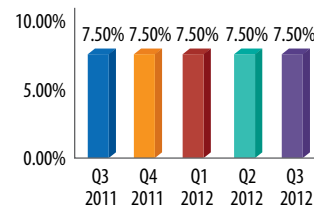
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.50%



Historical Distribution

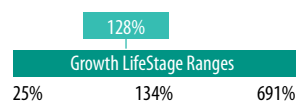


Contact Information

www.AppleREITTen.com
814 E. Main Street
Richmond, VA 23219
804-727-6321

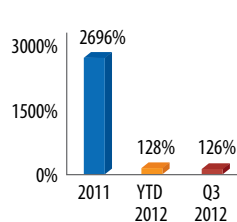
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO: 128%



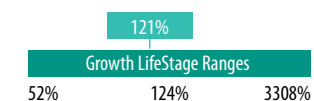
YTD Distributions Paid: . \$32,011,000
YTD FFO: \$24,975,000

Historical FFO Payout Ratio



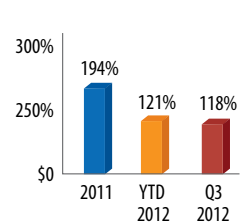
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO: .. 121%

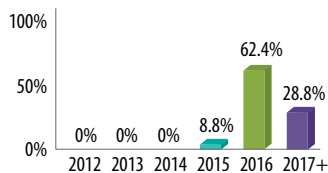


YTD Distributions Paid: ... \$32,011,000
YTD MFFO: \$26,516,000
Company Reported MFFO – see notes

Historical MFFO Payout Ratio

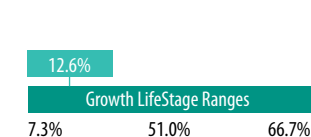


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 12.6%

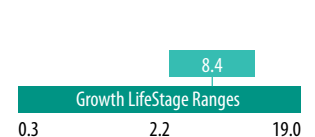


Debt Breakdown

Total: \$81.6 Million
Fixed: \$81.6 Million
Variable: \$0.0 Million
Avg. Wtd. Rate: 6.02%
Term: 3 – 5yrs

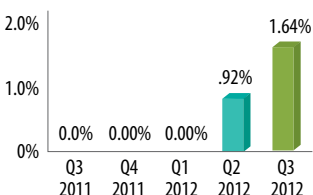
Interest Coverage Ratio

YTD Interest Coverage Ratio: 8.4



Adjusted EBITDA: \$30,112,000
Interest Expense: \$3,596,000

Redemptions



Lease Expirations

Not Reported

Trends and Items of Note

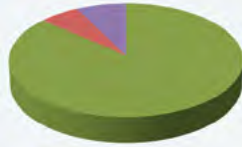
- The REIT acquired two properties in Q3 2012, for \$25.5 million.
- On October 22, 2012, FINRA issued an order against DLA and David Lerner, individually, requiring DLA to pay approximately \$12 million in restitution to certain investors in our Units. In addition, David Lerner, individually, was fined \$250,000 and suspended for one year from the securities industry, followed by a two year suspension from acting as a principal. Although the order requires DLA to pay restitution to certain investors, the actual investors who are to receive restitution are not known at this time but will be determined by an independent consultant as set forth in the order. While the order imposes sanctions, penalties and fines on both DLA and David Lerner, individually, the order does permit DLA to continue to serve as the managing dealer for the REIT's best-efforts offering of Units.
- Cash to total assets was 19.2% as of September 30, 2012, well above the Growth LifeStage median of 7.2%.
- The Interest Coverage Ratio increased to 8.4 in the third quarter and remains well above the median of 2.8 for the universe of Growth LifeStage REITs for third quarter in a row.
- The Company did not report MFFO according to the IPA Guidelines however, Blue Vault Partners did not identify any adjustments to the REIT's reported MFFO.
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Bluerock Enhanced Multifamily Trust, Inc.

Total Assets.....	\$63.5 Million
Real Estate Assets	\$54.8 Million
Cash	\$3.8 Million
Securities	\$0.0 Million
Other	\$4.8 million



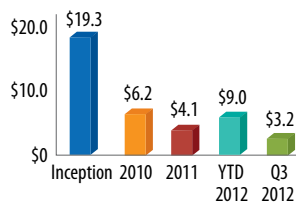
Initial Offering Date:	October 15, 2009
Number of Months Fundraising:	35
Anticipated Offering Close Date:	April 13, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	6.1%
Asset Type:	Multifamily
Number of Properties:	4
Square Feet / Units / Rooms / Acres:.....	976,036 sq ft; 1,065 Units
Percent Leased:	94.0%
LifeStage.....	Growth
Investment Style	Core

Historical Price



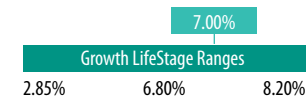
Gross Dollars Raised*



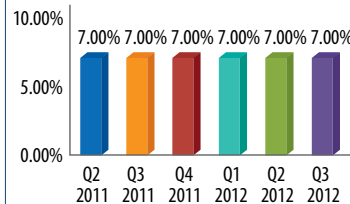
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

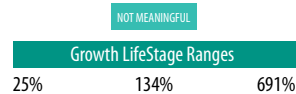


Contact Information

www.BlueRockRE.com
Bluerock Enhanced Multifamily Trust, Inc.
 c/o Bluerock Real Estate, LLC
 70 E. 55th St., 9th Floor
 New York, NY 10022
(877) 826-2583

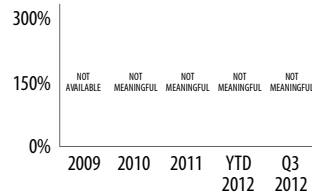
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



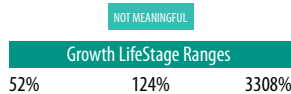
YTD Distributions Paid:..... \$741,481
 YTD FFO:, (\$938,339)

Historical FFO Payout Ratio



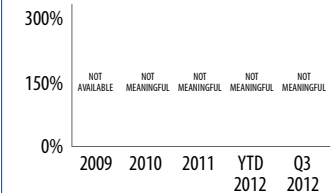
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: NOT MEANINGFUL

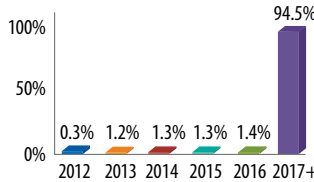


YTD Distributions Paid:..... \$741,481
 YTD MFFO:, (\$721,963)
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio



Debt Repayment Schedule



*Contractual principal payments as a percentage of total debt.

Current Debt Ratio

Debt to Total Assets Ratio: ... 65.0%

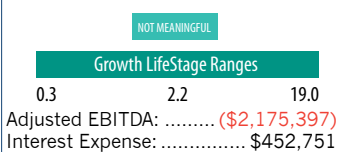


Debt Breakdown

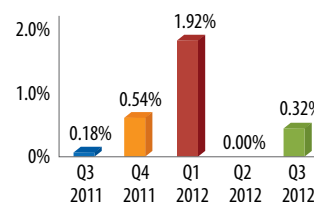
Total:	\$41.2 Million
Fixed:	\$41.2 Million
Variable:	\$0.0 Million
Avg. Wtd. Rate:	4.65%
Term:	5 – 38 yrs

Interest Coverage Ratio

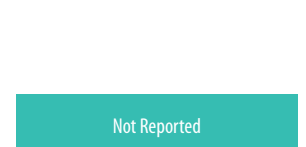
YTD Interest Coverage Ratio: NOT MEANINGFUL



Redemptions



Lease Expirations



Trends and Items of Note

- The Company moved from the Emerging LifeStage phase into the Growth LifeStage phase during the third quarter.
- The Company did not acquire any properties during the third quarter.
- The Company filed a follow-on offering during the third quarter.
- On October 2, 2012, the REIT entered into a working capital line of credit provided by BEMT Co-Investor II and BEMT Co-Investor III, pursuant to which it may borrow up to \$12.5 million, pursuant to which it made an initial draw of \$4.8 million on October 2, 2012 and a subsequent draw of \$3.2 million on October 18, 2012. The BEMT Co-Investor LOC has a 6-month term. The maturity date is April 2, 2013, and may be prepaid without penalty. It bears interest compounding monthly at a rate of 30-day LIBOR + 6.00%, subject to a minimum rate of 7.50%, annualized for three months, and thereafter bears interest compounding monthly at a rate of 30-day LIBOR + 6.00%, subject to a minimum rate of 8.50% for the remainder of the term.
- The Debt to total assets ratio of 65.0% remained steady compared to the previous quarter and is above the median of 51.0% for Growth LifeStage REITs.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Carey Watermark Investors Incorporated

Total Assets.....	\$137.5 Million
Real Estate Assets	\$87.5 Million
Cash	\$41.5 Million
Securities	\$0.0 Million
Other	\$8.5 Million



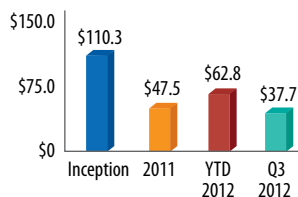
Initial Offering Date:	September 15, 2010
Number of Months Fundraising:	24
Anticipated Offering Close Date:	September 15, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	30.2%
Asset Type:	Hospitality
Number of Properties:	6
Square Feet / Units / Rooms / Acres:	1,062 rooms
Percent Leased:	Not Available
LifeStage.....	Growth
Investment Style	Value Add

Historical Price



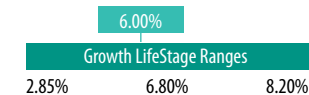
Gross Dollars Raised*



*Includes reinvested distributions (in millions)

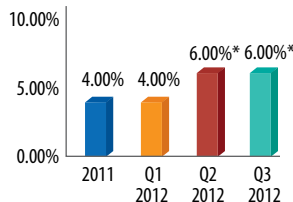
Current Distribution

Current Distribution Yield: ... 6.00%*



*See notes.

Historical Distribution



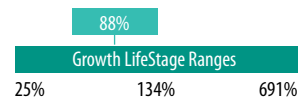
*See notes.

Contact Information

www.CareyWatermark.com
W. P. Carey Inc.
50 Rockefeller Plaza
New York, NY 10020
800-WP CAREY

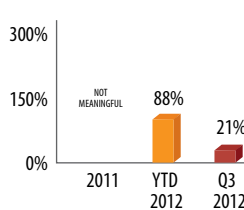
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO:.....88%



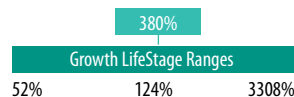
YTD Distributions Paid:... \$1,888,608
YTD FFO:\$2,141,375

Historical FFO Payout Ratio



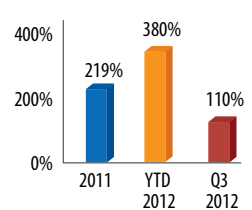
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO:380%

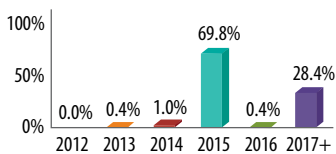


YTD Distributions Paid:... \$1,888,608
YTD MFFO: \$497,190
Company Reported MFFO – see notes

Historical MFFO Payout Ratio

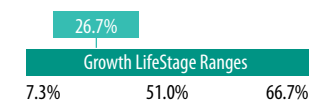


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 26.7%



Debt Breakdown



Total:\$36.7 Million
Fixed:\$28.8 Million
Variable:\$7.9 Million
Avg. Wtd. Rate:4.76%
Term: 3 – 7 yrs

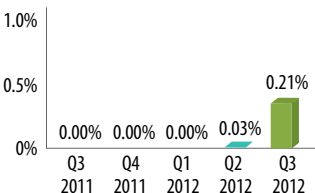
Interest Coverage Ratio

YTD Interest Coverage Ratio: 8.8



Adjusted EBITDA:\$4,909,884
Interest Expense:\$559,205

Redemptions



Lease Expirations

Not Applicable

Trends and Items of Note

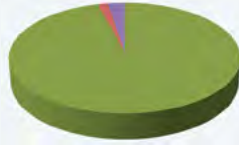
- The Company moved from the Emerging LifeStage phase into the Growth LifeStage phase during the third quarter.
- On July 9, 2012, the REIT acquired a 97.35% controlling interest in the Lake Arrowhead Resort for \$26 million.
- The third quarter 2012 daily distribution was \$0.0016304 per share, comprised of \$0.0013587 per day payable in cash and \$0.0002717 per day payable in shares of CWI's common stock, which equates to \$0.60 per share on an annualized basis and was paid on October 16, 2012 to stockholders of record on each day during the third quarter.
- In September 2012, the board of directors extended the primary offering for one year to September 15, 2013.
- The year-to-date Interest Coverage Ratio is 8.8 which is significantly above the median compared to other Growth LifeStage REITs. This is the first quarter that the REIT has had a meaningful ratio.
- The Company hedged \$7.9 million of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Carter Validus Mission Critical REIT, Inc.

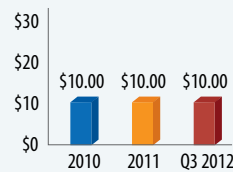
Total Assets.....	\$331.6 Million
Real Estate Assets	\$317.6 Million
Cash	\$5.1 Million
Securities	\$0.0 Million
Other	\$9.0 million



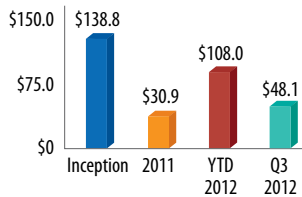
Initial Offering Date:	December 10, 2010
Number of Months Fundraising:	21
Anticipated Offering Close Date:	December 10, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio: 1.5%
 Asset Type: Data Center and Healthcare
 Number of Properties: 11 Properties; 2 Notes
 Square Feet / Units / Rooms / Acres: 941,000 Sq. Ft.
 Percent Leased: 100%
 LifeStage: Growth
 Investment Style Core

Historical Price



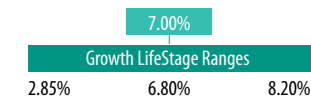
Gross Dollars Raised*



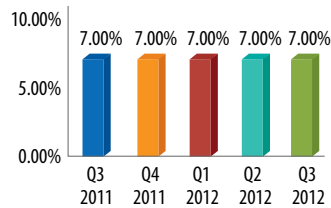
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

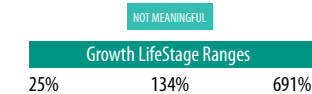


Contact Information

www.CVMissionCriticalReit.com
Carter Validus Mission Critical REIT, Inc.
 c/o DST Systems, Inc.
 P.O. Box 219731
 Kansas City, MO 64121-9731
 888-292-3178

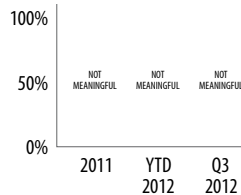
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



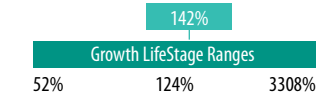
YTD Distributions Paid: ... \$3,373,000
 YTD FFO: (\$1,734,000)

Historical FFO Payout Ratio



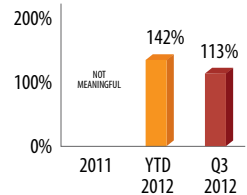
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 142%

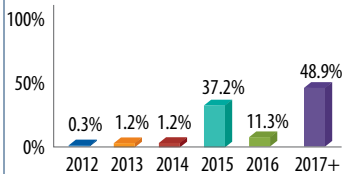


YTD Distributions Paid: ... \$3,373,000
 YTD MFFO: \$2,372,000
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

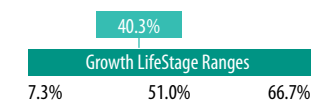


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 40.3%

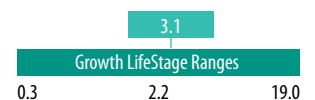


Debt Breakdown

Total: \$133.6 Million
 Fixed: \$85.6 Million
 Variable: \$48.0 Million
 Avg. Wtd. Rate: 5.59%
 Term: 3 – 10 yrs

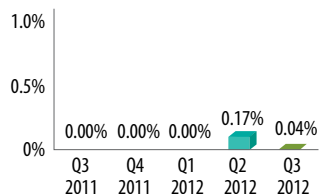
Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.1



Adjusted EBITDA: \$12,123,000
 Interest Expense: \$3,852,000

Redemptions



Lease Expirations

Weighted average remaining lease term
 of 12.4 years as of 9/30/12

Trends and Items of Note

- During the third quarter, the REIT acquired three properties for \$97.5 million.
- On November 2, 2012, the Advisor waived receipt of any internalization fee upon listing.
- The Company's debt to total assets ratio increased to 40.3% during Q3 2012 compared to 37.8% during Q2 2012.
- The year-to-date Interest Coverage Ratio improved slightly to 3.1 for 3Q 2012 compared to 3.0 during Q2 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



CNL Healthcare Trust, Inc.

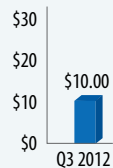
Total Assets.....	\$192.3 Million
Real Estate Assets	\$147.9 Million
Cash	\$39.2 Million
Securities	\$0.0 Million
Other	\$5.2 Million



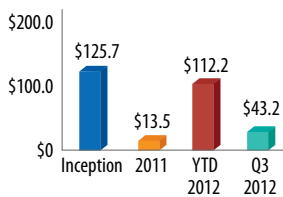
Initial Offering Date:	June 27, 2011
Number of Months Fundraising:	15
Anticipated Offering Close Date:	June 27, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	20.4%
Asset Type:	Senior Housing
Number of Properties:	6 & 2 Joint Ventures
Square Feet / Units / Rooms / Acres:	394 Units
Percent Leased:	94.4%
LifeStage.....	Growth
Investment Style	Core

Historical Price



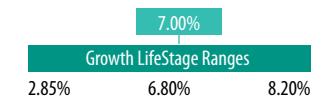
Gross Dollars Raised*



*Includes reinvested distributions (in millions)

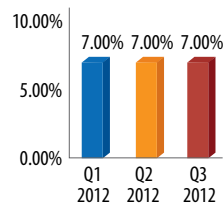
Current Distribution

Current Distribution Yield:..... 7.00%



*See Notes

Historical Distribution



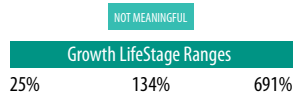
*See Notes

Contact Information

www.CNLHealthcareTrust.com
CNL Client Services
450 South Orange Ave.
Orlando, FL 32801
866-650-0650

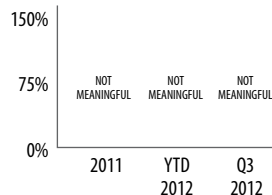
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



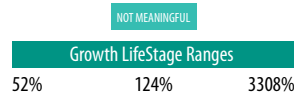
YTD Distributions Paid:..\$1,744,513
 YTD FFO:,(\$6,188,581)

Historical FFO Payout Ratio



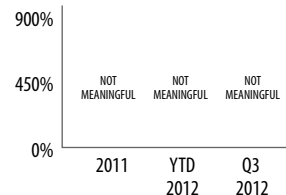
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: NOT MEANINGFUL

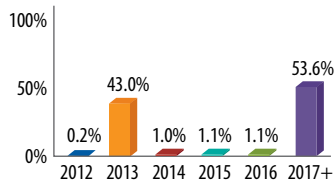


YTD Distributions Paid:..\$1,744,513
 YTD MFFO:,(\$611,424)
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

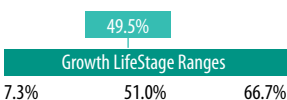


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 49.5%



Debt Breakdown

Total: \$95.2 Million
 Fixed: \$95.2 Million
 Variable: \$0.0 Million
 Avg. Wtd. Rate: 5.74%
 Term: 2 – 10 yrs.

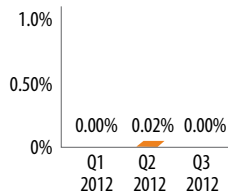
Interest Coverage Ratio

YTD Interest Coverage Ratio: 0.3



Adjusted EBITDA: \$1,047,142
 Interest Expense: \$3,335,147

Redemptions



Lease Expirations

Remaining lease term is 10 years.

Trends and Items of Note

- The Company moved from the Emerging LifeStage phase into the Growth LifeStage phase during the third quarter.
- In August 2012, the REIT acquired a 75% membership interest in three senior housing properties through a joint venture (the "Windsor Manor Joint Venture"), formed by the REIT and its co-venture partner, for approximately \$4.8 million. The remaining 25% interest is held by the REIT's co-venture partner. The total acquisition price for the three senior housing properties was approximately \$18.8 million.
- The 0.3 interest coverage ratio is the lowest among the Growth LifeStage REITs.
- The debt to total assets ratio of 49.5% is slightly below the Growth LifeStage REITs median of 51.0%.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 97 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

Cole Corporate Income Trust, Inc.

Total Assets.....	\$120.1 Million
Real Estate Assets	\$97.2 Million
Cash	\$21.7 Million
Securities	\$0.0 Million
Other	\$1.2 Million



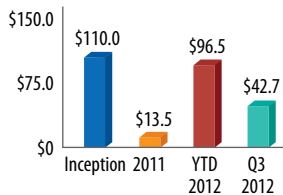
Initial Offering Date:	February 10, 2011
Number of Months Fundraising:	19
Anticipated Offering Close Date:	February 10, 2014
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	18.1%
Asset Type:	Office & Industrial
Number of Properties:	6
Square Feet / Units / Rooms / Acres:	614,000 Sq. Ft.
Percent Leased:	100%
LifeStage.....	Emerging
Investment Style	Core

Historical Price



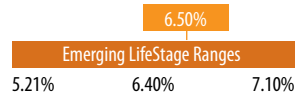
Gross Dollars Raised*



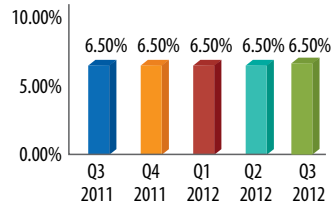
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution



Contact Information

www.colecapital.com
Cole Corporate Income Trust, Inc.
 2325 East Camelback Road,
 Suite 1100
 Phoenix, Arizona, 85016
 866-341-2653

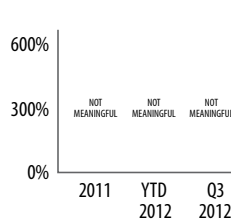
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



YTD Distributions Paid: ... \$1,999,629
 YTD FFO:

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

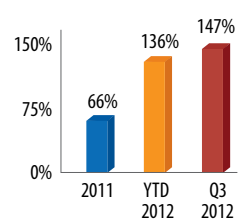
MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 136%



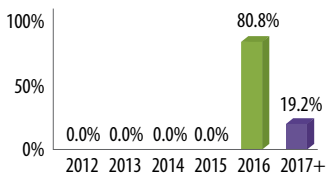
YTD Distributions Paid: ... \$1,999,629
 YTD MFFO:

*BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

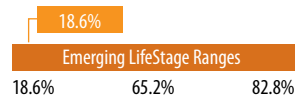


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 18.6%



Debt Breakdown

Total:	\$22.4 Million
Fixed:	\$22.4 Million
Variable:	\$0.0 Million
Avg. Wtd. Rate:	4.62%
Term:	4.3 yrs

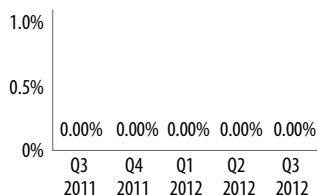
Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.0



Adjusted EBITDA: \$2,289,129
 Interest Expense: \$775,542

Redemptions



Lease Expirations

Weighted average lease term
 of 9.3 years.

Trends and Items of Note

- During the nine months ended September 30, 2012, the Company acquired three commercial properties for an aggregate purchase price of \$64.6 million
- The cash to total assets ratio of 18.6% declined significantly compared to the second quarter ratio of 49.1%.
- The Company's interest coverage ratio of 3.0 as of Q3 2012 improved from 2.4 in 2Q 2012 and is better than the median for Emerging LifeStage REITs.
- The Company did not report MFFO for Q3 2012. The MFFO Payout Ratios reported above were estimated by Blue Vault Partners based on the IPA Guidelines.
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Cole Credit Property Trust IV, Inc.

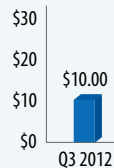
Total Assets.....	\$175.7 Million
Real Estate Assets	\$159.1 Million
Cash	\$12.0 Million
Securities	\$0.0 Million
Other.....	\$4.6 Million



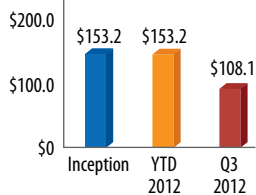
Initial Offering Date:	January 26, 2012
Number of Months Fundraising:	8
Anticipated Offering Close Date:	January 26, 2014
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	6.8%
Asset Type:	Retail
Number of Properties:	32
Square Feet / Units / Rooms / Acres:	582,000 Sq. Ft.
Percent Leased:	99.8%
LifeStage.....	Emerging
Investment Style	Core

Historical Price



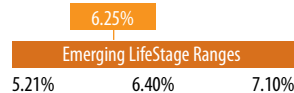
Gross Dollars Raised*



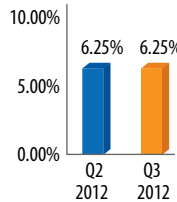
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.25%



Historical Distribution



Contact Information

www.colecapital.com
Cole Credit Property Trust IV, Inc.
 2325 East Camelback Road,
 Suite 1100
 Phoenix, Arizona, 85016
 866-341-2653

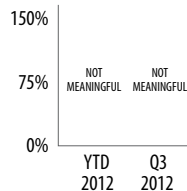
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



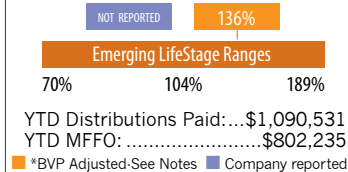
YTD Distributions Paid: ... \$1,090,531
 YTD FFO: ... (\$3,947,543)

Historical FFO Payout Ratio



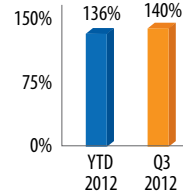
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 136%

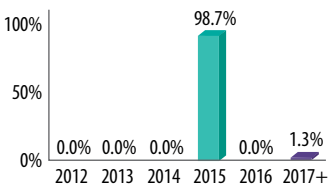


YTD Distributions Paid: ... \$1,090,531
 YTD MFFO: ... \$802,235
 *BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

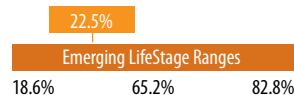


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 22.5%



Debt Breakdown



Total: ... \$39.5 Million
 Fixed: ... \$0.5 Million
 Variable: ... \$39.0 Million
 Avg. Wtd. Rate: ... 2.69%
 Term: ... 3 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: ... 2.0



Adjusted EBITDA: ... \$1,229,510
 Interest Expense: ... \$617,635

Redemptions



Lease Expirations

Weighted average
 lease term is 16.2 years.

Trends and Items of Note

- During the nine months ended September 30, 2012, the Company acquired 16 commercial properties for an aggregate purchase price of \$92.7 million.
- As of September 30, 2012, two of the Company's tenants, Walgreen Co. and Town & Country Food Stores, Inc., each accounted for 11% of the REIT's 2012 gross annualized rental revenues.
- The Company's debt to total assets ratio declined to of 22.5% compared to 40.7% for the previous quarter.
- The Company's interest coverage ratio increased to 2.0 in Q3 2012 from 1.2 as of 2Q 2012.
- The Company did not report MFFO for Q3 2012. The MFFO Payout Ratios reported above were estimated by Blue Vault Partners based on the IPA Guidelines.
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Cole Real Estate Income Strategy (Daily NAV), Inc.

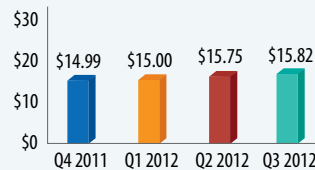
Total Assets.....	\$32.9 Million
Real Estate Assets	\$31.3 Million
Cash	\$0.6 Million
Securities	\$0.2 Million
Other	\$0.8 Million



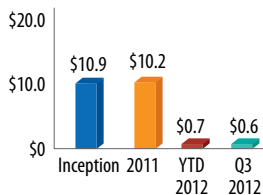
Initial Offering Date:	December 6, 2011
Number of Months Fundraising:	10
Anticipated Offering Close Date:	Perpetual Life
Current Price per Share:	\$15.82
Reinvestment Price per Share:	NAV

Cash to Total Assets Ratio:	1.7%
Asset Type:	Diversified
Number of Properties:	9
Square Feet / Units / Rooms / Acres:	212,575 Sq. Ft.
Percent Leased:	100%
LifeStage	Emerging
Investment Style	Core

Historical Price



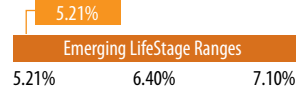
Gross Dollars Raised*



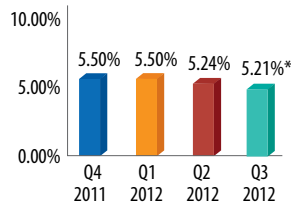
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 5.21%*



Historical Distribution



Contact Information

www.colecapital.com
Cole Real Estate Income Strategy (Daily Nav), Inc.
 2325 East Camelback Road,
 Suite 1100
 Phoenix, AZ 85016
 866-341-2653

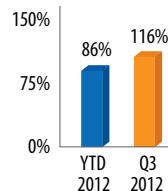
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO:.....86%



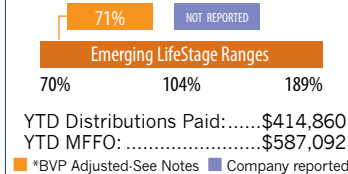
YTD Distributions Paid:..... \$414,860
 YTD FFO:.....\$484,221

Historical FFO Payout Ratio



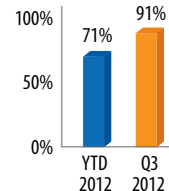
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:.....71%

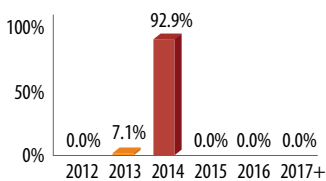


YTD Distributions Paid:.....\$414,860
 YTD MFFO:.....\$587,092
 *BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

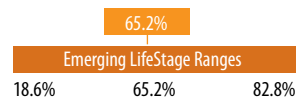


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 65.2%

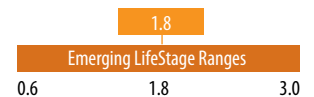


Debt Breakdown

Total:	\$21.4 Million
Fixed:	\$0.0 Million
Variable:	\$21.4 Million
Avg. Wtd. Rate:	2.95%
Term:	2 yrs

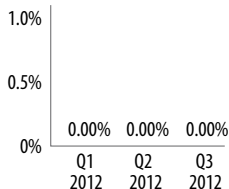
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.8



Adjusted EBITDA:\$1,097,924
 Interest Expense:.....\$612,385

Redemptions



*As of September 30, 2012, approximately 47,612 shares were eligible for redemption.

Lease Expirations

Weighted average remaining lease term is 16.2 years

Trends and Items of Note

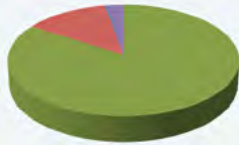
- Distribution yield is based on \$15.82 share price.
- As of November 30, 2012, the net asset value per share was \$16.15.
- The Company did not acquire any properties during the third quarter.
- As of September 30, 2012, CHC, owner of 93.5% of the Company's common stock, is not permitted to redeem any of its shares until the REIT has raised \$100,000,000 in the Offering. As of September 30, 2012, approximately 47,612 shares were eligible for redemption and were recorded as redeemable common stock on the condensed consolidated unaudited balance sheet, at the NAV per share, for a total of \$753,000.
- The Company's cash to total assets ratio of 1.7% has remained low due to the slow pace of fundraising in 2012.
- The Company did not report MFFO for Q3 2012. The MFFO Payout Ratios reported above were estimated by Blue Vault Partners based on the IPA Guidelines.
- See additional notes on page 98 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Corporate Property Associates 17 – Global, Inc.

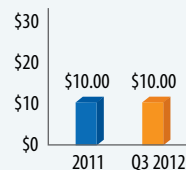
Total Assets.....	\$3,751.2 Million
Real Estate Assets ..	\$3,153.5 Million
Cash.....	\$490.7 Million
Securities	\$10.7 Million
Other.....	\$96.3 Million



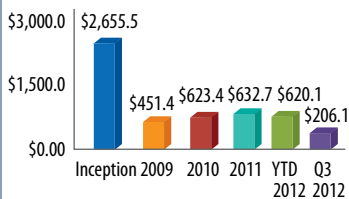
Initial Offering Date:	November 2, 2007
Number of Months Fundraising:	58
Anticipated Offering Close Date:	April 7, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	13.1%
Asset Type:	Diversified
Number of Properties:	373
Square Feet / Units / Rooms / Acres:	30 Million Sq. Ft.
Percent Leased:	100%
LifeStage.....	Stabilizing
Investment Style	Core

Historical Price



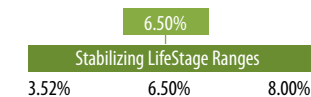
Gross Dollars Raised*



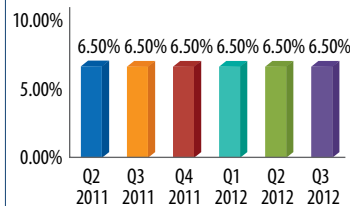
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution



Contact Information

www.WPCarey.com
W. P. Carey Inc.
50 Rockefeller Plaza
New York, NY 10020
800-WPCAREY

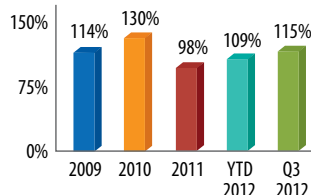
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 109%



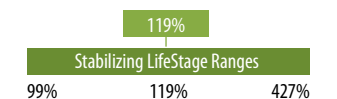
YTD Distributions Paid: \$105,935,000
 YTD FFO: \$96,974,000

Historical FFO Payout Ratio



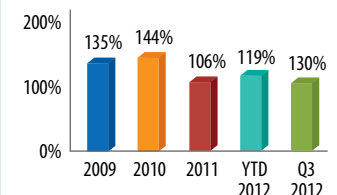
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 119%

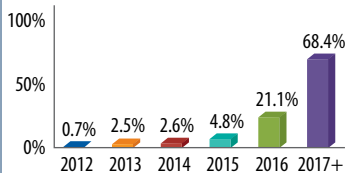


YTD Distributions Paid: \$105,935,000
 YTD MFFO: \$89,208,000
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

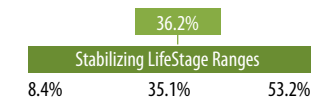


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 36.2%

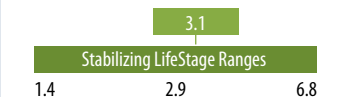


Debt Breakdown

Total:	\$1,357.7 Million
Fixed:	\$1,230.9 Million
Variable:	\$126.8 Million
Avg. Wtd. Rate:	5.28%
Term:	1 – 19 yrs

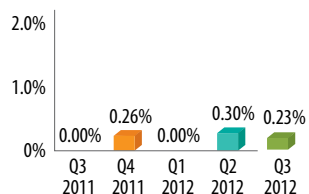
Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.1

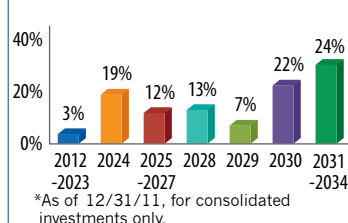


Adjusted EBITDA: \$164,458,000
 Interest Expense: \$52,864,000

Redemptions



Lease Expirations



Trends and Items of Note

- During the three months ended September 30, 2012, the Company purchased fourteen properties for a total of \$142.1 million.
- The Company's debt to total assets has remained relatively stable for the past two quarters.
- The Company's interest coverage ratio remained unchanged from Q2 2012 to Q3 2012.
- The Company hedged \$361.3 million of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 98 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

Dividend Capital Diversified Property Fund Inc.

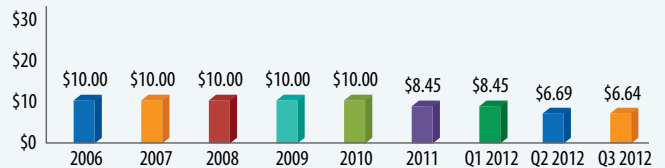
Total Assets.....	\$2,726.9 Million
Real Estate Assets ..	\$2,575.1 Million
Cash.....	\$58.7 Million
Securities	\$0.0 Million
Other.....	\$93.1 Million



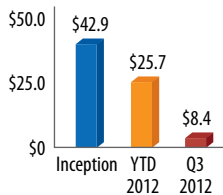
Initial Offering Date: January 27, 2006
 Offering Close Date: See Notes
 Current Price per Share: \$6.64
 Reinvestment Price per Share: \$6.64

Cash to Total Assets Ratio: 2.2%
 Asset Type: Diversified
 Number of Properties: 94
 Square Feet / Units / Rooms / Acres: 19.1 Million Sq. Ft.
 Percent Leased: 91.1%
 LifeStage: Growth
 Investment Style Core

Historical Price



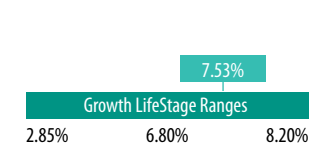
Gross Dollars Raised*



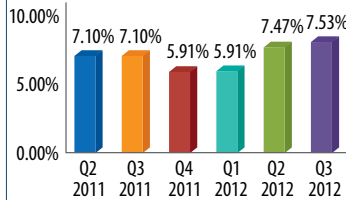
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.53%



Historical Distribution

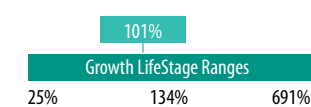


Contact Information

www.dividendcapital.com
Dividend Capital Securities
 518 Seventeenth St.
 17th Floor
 Denver, CO 80202
 866-324-7348

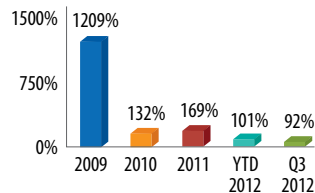
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 101%



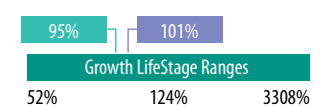
YTD Distributions Paid: ..\$68,541,000
 YTD FFO:.....\$68,112,000

Historical FFO Payout Ratio



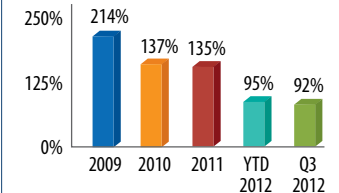
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:.....95%

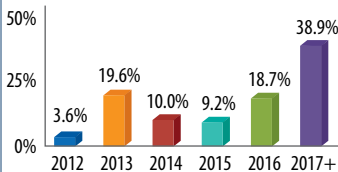


YTD Distributions Paid: ..\$68,541,000
 YTD MFFO: \$72,027,000
 *BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

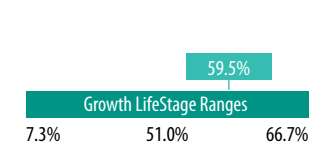


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 59.5%



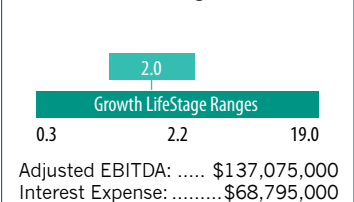
Debt Breakdown



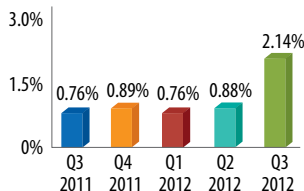
Total: \$1,622.7 Million
 Fixed: \$1,178.2 Million
 Variable: \$444.5 Million
 Avg. Wtd. Rate: 5.20%
 Term: 1 - 18 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.0



Redemptions



Lease Expirations*

Weighted average remaining term of leases approximately 7.9 years.

Trends and Items of Note

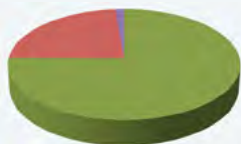
- The Company changed its name from Dividend Capital Total Realty Trust Inc. to Dividend Capital Diversified Property Fund Inc.
- The Company was originally closed to new investments in 2009. On July 12, 2012, the Securities and Exchange Commission declared effective a new public offering of shares.
- As a result of the new offering, the Company moved from the Maturing LifeStage phase into the Growth LifeStage phase during the third quarter.
- Distribution yield of 7.53% is based on the new share price of \$6.64 as of September 30, 2012.
- The Company's debt to total assets ratio remained relatively unchanged from last quarter's ratio of 60.3%.
- The Company did not report MFFO according to the IPA Guidelines. The year-to-date ratios presented above reflect both the Blue Vault's estimate based on the IPA Guidelines as well as the ratio based on the Company -Defined FFO in order to provide a more thorough comparison of the two.
- See additional notes on page 98 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

Global Growth Trust, Inc.

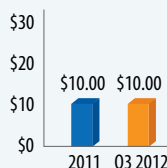
Total Assets.....	\$90.5 Million
Real Estate Assets	\$68.0 Million
Cash	\$21.3 Million
Securities	\$0.0 Million
Other	\$1.2 Million



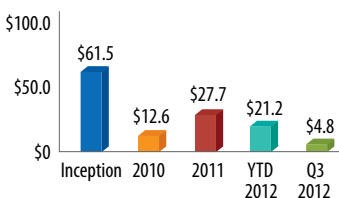
Initial Offering Date: October 20, 2009
 Number of Months Fundraising: 35
 Anticipated Offering Close Date: April 7, 2013
 Current Price per Share: \$10.00
 Reinvestment Price per Share: Not Applicable

Cash to Total Assets Ratio: 23.5%
 Asset Type: Diversified
 Number of Properties: 4
 Square Feet / Units / Rooms / Acres: ... 263,742 sq ft; 258 Units
 Percent Leased: 47.9%
 LifeStage..... Growth
 Investment Style Opportunistic

Historical Price



Gross Dollars Raised*

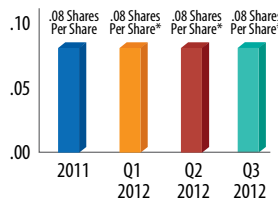


*Includes reinvested distributions (in millions)

Current Distribution

Annual Stock Distributions of
.08 Shares Per Share

Historical Distribution



*Annualized

Contact Information

www.GrowthTrust.com
CNL Client Services
P.O. Box 4920
Orlando, FL 32802
866-650-0650

Year to Date FFO Payout Ratio

Not Applicable

Historical FFO Payout Ratio

Not Applicable

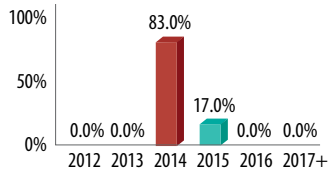
Year to Date MFFO Payout Ratio

Not Applicable

Historical MFFO Payout Ratio

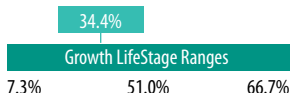
Not Applicable

Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 34.4%



Debt Breakdown

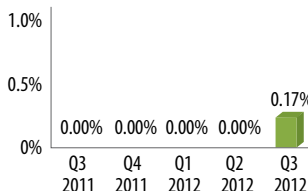


Total: \$31.1 Million
 Fixed: \$0.0 Million
 Variable: \$31.1 Million
 Avg. Wtd. Rate: 3.53%
 Term: 2 – 3 yrs

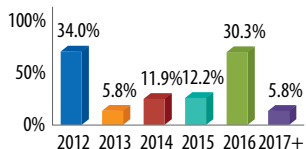
Interest Coverage Ratio

See Notes

Redemptions



Lease Expirations*



*as of 12/31/2011

Trends and Items of Note

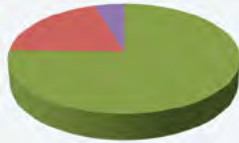
- On October 5, 2012, the Company filed a registration statement with the proposed offering of up to \$200 million in shares of common stock, including approximately \$5 million in shares to be issued pursuant to the distribution reinvestment plan. In conjunction with filing the Follow-On Offering, the REIT extended its current Offering to the earlier of the date the Follow-On Offering is declared effective or April 7, 2013.
- The Company did not acquire any properties during the third quarter.
- The Company's cash to total assets ratio remained high at 23.5% compared to the median of 7.2% for other Growth LifeStage REITs.
- The debt total assets ratio has increased to 34.4% as of September 30, 2012 up from 27.8% in the second quarter.
- Because the Company does not pay cash distributions, the FFO and MFFO ratios are not applicable.
- Because EBITDA is negative, an Interest Coverage Ratio is not meaningful.

Nontraded REIT Industry Review: Third Quarter 2012



Global Income Trust, Inc.

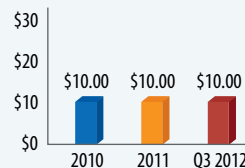
Total Assets.....	\$86.1 Million
Real Estate Assets	\$65.0 Million
Cash.....	\$17.0 Million
Securities	\$0.0 Million
Other.....	\$4.1 Million



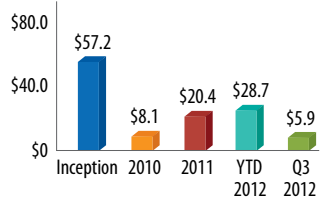
Initial Offering Date:	April 23, 2010
Number of Months Fundraising:	29
Anticipated Offering Close Date:	April 23, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	19.8%
Asset Type:	Diversified
Number of Properties:	6
Square Feet / Units / Rooms / Acres:	430,556
Percent Leased:	100%
LifeStage.....	Growth
Investment Style	Core

Historical Price



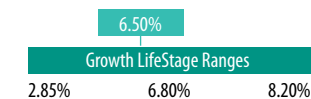
Gross Dollars Raised*



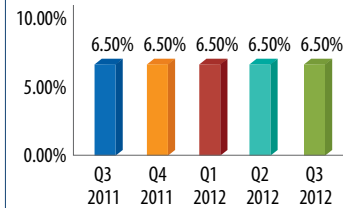
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

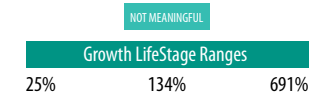


Contact Information

www.IncomeTrust.com
CNL Client Services
P.O. Box 4920
Orlando, FL 32802
866-650-0650

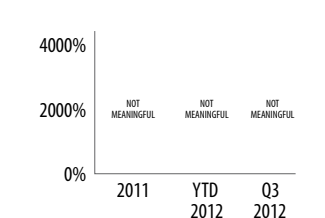
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



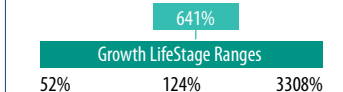
YTD Distributions Paid:.... \$2,201,434
 YTD FFO:, (\$1,121,185)

Historical FFO Payout Ratio



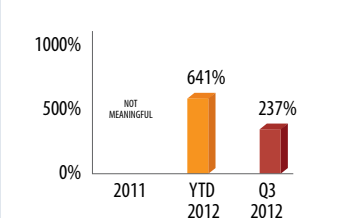
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:641%

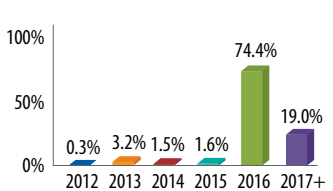


YTD Distributions Paid:..... \$2,201,434
 YTD MFFO:..... \$343,170
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

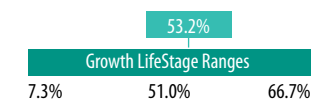


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio:.... 53.2%

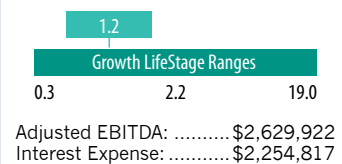


Debt Breakdown

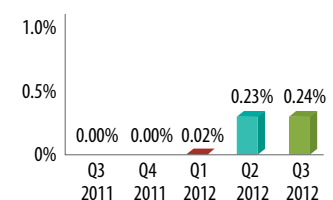


Interest Coverage Ratio

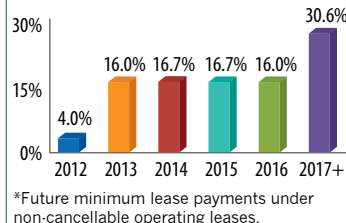
YTD Interest Coverage Ratio: 1.2



Redemptions



Lease Expirations*



Trends and Items of Note

- During the third quarter, the Company acquired two properties in Germany for a total of \$9.4 million.
- The Company's debt to total assets ratio increased slightly 53.2% compared to a ratio of 52.0% as of the second quarter.
- Cash to total assets declined to 19.8% compared to 23.1% as of the second quarter.
- Because year-to-date FFO is negative, the payout ratios are not meaningful.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 98 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

Griffin Capital Net Lease REIT, Inc.

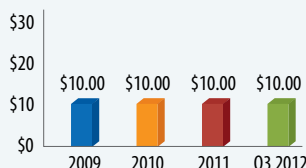
Total Assets.....	\$276.7 Million
Real Estate Assets	\$262.8 Million
Cash	\$5.8 Million
Securities	\$0.0 Million
Other	\$8.0 Million



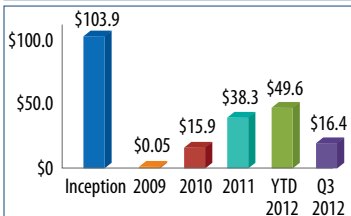
Initial Offering Date: November 6, 2009
 Number of Months Fundraising: 35
 Anticipated Offering Close Date: May 5, 2013
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 2.1%
 Asset Type: Diversified
 Number of Properties: 11
 Square Feet / Units / Rooms / Acres: 2.8 Million Sq. Ft.
 Percent Leased: 100%
 LifeStage..... Growth
 Investment Style Core

Historical Price



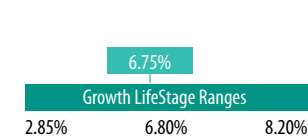
Gross Dollars Raised*



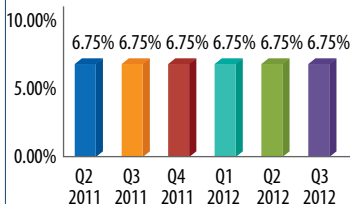
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.75%



Historical Distribution

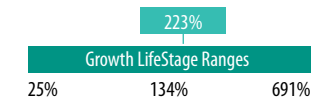


Contact Information

www.GriffinCapital.com
Griffin Capital Securities, Inc.
2121 Rosencrans Avenue
Suite 3321
El Segundo, CA 90245
(310) 606-5900

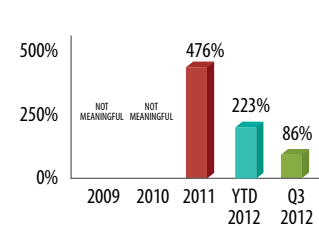
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO:.....223%



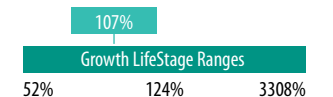
YTD Distributions Paid:..... \$5,964,125
 YTD FFO: \$2,679,330

Historical FFO Payout Ratio



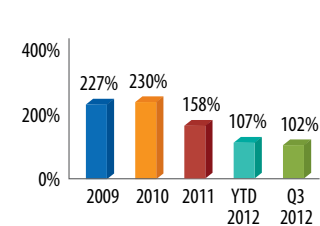
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:...107%

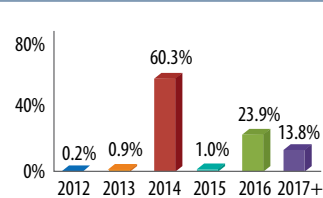


YTD Distributions Paid: ... \$5,964,125
 YTD MFFO: \$5,553,768
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio



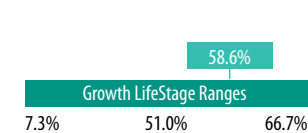
Debt Repayment Schedule



*Based on principal repayments due.

Current Debt Ratio

Debt to Total Assets Ratio: ... 58.6%



Debt Breakdown



Total: \$162.0 Million
 Fixed: \$66.2 Million
 Variable: \$95.9 Million
 Avg. Wtd. Rate: 4.24%
 Term: <1 – 11 yrs

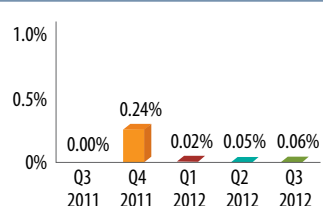
Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.2

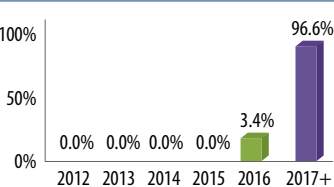


Adjusted EBITDA: \$12,516,266
 Interest Expense: \$5,726,351

Redemptions



Lease Expirations



*As a percent of Annualized Gross Base Rent.

Trends and Items of Note

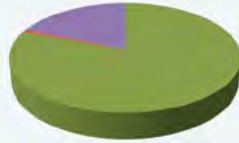
- At the beginning of the fourth quarter the Company acquired two assets – Zeller Plastik and Northrop Grumman – with a total acquisitions value of \$32.6 million and approximately 300,000 additional square feet.
- The Company's \$150 million credit facility was fully subscribed in the third quarter of 2012 in which KeyBank and Bank of America were joined with commitments from North Shore Bank & Trust (a subsidiary of Wintrust Financial Corporation), Regions Bank and Fifth Third Bank.
- The interest coverage ratio increased slightly to 2.2 for Q3 1012.
- Cash to total assets was very low at 2.1% compared to the Growth Lifestage median of 7.2%.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 98 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Griffin-American Healthcare REIT II, Inc.

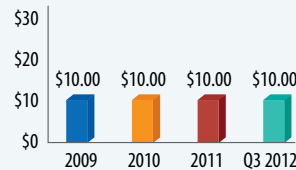
Total Assets.....	\$1,136.0 Million
Real Estate Assets ..	\$1,092.0 Million
Cash.....	\$10.2 Million
Securities	\$0.0 Million
Other.....	\$33.9 Million



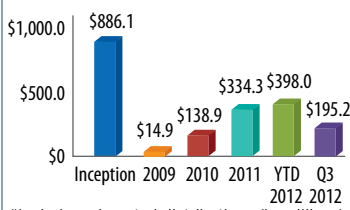
Initial Offering Date:	August 24, 2009
Number of Months Fundraising:	37
Anticipated Offering Close Date:	February 20, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	0.9%
Asset Type:	Medical Office/Healthcare Related
Number of Properties:	121
Square Feet / Units / Rooms / Acres:	4.5 Million Sq. Ft.
Percent Leased:	96.8%
LifeStage.....	Stabilizing
Investment Style	Core

Historical Price



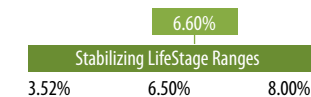
Gross Dollars Raised*



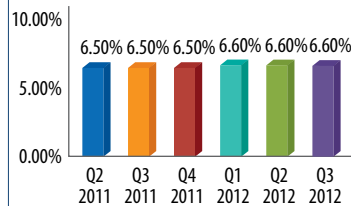
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.60%



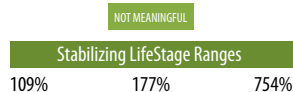
Historical Distribution



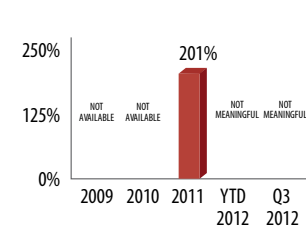
Contact Information

www.HealthcareREIT2.com
Griffin-American Healthcare REIT II, Inc.
 4000 MacArthur Boulevard
 West Tower, Suite 200
 Newport Beach, CA 92660
 866-606-5901

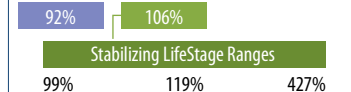
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO: NOT MEANINGFULYTD Distributions Paid:.. \$29,845,000
YTD FFO:

Historical FFO Payout Ratio

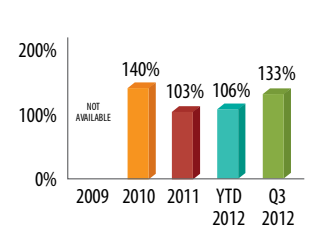


Year to Date MFFO Payout Ratio

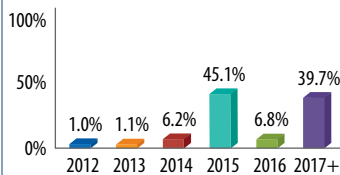
MFFO Payout Ratio:
YTD Distributions/YTD MFFO: ...106%YTD Distributions Paid: \$29,845,000
YTD MFFO:

*BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

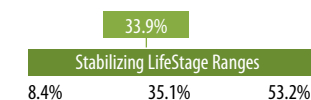


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 33.9%



Debt Breakdown

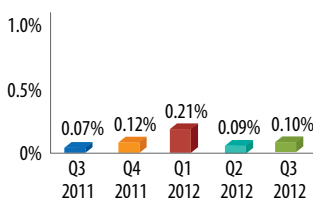


Interest Coverage Ratio

YTD Interest Coverage Ratio: 4.3

Adjusted EBITDA: \$41,595,000
Interest Expense: \$9,712,000

Redemptions



Lease Expirations*

Weighted avg lease term remaining is
9.4 yrs as of Sept. 30, 2012

Trends and Items of Note

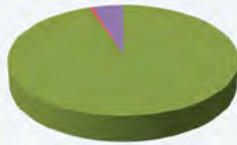
- On November 7, 2012, the Company began selling shares of common stock at \$10.22 per share and issuing shares pursuant to the DRIP for \$9.71 per share.
- During the quarter, the Company acquired 32 healthcare-related buildings for an aggregate purchase price of approximately \$277.4 million
- The Company's 3Q 2012 year-to-date Interest Coverage Ratio was 4.3x which is significantly above the median for other Stabilizing LifeStage REITs.
- The Company hedged \$16.8 million of its variable rate debt as of September 30, 2012.
- The Company reported MFFO according to the IPA Guidelines as well as Normalized MFFO. The year-to-date ratios presented above reflect both the Blue Vault's estimate based on the IPA Guidelines as well as the ratio based on the Company's Normalized MFFO which includes an adjustment of \$4.2 million related to the cost associated with the purchase during the third quarter from an unaffiliated third party of the rights to any subordinated distribution that may have been owed to the REIT's former sponsor.
- See additional notes on page 98 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Hartman Short Term Income Properties XX, Inc.

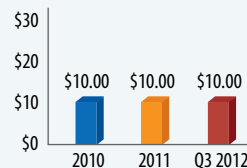
Total Assets.....	\$33.5 Million
Real Estate Assets	\$31.6 Million
Cash	\$0.3 Million
Securities	\$0.0 Million
Other	\$1.6 Million



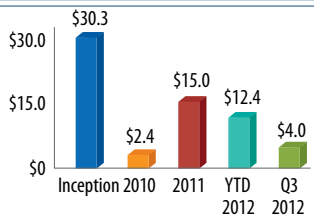
Initial Offering Date:	February 9, 2010
Number of Months Fundraising:	31
Anticipated Offering Close Date:	February 9, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	0.8%
Asset Type:	Diversified
Number of Properties:	3
Square Feet / Units / Rooms / Acres:	367,942 Sq. Ft.
Percent Leased:	N/A
LifeStage.....	Growth
Investment Style	Value Add

Historical Price



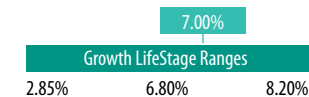
Gross Dollars Raised*



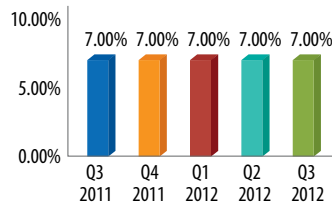
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

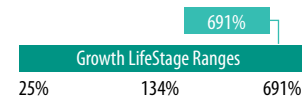


Contact Information

www.hi-reit.com
Hartman Income REIT
2909 Hillcroft, Suite 420
Houston, Texas 77057
Toll Free: 800-880-2212

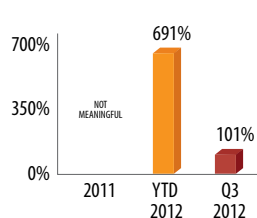
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO:.....691%



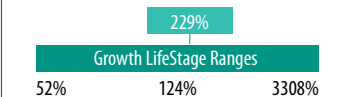
YTD Distributions Paid:.... \$1,209,499
 YTD FFO: \$175,010

Historical FFO Payout Ratio



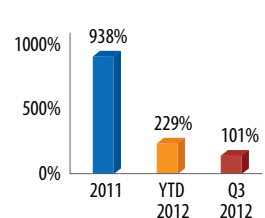
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 229%

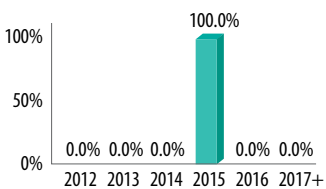


YTD Distributions Paid:.....\$1,209,499
 YTD MFFO:\$529,302
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

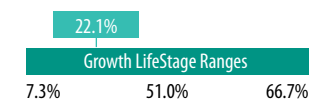


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 22.1%

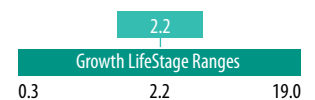


Debt Breakdown

Total:\$7.4 Million
 Fixed:\$0.0 Million
 Variable:\$7.4 Million
 Avg. Wtd. Rate:5.00%
 Term: 3 yrs

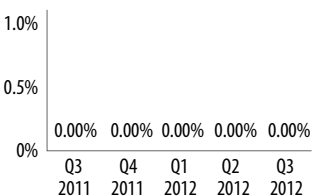
Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.2



Adjusted EBITDA: \$1,175,548
 Interest Expense: \$522,474

Redemptions



Lease Expirations

Not Available

Trends and Items of Note

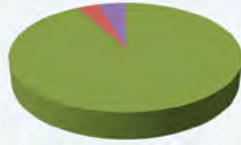
- The Company moved from the Emerging LifeStage phase into the Growth LifeStage phase during the third quarter.
- On August 7, 2012, the Company foreclosed on its investment in the Haute Harwin Note and converted its ownership in the Harwin Property to fee simple.
- The year-to-date interest coverage ratio increased to 2.2x in Q3 2012 up from 1.4x in Q2 2012.
- The debt to total assets ratio of 22.1% is well below the Growth LifeStage REITs median of 51.0%.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 98 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Hines Global REIT, Inc.

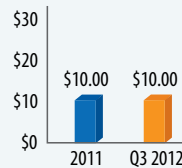
Total Assets.....	\$2,005.5 Million
Real Estate Assets ..	\$1,843.8 Million
Cash.....	\$72.0 Million
Securities	\$0.0 Million
Other.....	\$89.7 Million



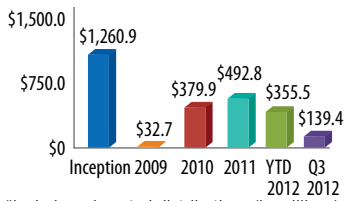
Initial Offering Date:	August 5, 2009
Number of Months Fundraising:	38
Anticipated Offering Close Date:	February 1, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio: 3.6%
 Asset Type: Office, Mixed-Use, Industrial & Retail
 Number of Properties: 20 properties & 3 Joint Ventures
 Square Feet / Units / Rooms / Acres: 7.4 million Sq. Ft.
 Percent Leased: 96%
 LifeStage..... Stabilizing
 Investment Style Core

Historical Price



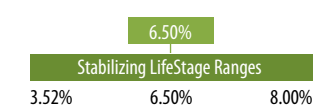
Gross Dollars Raised*



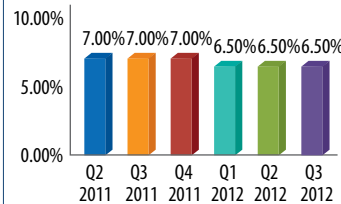
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

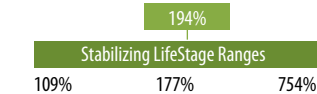


Contact Information

www.HinesSecurities.com
Hines Global REIT
c/o DST Systems, Inc.
P.O. Box 219010
Kansas City, MO 64121-9010
888-220-6121

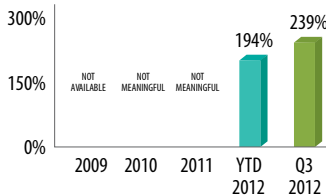
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO:194%



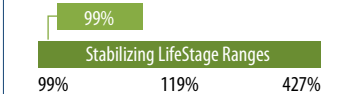
YTD Distributions Paid: .. \$50,426,000
 YTD FFO: \$25,989,000

Historical FFO Payout Ratio



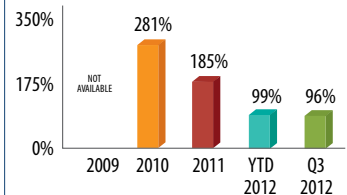
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:99%

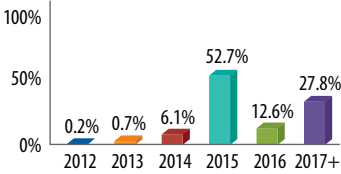


YTD Distributions Paid: .. \$50,426,000
 YTD MFFO: \$50,890,000
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

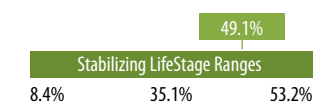


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 49.1%



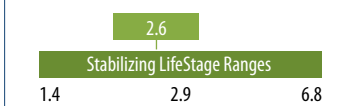
Debt Breakdown



Total:\$985.5 Million
 Fixed:\$676.5 Million
 Variable:\$309.0 Million
 Avg. Wtd. Rate:4.12%
 Term: <1 – 9 yrs

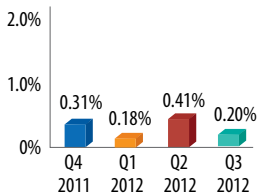
Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.6

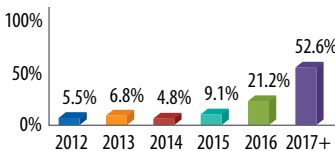


Adjusted EBITDA:\$69,867,000
 Interest Expense:\$26,912,000

Redemptions



Lease Expirations



*As of 12/31/11.

Trends and Items of Note

- The Company expects to terminate the Initial Offering no later than February 1, 2013 and expects to commence a follow-on offering through which it will offer up to \$3.5 billion in shares of common stock (the "Second Offering") shortly thereafter.
- The Company made three acquisitions during the quarter totaling \$373 million.
- The debt to total assets ratio increased to 49.1%, up from 43.8% during the previous quarter.
- The Company hedged \$330.9 million of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 98 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

Independence Realty Trust, Inc.

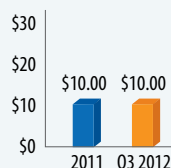
Total Assets.....	\$132.6 Million
Real Estate Assets	\$126.5 Million
Cash	\$3.6 Million
Securities	\$0.0 Million
Other	\$2.5 million



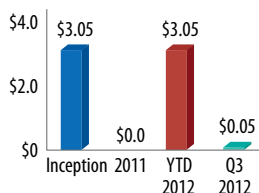
Initial Offering Date:	June 10, 2011
Number of Months Fundraising:	15
Anticipated Offering Close Date:	June 10, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	2.7%
Asset Type:	Multifamily
Number of Properties:	7
Square Feet / Units / Rooms / Acres:	1,812 Units
Percent Leased:	92.4%
LifeStage.....	Growth
Investment Style	Core

Historical Price

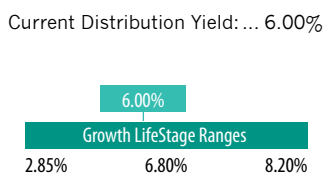


Gross Dollars Raised*

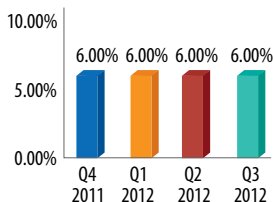


*Includes reinvested distributions (in millions)

Current Distribution



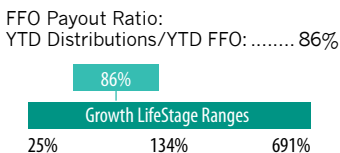
Historical Distribution



Contact Information

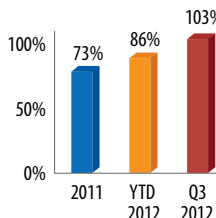
www.irtreit.com
Independence Realty Securities, LLC
 80 South Eighth Street
 IDS Center, Suite 4610
 Minneapolis, MN 55402
 877-301-1003

Year to Date FFO Payout Ratio

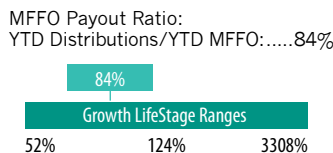


YTD Distributions Paid**: \$2,452,000
 YTD FFO: \$2,837,000
 **See notes

Historical FFO Payout Ratio

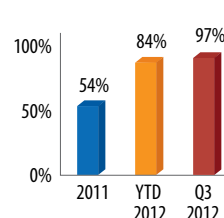


Year to Date MFFO Payout Ratio

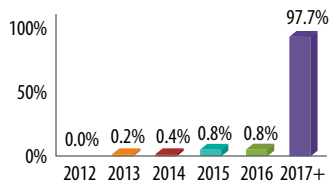


YTD Distributions Paid:.. \$2,452,000
 MFFO:..... \$2,929,000
 Company Reported MFFO – see notes

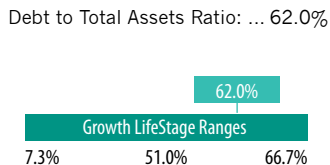
Historical MFFO Payout Ratio



Debt Repayment Schedule



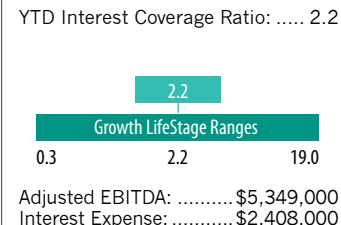
Current Debt Ratio



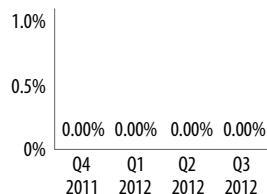
Debt Breakdown



Interest Coverage Ratio



Redemptions



Lease Expirations



Trends and Items of Note

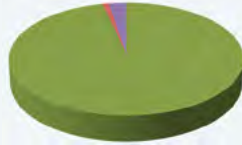
- The Company moved from the Emerging LifeStage phase into the Growth LifeStage phase during the third quarter.
- The Company did not make any acquisitions in 3Q 2012.
- On October 11, 2012, the operating partnership established 400 limited partnership units designated as the Series B Preferred Units. The Series B Preferred Units rank junior to the Series A Preferred Units of the operating partnership and senior to the common units of the operating partnership with respect to distributions, liquidation and redemption rights. Holders of Series B Preferred Units are entitled to preferential cash distributions of 10% per annum of the \$10,000 purchase price per unit. On October 11, 2012, the operating partnership issued and sold 350 Series B Preferred Units to RAIT NTR in exchange for \$3,500 in cash.
- The Company's interest coverage ratio remained relatively flat compared to the previous quarter and at 2.2, is on par with the median for Growth LifeStage REITs.
- 21% of the Company's mortgage debt matures in 2019 and the remainder in 2021.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 98 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Industrial Income Trust Inc.

Total Assets.....	\$1,757.4 Million
Real Estate Assets ..	\$1,695.2 Million
Cash.....	\$15.7 Million
Securities	\$0.0 Million
Other.....	\$46.6 Million

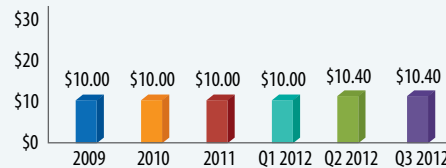


Cash to Total Assets Ratio:	0.9%
Asset Type:	Industrial
Number of Properties:	173
Square Feet / Units / Rooms / Acres:	33.3 Million Sq. Ft.
Percent Leased:	96%
LifeStage.....	Stabilizing
Investment Style	Core

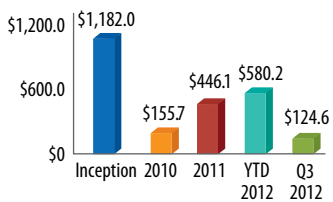
Initial Offering Date:	December 18, 2009
Number of Months Fundraising:	33
Anticipated Offering Close Date:	April 17, 2014
Current Price per Share:	\$10.40
Reinvestment Price per Share:	\$9.88

*See notes

Historical Price



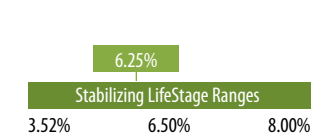
Gross Dollars Raised*



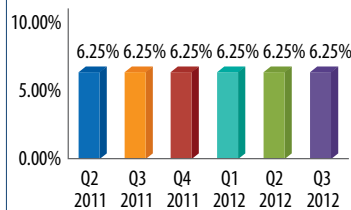
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.25%



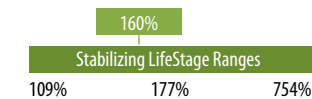
Historical Distribution



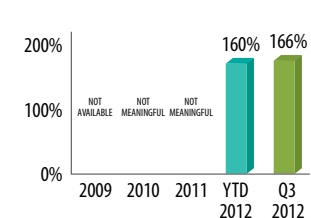
Contact Information

Dividend Capital Securities LLC
 518 Seventeenth Street,
 17th Floor
 Denver, Colorado 80202
 (303) 228-2200

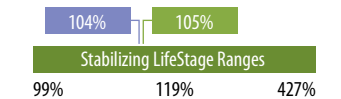
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO:160%YTD Distributions Paid:.. \$35,189,000
YTD FFO: \$21,925,000

Historical FFO Payout Ratio

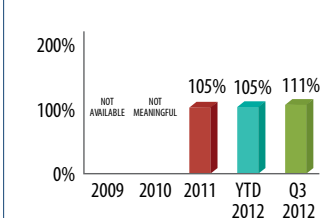


Year to Date MFFO Payout Ratio

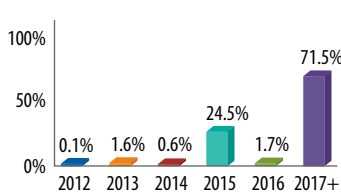
MFFO Payout Ratio:
YTD Distributions/YTD MFFO: ...105%YTD Distributions Paid:.. \$35,189,000
YTD MFFO: \$33,581,000

*BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

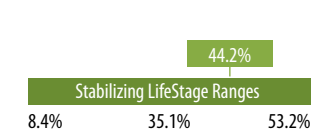


Debt Repayment Schedule

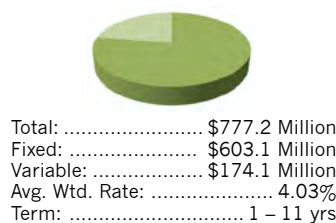


Current Debt Ratio

Debt to Total Assets Ratio: ... 44.2%

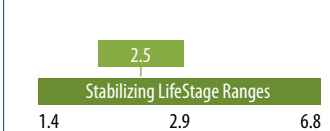


Debt Breakdown

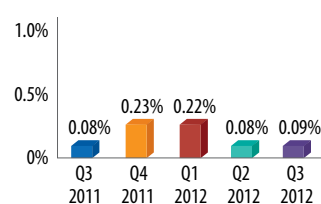


Interest Coverage Ratio

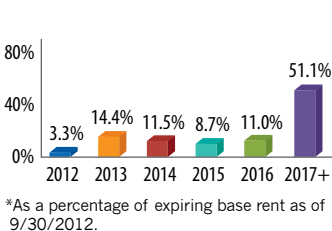
YTD Interest Coverage Ratio: 2.5

Adjusted EBITDA: \$50,157,000
Interest Expense: \$19,769,000

Redemptions



Lease Expirations



*As a percentage of expiring base rent as of 9/30/2012.

Trends and Items of Note

- During the quarter, the REIT purchased 15 buildings totaling \$251.4 million.
- The Company's year-to-date interest coverage ratio remained flat at 2.5x as of Q3 2012 compared to the previous quarter.
- The Company's cash to total assets ratio of 0.9% is one of the lowest among the Stabilizing LifeStage REITs.
- The Company hedged \$7.6 million of its variable rate debt as of September 30, 2012.
- The Company did not report MFFO according to the IPA Guidelines. The year-to-date ratios presented above reflect both the Blue Vault's estimate based on the IPA Guidelines as well as the ratio based on the Company -Defined FFO in order to provide a more thorough comparison of the two.
- See additional notes on page 98 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Jones Lang Lasalle Income Property Trust, Inc.

Total Assets.....	\$725.9 Million
Real Estate Assets	\$628.6 Million
Cash.....	\$40.9 Million
Securities	\$0.0 Million
Other.....	\$56.4 Million



Initial Offering Date:	October 1, 2012
Number of Months Fundraising:	0
Anticipated Offering Close Date:	Perpetual Life
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$10.00

Cash to Total Assets Ratio:	5.6%
Asset Type:	Diversified
Number of Properties:	33
Square Feet / Units / Rooms / Acres:	6,235,000 Sq. Ft.
Percent Leased:	90%
LifeStage.....	Growth
Investment Style	Core

Historical Price



Gross Dollars Raised*

Not Applicable

*See Notes

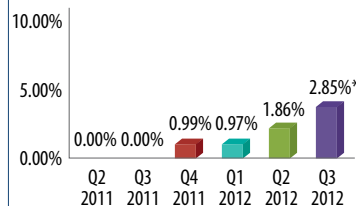
Current Distribution

Current Distribution Yield: .. 2.85%*



*See Notes

Historical Distribution



*See Notes

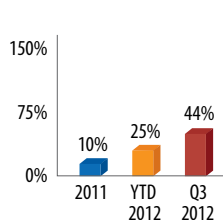
Contact Information

www.JLLIPT.com
Jones Lang LaSalle Income Property Trust, Inc.
 200 East Randolph Drive
 Chicago, IL 60601
 (312) 782-5800

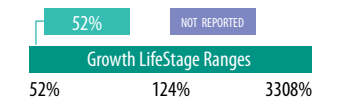
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO:.....25%YTD Distributions Paid:.... \$4,565,000
YTD FFO:

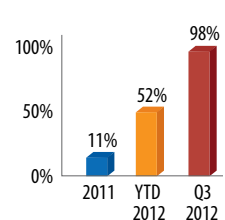
Historical FFO Payout Ratio



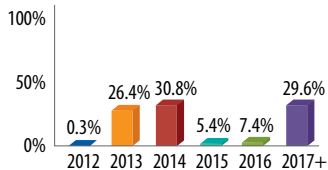
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO:.....52%YTD Distributions Paid:....\$4,565,000
YTD MFFO:

Historical MFFO Payout Ratio

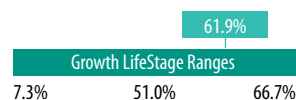


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 61.9%

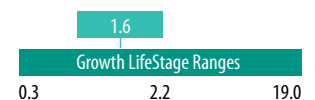


Debt Breakdown

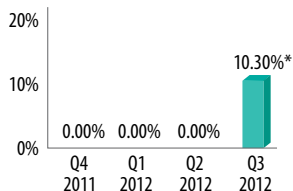
Total:\$449.1 Million
 Fixed:\$449.1 Million
 Variable:\$0.0 Million
 Rate: 5.15% – 6.14%
 Term:1 – 15 yrs

Interest Coverage Ratio

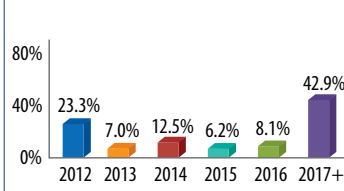
YTD Interest Coverage Ratio: 1.6

Adjusted EBITDA:\$31,640,000
Interest Expense:\$19,850,000

Redemptions



Lease Expirations*



*As of 12/31/11 for consolidated properties.

Trends and Items of Note

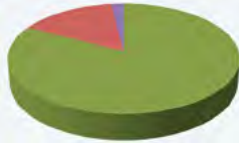
- On October 1, 2012, the SEC declared effective the Company's continuous public offering of up to \$3,000,000 in any combination of Class A and Class M shares of common stock. In order to facilitate the offering, on January 20, 2012, the Company's stockholders approved an amendment and restatement of the charter that would, among other things, (i) designate the outstanding common stock as Class E common stock, and (ii) create two new classes of Class A and Class M common stock.
- On October 1, 2012, the Company declared a stock dividend to all Class E stockholders at a ratio of 4.786-to-1. As a result, the Company's total number of Class E shares outstanding increased to 26,451,063 and the Company's NAV per share was reduced to \$10.00. Class E shares will convert into Class M shares of common stock on October 1, 2013 and will become eligible for repurchase under the Company's share repurchase plan on October 1, 2014. Class E stockholders are not eligible to participate in the Company's distribution reinvestment plan.
- While the Company's new offering of shares did not become effective until October 1, 2012, metrics have been included in this report due to the fact that the REIT had existing operations through September 30, 2012.
- See additional notes on page 99 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



KBS Legacy Partners Apartment REIT, Inc.

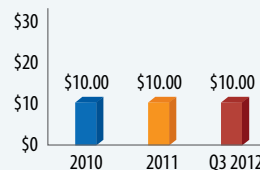
Total Assets.....	\$215.0 Million
Real Estate Assets	\$177.8 Million
Cash	\$32.9 Million
Securities	\$0.0 Million
Other	\$4.4 Million



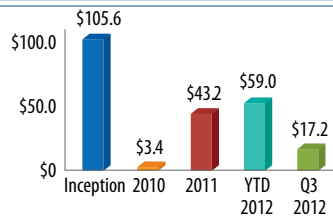
Initial Offering Date:	March 12, 2010
Number of Months Fundraising:	30
Anticipated Offering Close Date:	March 12, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	15.3%
Asset Type:	Multifamily
Number of Properties:	5
Square Feet / Units / Rooms / Acres:	1,451 Units; 1,416,848 Sq. Ft.
Percent Leased:	95%
LifeStage.....	Growth
Investment Style	Core

Historical Price



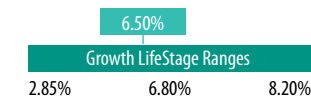
Gross Dollars Raised*



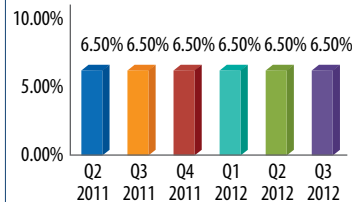
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

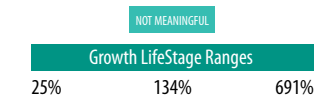


Contact Information

www.KBS-CMG.com
KBS Legacy Apartment REIT
P.O. Box 219015
Kansas City, MO 64121-9015
866-584-1381

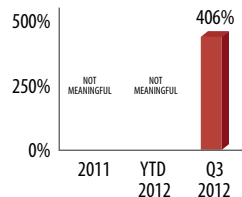
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



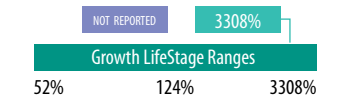
YTD Distributions Paid: ... \$3,473,000
 YTD FFO: ... (\$2,427,000)

Historical FFO Payout Ratio



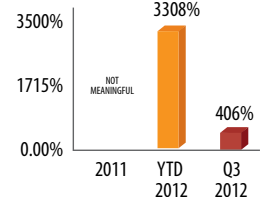
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 3308%

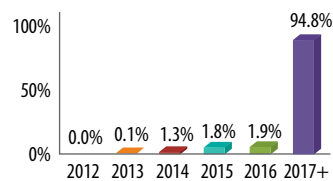


YTD Distributions Paid: ... \$3,473,000
 YTD MFFO: ... \$105,000
 * BVP Adjusted-See Notes Company reported

Historical MFFO Payout Ratio



Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 64.3%



Debt Breakdown

Total: \$138.4 Million
 Fixed: \$138.4 Million
 Variable: \$0.0 Million
 Avg. Wtd. Rate: 3.70%
 Term: 6 - 7 yrs

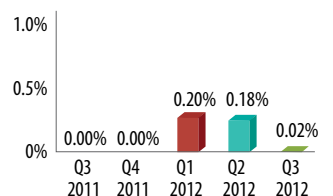
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.2



Adjusted EBITDA: \$3,685,000
 Interest Expense: \$3,185,000

Redemptions



Lease Expirations

Not Reported

Trends and Items of Note

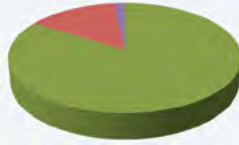
- On November 5, 2012, the Company announced that in the event the board of directors determines that it is in its best interest to obtain the personnel needed to become self-managed by entering into a business combination with affiliates of our sponsors (an "Internalization Transaction"), then the Company will not enter into such an Internalization Transaction unless the advisor or one of its affiliates agrees to proceed with the Internalization Transaction without the payment of any internalization fee or other consideration by the Company, whether in the form of a cash payment or in the form of stock, warrants or options.
- The Company did not acquire any properties during the third quarter.
- Occupancy of the REIT's properties remained steady at 95.0% for the past three quarters.
- The year-to-date interest coverage ratio remained below the median for other Growth LifeStage REITs at 1.2.
- The Company did not report MFFO for Q3 2012. The MFFO Payout Ratios reported above were estimated by Blue Vault Partners based on the IPA Guidelines.
- See additional notes on page 99 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



KBS Real Estate Investment Trust III, Inc.

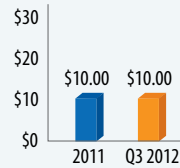
Total Assets.....	\$326.9 Million
Real Estate Assets	\$274.5 Million
Cash	\$47.0 Million
Securities	\$0.0 Million
Other	\$5.5 Million



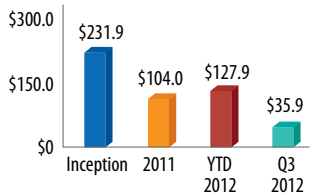
Initial Offering Date:	October 26, 2010
Number of Months Fundraising:	23
Anticipated Offering Close Date:	October 11, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	14.4%
Asset Type:	Office
Number of Properties:	5 Properties and 1 Note
Square Feet / Units / Rooms / Acres:	1,207,840 Sq. Ft.
Percent Leased:	91%
LifeStage.....	Growth
Investment Style	Core

Historical Price



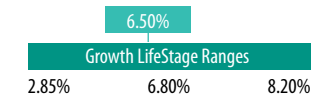
Gross Dollars Raised*



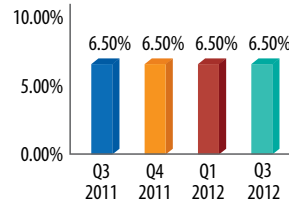
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

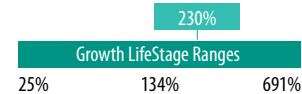


Contact Information

www.KBS-CMG.com
KBS Real Estate Investment Trust III, Inc.
P.O. Box 219015
Kansas City, MO 64121-9015
866-584-1381

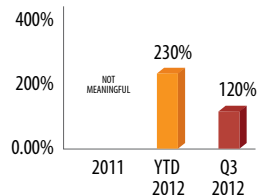
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 230%



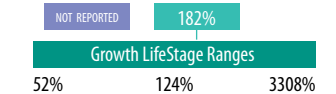
YTD Distributions Paid:.... \$7,712,000
 YTD FFO: \$3,360,000

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

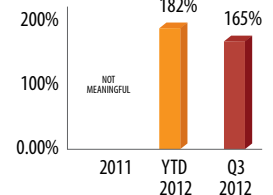
MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...182%



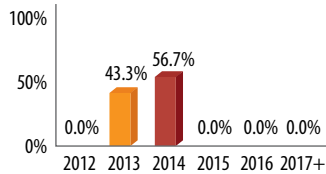
YTD Distributions Paid:.... \$7,712,000
 YTD MFFO: \$4,231,000

■ *BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

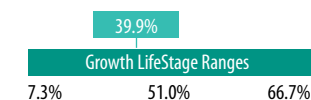


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 39.9%

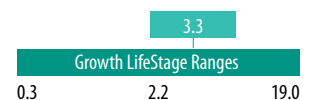


Debt Breakdown

Total:	\$130.6 Million
Fixed:	\$0.0 Million
Variable:	\$130.6 Million
Avg. Wtd. Rate:	2.3%
Term:	<1 – 2 yrs

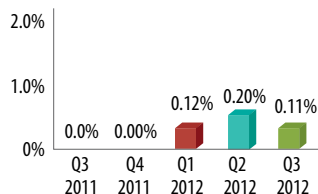
Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.3



Adjusted EBITDA: \$8,758,000
 Interest Expense: \$2,680,000

Redemptions



Lease Expirations

Average weighted term is 5.6 years

Trends and Items of Note

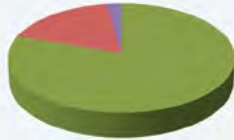
- The board of directors has approved an extension of our primary offering of 200,000,000 shares until the earlier of the sale of all 200,000,000 shares or October 11, 2013.
- On October 12, 2012, the Company announced that in the event the board of directors determines that it is in its best interest to obtain the personnel needed to become self-managed by entering into a business combination with affiliates of the sponsors (an "Internalization Transaction"), then the Company will not enter into such an Internalization Transaction unless the advisor or one of its affiliates agrees to proceed with the Internalization Transaction without the payment of any internalization fee or other consideration by the Company, whether in the form of a cash payment or in the form of stock, warrants or options.
- The REIT did not acquire any properties during the third quarter.
- Cash to total assets increased significantly to 14.4% compared to the previous quarter's ratio of 5.9% was above the median compared to other Growth LifeStage REITs.
- The interest coverage increased to 3.3, up from 3.0x in Q2 2012.
- The Company did not report MFFO for Q3 2012. The MFFO Payout Ratios reported above were estimated by Blue Vault Partners based on the IPA Guidelines.
- See additional notes on page 99 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

KBS Strategic Opportunity REIT, Inc.

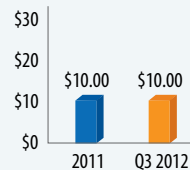
Total Assets.....	\$378.1 Million
Real Estate Assets	\$302.9 Million
Cash	\$66.2 Million
Securities	\$0.0 Million
Other	\$9.0 Million



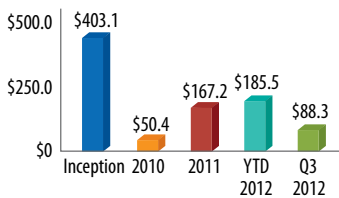
Cash to Total Assets Ratio: 17.5%
 Asset Type: Diversified
 Number of Properties: 6 Office; Office Portfolio; Office Campus;
 .. 1 Industrial; Raw Land; 4 CMBS; 2 Notes; 1 Unconsolidated JV
 Square Feet / Units / Rooms / Acres: 2.1 Million Sq. Ft.
 Percent Leased: 45%
 LifeStage..... Stabilizing
 Investment Style Opportunistic

Initial Offering Date: November 20, 2009
 Number of Months Fundraising: 34
 Anticipated Offering Close Date: November 20, 2012
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Historical Price



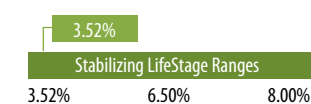
Gross Dollars Raised*



*Includes reinvested distributions (in millions)

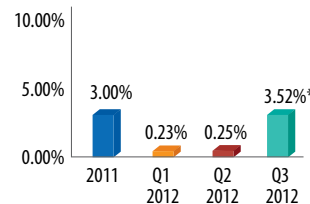
Current Distribution

Current Distribution Yield: ... 3.52%*



*Quarterly rate

Historical Distribution



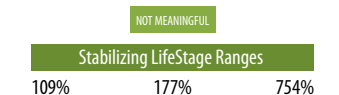
*Quarterly rates

Contact Information

www.KBS-CMG.com
KBS Strategic Opportunity REIT, Inc.
620 Newport Center Drive, Suite 1300
Newport Beach, CA 92660
949-417-6500

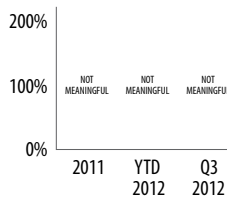
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



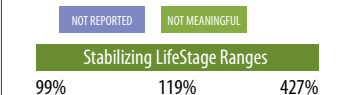
YTD Distributions Paid: \$12,885,000
 YTD FFO: (\$1,078,000)

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

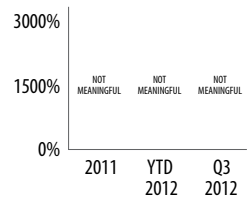
MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: NOT MEANINGFUL



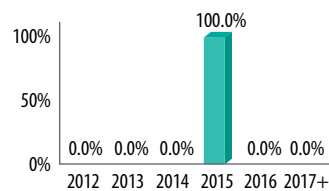
YTD Distributions Paid:.. \$12,885,000
 YTD MFFO: (\$258,000)

■ *BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

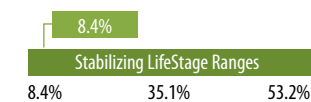


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: 8.4%



Debt Breakdown

Total: \$31.6 Million
 Fixed: \$31.6 Million
 Variable: \$0.0 Million
 Avg. Wtd. Rate: 6.25%
 Term: 3 yrs

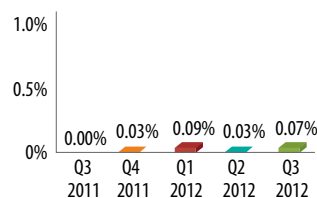
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.4

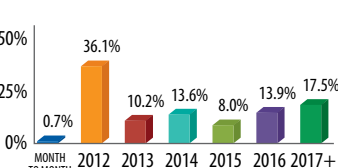


Adjusted EBITDA: \$2,705,000
 Interest Expense: \$1,918,000

Redemptions



Lease Expirations*



*As of 12/31/11

Trends and Items of Note

- The distribution yields noted above are reported on a quarterly basis and have not been annualized. On July 20, 2012, the board of directors authorized a distribution in the amount of \$0.35190663 per share of common stock to stockholders of record as of the close of business on July 20, 2012. The Company paid the distribution on July 31, 2012 and this was the only distribution declared or paid in the third quarter of 2012.
- The Company ceased offering shares of common stock in its primary offering on November 14, 2012, but will continue to offer shares of common stock under its dividend reinvestment plan.
- On September 18, 2012, the Company announced that in the event the board of directors determines that it is in the Company's best interest to obtain the personnel needed to become self-managed by entering into a business combination with affiliates of the sponsors (an "Internalization Transaction"), then the Company will not enter into such an Internalization Transaction unless the advisor or one of its affiliates agrees to proceed with the Internalization Transaction without the payment of any internalization fee or other consideration, whether in the form of a cash payment or in the form of stock, warrants or options.
- The interest coverage ratio increased to 1.4 compared to a ratio of 0.6 for the previous quarter.
- Because year-to-date FFO and MFFO is negative, the payout ratios are not meaningful.
- The Company did not report MFFO for Q3 2012. The MFFO Payout Ratios reported above were estimated by Blue Vault Partners based on the IPA Guidelines.
- See additional notes on page 99 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Lightstone Value Plus Real Estate Investment Trust II, Inc.

Total Assets.....	\$59.4 Million
Real Estate Assets	\$37.2 Million
Cash	\$7.2 Million
Securities	\$7.6 Million
Other	\$7.5 Million



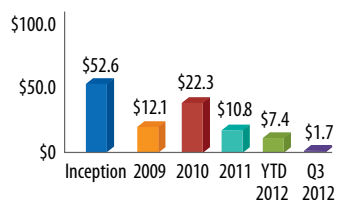
Initial Offering Date:February 17, 2009
 Number of Months Fundraising:43
 Anticipated Offering Close Date: September 27, 2014
 Current Price per Share:\$10.00
 Reinvestment Price per Share:\$9.50

Cash to Total Assets Ratio: 12.1%
 Asset Type: Diversified
 Number of Properties: 2 Retail; 2 Hospitality
 Square Feet / Units / Rooms / Acres: 156,046 sq ft; 289 Rooms
 Percent Leased: See Notes
 LifeStage..... Growth
 Investment Style Value Add

Historical Price

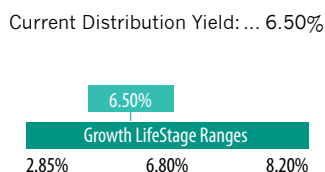


Gross Dollars Raised*

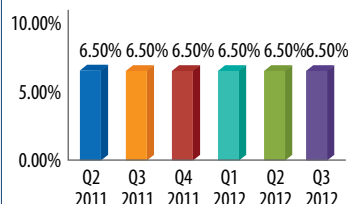


*Includes reinvested distributions (in millions)

Current Distribution



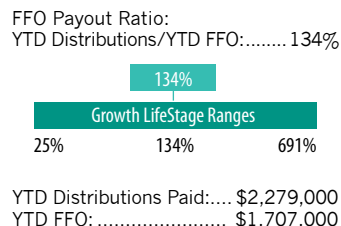
Historical Distribution



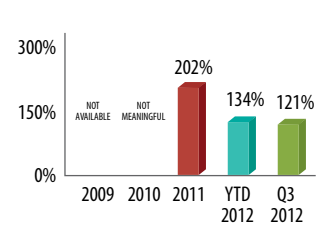
Contact Information

www.LightstoneREIT.com
**Lightstone Value Plus
 Real Estate Investment Trust**
 1985 Cedar Bridge Avenue
 Lakewood, NJ 08701
(732) 367-0129

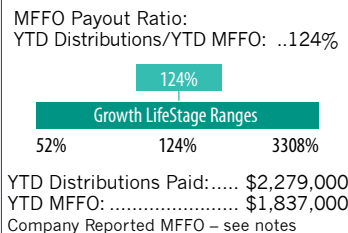
Year to Date FFO Payout Ratio



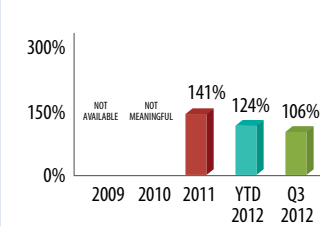
Historical FFO Payout Ratio



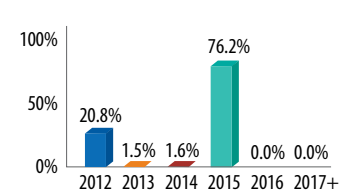
Year to Date MFFO Payout Ratio



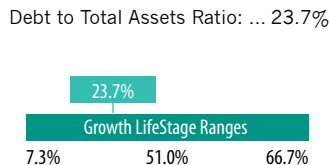
Historical MFFO Payout Ratio



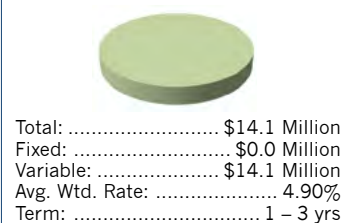
Debt Repayment Schedule



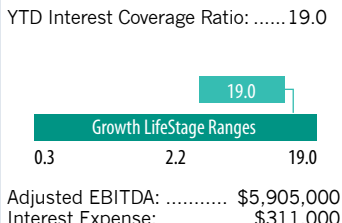
Current Debt Ratio



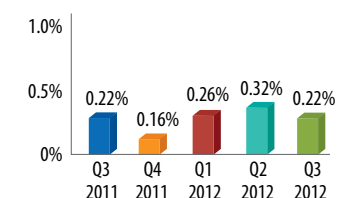
Debt Breakdown



Interest Coverage Ratio



Redemptions



Lease Expirations



Trends and Items of Note

- During the quarter, the Company acquired one hotel property for a total of \$10.1 million.
- Cash to total assets declined to 12.1% compared to 25.7% reported in the prior quarter.
- The year-to-date interest coverage ratio was highest among the Growth LifeStage REITs at 19.0 for the period ending September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Moody National REIT I, Inc.

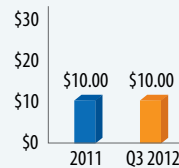
Total Assets.....	\$20.4 Million
Real Estate Assets	\$12.5 Million
Cash.....	\$7.3 Million
Securities	\$0.0 Million
Other.....	\$0.6 Million



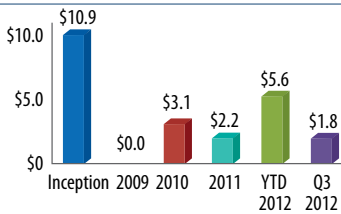
Initial Offering Date:	April 15, 2009
Number of Months Fundraising:	41
Anticipated Offering Close Date:	October 12, 2014
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	35.9%
Asset Type:	Hospitality
Number of Properties:	1 Note
Square Feet / Units / Rooms / Acres:	N/A
Percent Leased:	N/A
LifeStage.....	Growth
Investment Style	Core

Historical Price



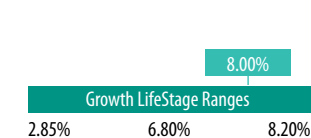
Gross Dollars Raised*



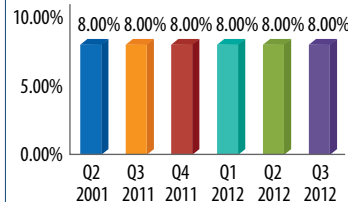
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 8.00%



Historical Distribution

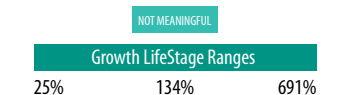


Contact Information

www.moodynationalreit.com
Moody National REIT I, Inc.
 Attn: Logan Lee
 6363 Woodway Drive
 Suite 110
 Houston, Texas 77057
 (713) 977-7500

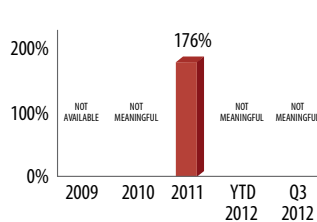
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



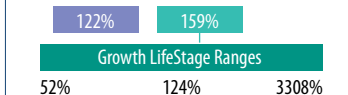
YTD Distributions Paid:..... \$468,776
 YTD FFO:..... (\$55,371)

Historical FFO Payout Ratio



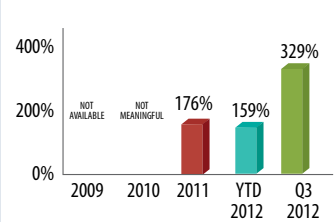
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 159%

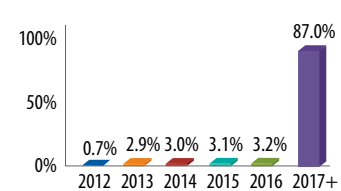


YTD Distributions Paid:.....\$468,776
 YTD MFFO*:.....\$294,171
 *BVP Adjusted-See Notes Company reported

Historical MFFO Payout Ratio

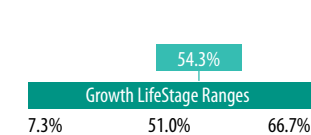


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 54.3%

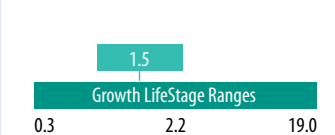


Debt Breakdown

Total:\$11.1 Million
 Fixed:\$11.1 Million
 Variable:\$0.0 Million
 Avg. Wtd. Rate:3.00%
 Term:6 yrs

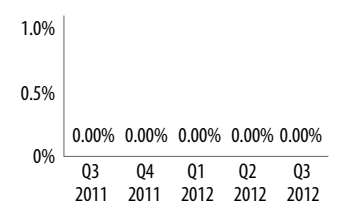
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.5



Adjusted EBITDA:\$390,363
 Interest Expense:\$263,879

Redemptions



Lease Expirations

Not Applicable

Trends and Items of Note

- The REIT sold the Residence Inn Property on August 23, 2012 for approximately \$9.2 million.
- On November 8, 2012, the REIT acquired a 91-room hotel property located in Spring, Texas for aggregate consideration of \$12,000,000.
- The Advisor waived all expenses reimbursable to the Advisor for the six fiscal quarters ended September 30, 2012 to the extent such expenses had not been previously reimbursed to Advisor.
- Debt to total assets ratio declined for the second quarter in a row to 54.3%.
- The Company did not report MFFO according to the IPA Guidelines. The year-to-date ratios presented above reflect both the Blue Vault's estimate based on the IPA Guidelines as well as the ratio based on the REIT's reported MFFO which includes an adjustment for stock/unit-based compensation and amortized of deferred loan costs.
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Northstar Real Estate Income Trust, Inc.

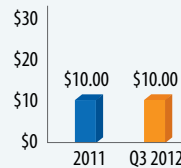
Total Assets.....	\$608.0 Million
RE Debt Investments...	\$357.4 Million
Cash.....	\$176.1 Million
Securities.....	\$3.4 Million
Other.....	\$71.2 Million



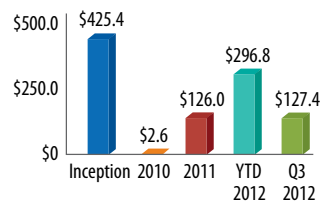
Initial Offering Date:	July 19, 2010
Number of Months Fundraising:	26
Anticipated Offering Close Date:	July 19, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio: 29.0%
 Asset Type: Debt Investments & Securities
 Number of Properties: 15 First Mortgage Loans,
 2 mezzanine loan and 1 CMBS
 Square Feet / Units / Rooms / Acres: Not Applicable
 Percent Leased: Not Applicable
 LifeStage: Stabilizing
 Investment Style Debt

Historical Price



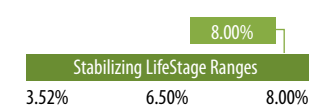
Gross Dollars Raised*



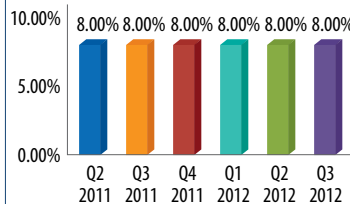
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 8.00%



Historical Distribution

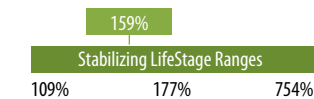


Contact Information

www.NorthstarREIT.com
**NorthStar Real Estate
 Income Trust, Inc.**
399 Park Avenue, 18th floor
New York, NY 10022
(212) 547-2600

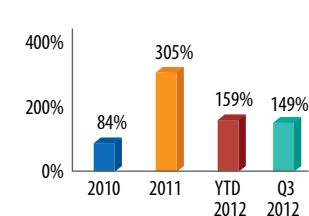
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 159%



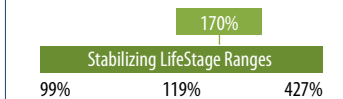
YTD Distributions Paid: .. \$15,439,803
 YTD FFO: \$9,708,542

Historical FFO Payout Ratio



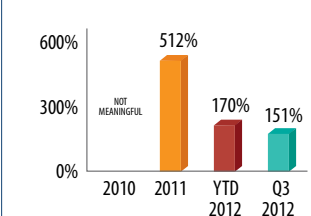
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 170%

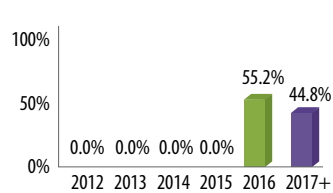


YTD Distributions Paid: ... \$15,439,803
 YTD MFFO: \$9,099,272
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

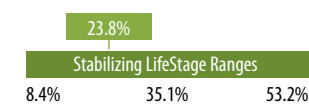


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 23.8%



Debt Breakdown

Total: \$144.6 Million
 Fixed: \$0.0 Million
 Variable: \$144.6 Million
 Avg. Wtd. Rate: 3.42%
 Term: 3 – 6 yrs

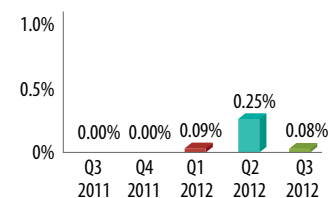
Interest Coverage Ratio

YTD Interest Coverage Ratio: 6.8



Adjusted EBITDA: \$11,388,259
 Interest Expense: \$1,679,717

Redemptions



Lease Expirations

Not Applicable

Trends and Items of Note

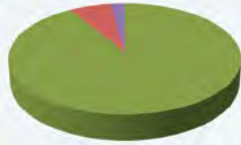
- Subsequent to quarter end, the Company originated one first mortgage loan with a principal amount of \$22.0 million, resulting in an unleveraged current yield of 8.0%. The Company also acquired three CMBS with an aggregate principal amount of \$26.6 million, resulting in a weighted average leveraged current yield of 8.7%.
- The REIT's debt to total assets ratio has increased to 23.8% as of Q3 2012 compared to 17.2% during the previous quarter.
- The year-to-date interest coverage stands at 6.8 and is the highest among the Stabilizing LifeStage REITs for the second quarter in a row.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Phillips Edison – ARC Shopping Center REIT Inc.

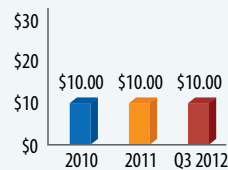
Total Assets.....	\$242.9 Million
Real Estate Assets	\$221.7 Million
Cash.....	\$15.7 Million
Securities	\$0.0 Million
Other.....	\$5.4 Million



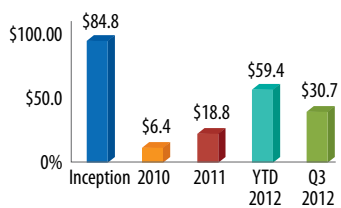
Initial Offering Date:	August 12, 2010
Number of Months Fundraising:	25
Anticipated Offering Close Date:	August 12, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	6.5%
Asset Type:	Retail
Number of Properties:	20
Square Feet / Units / Rooms / Acres:	1,953,584 Sq. Ft.
Percent Leased:	94.8%
LifeStage.....	Growth
Investment Style	Core

Historical Price



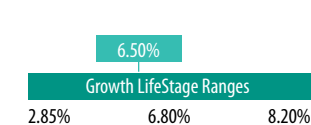
Gross Dollars Raised*



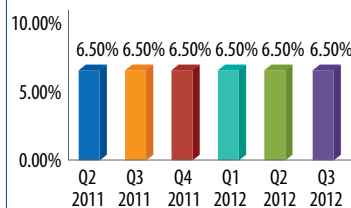
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

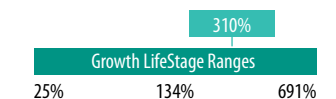


Contact Information

www.phillisedison-arc.com
Phillips Edison –
ARC Shopping Center REIT, Inc.
11501 Northlake Drive
Cincinnati, OH 45249
(513) 554-1110

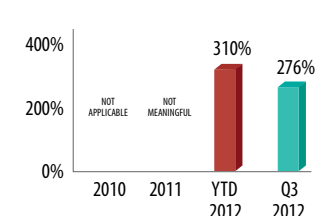
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO:310%



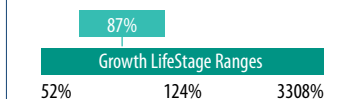
YTD Distributions Paid:.....\$2,119,000
YTD FFO:.....\$683,000

Historical FFO Payout Ratio



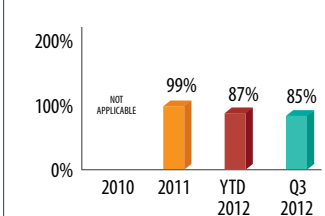
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO:87%

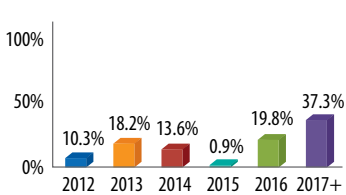


YTD Distributions Paid:.....\$2,119,000
YTD MFFO:.....\$2,435,000
Company Reported MFFO – see notes

Historical MFFO Payout Ratio

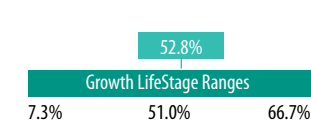


Debt Repayment Schedule

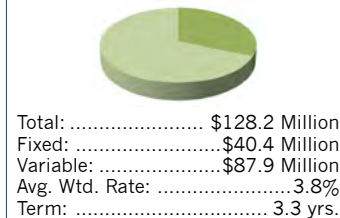


Current Debt Ratio

Debt to Total Assets Ratio: ... 52.8%

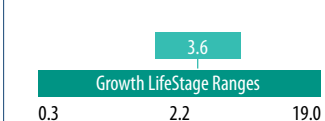


Debt Breakdown



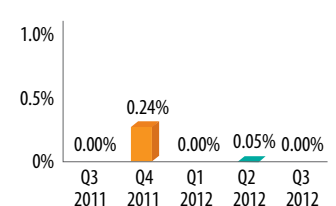
Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.6

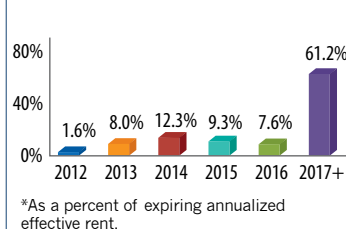


Adjusted EBITDA:\$6,295,000
Interest Expense:.....\$1,771,000

Redemptions



Lease Expirations*



*As a percent of expiring annualized effective rent.

Trends and Items of Note

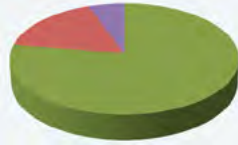
- For the third quarter ended September 30, 2012, the Company acquired six properties for an aggregate purchase price of approximately \$84.4 million.
- On October 30, 2012 and November 5, 2012, the Joint Venture paid off the remaining balances due on the mortgage loans for Lakeside Plaza and Snow View Plaza, respectively. The mortgage payable balances for Lakeside Plaza and Snow View Plaza prior to the payments were \$5.37 million and \$7.52 million, respectively. The Lakeside Plaza and Snow View Plaza loans were set to mature on December 10, 2012 and December 12, 2012, respectively.
- The Company's YTD interest coverage ratio of 3.6 is above the median for Growth LifeStage REITs.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 100 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

Resource Real Estate Opportunity REIT, Inc.

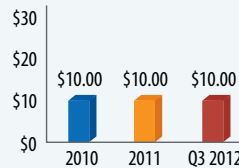
Total Assets.....	\$148.6 Million
Real Estate Assets	\$115.3 Million
Cash.....	\$24.9 Million
Securities	\$0.0 Million
Other.....	\$8.4 Million



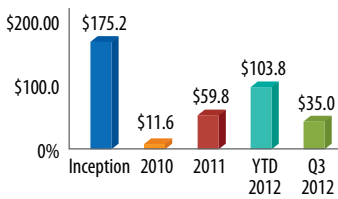
Initial Offering Date:	June 16, 2010
Number of Months Fundraising:	27
Anticipated Offering Close Date:	June 14, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	16.8%
Asset Type:	Multifamily
Number of Properties:	9 Properties, 3 Notes
Square Feet / Units / Rooms / Acres:.....	3,240 Units
Percent Leased:	Not Reported
LifeStage.....	Growth
Investment Style	Opportunistic

Historical Price



Gross Dollars Raised*



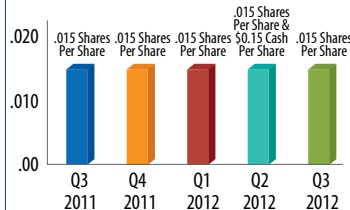
*Includes reinvested distributions (in millions)

Current Distribution

Stock Distributions:
0.015 shares per share *

*See Notes

Historical Distribution



Contact Information

www.ResourceREIT.com
Resource Securities
 2005 Market Street
 15th Floor
 Philadelphia, PA 19103
 (866) 469-0129

Year to Date FFO Payout Ratio

Not Applicable

*See Notes

Historical FFO Payout Ratio

Not Applicable

*See Notes

Year to Date MFFO Payout Ratio

Not Applicable

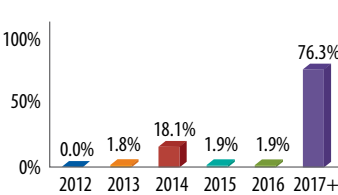
*See Notes

Historical MFFO Payout Ratio

Not Applicable

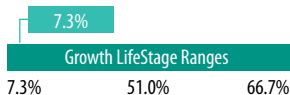
*See Notes

Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: 7.3%

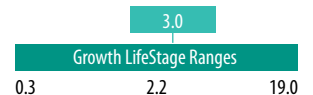


Debt Breakdown

Total:	\$10.9 Million
Fixed:	\$0.0 Million
Variable:	\$10.9 Million
Avg. Wtd. Rate:	2.94%
Term:	2 – 5 yrs

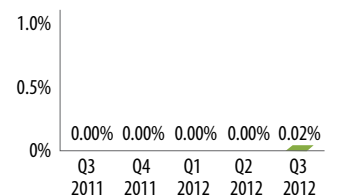
Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.0



Adjusted EBITDA: \$1,176,000
 Interest Expense: \$398,000

Redemptions



Lease Expirations

Not Applicable

Trends and Items of Note

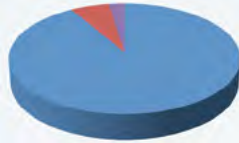
- The Company has made seven consecutive stock distributions since Q1 2011. Each distribution was at a rate of 1.5% or 0.015 shares per share.
- The Company did not acquire any assets during the quarter.
- The Company's debt to total assets ratio increased to 7.3% as of Q3 2012 and is the lowest among all Growth LifeStage REITs.
- Because the Company does not pay regular cash distributions, the FFO and MFFO Payout Ratios are not applicable.
- See additional notes on page 100 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

Steadfast Income REIT, Inc.

Total Assets.....	\$346.4 Million
Real Estate Assets	\$316.9 Million
Cash	\$21.0 Million
Securities	\$0.0 Million
Other	\$8.6 million



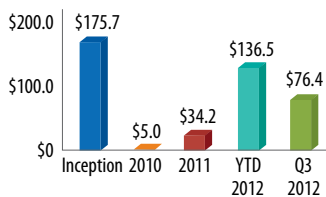
Cash to Total Assets Ratio:	6.1%
Asset Type:	Multifamily
Number of Properties:	19
Square Feet / Units / Rooms / Acres:	4,102 units
Percent Leased:	93.1%
LifeStage:	Growth
Investment Style	Core

Initial Offering Date:	July 19, 2010
Number of Months Fundraising:	26
Anticipated Offering Close Date:	July 9, 2013
Current Price per Share:	\$10.24
Reinvestment Price per Share:	\$9.73

Historical Price



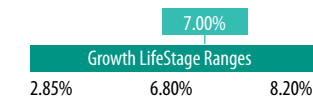
Gross Dollars Raised*



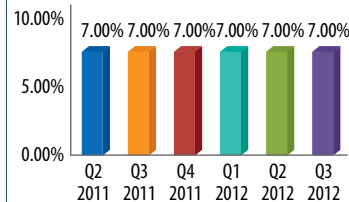
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

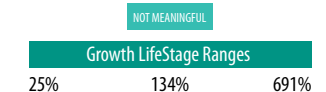


Contact Information

www.SteadfastREITs.com
Steadfast Capital Markets Group, LLC
 18100 Von Karman Avenue
 Suite 500
 Irvine, California 92612
 (949) 852-0700

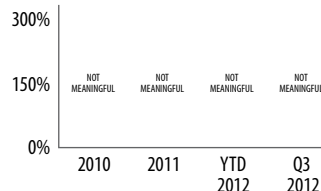
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL



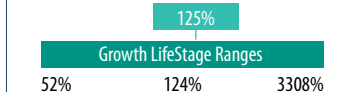
YTD Distributions Paid:.. \$4,169,909
 YTD FFO:

Historical FFO Payout Ratio



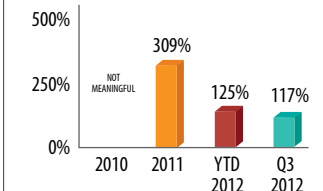
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:125%

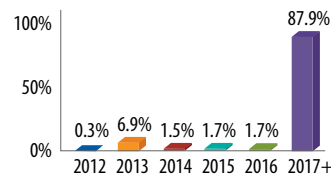


YTD Distributions Paid:.....\$4,169,909
 YTD MFFO:\$3,342,840
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio



Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio:.... 60.0%



Debt Breakdown

Total:	\$207.9 Million
Fixed:	\$177.4 Million
Variable:	\$30.5 Million
Avg. Wtd. Rate:	4.0%
Term:	1 – 30 yrs

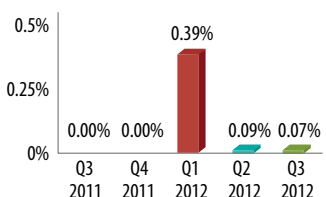
Interest Coverage Ratio

YTD Interest Coverage Ratio:..... 1.8



Adjusted EBITDA:

Redemptions



Lease Expirations



Trends and Items of Note

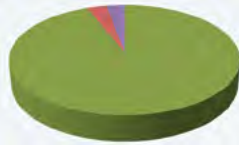
- On July 12, 2012, the Company's board of directors determined an estimated net asset value per share of the REIT's common stock of \$10.24 as of March 31, 2012. As a result, effective September 10, 2012, the offering price of the REIT's common stock will increase from the current price of \$10.00 per share to \$10.24 per share.
- Effective September 10, 2012, redemptions under the Company's share repurchase plan will be redeemed at a price at, or at a discount to, the new offering price of \$10.24. Additionally, beginning September 10, 2012, participants in the DRP will have cash distributions reinvested in shares of the Company's common stock at a price of \$9.73 per share, or 95% of the new offering price.
- Effective September 10, 2012, the Company's board of directors increased the amount of distributions paid on each share of the REIT's common stock from \$0.001917 per share per day to \$0.001964 per share per day, which, if paid each day over a 365-day period, is equivalent to a 7.0% annualized distribution rate based on the new offering price of \$10.24 per share.
- The Company acquired five properties during the quarter for a total of \$93.8 million.
- The Company's cash to total assets decreased to 6.1% as of Q3 2012 and remains below the median compared to other Growth LifeStage REITs.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Strategic Storage Trust, Inc.

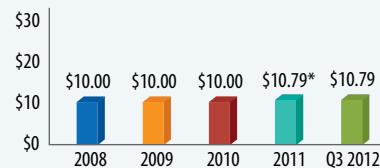
Total Assets.....	\$579.6 Million
Real Estate Assets	\$544.4 Million
Cash.....	\$18.2 Million
Securities	\$0.0 Million
Other.....	\$17.0 Million



Initial Offering Date:	March 17, 2008
Number of Months Fundraising:	54
Anticipated Offering Close Date:	September 22, 2013
Current Price per Share:	\$10.79
Reinvestment Price per Share:	\$10.25

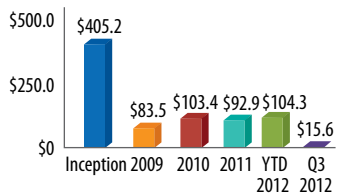
Cash to Total Assets Ratio:	3.1%
Asset Type:	Storage
Number of Properties:	100
Square Feet / Units / Rooms / Acres:	8.1 Million Sq. Ft.
Percent Leased:	79.2%
LifeStage.....	Stabilizing
Investment Style	Core

Historical Price



*See Notes

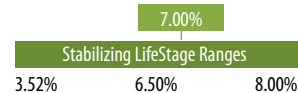
Gross Dollars Raised*



*Includes reinvested distributions (in millions)

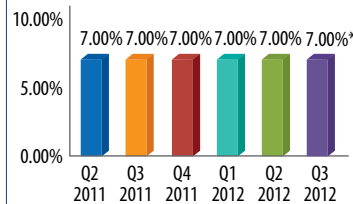
Current Distribution

Current Distribution Yield: .. 7.00%*



*See Notes

Historical Distribution

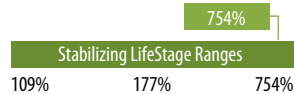


*See Notes

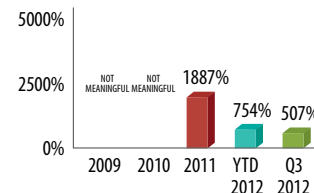
Contact Information

www.StrategicStorageTrust.com
Strategic Storage Trust
 111 Corporate Drive, Suite 120
 Ladera Ranch, CA 92694
 (877) 327-3485

Year to Date FFO Payout Ratio

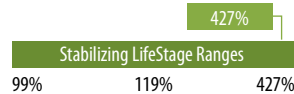
FFO Payout Ratio:
YTD Distributions/YTD FFO: 754%YTD Distributions Paid:.. \$20,356,754
YTD FFO: \$2,699,926

Historical FFO Payout Ratio

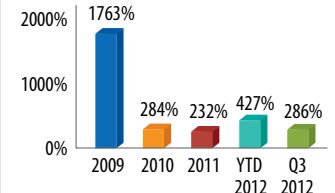


NOT MEANINGFUL

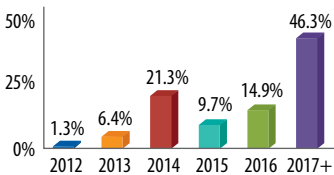
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO:....427%YTD Distributions Paid: ...\$20,356,754
YTD MFFO: \$4,770,647
Company Reported MFFO - see notes

Historical MFFO Payout Ratio

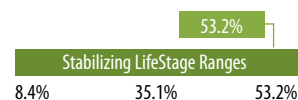


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 53.2%



Debt Breakdown

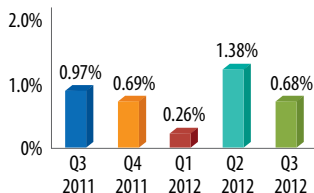
Total: \$308.2 Million
 Fixed: \$285.4 Million
 Variable: \$22.8 Million
 Avg. Wtd. Rate: 5.60%
 Term: <1 - 10 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.7

Adjusted EBITDA: \$21,730,558
Interest Expense: \$13,104,342

Redemptions



Lease Expirations

Leases are Month to Month

Trends and Items of Note

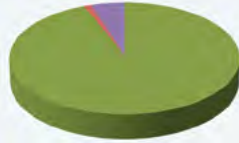
- Effective June 1, 2012, the offering price of the shares of common stock increased from \$10.00 per share to \$10.79 per share. This increase was primarily based on the April 2, 2012 estimated per share value (NAV) of common stock of \$10.79, calculated as of December 31, 2011. The board of directors determined that it was appropriate to increase the per share offering price for new purchases of shares commencing on June 1, 2012.
- Current distribution yield is based on original \$10.00 offering price. Yield based on the \$10.79 offering price is 6.49%.
- During the third quarter, the Company purchased eight properties for approximately \$25.0 million.
- The Company's debt to total assets ratio decreased for the third quarter in a row to 53.2%.
- The Company hedged \$45,000,000 of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 100 for information regarding the source of distributions.



Nontraded REIT Industry Review: Third Quarter 2012

TNP Strategic Retail Trust, Inc.

Total Assets.....	\$272.3 Million
Real Estate Assets	\$255.7 Million
Cash	\$2.9 Million
Securities	\$0.0 Million
Other	\$13.8 million



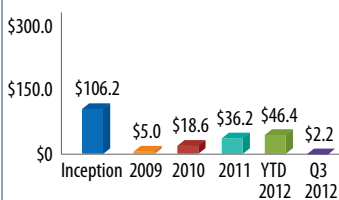
Initial Offering Date:	August 7, 2009
Number of Months Fundraising:	37
Anticipated Offering Close Date:	February 4, 2013
Current Price per Share:	\$10.40*
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	1.1%
Asset Type:	Retail
Number of Properties:	20
Square Feet / Units / Rooms / Acres:	2,073,210 Sq. Ft.
Percent Leased:	87%
LifeStage.....	Growth
Investment Style	Value Add

Historical Price



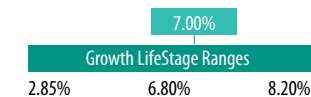
Gross Dollars Raised*



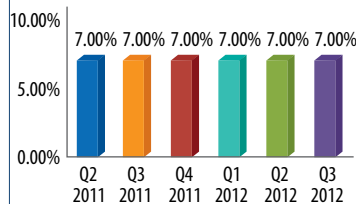
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

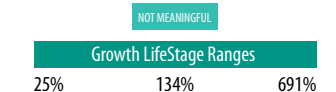


Contact Information

www.tnpre.com
TNP Strategic Retail Trust, Inc.
1900 Main Street
Attn: Tony Thompson
Suite 700
Irvine, CA 92614
877-982-7846

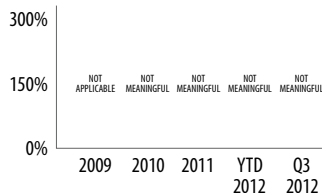
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO: NOT MEANINGFUL



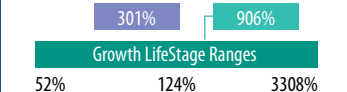
YTD Distributions Paid: ... \$4,287,000
 YTD FFO: ... (\$3,966,000)

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

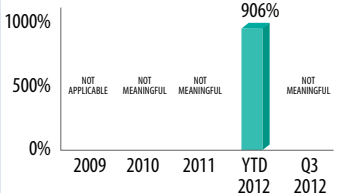
MFFO Payout Ratio:
YTD Distributions/YTD MFFO: ...906%



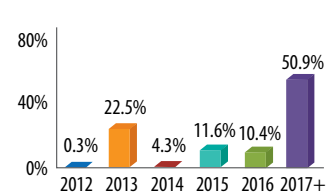
YTD Distributions Paid: ... \$4,287,000
 YTD MFFO: ... \$473,000

*BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

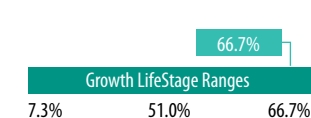


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 66.7%



Debt Breakdown

Total:	\$181.7 Million
Fixed:	\$143.3 Million
Variable:	\$38.4 Million
Avg. Wtd. Rate:	5.95%
Term:	1 - 25 yrs

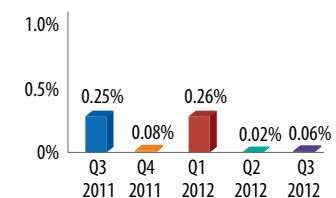
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.0

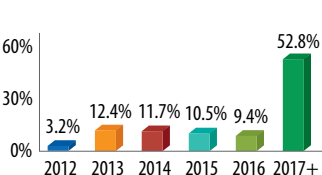


Adjusted EBITDA: \$9,733,000
 Interest Expense: \$9,573,000

Redemptions



Lease Expirations *



*Future minimum rental income.

Trends and Items of Note

- On November 9, 2012, the board of directors determined an estimated per share value of \$10.60 for the common stock as of November 9, 2012. The Company did not, however, change the price per share for the current offering, under the DRIP or under the share redemption program, except in the case of redemptions upon the death or disability of a stockholder, in which case the Company will use the higher of the most recently determined estimated share value and the purchase price paid.
- On June 15, 2012, the Company filed with the SEC a registration statement on Form S-11 to register up to \$900,000,000 in shares of the Company's common stock in a follow-on public offering. The Company will offer shares in the current offering until the earlier of the date on which the SEC declares the registration statement for the follow-on offering effective or February 4, 2013.
- The Company did not acquire any properties during the third quarter.
- Debt to total assets remained relatively flat at 66.7% compared to 66.5% during the previous quarter.
- The Company reported MFFO according to the IPA Guidelines as well as AFFO. The year-to-date ratios presented above reflect both the Blue Vault's estimate based on the IPA Guidelines as well as the ratio based on the REIT's AFFO which includes an adjustment for the amortization of deferred financing costs and non-recurring non-cash allocation of organization costs.
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



United Development Funding IV

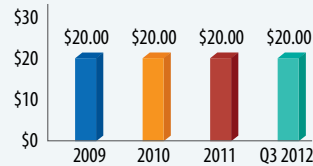
Total Assets.....	\$288.5 Million
Real Estate Assets	\$245.0 Million
Cash.....	\$24.1 Million
Securities	\$0.0 Million
Other.....	\$19.4 Million



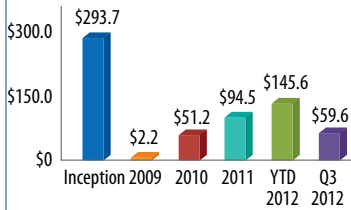
Initial Offering Date: November 12, 2009
 Number of Months Fundraising: 34
 Anticipated Offering Close Date: May 13, 2013
 Current Price per Share: \$20.00
 Reinvestment Price per Share: \$20.00

Cash to Total Assets Ratio: 8.4%
 Asset Type: Mortgage Loans
 Number of Properties: .16 Related Party Notes and Participation
 Agreements, 41 Loans with Third-Parties
 Square Feet / Units / Rooms / Acres: N/A
 Percent Leased: N/A
 LifeStage: Growth
 Investment Style Debt

Historical Price



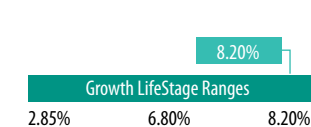
Gross Dollars Raised*



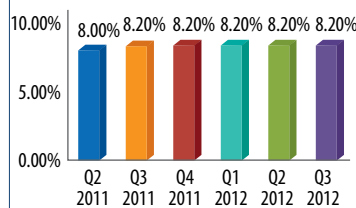
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 8.20%



Historical Distribution

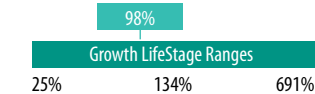


Contact Information

www.umth.com
United Development Funding IV Investor Services
The United Development Funding Building, Suite 100
1301 Municipal Way
Grapevine, Texas 76051
Telephone: (214) 370-8960

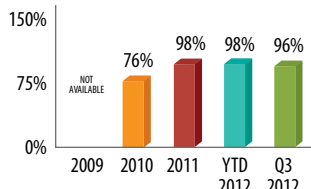
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 98%



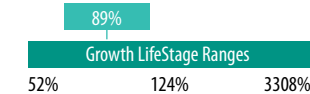
YTD Distributions Paid:.. \$12,512,000
 YTD FFO: \$12,737,000

Historical FFO Payout Ratio



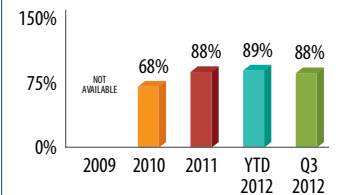
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:..... 89%

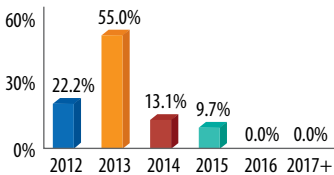


YTD Distributions Paid: \$12,512,000
 YTD MFFO: \$14,057,000
 Company Reported MFFO – see notes

Historical MFFO Payout Ratio

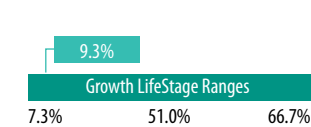


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: 9.3%



Debt Breakdown



Total: \$26.8 Million
 Fixed: \$5.1 Million
 Variable: \$21.7 Million
 Avg. Wtd. Rate: 5.92%
 Term: 1 – 3 yrs

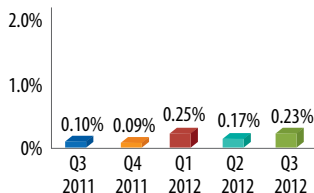
Interest Coverage Ratio

YTD Interest Coverage Ratio: ... 12.7



Adjusted EBITDA: \$14,786,562
 Interest Expense: \$1,163,120

Redemptions



Lease Expirations*

Not Applicable

Trends and Items of Note

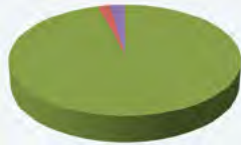
- On October 19, 2012, the Company extended the Offering until the earlier of the effective date of the registration statement for the proposed Follow-on Offering or May 13, 2013. In addition, the Company also filed a follow-on public offering of up to 20,000,000 common shares to be offered at a price of \$20.00 per share and up to 10,000,000 common shares pursuant to the DRIP for \$20.00 per share.
- For the nine months ended September 30, 2012, the Company originated six loans and purchased two loans.
- The Company made no real property acquisitions in the 3Q 2012.
- The Company's interest coverage increased for the fourth quarter in a row to 12.7 and is significantly above the median for other Growth LifeStage REITs.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Wells Core Office Income REIT, Inc.

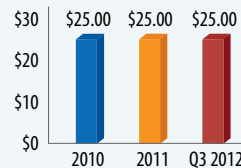
Total Assets.....	\$456.0 Million
Real Estate Assets	\$436.7 Million
Cash	\$8.3 Million
Securities	\$0.0 Million
Other	\$10.9 Million



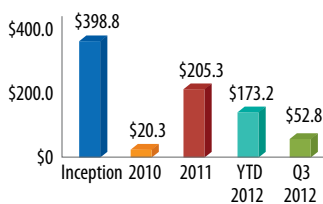
Initial Offering Date:	June 10, 2010
Number of Months Fundraising:	27
Anticipated Offering Close Date:	June 10, 2013
Current Price per Share:	\$25.00
Reinvestment Price per Share:	\$23.75

Cash to Total Assets Ratio:	1.8%
Asset Type:	Office
Number of Properties:	11
Square Feet / Units / Rooms / Acres:	1.9 Million Sq. Ft.
Percent Leased:	100%
LifeStage	Stabilizing
Investment Style	Core

Historical Price



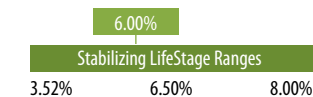
Gross Dollars Raised*



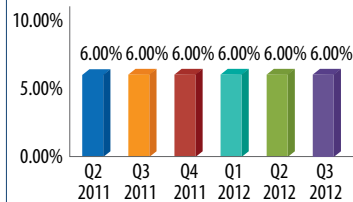
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution

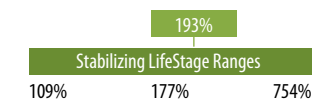


Contact Information

www.Wellscorereit.com
Wells Real Estate Funds
P.O. Box 926040
Norcross, GA 30010
800-557-4830

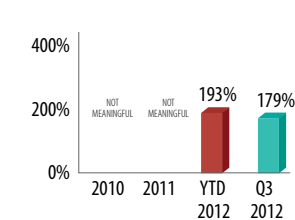
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 193%



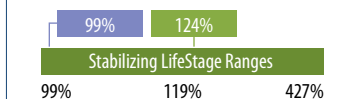
YTD Distributions Paid:.. \$13,701,510
 YTD FFO: \$7,104,361

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

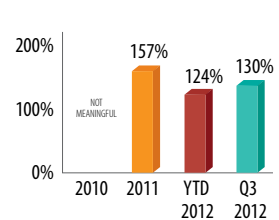
MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...124%



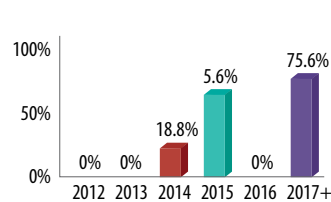
YTD Distributions Paid:.. \$13,701,510
 YTD MFFO: \$11,084,343

■ *BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

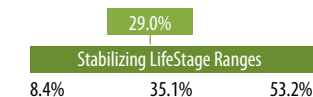


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 29.0%



Debt Breakdown

Total: \$132.3 Million
 Fixed:\$0.0 Million
 Variable:\$132.3 Million
 Avg. Wtd. Rate:2.06%
 Term:2 – 5 yrs

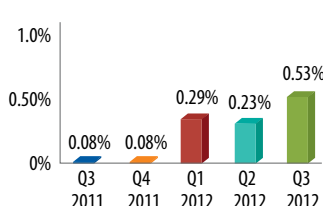
Interest Coverage Ratio

YTD Interest Coverage Ratio: 4.7

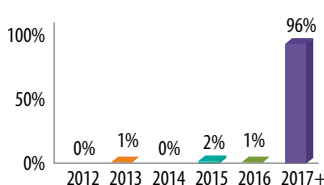


Adjusted EBITDA:\$17,403,582
 Interest Expense:\$3,670,679

Redemptions



Lease Expirations



*Data as of 12/31/11

Trends and Items of Note

- On September 19, 2012, Wells Core Office Income REIT's board of directors determined that it is in the REIT's best interest not to conduct a follow-on public offering of shares is expected to terminate the current offering on June 10, 2013.
- The Company acquired two properties during the quarter for a total of \$59.0 million.
- The Company's debt to total asset ratio remained relatively flat at 29.0% compared to 29.1% during the previous quarter.
- The year-to-date interest coverage increased for the third quarter in a row to 4.7 as of Q3 2012.
- The Company reported MFFO according to the IPA Guidelines as well as AFFO. The year-to-date ratios presented above reflect both the Blue Vault's estimate based on the IPA Guidelines as well as the ratio based on the REIT's AFFO which includes an adjustment for noncash interest expense and master lease proceeds.
- See additional notes on page 100 for information regarding the source of distributions.

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Effective Nontraded REITs with Limited Operating Results

	Effective Date	LifeStage	Investment Style	Total Assets (in \$ Millions)	Minimum Shares Sold / Funds Released from Escrow	Gross Offering Proceeds Raised Since Inception (in \$ Millions)	Real Estate / Real Estate Related Assets Owned	Distributions Declared	Debt on Balance Sheet
AEI Core Property Income Trust, Inc.	January 23, 2012	Emerging	Core	\$0.1	No	NA	0	None	None
American Realty Capital Global Trust, Inc.	April 20, 2012	Emerging	Core	\$0.07	Yes	\$2.0	1	7.10%	NA
American Realty Capital Trust IV, Inc.	June 8, 2012	Emerging	Core	\$8.2	Yes	\$75.0	4	6.60%	NA
Clarion Partners Property Trust, Inc.	May 16, 2011	Emerging	Core	\$0.9	Yes	\$1.5	1	5.50%	NA
Inland Real Estate Income Trust, Inc.	October 18, 2012	Emerging	Core	\$1.8	Yes	\$2.2	5	None	NA
MVP REIT, Inc.	September 26, 2012	Emerging	Core	\$2.1	No	\$0.4	0	5.40%	None
Northstar Healthcare Income Trust, Inc.	August 7, 2012	Emerging	Core	\$0.2	No	NA	0	None	None
O'Donnell Strategic Industrial REIT, Inc.	August 15, 2011	Emerging	Core	\$2.3	Yes	\$2.4	0	6.50%	None
Plymouth Opportunity REIT, Inc.	Nov. 1, 2011	Emerging	Opportunistic	\$2.5	Yes	\$3.2	2	0.15 shares per share	None
United Realty Trust, Inc.	August 15, 2012	Emerging	Core	\$0.002	No	NA	0	None	None

American Realty Capital Global Trust, Inc.

On October 24, 2012, the Company satisfied the general escrow conditions of the public offering of common stock. On such date, the Company received and accepted aggregate subscriptions equal to the minimum of \$2.0 million in shares of common stock, broke escrow and issued shares to each of AR Capital Global Holdings, LLC, the sponsor, and Moor Park Global Advisers Limited, a subsidiary of the Company's European service provider, in the amount of \$1.0 million at a purchase price of \$9.00 per share. The Company purchased its first property and commenced real estate operations on October 30, 2012.

On October 5, 2012, the Company declared a distribution rate which will be calculated based on stockholders of record each day during the applicable period at a rate of \$0.00194520548 per day, based on a per share price of \$10.00, which was previously authorized by the board of directors and contingent upon the placement of its first acquisition under contract. The distributions will begin to accrue 30 days following the initial property acquisition, which occurred on October 30, 2012. The distributions will be payable by the 5th day following each month end to stockholders of record at the close of business each day during the prior month.

Nontraded REIT Industry Review: Third Quarter 2012



American Realty Capital Trust IV, Inc.

On September 10, 2012, the Company satisfied the general escrow conditions of the public offering of common stock. On such date, it received and accepted aggregate subscriptions equal to the minimum of \$2.0 million in shares of common stock, broke escrow and issued shares to the initial investors who were admitted as stockholders. On November 5, 2012, the Company raised in excess of \$75.0 million in aggregate gross proceeds from all investors for shares of common stock. Accordingly, the Company can now accept subscriptions from all states where it has cleared, including subscriptions from residents of Pennsylvania.

On August 27, 2012, the board of directors authorized, and declared, a distribution rate which will be calculated based on stockholders of record each day during the applicable period at a rate of \$0.00452054795 per day. The distributions are payable by the 5th day following each month end to stockholders of record at the close of business each day during the prior month. Distributions began to accrue on October 13, 2012, approximately 15 days after the first property acquisition and therefore the first distribution was paid on November 1, 2012.

Clarion Partners Property Trust, Inc.

On October 31, 2012, the Company's board of directors authorized and declared cash distributions for the period from November 1, 2012 through December 31, 2012 (the "Distribution Period") for each share of the Company's Class A and Class W common stock outstanding as of December 28, 2012. The distributions will be paid on January 2, 2013. Holders of Class W shares will receive an amount equal to \$0.09167 per share and holders of Class A shares will receive an amount equal to \$0.09167 per share less an amount calculated at the end of the distribution period equal to the class-specific expenses incurred during the Distribution Period that are allocable to each Class A share.

On November 1, 2012, following the authorization by the Company's board of directors, the Company's escrow agent released to the Company all of the Offering proceeds in the escrow account (other than proceeds from Pennsylvania and Tennessee investors) totaling \$1,460,713.

Inland Real Estate Income Trust, Inc.

Information regarding properties owned is as of November 6, 2012. On October 26, 2012, the Company issued approximately 222,222 shares of common stock for \$9.00 per share, or an aggregate purchase price of \$2,000,000, to IREIC. No sales commission or other consideration was paid in connection with the sale. As a result of this investment the Company has satisfied the minimum offering requirements in all states except Ohio, Pennsylvania and Tennessee. All of IREIC's subscription proceeds have been released from the escrow account maintained by the third-party escrow agent. Together with IREIC's August 25, 2011 purchase of 20,000 shares of common stock for \$10.00 per share, or an aggregate purchase price of \$200,000, made in connection with the company's formation, IREIC has invested \$2,200,000 million and received approximately 242,222 shares of common stock.

MVP REIT, Inc.

As of November 14, 2012 the Company has raised approximately \$0.4 million which has been deposited in an escrow account until the time it breaks escrow.

On October 3, 2012, MVP REIT, Inc. confirmed that its board of directors has approved a plan for payment of initial monthly cash distributions of \$0.045 per share, subject to breaking escrow after receiving minimum gross proceeds from stock sales of \$3 million.

O'Donnell Strategic Industrial REIT, Inc.

On August 8, 2012, the Company issued the initial 221,013 shares of common stock in the Offering to the Advisor and other subscribers, meeting the Minimum Offering Amount, and commenced its principal operations. As of November 16, 2012, the Company had accepted investors' subscriptions for and issued 260,335 shares of common stock in the offering, resulting in the receipt of gross proceeds of approximately \$2,372,000. In addition, the Company has special escrow requirements for subscriptions from residents of Pennsylvania and Tennessee, the conditions of which, to date, have not been satisfied.

On November 8, 2012, the board of directors authorized and declared a daily distribution to stockholders of record as of the close of business on each day of the period commencing on December 1, 2012 and ending on February 28, 2013. The distributions for the period commencing on December 1, 2012 and ending on December 31, 2012 will be calculated based on 366 days in the calendar year and equal to \$0.001775956 per share of common stock, which is equal to an annualized distribution rate of 6.50%, assuming a purchase price of \$10.00 per share.

Plymouth Opportunity REIT, Inc.

As of November 14, 2012, the Company had reached gross offering proceeds of approximately \$3.24 million, which is sufficient to satisfy minimum offering amounts in all states where the Company is conducting its offering except Ohio, Pennsylvania and Tennessee.

The Company declared a stock distribution of 0.015 shares of our common stock, \$0.01 par value per share, or 1.5% of each outstanding share of common stock to the stockholders of record at the close of business on September 28, 2012 and was paid on October 15, 2012.

Nontraded REIT Industry Review: Third Quarter 2012



American Realty Capital Trust III, Inc.

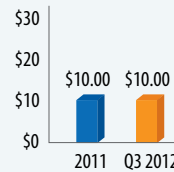
Total Assets.....	\$1,653.4 Million
Real Estate Assets	\$928.6 Million
Cash	\$691.7 Million
Securities	\$8.1 Million
Other.....	\$25.0 Million



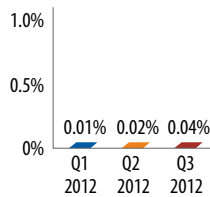
Initial Offering Date: March 31, 2011
 Offering Close Date: September 28, 2012
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50
 Cumulative Capital Raised during Offering (including DRP)..... \$1.7 Billion

Cash to Total Assets Ratio: 41.8%
 Asset Type: Diversified
 Number of Properties: 382
 Square Feet / Units / Rooms / Acres: 7,859,173 sq ft
 Percent Leased: 100%
 LifeStage..... Maturing
 Investment Style Core

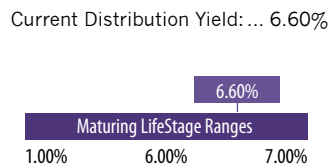
Historical Price



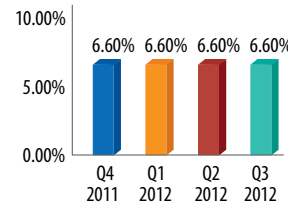
Redemptions



Current Distribution



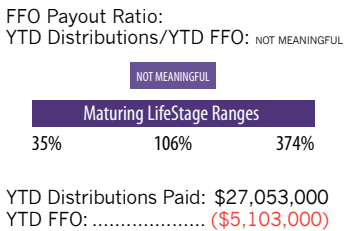
Historical Distribution



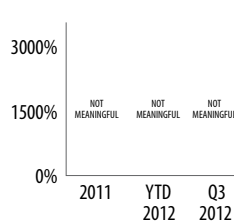
Contact Information

www.arct-3.com
American Realty Capital Trust III, Inc.
 405 Park Avenue
 New York, NY 10022
 212-415-6500

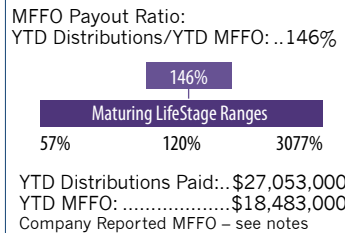
Year to Date FFO Payout Ratio



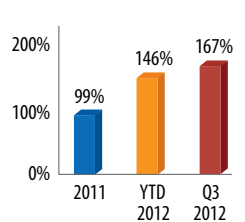
Historical FFO Payout Ratio



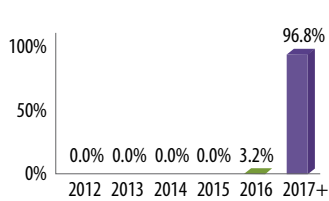
Year to Date MFFO Payout Ratio



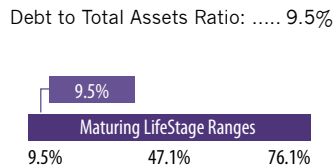
Historical MFFO Payout Ratio



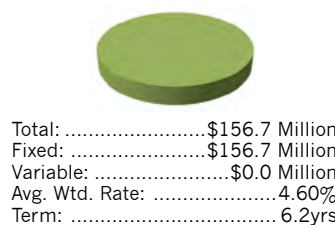
Debt Repayment Schedule



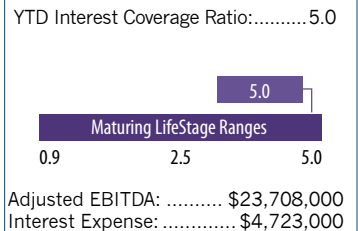
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Weighted average remaining lease term is 12.7 years.

Trends and Items of Note

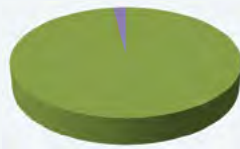
- The REIT moved from the Growth LifeStage to the Maturing LifeStage as the REIT closed to new investments during the third quarter.
- On August 23, 2012, the Company retained UBS Investment Bank ("UBS") as its financial advisor to assist in evaluating potential financing and strategic alternatives, consistent with the Company's long-term business strategy.
- On September 28, 2012, the Company announced the close of the IPO following the successful achievement of its target equity raise of \$1.7 billion, including the shares reallocated from the DRIP.
- The REIT purchased 201 properties during the third quarter for a total investment of \$427,659,000. These properties include retail, warehouse distribution and health care properties, all in the U.S.
- Debt to total assets was a low 9.5% compared to the median of 47.1% for other Maturing LifeStage REITs.
- The Company had \$156,730,000 of hedged variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Apple REIT Six, Inc.

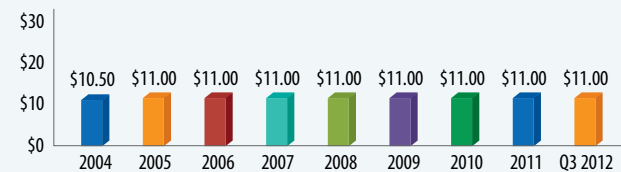
Total Assets.....	\$747.8 Million
Real Estate Assets	\$732.4 Million
Cash.....	\$0.0 Million
Securities	\$0.0 Million
Other.....	\$15.3 Million



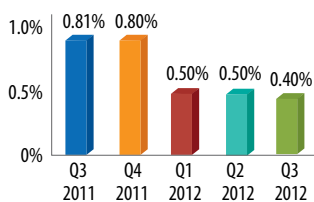
Initial Offering Date: January 23, 2004
 Offering Close Date: March 3, 2006
 Current Price per Share: \$11.00
 Reinvestment Price per Share: \$11.00
 Cumulative Capital Raised during Offering (including DRP)..... \$1,002.38 Million

Cash to Total Assets Ratio: 0.00%
 Asset Type: Hotels
 Number of Properties: 66
 Square Feet / Units / Rooms / Acres: 7,658 rooms
 Percent Leased: 78%
 LifeStage..... Liquidating
 Investment Style Core

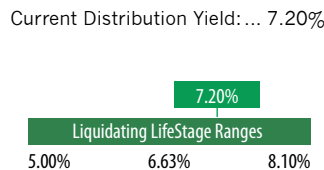
Historical Price



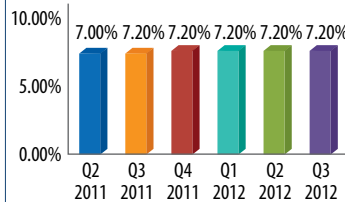
Redemptions



Current Distribution



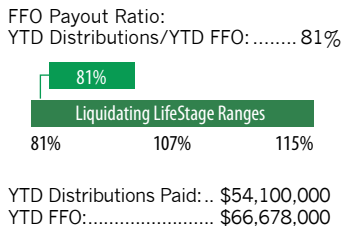
Historical Distribution



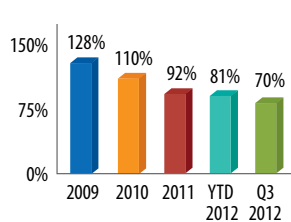
Contact Information

www.AppleREITSix.com
814 E. Main Street
Richmond, VA 23219
804-727-6321

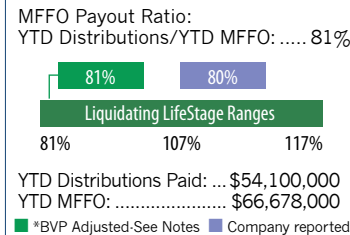
Year to Date FFO Payout Ratio



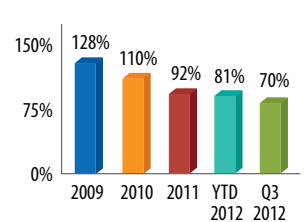
Historical FFO Payout Ratio



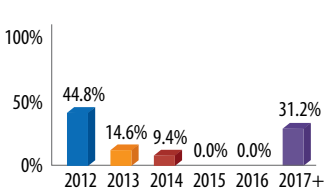
Year to Date MFFO Payout Ratio



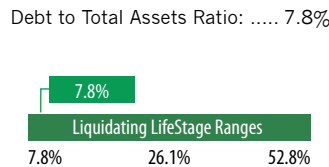
Historical MFFO Payout Ratio



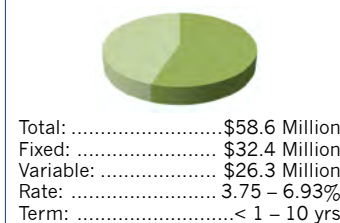
Debt Repayment Schedule



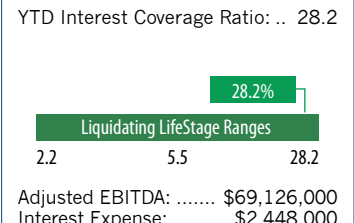
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Not Reported

Trends and Items of Note

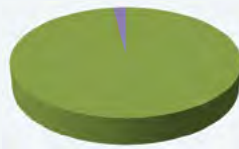
- Apple REIT Six Inc.'s board on Nov. 5 urged shareholders to reject a tender offer launched by certain investors to buy up to 4,550,000 common shares and the associated shares of series A preferred stock of the company for \$5.50 per share.
- On November 30, Apple REIT Six Inc. announced it had entered into a definitive merger agreement to be acquired by BRE Select Hotels Corp., an affiliate of Blackstone Real Estate Partners VII, for about \$1.2 billion. Under the terms of the deal, which was approved by Apple REIT Six's board, each issued and outstanding unit of the company will be converted into the right to receive consideration of \$11.10 per unit.
- The REIT made no property acquisitions or dispositions in 3Q 2012.
- The REIT's debt dropped to \$58.6 million from \$71.7 million in 1Q 2012, lowering the Debt to Total Assets ratio to 7.8%, well below the median of 26.1% for Liquidating LifeStage REITs.
- The Revenue per Available Room (RevPAR) for the portfolio was \$87 for the nine months ended September 30, 2012, versus \$81 for the same period in 2011.
- The Company reported FFO and MFFO for YTD 3Q 2012. Blue Vault Partners adjusted the company reported MFFO by removing costs related to a potential merger of \$810,000.
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Apple REIT Seven, Inc.

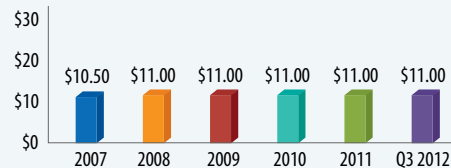
Total Assets.....	\$851.7 Million
Real Estate Assets	\$828.2 Million
Cash.....	\$0.0 Million
Securities	\$0.0 Million
Other.....	\$23.6 Million



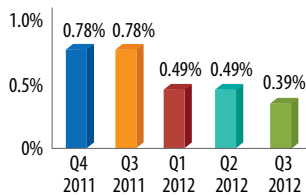
Initial Offering Date: March 15, 2006
 Offering Close Date: July 16, 2007
 Current Price per Share: \$11.00
 Reinvestment Price per Share: \$11.00
 Cumulative Capital Raised during Offering (including DRP)..... \$1,003.2 Million

Cash to Total Assets Ratio: 0.00%
 Asset Type: Hotels
 Number of Properties: 51
 Square Feet / Units / Rooms / Acres: 6,426 Rooms
 Percent Leased: 76%
 LifeStage..... Liquidating
 Investment Style Core

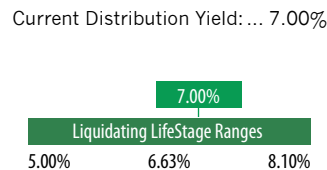
Historical Price



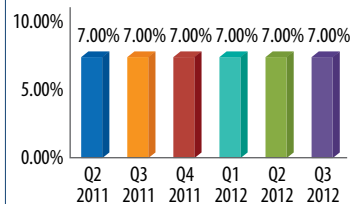
Redemptions



Current Distribution



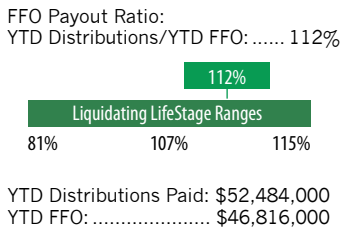
Historical Distribution



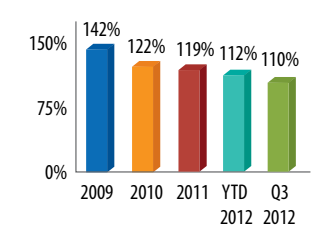
Contact Information

www.AppleREITSeven.com
814 E. Main Street
Richmond, VA 23219
804-727-6321

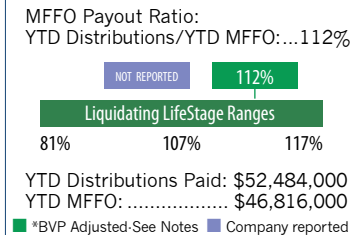
Year to Date FFO Payout Ratio



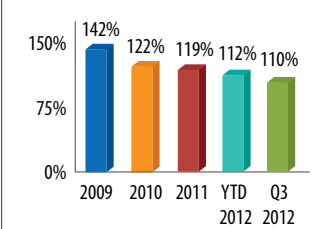
Historical FFO Payout Ratio



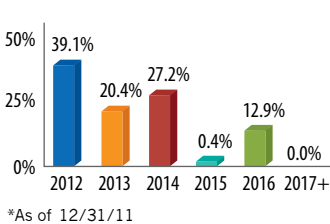
Year to Date MFFO Payout Ratio



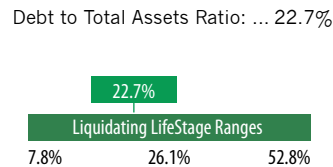
Historical MFFO Payout Ratio



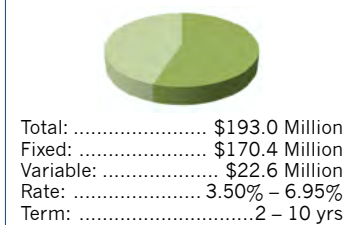
Debt Repayment Schedule



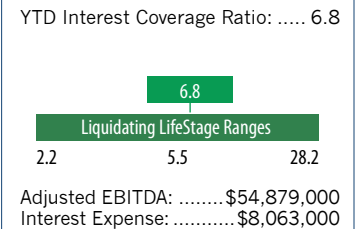
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Not Reported

Trends and Items of Note

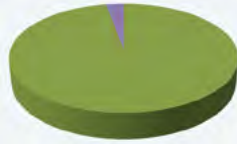
- On October 22, 2012, the Financial Industry Regulatory Authority ("FINRA") issued an order against David Lerner Associates, Inc. ("DLA") and David Lerner, individually, requiring DLA to pay approximately \$12 million in restitution to certain investors in Units of Apple REIT Ten, Inc. In addition, David Lerner, individually, was fined \$250,000 and suspended for one year from the securities industry, followed by a two year suspension from acting as a principal. The Company relies on DLA for the administration of its Units and does not believe this settlement will affect the administration of its Units. The Company intends to continue to cooperate with regulatory or governmental inquiries.
- In October 2012, the Company redeemed approximately 364,000 Units in the amount of \$4.0 million. The Company redeemed Units on a pro-rata basis, whereby a percentage of each requested redemption was fulfilled at the discretion of the Company's Board of Directors. This redemption was approximately 3% of the total 13.0 million requested Units to be redeemed, with approximately 12.6 million requested Units not redeemed.
- The REIT's Interest Coverage Ratio remained at 6.8, above the median for Liquidating LifeStage REITs. The REIT's debt ratio at 22.7% remained below the 26.1% median for this LifeStage.
- The Company did not report MFFO in the 10-Q for 3Q 2012. As a result, Blue Vault Partners estimated these figures based upon public information.
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Apple REIT Eight, Inc.

Total Assets.....	\$925.3 Million
Real Estate Assets	\$899.0 Million
Cash.....	\$0.0 Million
Securities	\$0.0 Million
Other.....	\$26.4 Million



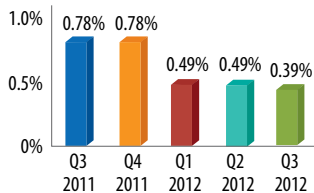
Initial Offering Date: July 19, 2007
 Offering Close Date: April 30, 2008
 Current Price per Share: \$11.00
 Reinvestment Price per Share: \$11.00
 Cumulative Capital Raised during Offering (including DRP)..... \$1,096.8 Million

Cash to Total Assets Ratio: 0.00%
 Asset Type: Hotels
 Number of Properties: 51
 Square Feet / Units / Rooms / Acres: 5,912 Rooms
 Percent Leased: 78%
 LifeStage..... Liquidating
 Investment Style Core

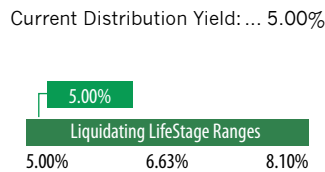
Historical Price



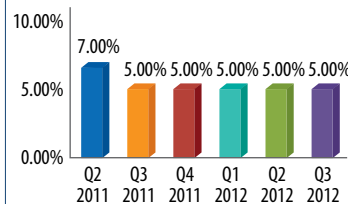
Redemptions



Current Distribution



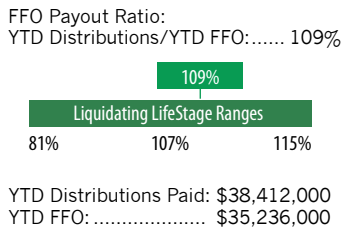
Historical Distribution



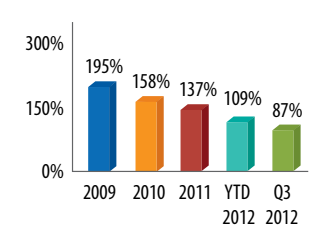
Contact Information

www.AppleREITEight.com
814 E. Main Street
Richmond, VA 23219
804-727-6321

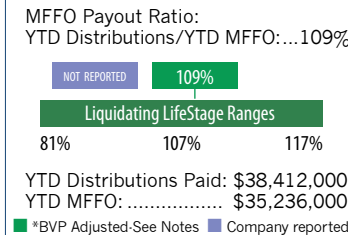
Year to Date FFO Payout Ratio



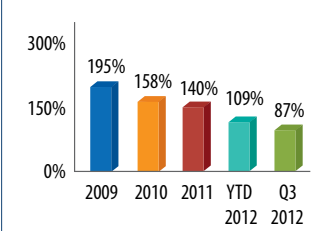
Historical FFO Payout Ratio



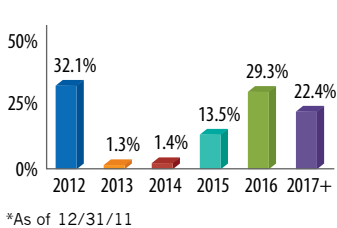
Year to Date MFFO Payout Ratio



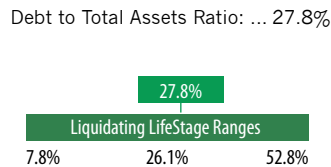
Historical MFFO Payout Ratio



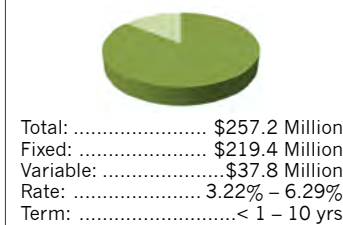
Debt Repayment Schedule



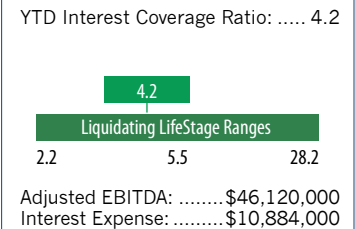
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Not Reported

Trends and Items of Note

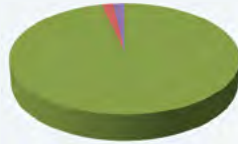
- On October 22, 2012, the Financial Industry Regulatory Authority ("FINRA") issued an order against David Lerner Associates, Inc. ("DLA") and David Lerner, individually, requiring DLA to pay approximately \$12 million in restitution to certain investors in Units of Apple REIT Ten, Inc. In addition, David Lerner, individually, was fined \$250,000 and suspended for one year from the securities industry, followed by a two year suspension from acting as a principal. The Company relies on DLA for the administration of its Units and does not believe this settlement will affect the administration of its Units. The Company intends to continue to cooperate with regulatory or governmental inquiries.
- The REIT made no property acquisitions or dispositions in 3Q 2012.
- The REIT's Interest Coverage Ratio rose to 4.2, below the 5.5 median for Liquidating LifeStage REITs. The REIT's debt ratio rose slightly to 27.8%, just above the 26.1% median for this LifeStage.
- The Revenue per Available Room (RevPAR) for the portfolio was \$94 in Q3 2012, an increase of approximately two percent as compared to the 2Q 2012 figure.
- Occupancy for 3Q 2012 was 78%, even with 78% in Q3 2011.
- The Company hedged \$46,700,000 of its variable rate debt as of September 30, 2012.
- The Company did not report MFFO for the period ending September 30, 2012. Blue Vault estimated the Company's figures.
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Apple REIT Nine Inc.

Total Assets.....	\$1,553.9 Million
Real Estate Assets ..	\$1,476.2 Million
Cash.....	\$19.5 Million
Securities	\$0.0 Million
Other.....	\$58.2 Million



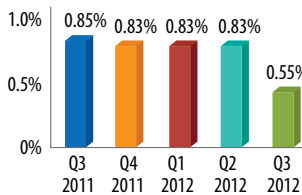
Initial Offering Date:April 25, 2008
 Offering Close Date: December 9, 2010
 Current Price per Share:\$10.25
 Reinvestment Price per Share:\$10.25
 Cumulative Capital Raised during Offering (including DRP).....\$1,994.3 Million

Cash to Total Assets Ratio:1.3%
 Asset Type: Hotels
 Number of Properties:89
 Square Feet / Units / Rooms / Acres: 11,371 Rooms
 Percent Leased:74%
 LifeStage..... Liquidating
 Investment StyleCore

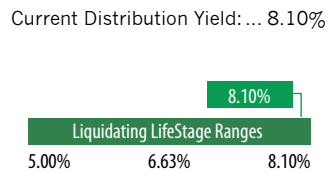
Historical Price



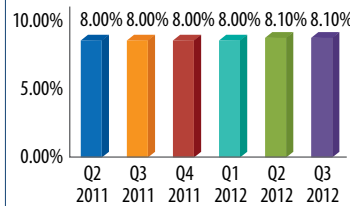
Redemptions



Current Distribution



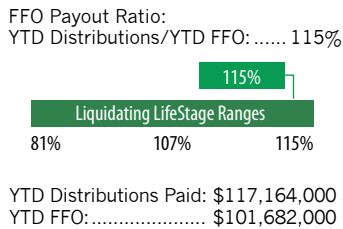
Historical Distribution



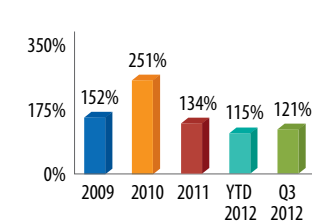
Contact Information

www.AppleREITNine.com
814 E. Main Street
Richmond, VA 23219
804-727-6321

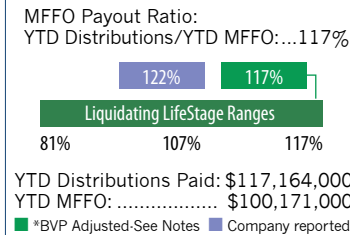
Year to Date FFO Payout Ratio



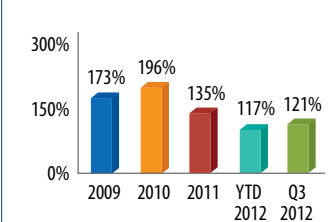
Historical FFO Payout Ratio



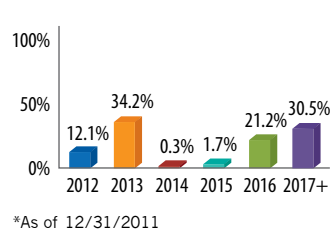
Year to Date MFFO Payout Ratio



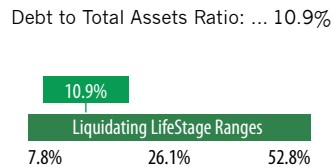
Historical MFFO Payout Ratio



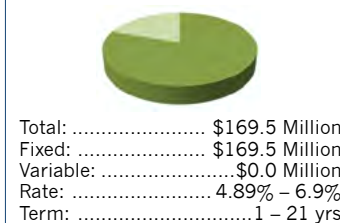
Debt Repayment Schedule



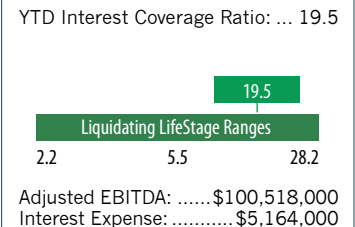
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Not Reported

Trends and Items of Note

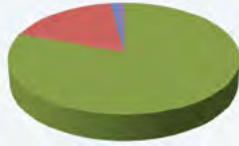
- On October 22, 2012, the Financial Industry Regulatory Authority ("FINRA") issued an order against David Lerner Associates, Inc. ("DLA") and David Lerner, individually, requiring DLA to pay approximately \$12 million in restitution to certain investors in Units of Apple REIT Ten, Inc. In addition, David Lerner, individually, was fined \$250,000 and suspended for one year from the securities industry, followed by a two year suspension from acting as a principal. The Company relies on DLA for the administration of its Units and does not believe this settlement will affect the administration of its Units. The Company intends to continue to cooperate with regulatory or governmental inquiries.
- The REIT made no property acquisitions or dispositions in 3Q 2012.
- In August, 2012, The Company's board of directors changed the annualized distribution rate from \$0.88 per unit (or 8.0% annually based on a liquidation preference of \$11.00) to \$0.83 per unit (or 8.1% annually based on a liquidation preference of \$10.25). The purchase price per unit under the Company's dividend reinvestment plan has been adjusted to \$10.25.
- This REIT's debt to total assets ratio at 10.9% is among the lowest of covered nontraded REITs, and well below the median for the Liquidating LifeStage of 26.1%. The interest coverage ratio is high at 19.5 vs. the 5.5 median, up slightly from 19.3 in 3Q 2012.
- The REIT redeemed approximately 9% of the 10.7 million requested units in July, 2012.
- The Company reported MFFO for 3Q 2012 which BVP adjusted to exclude interest earned on a note receivable of \$2,695,000.
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Behringer Harvard Multifamily REIT I, Inc.

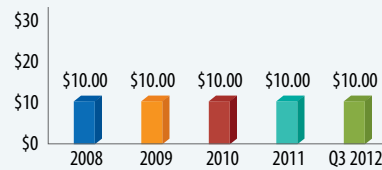
Total Assets	\$2,756.4 Million
Real Estate Assets ..	\$2,217.2 Million
Cash	\$482.6 Million
Securities	\$25.0 Million
Other	\$31.6 Million



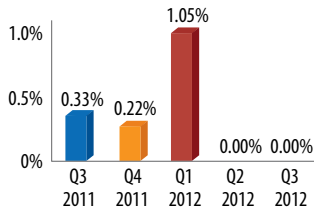
Initial Offering Date:	September 5, 2008
Offering Close Date:	September 2, 2011
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.45
Cumulative Capital Raised during Offering (including DRP).....	\$1,531.4 Million

Cash to Total Assets Ratio:	17.5%
Asset Type:	Multifamily
Number of Properties:	48
Square Feet / Units / Rooms / Acres:	9,869 Units
Percent Leased:	95%
LifeStage.....	Maturing
Investment Style	Core

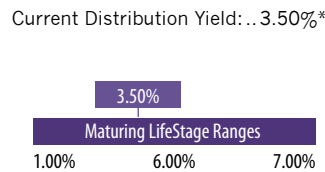
Historical Price



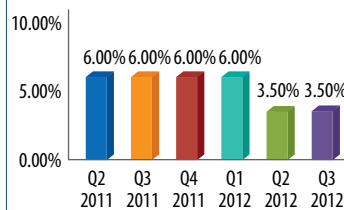
Redemptions



Current Distribution



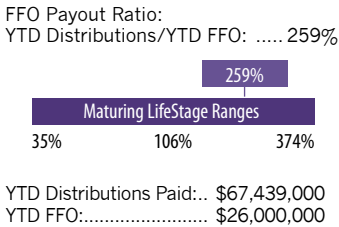
Historical Distribution



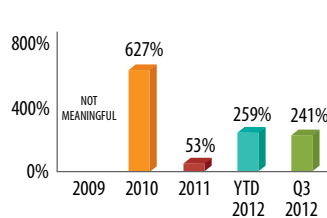
Contact Information

www.BehringerHarvard.com
Behringer Harvard
15601 Dallas Parkway,
Suite 600
Addison, TX 75001
866-655-3600

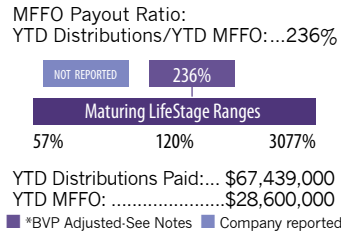
Year to Date FFO Payout Ratio



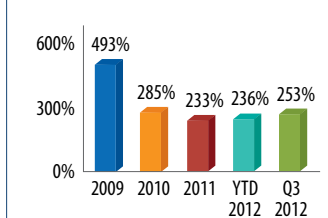
Historical FFO Payout Ratio



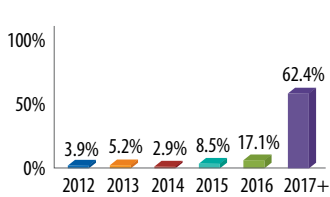
Year to Date MFFO Payout Ratio



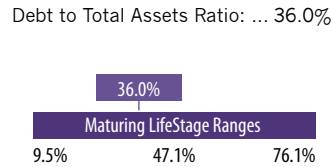
Historical MFFO Payout Ratio



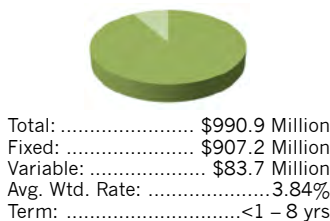
Debt Repayment Schedule



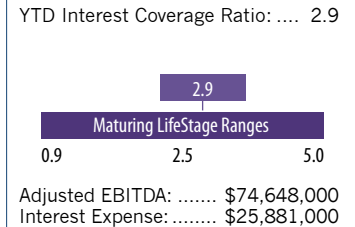
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Less than one year

Trends and Items of Note

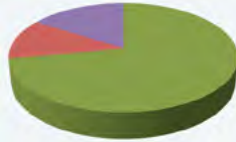
- The company announced October 3, 2012, that it had acquired a 2.5-acre multifamily development site in the West University submarket of Houston's inner loop. The company intends to develop a new luxury multifamily community with 231 homes.
- In Q3, 2012, the REIT acquired two multi-family properties comprising 394 apartment units in the Houston, TX, market for a total of \$22,400,000.
- As of September 30, 2012, the REIT had 1,862 units in the development pipeline, with estimated completion dates ranging from Q2 2013 to Q4 2015. Total costs incurred as of September 30, 2012 on these projects were \$91.1 million.
- A special cash distribution of \$0.06 per share was to be paid to shareholders of record on July 6, 2012. The proceeds were paid from the sale of the Mariposa Loft Apartments in Atlanta. The share price was adjusted by \$0.06 per share to the new price of \$9.94 per share for the DRP and Share Redemption Program. The DRP offering price was \$9.50 per share until July 6, 2012, when it changed to \$9.45 per share. Subsequently, the SRP was suspended effective June 18, 2012.
- The REIT repaid and refinanced the Veritas construction loan at \$37.3 million for a 7-year term at a fixed rate of 2.77%.
- The REIT's YTD Interest Coverage Ratio improved slightly to 2.9 from 2.8 in 2Q 2012, above the LifeStage median of 2.5.
- The Company hedged \$162,700 of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Behringer Harvard Opportunity REIT I, Inc.

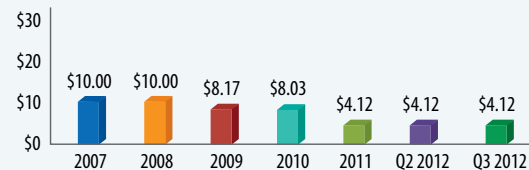
Total Assets.....	\$423.0 Million
Real Estate Assets	\$304.4 Million
Cash.....	\$51.4 Million
Securities	\$0.0 Million
Other.....	\$67.3 Million



Initial Offering Date: September 20, 2005
 Offering Close Date: December 28, 2007
 Current Price per Share*: \$4.12
 Reinvestment Price per Share: NA
 Cumulative Capital Raised during Offering (including DRP).....\$548.61 Million

Cash to Total Assets Ratio: 12.1%
 Asset Type: Diversified
 Number of Properties: 13
 Square Feet / Units / Rooms / Acres: 910,500 Sq. Ft.
 Percent Leased: Not Reported
 LifeStage..... Liquidating
 Investment Style Opportunistic

Historical Price



<h4>Redemptions</h4>	<h4>Current Distribution</h4> <p>See Notes*</p>	<h4>Historical Distribution</h4>	<h4>Contact Information</h4> <p>www.BehringerHarvard.com Behringer Harvard Investment Services 15601 Dallas Pkwy, Suite 600 Addison, TX 75001 866-655-3600</p>														
<h4>Year to Date FFO Payout Ratio</h4> <p>Not Applicable</p>	<h4>Historical FFO Payout Ratio</h4>	<h4>Year to Date MFFO Payout Ratio</h4> <p>Not Applicable</p>	<h4>Historical MFFO Payout Ratio</h4>														
<h4>Debt Repayment Schedule</h4> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>38.5%</td> </tr> <tr> <td>2013</td> <td>1.2%</td> </tr> <tr> <td>2014</td> <td>31.5%</td> </tr> <tr> <td>2015</td> <td>0.4%</td> </tr> <tr> <td>2016</td> <td>14.8%</td> </tr> <tr> <td>2017+</td> <td>13.7%</td> </tr> </tbody> </table>	Year	Percentage	2012	38.5%	2013	1.2%	2014	31.5%	2015	0.4%	2016	14.8%	2017+	13.7%	<h4>Current Debt Ratio</h4> <p>Debt to Total Assets Ratio: ... 45.4%</p>	<h4>Debt Breakdown</h4> <p>Total: \$192.1 Million Fixed: \$67.9 Million Variable: \$124.3 Million Avg. Wtd. Rate: 6% Term: <1 – 5 yrs</p>	<h4>Interest Coverage Ratio</h4> <p>YTD Interest Coverage Ratio: NOT MEANINGFUL</p> <p>Adjusted EBITDA: (\$14,822,000) Interest Expense: \$10,115,000</p>
Year	Percentage																
2012	38.5%																
2013	1.2%																
2014	31.5%																
2015	0.4%																
2016	14.8%																
2017+	13.7%																
<h4>Lease Expirations</h4> <p>Not Reported</p>	<h4>Trends and Items of Note</h4> <ul style="list-style-type: none"> The REIT filed a voluntary Chapter 11 bankruptcy reorganization plan for Frisco Square to which the lenders have agreed. A confirmation hearing is scheduled for December 13, 2012. The Company was granted forbearance on \$59.7 IBRC loans for properties in Central Europe through November, 2012. On August 16, 2012, Company sold 5000 S. Bowen Road for \$25.9 million. The proceeds from the sale were used to fully satisfy the existing indebtedness related to the property, and Company recorded a gain of \$8.9 million and received net proceeds of \$9.2 million. The REIT's Debt to Total Assets Ratio is 45.4%, well above the median for Liquidating LifeStage REITs of 26.1%. It has decreased from 52.6% in 3Q 2011. The FFO and MFO payout ratios are not applicable because the Company did not pay any distributions during the quarter. See additional notes on page 96 for information regarding the source of distributions. 																

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Nontraded REIT Industry Review: Third Quarter 2012



Behringer Harvard Opportunity REIT II, Inc.

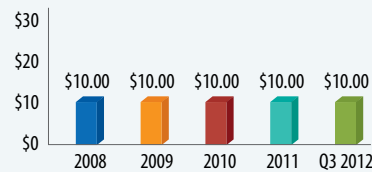
Total Assets.....	\$408.2 Million
Real Estate Assets	\$322.5 Million
Cash.....	\$60.9 Million
Securities	\$0.0 Million
Other.....	\$24.8 Million



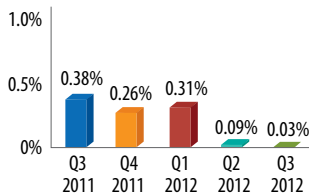
Initial Offering Date: January 21, 2008
 Offering Close Date: March 15, 2012
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50
 Cumulative Capital Raised during Offering (including DRP).....\$264.6 Million

Cash to Total Assets Ratio: 14.9%
 Asset Type: Diversified
 Number of Properties: 11
 Square Feet / Units / Rooms / Acres: 1.8 Million Sq. Ft. +311 Rooms + 2,290 Units
 Percent Leased: N/A
 LifeStage..... Maturing
 Investment Style Opportunistic

Historical Price



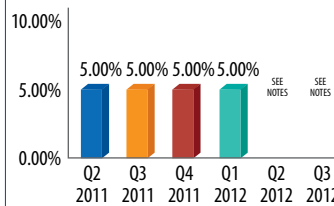
Redemptions



Current Distribution

See Notes

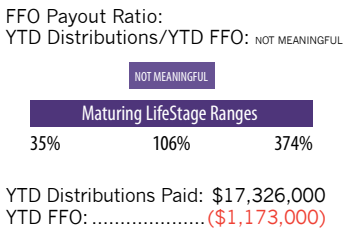
Historical Distribution



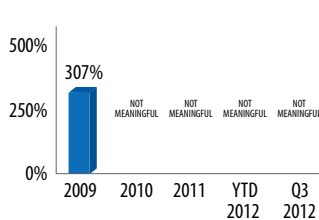
Contact Information

www.BehringerHarvard.com
Behringer Harvard
 15601 Dallas Parkway,
 Suite 600
 Addison, TX 75001
 866-655-3600

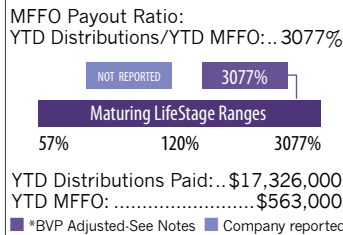
Year to Date FFO Payout Ratio



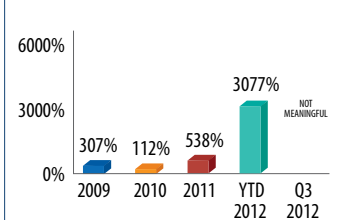
Historical FFO Payout Ratio



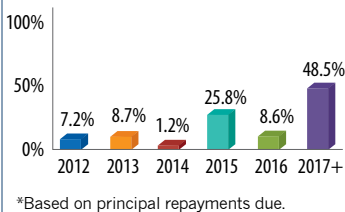
Year to Date MFFO Payout Ratio



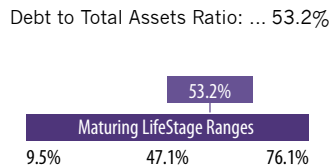
Historical MFFO Payout Ratio



Debt Repayment Schedule



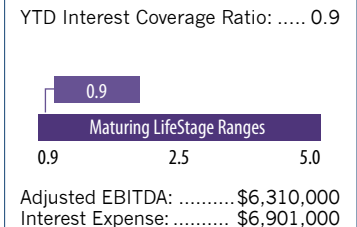
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Not Available

Trends and Items of Note

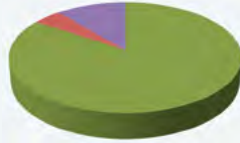
- The REIT paid no distributions to stockholders during the three months ended September 30, 2012. Total distributions paid to stockholders during the nine months ended September 30, 2012 were \$17.3 million and consisted of the special cash distribution of \$13 million and the regular distributions of \$4.3 million.
- The tender offer launched by certain investors to buy up to 1.5 million shares of Behringer Harvard Opportunity REIT II Inc. resulted in the tender by shareholders, and acceptance for payment by the purchasers, of a total of approximately 2,240 shares, just 0.0001% of total outstanding shares, as of August 3, 2012.
- On August 24, 2012, 7900 Hampton Blvd, LLC, a 90% owned subsidiary of Behringer Harvard Opportunity REIT II, Inc., entered into an agreement to sell Parrot's Landing, a 560-unit multifamily community located in North Lauderdale, Florida, to an unaffiliated party. The contract sale price for Parrot's Landing is approximately \$56.3 million. The sale was completed on November 5, 2012.
- The REIT's Debt to Total Assets Ratio is 53.2%, above the median for Maturing LifeStage REITs of 47.1%. It has increased from 50.1% in 3Q 2011. The REIT's Interest Coverage Ratio is very low at 0.9, lowest among the Maturing LifeStage REITs.
- The Company's cash balances remained relatively high, at 14.9% of total assets, compared to a median of 3.6% for the LifeStage. This ratio has remained above 14.9% since 2Q 2011.
- The Company did not report MFFO. As a result, Blue Vault Partners estimated these figures based upon publicly available information.
- See additional notes on page 96 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Behringer Harvard REIT I, Inc.

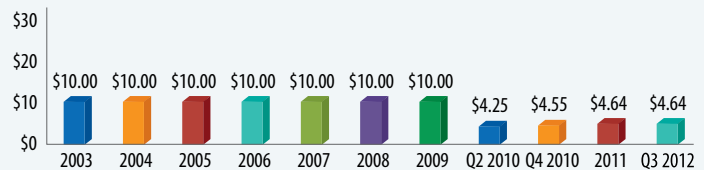
Total Assets.....	\$3,239.0 Million
Real Estate Assets ..	\$3,012.2 Million
Cash.....	\$4.0 Million
Securities	\$0.0 Million
Other.....	\$222.8 Million



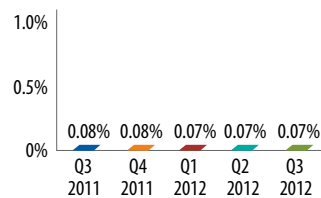
Initial Offering Date:February 19, 2003
 Offering Close Date: December 31, 2008
 Current Price per Share:\$4.64
 Reinvestment Price per Share:\$4.64

Cash to Total Assets Ratio:0.1%
 Asset Type: Office
 Number of Properties: 52
 Square Feet / Units / Rooms / Acres:20.6 Million Sq. Ft.
 Percent Leased:85%
 LifeStage..... Maturing
 Investment StyleCore

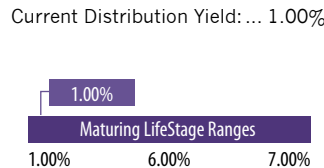
Historical Price



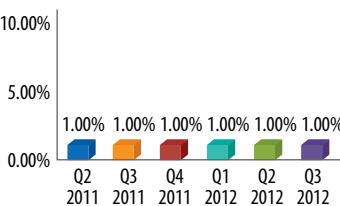
Redemptions



Current Distribution



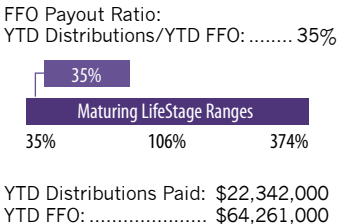
Historical Distribution



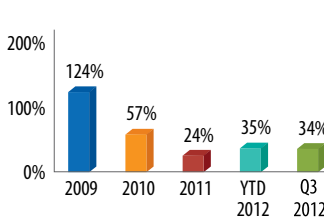
Contact Information

www.BehringerHarvard.com/reit1
Behringer Harvard REIT I, Inc.
 17300 Dallas Parkway
 Suite 1010
 Dallas, TX 75248
 972-931-4300

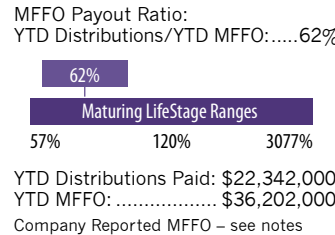
Year to Date FFO Payout Ratio



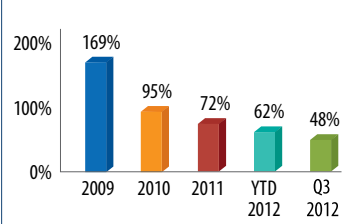
Historical FFO Payout Ratio



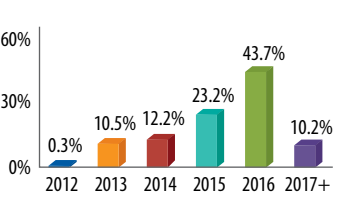
Year to Date MFFO Payout Ratio



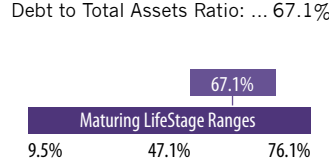
Historical MFFO Payout Ratio



Debt Repayment Schedule



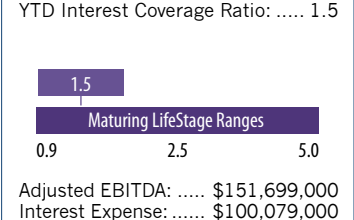
Current Debt Ratio



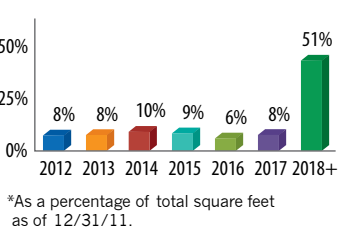
Debt Breakdown



Interest Coverage Ratio



Lease Expirations



Trends and Items of Note

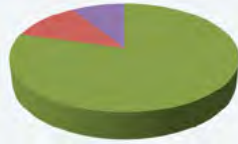
- On October 25, 2011, through an operating partnership, Behringer OP, the REIT entered into a secured credit agreement providing for borrowings of up to \$340.0 million, available as a \$200.0 million term loan and \$140.0 million as a revolving line of credit (subject to increase by up to \$110.0). The borrowings are supported by additional collateral owned by certain subsidiaries. As of September 30, 2012, the weighted average annual interest rate for draws under the credit agreement, inclusive of a swap agreement, was 3.63%.
- The interest coverage ratio remained at 1.5 for the sixth consecutive quarter.
- The debt to total assets ratio rose slightly to 67.1%, well above the 47.1% median among all Maturing LifeStage REITs, and second highest in the group.
- Shares were redeemed during the 3Q 2012 at \$4.64 per share. Redemption requests for 218,777 shares were fulfilled pro rata for the 2,633,939 share redemption requests received, which exceeded the limit set by the board. Cash paid for share redemptions was approximately \$1 million.
- The Company hedged \$310.0 million of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Chambers Street Properties

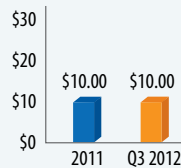
Total Assets.....	\$2,481.6 Million
Real Estate Assets ..	\$2,230.4 Million
Cash	\$191.4 Million
Securities	\$0.0 Million
Other	\$59.8 million



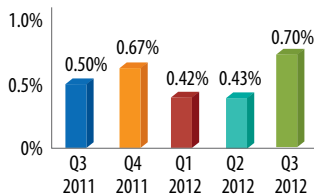
Initial Offering Date: October 24, 2006
 Offering Close Date: January 30, 2012
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50
 Cumulative Capital Raised during Offering (including DRP)..... \$2,508.48 Million

Cash to Total Assets Ratio: 7.7%
 Asset Type: Diversified
 Number of Properties: 124
 Square Feet / Units / Rooms / Acres: 30.8 Million Sq. Ft.
 Percent Leased: 98.1%
 LifeStage..... Maturing
 Investment Style Core

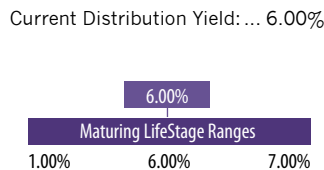
Historical Price



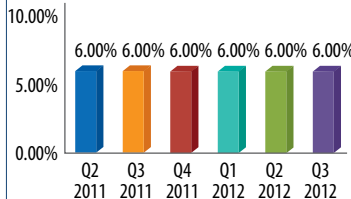
Redemptions



Current Distribution



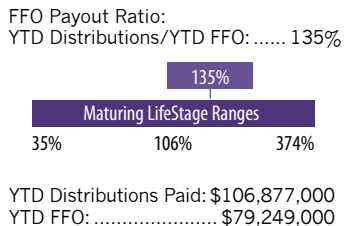
Historical Distribution



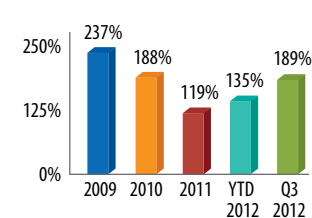
Contact Information

www.CBRERealtyTrust.com
CNLC Client Services
P.O. Box 4920
Orlando, FL 32802
866-650-0650

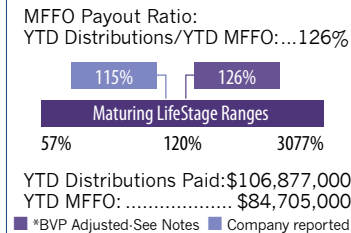
Year to Date FFO Payout Ratio



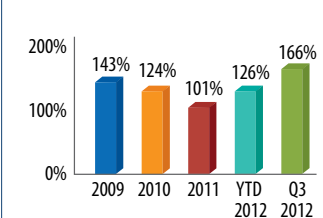
Historical FFO Payout Ratio



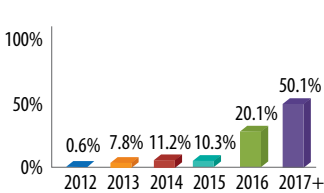
Year to Date MFFO Payout Ratio



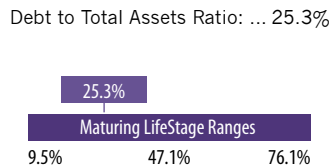
Historical MFFO Payout Ratio



Debt Repayment Schedule



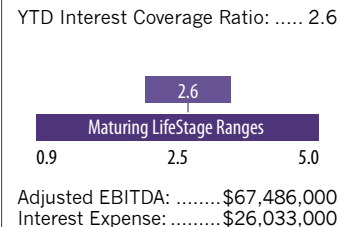
Current Debt Ratio



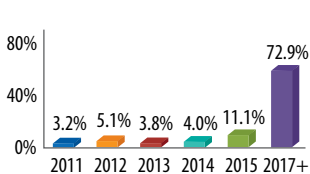
Debt Breakdown



Interest Coverage Ratio



Lease Expirations



*As a percent of expiring base rent for both consolidated and unconsolidated properties.

Trends and Items of Note

- The REIT purchased a Warehouse/Distribution Center and adjacent 20 acres in Gardner, KS, for \$63 million August 16, 2012. Since September 30, the Company has purchased two additional Warehouse/Distribution Centers with over 1.08 million sq. ft. and is developing another property in Koblenz, Germany, with 1.07 million sq. ft.
- The Company sold Cherokee Corporate Park in Spartanburg, SC, on July 9, 2012, for \$3,125,000. That property was acquired in 2007 for \$3,775 million.
- The assets noted above are based on the figures reported on the balance sheet. Total assets for the Company are reported for unconsolidated entities using the equity method of accounting and as such do not take into consideration the pro rata share of liabilities for these entities. Taking this into consideration, including the pro rata share of liabilities for the Duke joint venture, the Afton Ridge joint venture, the UK joint venture and the European joint venture, total assets would equal \$3,424.8 million, real estate assets would total \$2,411.2 million and total liabilities would equal \$1,238.0 million. Total number of properties, square footage and percent leased is based on both consolidated and unconsolidated properties but does not include nonconsolidated ownership of property via CBRE Strategic Asia Partners.
- The Company hedged \$164,074,000 of its variable rate debt as of September 30, 2012.
- The REIT's interest coverage ratio declined to 2.6 in 3Q 2012 from 2.9 for 2Q 2012. This ratio has averaged 2.8 for the last 7 quarters, above the current median of 2.5 for Maturing LifeStage REITs.
- The MFFO reported above does not include \$8.2 million in transition expenses that were included in the Company's adjusted FFO figure of \$92.9 million.
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



CNL Lifestyle Properties, Inc.

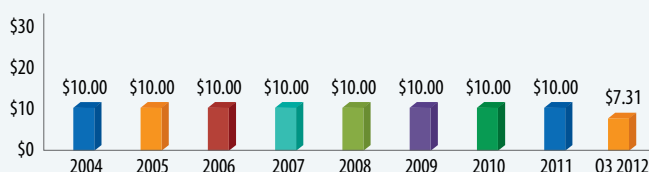
Total Assets.....	\$2,983.6 Million
Real Estate Assets ..	\$2,638.6 Million
Cash.....	\$92.2 Million
Securities	\$0.0 Million
Other.....	\$252.8 Million



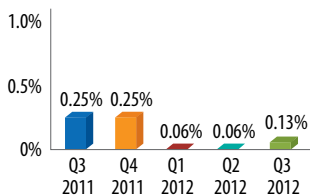
Initial Offering Date:April 16, 2004
 Offering Close Date:April 9, 2011
 Current Price per Share:\$7.31
 Reinvestment Price per Share:\$6.95
 Cumulative Capital Raised during Offering (including DRP).....\$3,203.2 Million

Cash to Total Assets Ratio:4.3%
 Asset Type:Diversified
 Number of Properties:177
 Square Feet / Units / Rooms / Acres:Not Reported
 Percent Leased:Not Reported
 LifeStage:Maturing
 Investment StyleCore

Historical Price

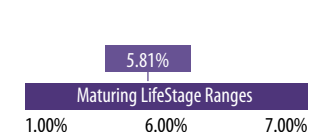


Redemptions

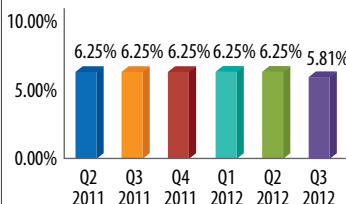


Current Distribution

Current Distribution Yield: ... 5.81%



Historical Distribution

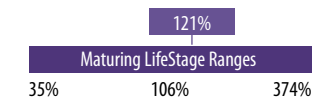


Contact Information

www.CNLLifestyleREIT.com
CNL Client Services
P.O. Box 4920
Orlando, FL 32802
866-650-0650

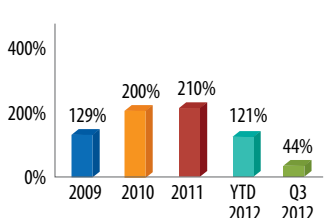
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 121%



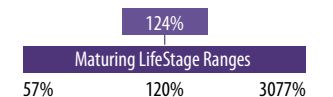
YTD Distributions Paid: \$130,264,000
 YTD FFO:\$107,807,000

Historical FFO Payout Ratio



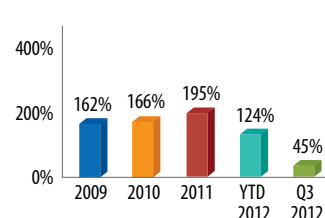
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...124%

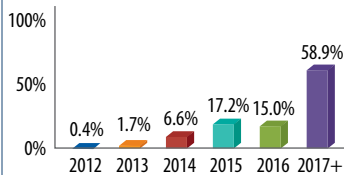


YTD Distributions Paid: \$130,264,000
 YTD MFFO:\$104,814,000
 Company Reported MFFO - see notes

Historical MFFO Payout Ratio



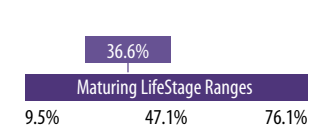
Debt Repayment Schedule



*Based on principal payments due.

Current Debt Ratio

Debt to Total Assets Ratio: ... 36.6%

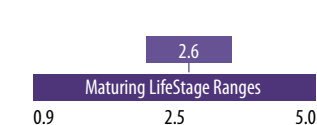


Debt Breakdown



Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.6



Adjusted EBITDA:\$134,343,000
 Interest Expense:\$51,407,000

Lease Expirations

Average Lease Expiration:
 15 years

Trends and Items of Note

- As of August 1, 2012, the Board determined that the estimated NAV per share was \$7.31. The purchase price for shares under the Distribution Reinvestment Plan will be \$6.95 per share which is equal to 95.08% of the net asset value of a share of the common stock ("NAV"), as determined by the board of directors on August 9, 2012.
- Diversification by asset class based on initial purchase price is 32.5 percent senior housing, 18.7 percent ski and mountain lifestyle, 15.6 percent golf, 13.4 percent attractions, 5.1 percent marinas and 14.7 percent in additional lifestyle properties, including lodging.
- The REIT did not make any major property transactions in the 3Q 2012.
- On August 9, 2012, the Board approved a reduction in quarterly distribution to \$0.10625 per share, effective during the third quarter of 2012. On an annualized basis, this amount represents a yield of 5.81% percent of the new estimated fair value per share and 4.25% on the original \$10.00 per share value offering price.
- The REIT's debt to total assets ratio rose from 31.5% as of year-end to 36.6% as of September 30, 2012 due to net increased borrowings to finance acquisitions, including \$150 million drawn on a line of credit and \$150 million from mortgage loans and other notes payable.
- As of September 30, 2012, \$132.9 million of the Company's variable-rate debt in mortgages and notes payable were hedged.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Cole Credit Property Trust II, Inc.

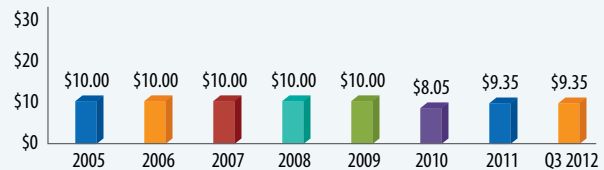
Total Assets.....	\$3,337.8 Million
Real Estate Assets ..	\$3,195.4 Million
Cash.....	\$47.9 Million
Securities	\$0.0 Million
Other.....	\$94.5 Million



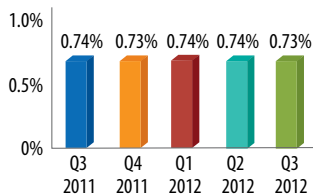
Initial Offering Date: June 27, 2005
 Offering Close Date: January 2, 2009
 Current Price per Share: \$9.35
 Reinvestment Price per Share: \$9.35
 Cumulative Capital Raised during Offering (including DRP).....\$2,088.12 Million

Cash to Total Assets Ratio: 1.4%
 Asset Type: Retail
 Number of Properties: 753
 Square Feet / Units / Rooms / Acres: 21.2 Million Sq. Ft.
 Percent Leased: 96%
 LifeStage: Liquidating
 Investment Style Core

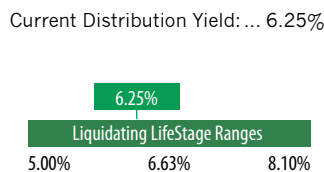
Historical Price



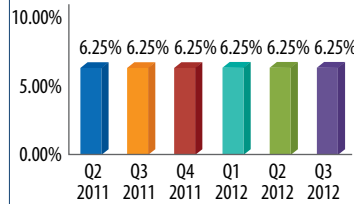
Redemptions



Current Distribution



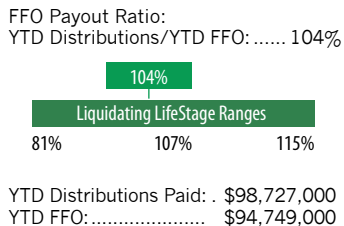
Historical Distribution



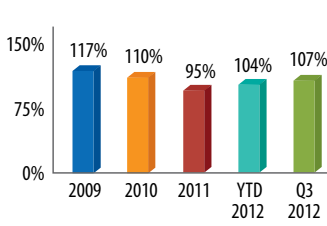
Contact Information

www.ColeCapital.com
Cole Credit Property Trust II, Inc.
 2325 East Camelback Road,
 Suite 1100
 Phoenix, AZ 85016
 866-341-2653

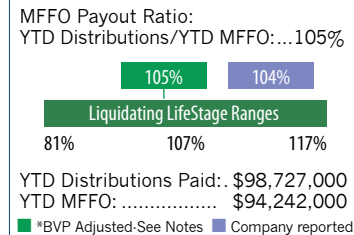
Year to Date FFO Payout Ratio



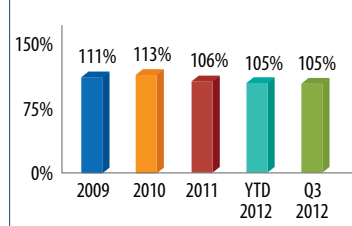
Historical FFO Payout Ratio



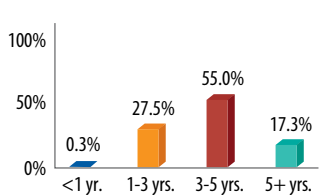
Year to Date MFFO Payout Ratio



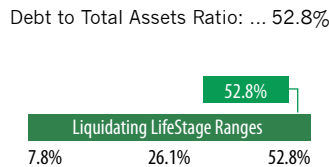
Historical MFFO Payout Ratio



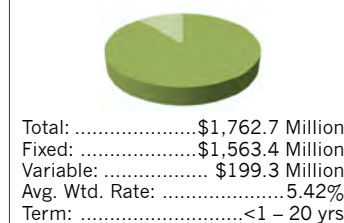
Debt Repayment Schedule



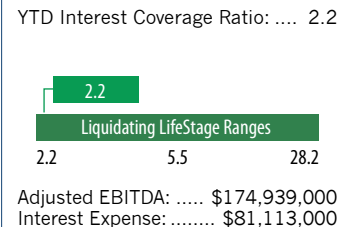
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Weighted average remaining lease term is 10.0 years.

Trends and Items of Note

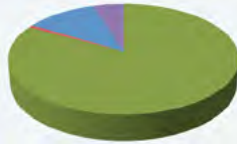
- The REIT did not make any major property transactions in the 3Q 2012.
- On December 6, 2012, the Board of Directors voted to suspend the DRIP and the SRP. Beginning with the distributions previously authorized by the Board for the month of December 2012, which are payable in January 2013, and continuing until such time as the Board may approve the resumption of the DRIP, all distributions authorized by the Board will be paid to the Company's stockholders in cash.
- The Company hedged \$188,764,000 of its variable rate debt as of September 30, 2012.
- The REIT's YTD Interest Coverage Ratio has remained steady at 2.2 since 2010, below the current median for Liquidating LifeStage REITs of 5.5. The size and diversification of this REIT's portfolio results in relatively constant quarterly MFFO averaging \$29.7 million for the last 8 quarters.
- Debt financing has been steady between 49.9% to 52.8% of total assets since 1Q 2011.
- Cash as a percentage of total assets has remained below 1.6% for the last several years.
- The REIT's MFFO quarterly payout ratio has declined rather steadily from 111% in Q1 2011 to 105% for Q3 2012.
- The Company reported MFFO of \$94.8 million for the year to date period ending September 30, 2012. Blue Vault Partners has included adjustments for items such as straight-line rents to estimate 3Q 2012 MFFO of approximately \$94.2 million.
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Cole Credit Property Trust III, Inc.

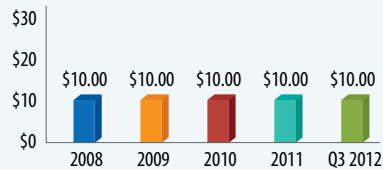
Total Assets.....	\$7,242.7 Million
Real Estate Assets ...	\$6,647.1 Million
Cash.....	\$83.8 Million
Securities	\$342.6 Million
Other.....	\$169.2 Million



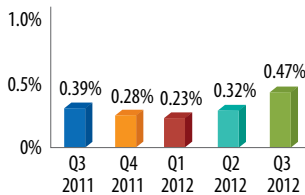
Initial Offering Date: October 1, 2008
 Offering Close Date: April 27, 2012
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50
 Cumulative Capital Raised during Offering (including DRP)..... \$4,826.45 Million

Cash to Total Assets Ratio: 1.2%
 Asset Type: Retail
 Number of Properties: 968
 Square Feet / Units / Rooms / Acres: 41.1 Million Sq. Ft.
 Percent Leased: 99%
 LifeStage..... Maturing
 Investment Style Core

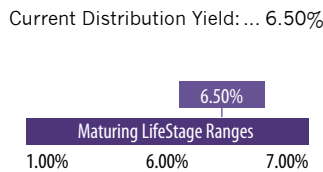
Historical Price



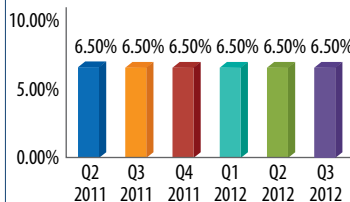
Redemptions



Current Distribution



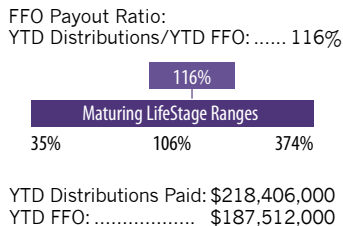
Historical Distribution



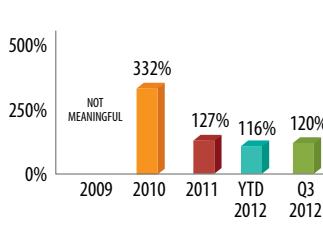
Contact Information

www.CCPTiii.com
Cole Credit Property Trust III, Inc.
 2325 E. Camelback Road
 Suite 1100
 Phoenix, AZ 85016
 866-341-2653

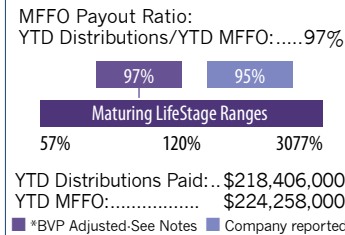
Year to Date FFO Payout Ratio



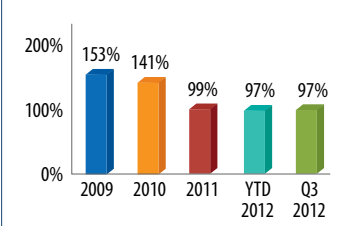
Historical FFO Payout Ratio



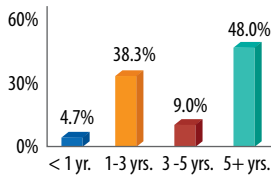
Year to Date MFFO Payout Ratio



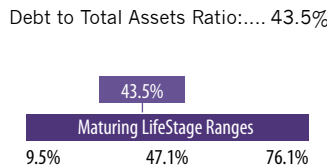
Historical MFFO Payout Ratio



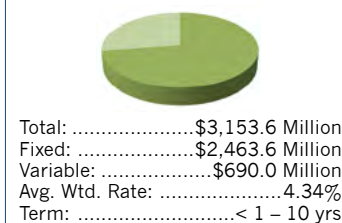
Debt Repayment Schedule



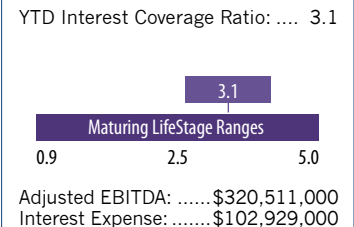
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations*

Weighted average remaining lease term is 12.8 years.

Trends and Items of Note

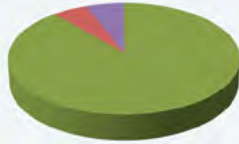
- This REIT is the second largest REIT in the non-traded REIT industry by total assets.
- The Company acquired 287 properties for a total of \$1,453 million during the nine months ended September 30, 2012. The company also acquired a \$36.1 million interest in an unconsolidated joint venture, and a \$27.7 million financial interest in one of the consolidated JV's.
- Occupancy rates in the REIT's portfolio remained at 99.0%, and have ranged only 0.2% over the last five quarters.
- As of September 30, 2012, the Company owned two mortgage notes receivable, each of which is secured by an office building, and 31 commercial mortgage backed securities ("CMBS").
- The Company hedged \$835,350,000 of its variable rate debt as of September 30, 2012.
- The Company reported MFFO of \$231.4 million for the year-to-date period ending September 30, 2012. Blue Vault Partners has included adjustments for items such as straight-line rents to estimate 3Q 2012 MFFO of approximately \$224.2 million.
- See additional notes on page 97 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Cornerstone Core Properties REIT, Inc.

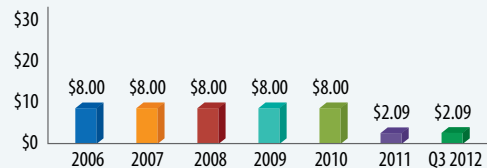
Total Assets.....	\$90.2 Million
Real Estate Assets	\$80.0 Million
Cash.....	\$4.8 Million
Securities	\$0.0 Million
Other.....	\$5.3 Million



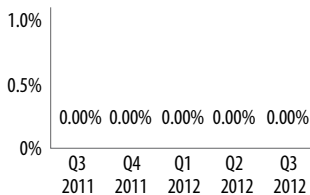
Initial Offering Date: January 6, 2006
 Offering Close Date: June 10, 2011
 Current Price per Share: \$2.09
 Reinvestment Price per Share: See Notes
 Cumulative Capital Raised during Offering (including DRP).....\$172.7 Million

Cash to Total Assets Ratio: 5.4%
 Asset Type: Diversified
 Number of Properties: 13
 Square Feet / Units / Rooms / Acres: 889,032 Sq. Ft.
 Percent Leased: 83.9%
 LifeStage..... Maturing
 Investment Style Core

Historical Price



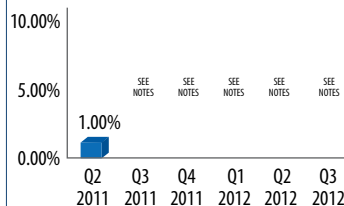
Redemptions



Current Distribution

See Notes

Historical Distribution



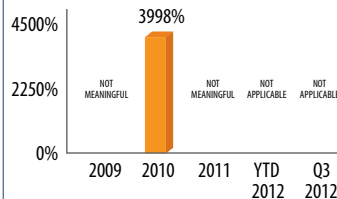
Contact Information

www.CREFund.com
Pacific Cornerstone Capital
1920 Main Street, Suite 400
Irvine, CA 92614
877-805-3333

Year to Date FFO Payout Ratio

Not Applicable

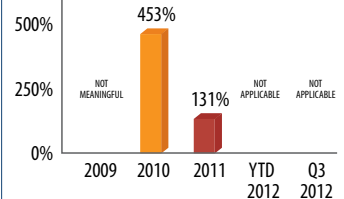
Historical FFO Payout Ratio



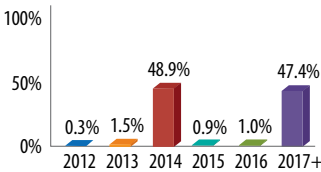
Year to Date MFFO Payout Ratio

Not Applicable

Historical MFFO Payout Ratio

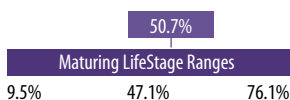


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 50.7%



Debt Breakdown



Interest Coverage Ratio

YTD Interest Coverage Ratio: NOT MEANINGFUL



Adjusted EBITDA:(\$1,689,000)
 Interest Expense:\$733,000

Lease Expirations

Not Reported

Trends and Items of Note

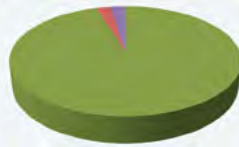
- The REIT continues to pursue a "repositioning" strategy which involved the sale of certain industrial properties, de-levering the balance sheet, and renegotiating other loan obligations. For the remainder of 2012 and in early 2013, the board of directors has requested that the Advisor raise new property level joint venture equity capital while management continues to evaluate opportunities for repositioning and growth and secures long term debt for recent and any future acquisitions. Although the REIT's debt ratio fell from 30.0% to 22.3% from Q4 2011 to Q2 2012, it increased to 50.7% in Q3 2012 with \$23.2 million in net debt financing of the portfolio.
- On August 3, 2012, the REIT acquired two care center facilities, each with 51 beds, in Oregon for a total of \$8.6 million. Together the facilities averaged 76% occupancy.
- On September 14, 2012, the REIT acquired a 95% interest in a joint venture, Cornerstone Healthcare Partners, that acquired a 71-bed memory care facility in Medford, OR, and a 150-bed skilled-nursing facility in Galveston County, TX. Together the transactions totaled \$23.5 million.
- No regular distributions have been declared for periods after June 30, 2011. The rate and frequency of distributions is subject to the discretion of the board of directors and may change from time to time based on operating results and cash flow.
- The REIT's occupancy rate has increased from 68.7% to 83.9% since December 31, 2011.
- As of 9/30/12, 48.9% of the Company's term debt principal must be paid in 2014.
- The Company did not report MFFO for 3Q 2012. Because distributions have been suspended, the payout ratios are not applicable.

Nontraded REIT Industry Review: Third Quarter 2012



Corporate Property Associates 16 – Global, Inc.

Total Assets	\$3,443.3 Million
Real Estate Assets.....	\$3,274.4 Million
Cash	\$81.5 Million
Securities.....	\$1.0 Million
Other	\$86.4 Million



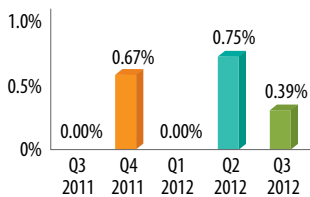
Initial Offering Date:	December 1, 2003
Offering Close Date:	December 1, 2006
Current Price per Share:	\$9.10
Reinvestment Price per Share:	\$9.10
Cumulative Capital Raised during Offering (including DRP).....	\$1,103.35 Million

Cash to Total Assets Ratio:	2.4%
Asset Type:	Diversified
Number of Properties:	503
Square Feet / Units / Rooms / Acres:	48 Million Sq. Ft.
Percent Leased:	96.4%
LifeStage.....	Maturing
Investment Style	Core

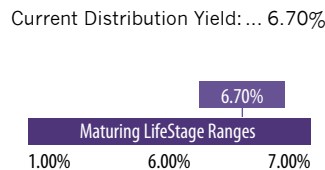
Historical Price



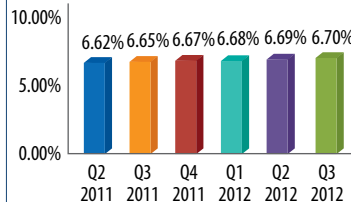
Redemptions



Current Distribution



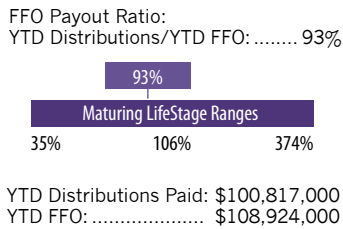
Historical Distribution



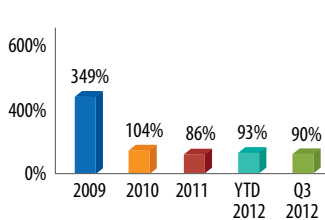
Contact Information

www.WPCarey.com
W. P. Carey Inc.
50 Rockefeller Plaza
New York, NY 10020
800-WPCAREY

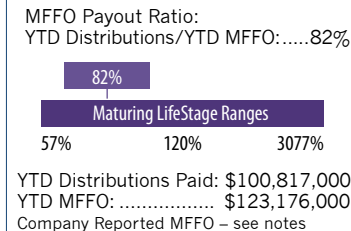
Year to Date FFO Payout Ratio



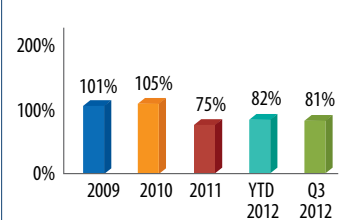
Historical FFO Payout Ratio



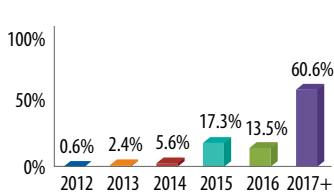
Year to Date MFFO Payout Ratio



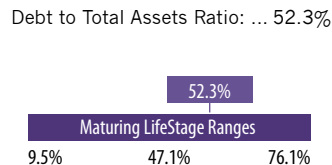
Historical MFFO Payout Ratio



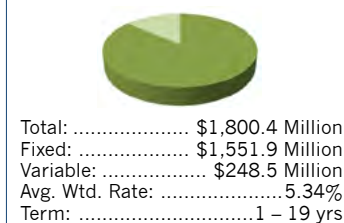
Debt Repayment Schedule



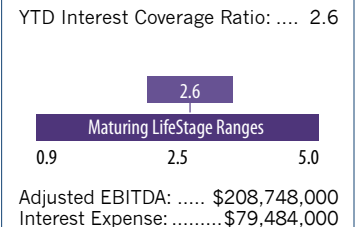
Current Debt Ratio



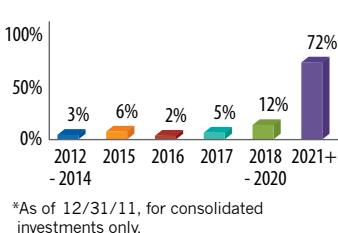
Debt Breakdown



Interest Coverage Ratio



Lease Expirations*



Trends and Items of Note

- Due to this REIT's substantial international exposure, foreign currency translation adjustments can have a substantial impact upon net income. In Q3 2012, these adjustments made up \$7.67 million of the REIT's \$9.79 million comprehensive income.
- The occupancy rate decreased from 98% at September 30, 2011 to 96.4% as of September 30, 2012.
- The REIT has steadily increased its distribution yield from 6.62% in 1Q 2011 to 6.70% in 3Q 2012.
- While the REIT's debt level has dropped by \$188 million since 3Q, 2011, the debt to total assets ratio has declined only slightly due to the reduced book value (via depreciation) and dispositions (\$50 million) of the real estate portfolio. The interest rate coverage ratio has improved to 2.6 as of Q3 2012 from 2.3 as of year-end 2011.
- Cash as a percentage of total assets at 2.4%, remains below the median for Maturing LifeStage REITs.
- Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company hedged \$67,374,000 of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 98 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Hines Real Estate Investment Trust, Inc.

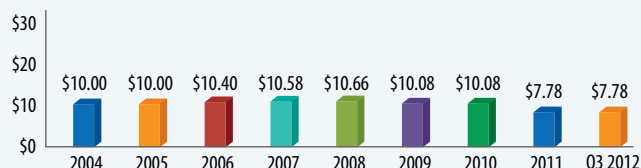
Total Assets.....	\$2,836.6 Million
Real Estate Assets ...	\$2,364.2 Million
Cash.....	\$100.5 Million
Securities	\$0.0 Million
Other.....	\$371.9 Million



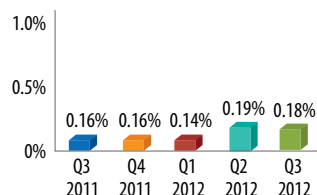
Initial Offering Date: June 18, 2004
 Offering Close Date: December 31, 2009
 Current Price per Share: \$7.78
 Reinvestment Price per Share: \$7.78
 Cumulative Capital Raised during Offering (including DRP)..... \$2,562.1 Million

Cash to Total Assets Ratio: 3.5%
 Asset Type: Office
 Number of Properties: 55
 Square Feet / Units / Rooms / Acres: 25.0 Million Sq. Ft.
 Percent Leased: 87%
 LifeStage..... Maturing
 Investment Style Core

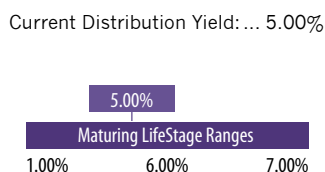
Historical Price



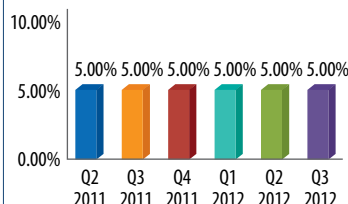
Redemptions



Current Distribution



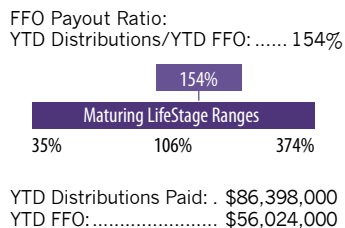
Historical Distribution



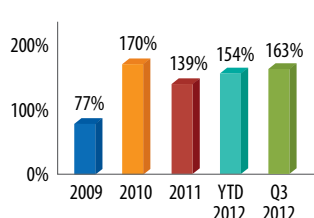
Contact Information

www.HinesSecurities.com
Hines REIT
P.O. Box 219010
Kansas City, MO 64121-9010
888-220-6121

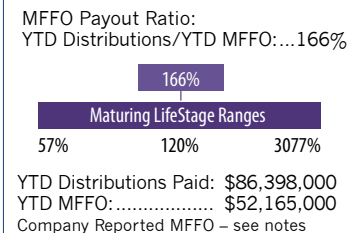
Year to Date FFO Payout Ratio



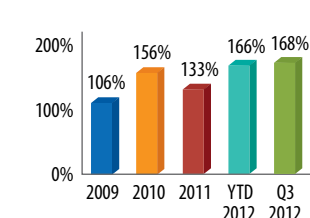
Historical FFO Payout Ratio



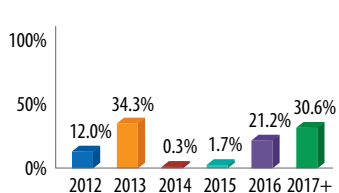
Year to Date MFFO Payout Ratio



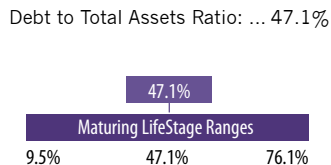
Historical MFFO Payout Ratio



Debt Repayment Schedule



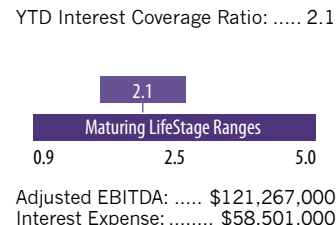
Current Debt Ratio



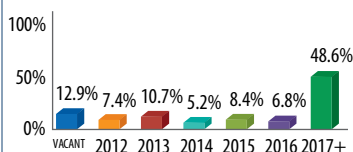
Debt Breakdown



Interest Coverage Ratio



Lease Expirations*



*As of 12/31/11 as a percent of space.

Trends and Items of Note

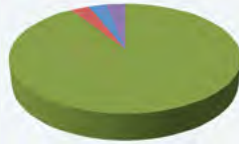
- The REIT sold two office properties, One Shell Plaza and Two Shell Plaza, in Houston, TX, in 3Q 2012 for a total of \$60.5 million.
- For the period from July 1, 2011 through December 31, 2012, REIT's Advisor has agreed to waive a portion of its monthly cash asset management fee such that the fee will be reduced from 0.75% to 0.50% on an annual basis of the net equity capital invested in real estate investments as of the end of each month.
- A significant portion (46.3%) of the REIT's secured mortgage debt must be repaid by 6/1/2013.
- Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company hedged \$520,000,000 of its variable rate debt as of September 30, 2012.
- The interest coverage ratio has increased from 1.4 as of year-end 2011 to 2.1 as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 98 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



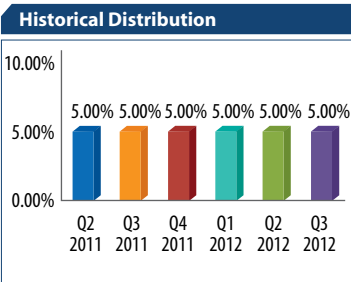
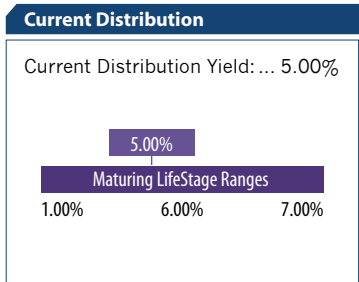
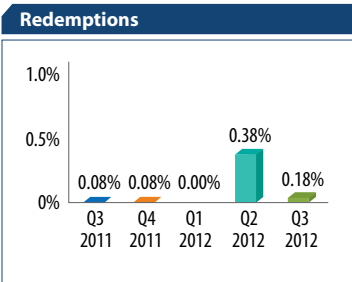
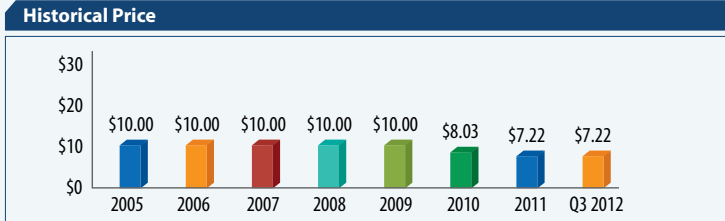
Inland American Real Estate Trust, Inc.

Total Assets	\$10,836.4 Million
Real Estate Assets ...	\$9,851.6 Million
Cash	\$330.5 Million
Securities	\$316.5 Million
Other	\$337.8 Million



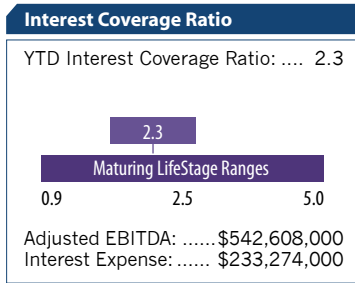
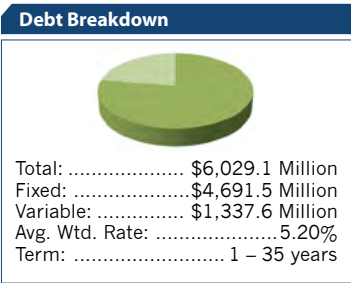
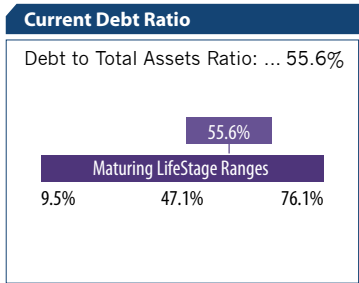
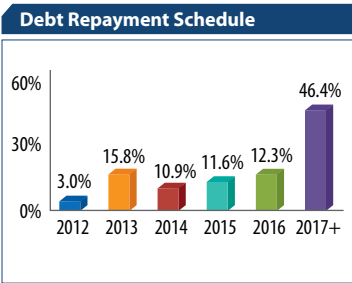
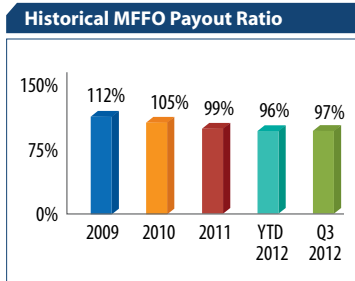
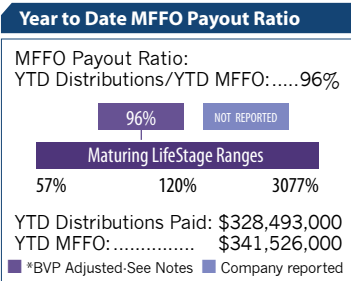
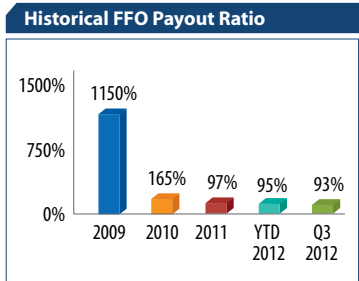
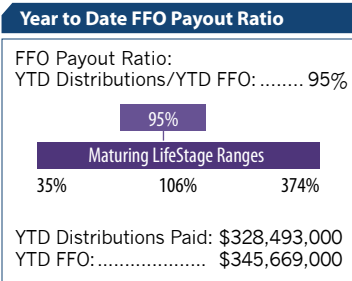
Initial Offering Date: August 31, 2005
 Offering Close Date: April 6, 2009
 Current Price per Share: \$7.22
 Reinvestment Price per Share: \$7.22
 Cumulative Capital Raised during Offering (including DRP)..... \$8,324.98 Million

Cash to Total Assets Ratio: 3.0%
 Asset Type: Diversified
 Number of Properties: 887
 Square Feet / Units / Rooms / Acres: 47.8 Million /
 16,089 Rooms/8,564 Units
 Percent Leased: See Notes
 LifeStage..... Maturing
 Investment Style Core



Contact Information

www.Inland-American.com
Inland American Real Estate Trust Inc.
 2901 Butterfield Road
 Oak Brook, IL 60523
 800-826-8228



Lease Expirations

Not Reported

- ### Trends and Items of Note
- Distribution yields are based upon a \$10.00 share price.
 - A tender offer for 1 million common shares of Inland American Real Estate Trust, Inc., was filed on October 12, 2012. The offer price is \$4.25 per share and will expire December 7, unless extended.
 - The Company has announced aims to invest roughly \$500 million in the student housing sector in coming years, while offloading 4,000 apartment units.
 - Economic occupancy by sector: Retail 94%, Lodging 74%, Office 93%, Industrial 91%, Multi-Family 92% as of September, 2012.
 - This REIT is the largest by assets, with over \$4 billion more assets than the next largest REIT in the BVP report, Cole Credit Property Trust III (\$7.3 billion).
 - For the nine months ended September 30, 2012, the REIT completed \$237.8 million in real estate acquisitions and \$356.6 million in dispositions.
 - Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company hedged \$176,782,000 of its variable rate debt as of September 30, 2012.
 - The Company did not report MFFO for 3Q, 2012. The MFFO figures above are Blue Vault Partners estimates based upon additional information in the Company's 3Q 2012 10-Q.
 - See additional notes on page 99 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Inland Diversified Real Estate Trust, Inc.

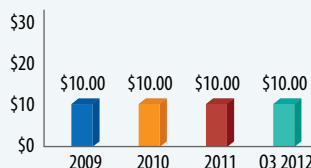
Total Assets.....	\$1,966.0 Million
Real Estate Assets ..	\$1,775.7 Million
Cash.....	\$113.4 Million
Securities	\$39.8 Million
Other.....	\$37.1 Million



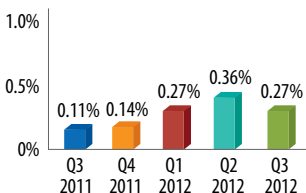
Initial Offering Date: August 24, 2009
 Offering Close Date: August 23, 2012
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50
 Cumulative Capital Raised during Offering (including DRP)..... \$1,139.5 Million

Cash to Total Assets Ratio: 5.8%
 Asset Type: Diversified
 Number of Properties: 125
 Square Feet / Units / Rooms / Acres: ..9.5 Million Sq. Ft. & 444 Units
 Percent Leased: 97.8%
 LifeStage..... Maturing
 Investment Style Core

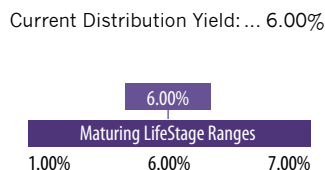
Historical Price



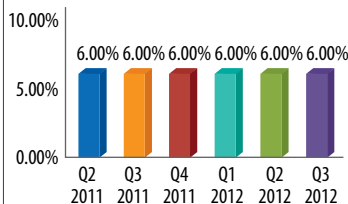
Redemptions



Current Distribution



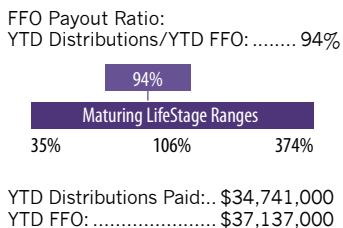
Historical Distribution



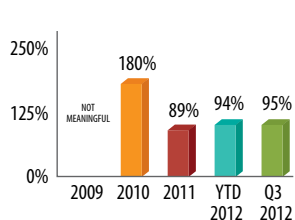
Contact Information

www.InlandDiversified.com
Inland Securities Corporation
 2901 Butterfield Road
 Oak Brook, Illinois 60523
 (800) 826-8228

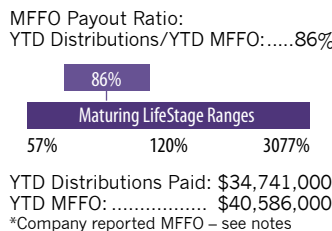
Year to Date FFO Payout Ratio



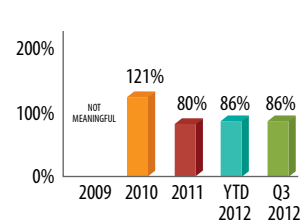
Historical FFO Payout Ratio



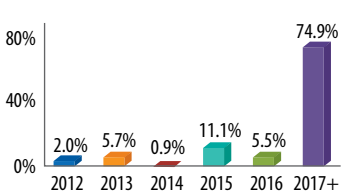
Year to Date MFFO Payout Ratio



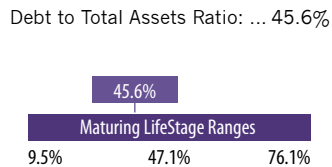
Historical MFFO Payout Ratio



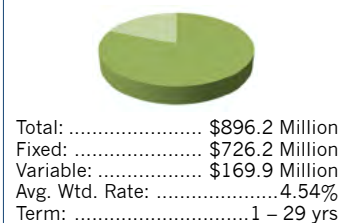
Debt Repayment Schedule



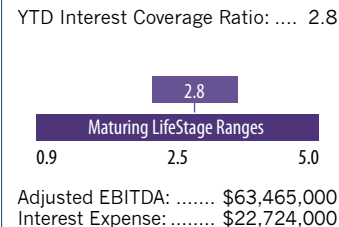
Current Debt Ratio



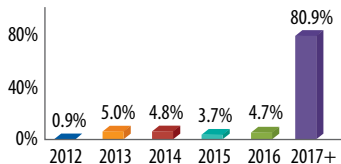
Debt Breakdown



Interest Coverage Ratio



Lease Expirations*



*As a percent of expiring base rent.

Trends and Items of Note

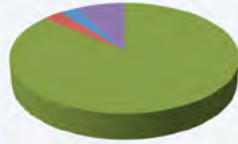
- The REIT moved from the Stabilizing LifeStage to the Maturing LifeStage for the 3Q 2012 report.
- The Company made 21 acquisitions in 3Q 2012 for a total of \$498.3 million. This totals approximately \$847 million in acquisitions for YTD 2012.
- The REIT's interest coverage ratio improved to 2.8 as of Q3 2012 compared to 2.4 as of year-end 2011.
- Cash to total assets decreased from 10.8% to 5.8% with the acquisitions of new properties in 3Q 2012. Outstanding debt increased by \$246 million, with all of the net increase in fixed rate debt.
- The Company hedged \$97,764,000 of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 99 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



KBS Real Estate Investment Trust, Inc.

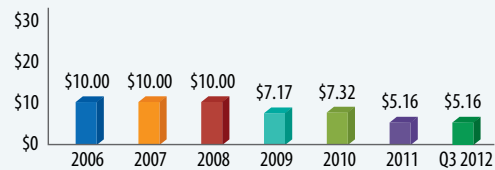
Total Assets.....	\$2,990.2 Million
Real Estate Assets ..	\$2,578.1 Million
Cash.....	\$89.2 Million
Securities	\$88.2 Million
Other.....	\$234.7 Million



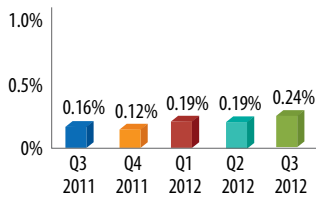
Initial Offering Date: January 13, 2006
 Offering Close Date: May 30, 2008
 Current Price per Share: \$5.16
 Reinvestment Price per Share: NA
 Cumulative Capital Raised during Offering (including DRP).....\$1,734.7 Million

Cash to Total Assets Ratio:3.0%
 Asset Type:Diversified
 Number of Properties: 811 Properties, 4 Real Estate Loans;
 1 Real Estate Joint Venture
 Square Feet / Units / Rooms / Acres: 18.2 Million Sq. Ft.
 Percent Leased:83%
 LifeStage..... Maturing
 Investment StyleCore

Historical Price



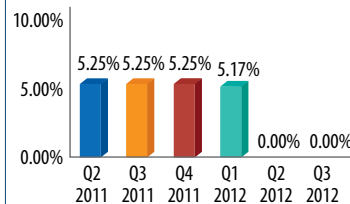
Redemptions



Current Distribution

See Notes*

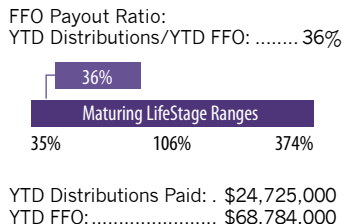
Historical Distribution



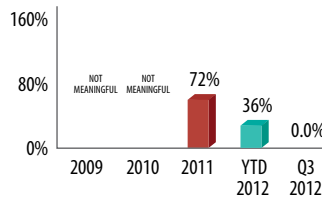
Contact Information

www.KBS-CMG.com
KBS Real Estate Investment Trust I
P.O. Box 219015
Kansas City, MO 64121
866-584-1381

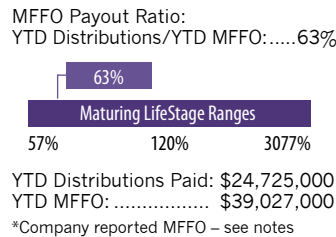
Year to Date FFO Payout Ratio



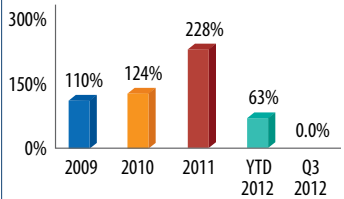
Historical FFO Payout Ratio



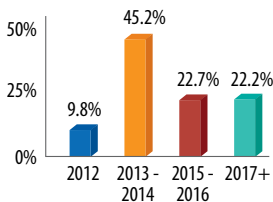
Year to Date MFFO Payout Ratio



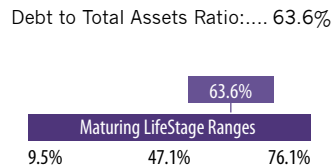
Historical MFFO Payout Ratio



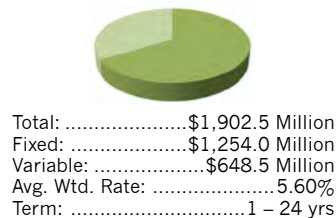
Debt Repayment Schedule



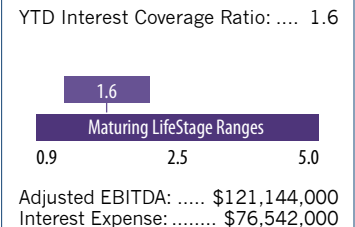
Current Debt Ratio



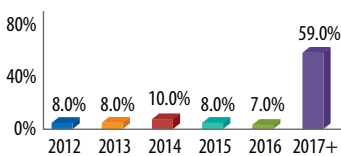
Debt Breakdown



Interest Coverage Ratio



Lease Expirations*



*As of 12/31/11

Trends and Items of Note

- On August 17, 2012, the Company entered into an amendment to its Services Agreement with the Property Manager (GKK Realty Advisors) which will reduce the annual fee paid for services to \$9 million or \$10 million from \$12 million, dependent upon the sale of BBDI Equity Interests.
- On October 24, 2012, the board of directors determined that the Company will not enter into an internalization transaction unless the Advisor agrees to proceed with internalization without the payment of an internalization fee or other consideration, whether cash, stock, warrants or options.
- There have been no further changes in the suspension of the monthly distribution payments and the dividend reinvestment plan since March 20, 2012.
- The Company currently expects to announce an updated estimated value per share of the common stock the week of December 17, 2012.
- With the suspension of distributions, quarterly FFO and MFFO payout ratios are not meaningful, and YTD payout ratios continue to decline.
- Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company hedged \$34,275,000 of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 99 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



KBS Real Estate Investment Trust II, Inc.

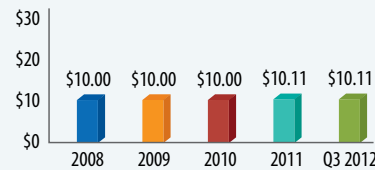
Total Assets.....	\$2,849.6 Million
Real Estate Assets ...	\$2,716.7 Million
Cash.....	\$51.1 Million
Securities	\$0.0 Million
Other.....	\$81.8 Million



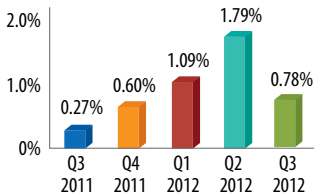
Initial Offering Date:April 22, 2008
 Offering Close Date: December 31, 2010
 Current Price per Share:\$10.11
 Reinvestment Price per Share: \$9.60
 Cumulative Capital Raised during Offering (including DRP).....\$1,788.37 Million

Cash to Total Assets Ratio: 1.8%
 Asset Type: Diversified
 Number of Properties: 26 properties, 8 real-estate related assets
 Square Feet / Units / Rooms / Acres: 11.1 Million Sq. Ft.
 Percent Leased: 94%
 LifeStage.....Maturing
 Investment Style Core

Historical Price

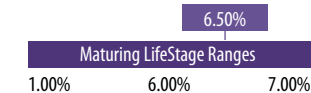


Redemptions

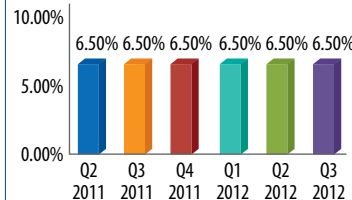


Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

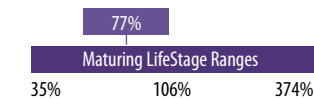


Contact Information

www.KBS-CMG.com
KBS Real Estate Investment Trust II
P.O. Box 219015
Kansas City, MO 64121-9015
866-584-1381

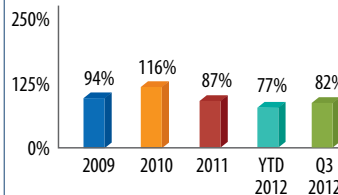
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 77%



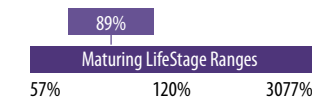
YTD Distributions Paid:.. \$93,250,000
 YTD FFO: \$121,866,000

Historical FFO Payout Ratio



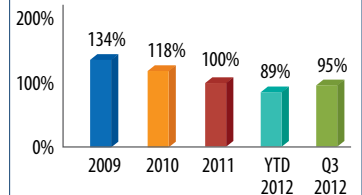
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:.....89%

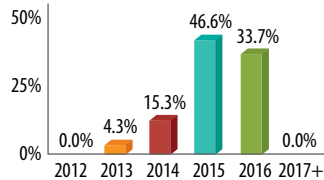


YTD Distributions Paid: . \$93,250,000
 YTD MFFO:..... \$105,235,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

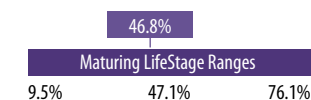


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 46.8%



Debt Breakdown

Total: \$1,334.5 Million
 Fixed: \$1,185.3 Million
 Variable: \$149.2 Million
 Avg. Wtd. Rate:4.06%
 Term:2 – 4 yrs



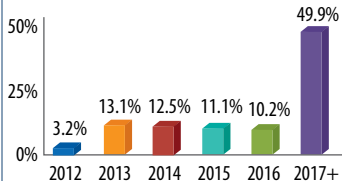
Interest Coverage Ratio

YTD Interest Coverage Ratio: 4.1



Adjusted EBITDA: \$180,533,000
 Interest Expense: \$43,936,000

Lease Expirations



*As of 12/31/11, for consolidated investments only.

Trends and Items of Note

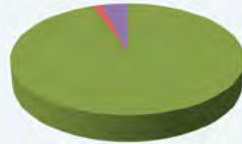
- The Company did not have any real estate acquisitions or dispositions in 3Q 2012.
- The REIT's debt ratio and maturity structure has remained stable since 2011, with 46.6% of long-term debt maturing in 2015 and 33.7% in 2016. The debt ratio of 46.8% is just below the LifeStage median of 47.1%.
- The REIT maintains a lower cash to total assets ratio than most Maturing LifeStage REITs at 1.8% vs. the LifeStage median of 3.6%.
- Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company hedged \$654,150,000 of its variable rate debt as of September 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 99 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



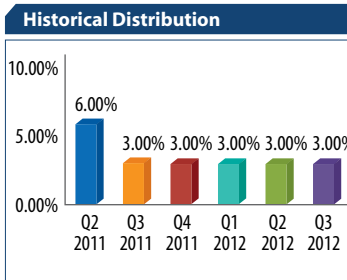
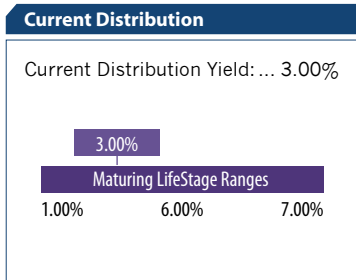
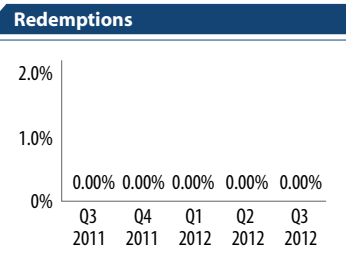
Landmark Apartment Trust of America, Inc.

Total Assets.....	\$451.4 Million
Real Estate Assets	\$426.6 Million
Cash	\$7.0 Million
Securities	\$0.0 Million
Other	\$17.8 million



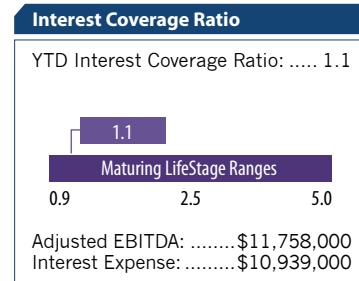
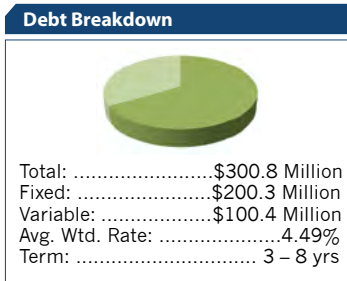
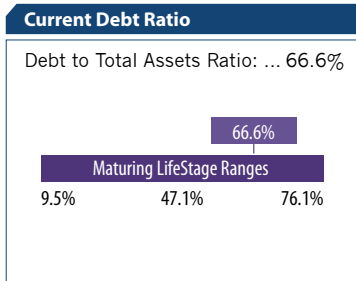
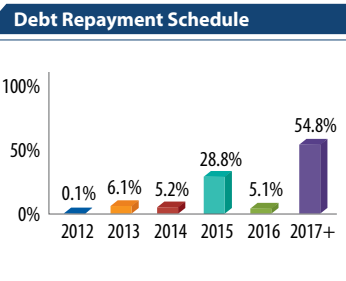
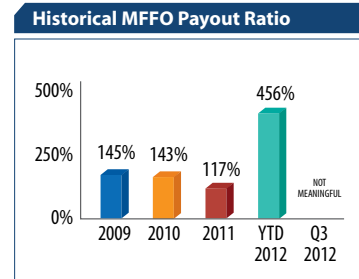
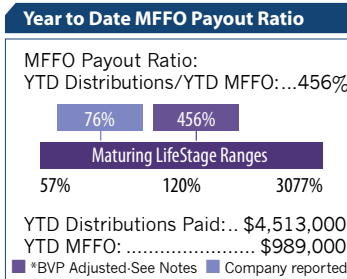
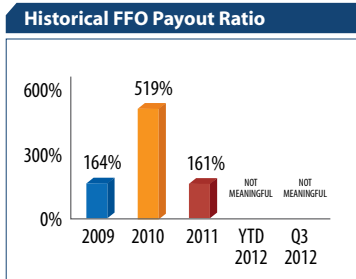
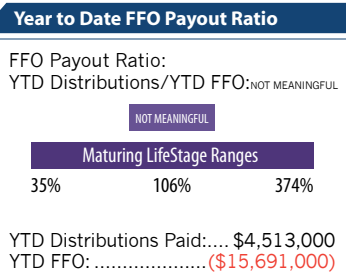
Initial Offering Date: July 19, 2006
 Offering Close Date: July 17, 2011
 Current Price per Share: \$8.15
 Reinvestment Price per Share: \$8.15
 Cumulative Capital Raised during Offering (including DRP)..... \$201.16 Million

Cash to Total Assets Ratio: 1.5%
 Asset Type: Multifamily
 Number of Properties: 19
 Square Feet / Units / Rooms / Acres: 4,926 Units
 Percent Leased: 95.4%
 LifeStage..... Maturing
 Investment Style Core



Contact Information

www.landmarkapartmenttrust.com
Landmark Apartment Trust of America, Inc.
 4901 Dickens Road, Suite 101
 Richmond, VA 23230
 (804) 237-1335



Lease Expirations

The majority of leases are 12 months or less

- ### Trends and Items of Note
- The Company changed its name to Landmark Apartment Trust of America on August 6, 2012.
 - On August 6, 2012, the REIT announced a recapitalization transaction including a contribution of 21 apartment communities valued at \$485 million with 6,100 units in exchange for \$187 million of partnership interests in ATA's operation partnership, \$16 million in cash and the assumption of \$282 million in debt.
 - As a result of the recapitalization transaction, the REIT became self-managed effective August 3, 2012.
 - Subsequent to September 30, 2012, the Company completed the acquisition of 12 of the Contributed Properties with a total acquisition cost of \$241 million.
 - As a result of the recapitalization transaction, the board of directors determined that the value of shares of Company's common stock was \$8.15 per share as of August 3, 2012. Beginning August 3, 2012, the price of shares of common stock sold via the DRIP is \$8.15 per share.
 - The Company reported 3Q YTD 2012 MFFO of \$4,827,000 which included \$1,974,000 of litigation expenses and \$2,984,000 of incentive compensation. Blue Vault Partners eliminated these expenses to report MFFO of \$989,000.
 - See additional notes on page 99 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Lightstone Value Plus Real Estate Investment Trust, Inc.

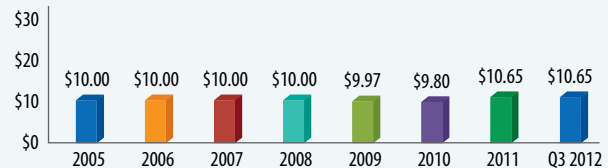
Total Assets.....	\$602.2 Million
Real Estate Assets	\$349.2 Million
Cash.....	\$21.4 Million
Securities	\$164.0 Million
Other.....	\$67.5 Million



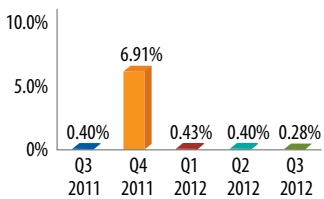
Initial Offering Date: May 23, 2005
 Offering Close Date: October 10, 2008
 Current Price per Share: \$10.65
 Reinvestment Price per Share: \$10.12
 Cumulative Capital Raised during Offering (including DRP)..... \$307.0 Million

Cash to Total Assets Ratio: 3.6%
 Asset Type: Diversified
 Number of Properties: 31
 Square Feet / Units / Rooms / Acres: 3.3 Million Sq. Ft. 1,585 Units, 656 Rooms
 Percent Leased: See notes
 LifeStage..... Maturing
 Investment Style Value Add

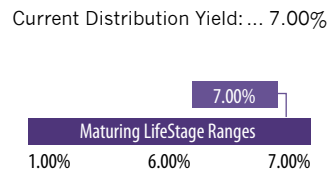
Historical Price



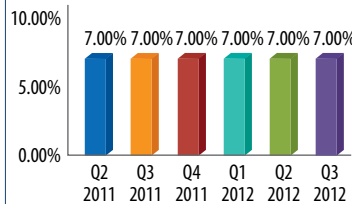
Redemptions



Current Distribution



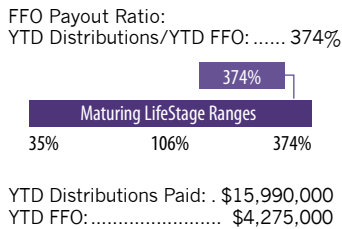
Historical Distribution



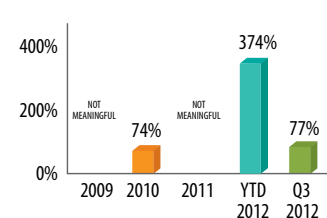
Contact Information

www.LightstoneGroup.com
The Lightstone Group
 1985 Cedar Bridge Avenue
 Lakewood, NJ 08701
 212-616-9969

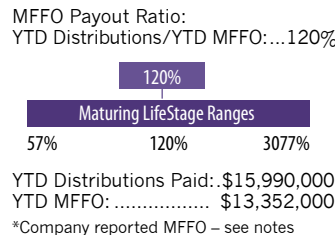
Year to Date FFO Payout Ratio



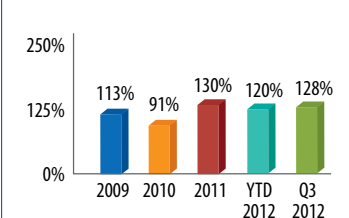
Historical FFO Payout Ratio



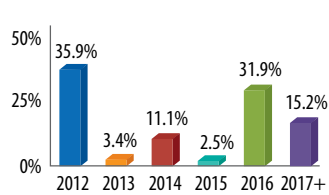
Year to Date MFFO Payout Ratio



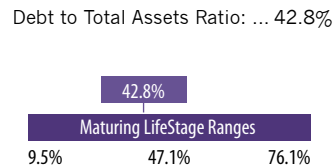
Historical MFFO Payout Ratio



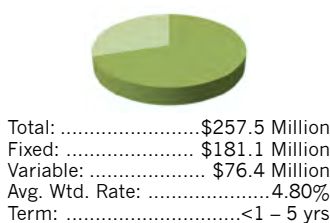
Debt Repayment Schedule



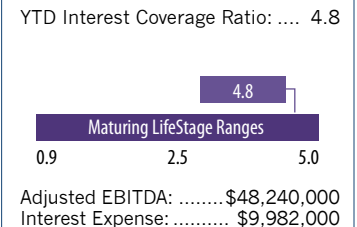
Current Debt Ratio



Debt Breakdown



Interest Coverage Ratio



Lease Expirations

Not Reported

Trends and Items of Note

- As of September 30, 2012, the retail properties, the industrial properties, the multi-family residential properties and the office property were 84.8%, 83.0%, 95.1% and 82.0% occupied based on a weighted-average basis, respectively. Its hotel hospitality properties' average revenue per available room was \$39.97 and occupancy was 59.7%, respectively for the nine months ended September 30, 2012.
- On July 12, 2012, the REIT acquired 47% interest in the Courtyard-Parsippany, in Parsippany, NJ, for \$9.3 million via a foreclosure on a note. On July 30, 2012, the Company disposed of the Brazos Crossing Power Center, a retail shopping center located in Lake Jackson, TX, for \$7.7 million.
- On October 15, 2012, the distribution for the three-month period ending September 30, 2012 was paid in full using a combination of cash and approximately 0.2 million shares of the Company's common stock issued pursuant to the Company's DRIP, at a discounted price of \$10.12 per share.
- On March 9, 2012, the Board of Directors determined an estimated NAV per share of common stock of \$10.65 as of December 31, 2011. There have been no subsequent changes in the NAV.
- The REIT's distribution yield of 7.00% annualized is the highest among the Maturing LifeStage REITs. Debt to total assets at 42.8% remains the median for the group.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Paladin Realty Income Properties, Inc.

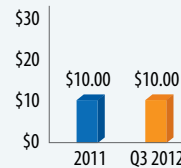
Total Assets.....	\$219.7 Million
Real Estate Assets	\$204.7 Million
Cash	\$9.5 Million
Securities	\$0.0 Million
Other	\$5.5 million



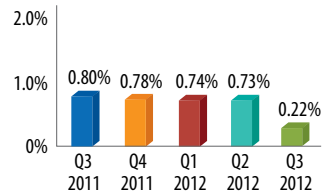
Initial Offering Date: February 25, 2005
 Offering Close Date: July 16, 2012
 Current Price per Share: \$10.00
 Reinvestment Price per Share: NA
 Cumulative Capital Raised during Offering (including DRP)..... \$82.6 Million

Cash to Total Assets Ratio: 4.3%
 Asset Type: Diversified
 Number of Properties: 14
 Square Feet / Units / Rooms / Acres:..... 75,518 sq ft & 2,953 Units
 Percent Leased: Not Reported
 LifeStage..... Maturing
 Investment Style Core

Historical Price



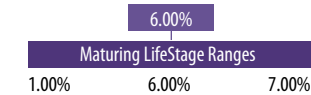
Redemptions



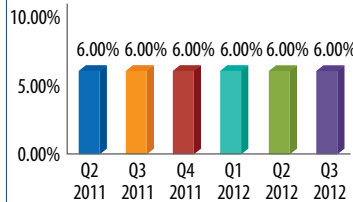
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution

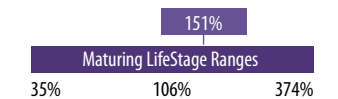


Contact Information

www.PaladinREIT.com
Paladin Realty Advisors
10880 Wilshire Boulevard,
Suite 1400
Los Angeles, CA 90024
866-725-7348

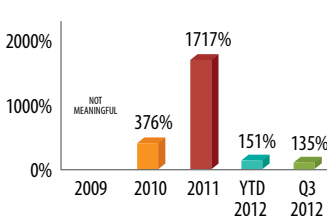
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 151%



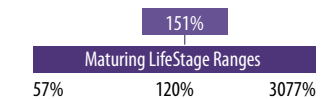
YTD Distributions Paid:... \$3,360,778
 YTD FFO: \$2,219,592

Historical FFO Payout Ratio



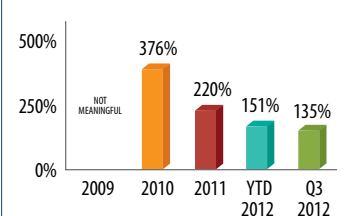
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:151%

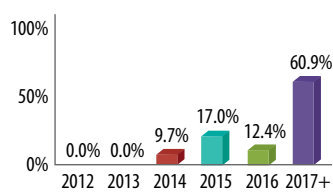


YTD Distributions Paid:.. \$3,360,778
 YTD MFFO: \$2,219,592
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

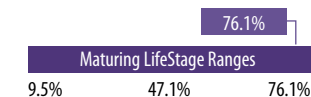


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 76.1%

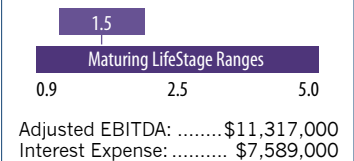


Debt Breakdown

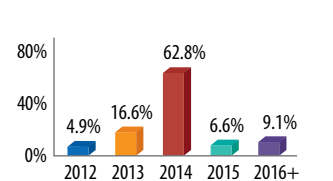
Total: \$167.2 Million
 Fixed: \$167.2 Million
 Variable: \$0 Million
 Avg. Wtd. Rate: 5.68%
 Term: <1 – 10 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.5



Lease Expirations



*As of March 31, 2012, for office properties only

Trends and Items of Note

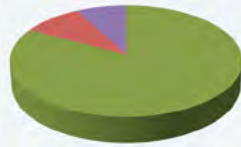
- The REIT was moved from the Stabilizing LifeStage to the Maturing LifeStage for the 3Q 2012 report.
- The REIT made no acquisitions or dispositions in 3Q 2012.
- On July 16, 2012, the Company terminated the Second Follow-On Offering. As of September 30, 2012, the REIT had received proceeds of \$82.6 million in the Initial, First and Second Follow-On Offerings. Since the amounts paid to redeem shares come exclusively from the distribution reinvestment plan and no shares will be available for issuance pursuant to that plan after July 16, 2012, the share redemption program also terminated as of July 16, 2012.
- The current distribution yield of 6.00% which the REIT has maintained is at the median for Maturing LifeStage REITs. The REIT's debt to total assets ratio of 76.1% was well above the median of 47.2% for this LifeStage.
- The interest coverage ratio steadied at 1.5 as of Q3 2012 compared to 1.3 as of year-end 2011.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Sentio Healthcare Properties, Inc.

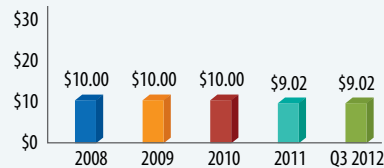
Total Assets.....	\$231.9 Million
Real Estate Assets	\$191.9 Million
Cash.....	\$21.7 Million
Securities	\$0.0 Million
Other.....	\$18.2 Million



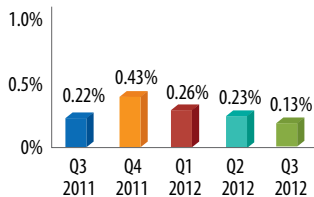
Initial Offering Date: June 20, 2008
 Offering Close Date: February 4, 2013
 Current Price per Share: \$9.02
 Reinvestment Price per Share: See Notes
 Cumulative Capital Raised during Offering (including DRP)..... \$127.0 Million

Cash to Total Assets Ratio: 9.4%
 Asset Type: Diversified
 Number of Properties: 20
 Square Feet / Units / Rooms / Acres: 1,112,907 Sq. Ft
 Percent Leased: 89.2%
 LifeStage..... Maturing
 Investment Style Core

Historical Price

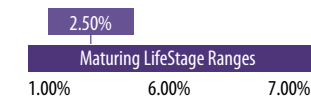


Redemptions

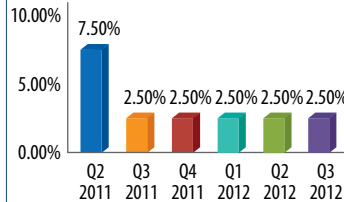


Current Distribution

Current Distribution Yield: ... 2.50%



Historical Distribution

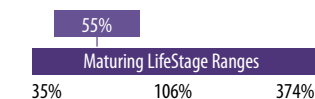


Contact Information

www.CREFund.com
Pacific Cornerstone Capital
1920 Main Street, Suite 400
Irvine, CA 92614
877-805-3333

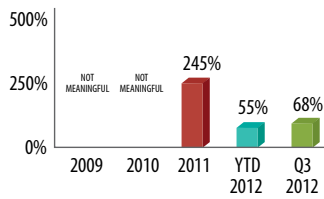
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 55%



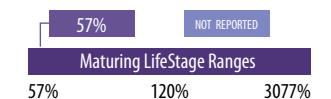
YTD Distributions Paid:.... \$2,407,000
 YTD FFO: \$4,416,000

Historical FFO Payout Ratio



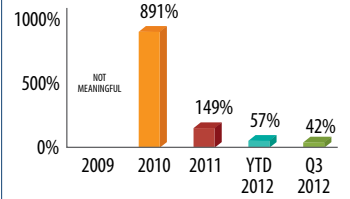
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:..... 57%

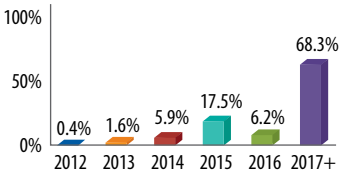


YTD Distributions Paid:.. \$2,407,000
 YTD MFFO: \$4,199,000

Historical MFFO Payout Ratio

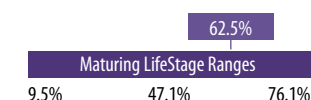


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 62.5%

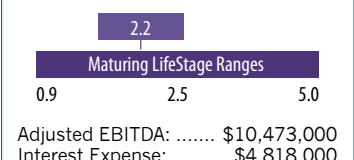


Debt Breakdown

Total: \$145.0 Million
 Fixed: \$114.3 Million
 Variable: \$31.1 Million
 Avg. Wtd. Rate: 5.70%
 Term: < 1 – 32 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.2



Lease Expirations

Not Reported

Trends and Items of Note

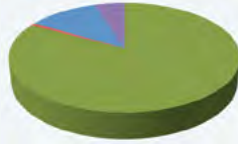
- The Company acquired four facilities containing 152 assisted-living properties on August 31, 2012, for about \$49 million.
- The company refinanced the Carriage Court of Hilliard, OH, with a \$13.8 million loan from KeyBank.
- The REIT's interest rate coverage ratio has improved to 2.2 as of Q3 2012 compared to 1.6 as of year-end 2011.
- Cash to total assets of 9.4% is significantly above the median of 3.6% for Maturing LifeStage REITs, and the REIT had maintained a ratio of 14% or higher for the previous 10 quarters.
- The Company did not report MFFO for 3Q, 2012. The MFFO figures above are Blue Vault Partners estimates.
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Wells Real Estate Investment Trust II, Inc.

Total Assets.....	\$5,620.2 Million
Real Estate Assets ..	\$4,649.5 Million
Cash.....	\$48.4 Million
Securities	\$646.0 Million
Other.....	\$276.2 Million



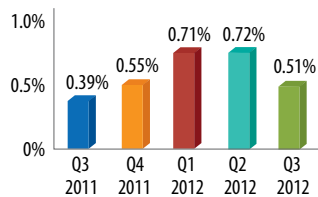
Initial Offering Date: December 1, 2003
 Offering Close Date: June 30, 2010
 Current Price per Share: \$7.33
 Reinvestment Price per Share: \$7.00
 Cumulative Capital Raised during Offering (including DRP)..... \$5,800 Million

Cash to Total Assets Ratio: 0.9%
 Asset Type: Office
 Number of Properties: 70
 Square Feet / Units / Rooms / Acres: 22.2 Million
 Percent Leased: 91.7%
 LifeStage..... Liquidating
 Investment Style Core

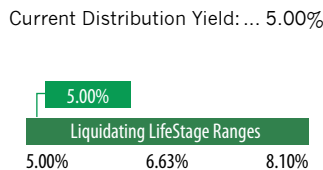
Historical Price



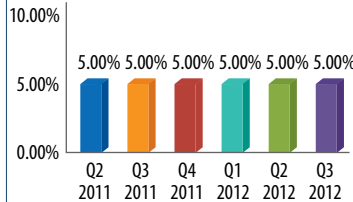
Redemptions



Current Distribution



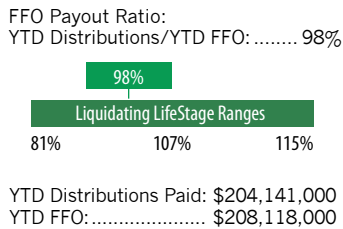
Historical Distribution



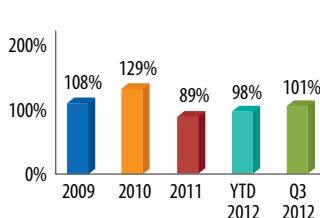
Contact Information

www.WellsREITii.com
Wells Real Estate Funds
 P.O. Box 926040
 Norcross, GA 30010
 800-557-4830

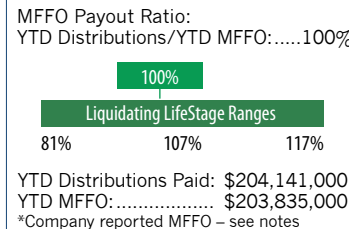
Year to Date FFO Payout Ratio



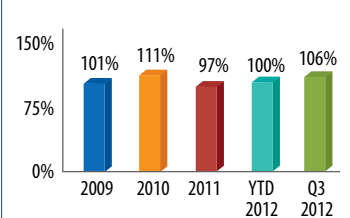
Historical FFO Payout Ratio



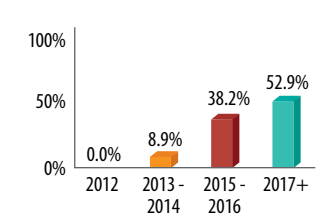
Year to Date MFFO Payout Ratio



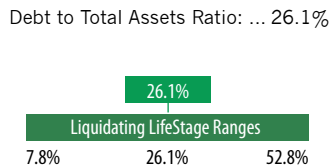
Historical MFFO Payout Ratio



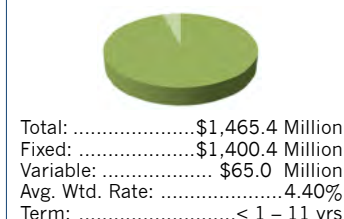
Debt Repayment Schedule



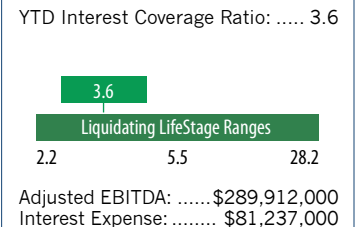
Current Debt Ratio



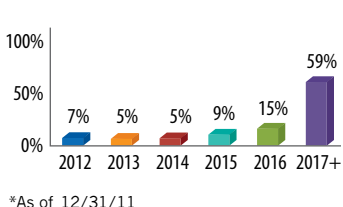
Debt Breakdown



Interest Coverage Ratio



Lease Expirations



Trends and Items of Note

- On November 9, 2012, the REIT told shareholders it will soon become an independent company and plans to complete a liquidity event that could take the form of a sale, a merger, or most likely, a listing of the company's shares on a national securities exchange.
- Due to the above announcement, Blue Vault changed the LifeStage classification for the REIT from Maturing to Liquidating for the 3Q 2012 report.
- The Company made no acquisitions or dispositions in the 3Q 2012, and has sold two properties in 2012 for a total of \$60.1 million.
- The cash to total assets ratio remained at 0.9%, the median for Liquidating REITs.
- Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company hedged \$476,187,000 of its variable rate debt as of September 30, 2012.
- The 3Q 2012 MFFO figure reported above is the same as AFFO, or Adjusted Funds from Operations, reported by the Company, and Blue Vault Partners did not identify additional adjustments.
- See additional notes on page 100 for information regarding the source of distributions.

Nontraded REIT Industry Review: Third Quarter 2012



Wells Timberland REIT, Inc.

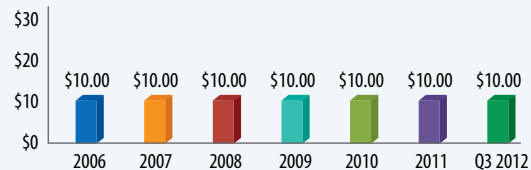
Total Assets.....	\$353.8 Million
Real Estate Assets	\$337.4 Million
Cash.....	\$11.6 Million
Securities	\$0.0 Million
Other.....	\$4.8 Million



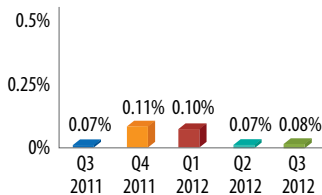
Initial Offering Date: August 11, 2006
 Offering Close Date: December 31, 2011
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.55
 Cumulative Capital Raised during Offering (including DRP).....\$303.1 Million

Cash to Total Assets Ratio: 3.3%
 Asset Type: Timberland
 Number of Properties: 1
 Square Feet / Units / Rooms / Acres: 291,400 Acres
 Percent Leased: Not Applicable
 LifeStage..... Maturing
 Investment Style Value Add

Historical Price



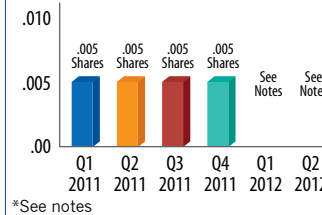
Redemptions



Current Distribution

Not Applicable

Historical Distribution



Contact Information

www.WellsTimberland.com
Wells Timberland REIT, Inc.
P.O. Box 926040
Norcross, GA 30010-6040
800-557-4830

Year to Date FFO Payout Ratio

Not Applicable

Historical FFO Payout Ratio

Not Applicable

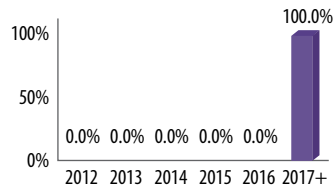
Year to Date MFFO Payout Ratio

Not Applicable

Historical MFFO Payout Ratio

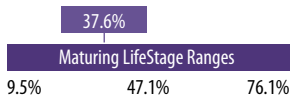
Not Applicable

Debt Repayment Schedule

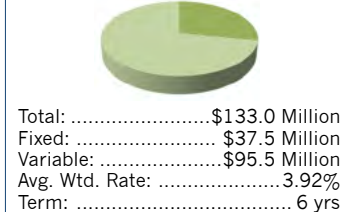


Current Debt Ratio

Debt to Total Assets Ratio: ... 37.6%



Debt Breakdown



Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.8



Adjusted EBITDA: \$4,688,028
 Interest Expense: \$2,561,408

Lease Expirations

Not Applicable

Trends and Items of Note

- As of September 30, 2012, Wells Timberland REIT owned approximately 246,200 acres of timberland and held long-term leasehold interests in approximately 45,200 acres of additional timberland, all of which is located on the Lower Piedmont and Upper Coastal Plains of East Central Alabama and West Central Georgia.
- On September 28, 2012, the REIT acquired approximately 29,900 acres of timberland for a purchase price of approximately \$20.5 million.
- Also on August 6, 2012, the board of directors of Wells Timberland REIT voted to suspend the Amended Share Repurchase Program effective October 1, 2012 until the first full month following the initial publication of the estimated per share value.
- The REIT's interest coverage ratio increased to 1.8 as of 3Q 2012 compared to 1.3 as of year-end 2011, still below the 2.5 median for Maturing LifeStage REITs.
- Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company has hedged \$37,500,000 of its variable rate debt as of September 30, 2012.
- Because the REIT does not pay cash distributions, the FFO and MFFO metrics are not applicable.



Source of Distributions

American Realty Capital – Retail Centers of America, Inc.

During the three months ended September 30, 2012, the Company paid distributions of \$50,000, of which \$46,000, or 92.0%, was funded from cash flows from operations and \$4,000, or 8.0%, was funded from proceeds from common stock issued under the DRIP.

American Realty Capital Daily Net Asset Value, Inc.

During the nine months ended September 30, 2012, distributions paid to stockholders totaled \$0.2 million inclusive of approximately \$7,000 of distributions under the DRIP. As of September 30, 2012, cash used to pay distributions was primarily generated from cash provided by financings and proceeds from the issuance of common shares.

American Realty Capital Healthcare Trust, Inc.

During the nine months ended September 30, 2012, distributions paid to common stockholders totaled \$8.1 million, inclusive of \$3.6 million of distributions issued under the DRIP. During the three and nine months ended September 30, 2012, cash used to pay distributions was primarily generated from cash flows from operations and shares issued under the DRIP.

American Realty Capital Trust New York Recovery REIT, Inc.

During the nine months ended September 30, 2012, distributions paid to common stockholders totaled \$4.3 million inclusive of \$2.1 million of the value of common stock issued under the DRIP cash used to pay distributions was primarily generated from cash flows from operations and common stock issued under the DRIP.

American Realty Capital Trust III, Inc.

During the nine months ended September 30, 2012, distributions paid to common stockholders totaled \$27.1 million. As of September 30, 2012, cash used to pay distributions was generated from property operating results, proceeds from common stock issued under the DRIP and proceeds from financings.

Apple REIT Six, Inc.

Distributions in the first nine months of 2012 totaled \$54.1 million and were paid monthly at a rate of \$0.066 per common share. For the same period the Company's cash generated from operations was \$64.4 million.

Apple REIT Seven, Inc.

Distributions in the first nine months of 2012 totaled \$52.5 million and were paid monthly at a rate of \$0.064167 per common share. For the same period, the Company's cash generated from operations was approximately \$45.7 million. This shortfall includes a return of capital and was funded primarily by borrowings on the credit facility.

Apple REIT Eight, Inc.

Distributions in the first nine months of 2012 totaled \$38.4 million, and were paid monthly at a rate of \$0.045833. For the same nine month period, the Company's cash generated from operations was approximately \$36.5 million. This shortfall includes a return of capital and was funded primarily by additional borrowings by the Company.

Apple REIT Nine, Inc.

Distributions (excluding the Special Distribution) during the first nine months of 2012 totaled approximately \$117.2 million and were paid at a monthly rate of \$0.073334 per common share during the first five months of 2012, \$0.069167 per common

share for June and July 2012, and \$0.0691875 per common share for August and September 2012. For the same period the Company's net cash generated from operations was approximately \$93.9 million. Due to the inherent delay between raising capital and investing that same capital in income producing real estate, a portion of the distributions to date have been funded from proceeds from the Company's completed initial public offering of Units (completed in December 2010) and from additional borrowings by the Company, and this portion of distributions is expected to be treated as a return of capital for federal income tax purposes.

Apple REIT Ten, Inc

Distributions during the first nine months of 2012 totaled approximately \$32.0 million and were paid at a monthly rate of \$0.06875 per common share. For the same period, the Company's cash generated from operations was approximately \$23.0 million. Due to the inherent delay between raising capital and investing that same capital in income producing real estate, the Company has had significant amounts of cash earning interest at short term money market rates. As a result, a portion of distributions paid through September 30, 2012 have been funded from proceeds from the on-going best-efforts offering of Units, and are expected to be treated as a return of capital for federal income tax purposes.

Behringer Harvard Multifamily REIT I, Inc.

During the nine months ended September 30, 2012, regular cash distributions in excess of cash flow from operations were funded from available cash. The primary sources of available cash were the remaining proceeds from the Initial Public Offering and dispositions. The Company terminated the Initial Public Offering in September 2011 raising net proceeds in 2011 of \$539.6 million. In May 2011, the Company sold its investment in the Waterford BHMP CO-JV, realizing cash proceeds of \$27.6 million and a GAAP gain of \$18.1 million. In December 2011, the Company sold partial interests in multifamily communities to the MW CO-JV, realizing cash proceeds of \$100.6 million, a GAAP gain of \$5.7 million and an increase in additional paid-in capital of \$39.6 million.

Behringer Harvard Opportunity REIT I, Inc.

In connection with the Company entering the disposition phase, on March 28, 2011, the board of directors discontinued regular, quarterly distributions in favor of those that may arise from proceeds available to be distributed from the sale of assets and the Company ceased offering shares pursuant to the DRP.

Behringer Harvard Opportunity REIT II, Inc.

The Company paid no distributions to stockholders during the three months ended September 30, 2012. Total distributions paid to stockholders during the nine months ended September 30, 2012 were \$17.3 million and consisted of the special cash distribution of \$13 million and the regular distributions of \$4.3 million. A portion of the \$4.3 million regular distributions to stockholders was funded from cash flow provided by operations.

Behringer Harvard REIT I, Inc.

The total distributions paid to common stockholders for each of the nine month period ended September 30, 2012 as approximately \$22.3 million. Of the distributions paid to common stockholders for each of the nine months ended September 30, 2012, approximately \$9.8 million was reinvested in shares of common stock pursuant to the distribution reinvestment plan ("DRP"). The Company thus used net cash of approximately \$12.5 million to



Source of Distributions

fund the distributions. For the nine months ended September 30, 2012, cash provided by operating activities was approximately \$23.3 million. For the nine months ended September 30, 2012, cash flows from operating activities exceeded net cash distributions paid to common stockholders by approximately \$10.8 million.

Bluerock Enhanced Multifamily Trust, Inc.

For the three and nine months ended September 30, 2012, none of the distributions paid were covered by cash flow from operations or funds from operations.

Carey Watermark Investors Incorporated

Distributions since inception have exceeded earnings and cash flow from operating activities and have been entirely paid from offering proceeds. The Company expects that future distributions will be paid in whole or in part from offering proceeds, borrowings and other sources, without limitation, particularly during the period before the Company has substantially invested the net proceeds from the offering.

Carter Validus Mission Critical REIT, Inc.

The Company has paid, and may continue to pay distributions from sources other than from cash flow from operations. For the nine months ended September 30, 2012, cash flow provided by operations of approximately \$1.0 million was a shortfall of \$2.4 million, or 70.6%, of distributions paid (total distributions were approximately \$3.4 million, of which, \$1.8 million were paid in cash and \$1.6 million in shares of common stock pursuant to the DRIP) during such period, and such shortfall was paid from proceeds from the Offering and common stock issued pursuant to the DRIP.

Chambers Street Properties, Inc.

For the quarter ended September 30, 2012, distributions were funded 79.04% by cash flows provided by operating activities and 20.96% from uninvested proceeds from financings of properties. In addition, distributions totaling \$16,917,000 were reinvested into common shares pursuant to the dividend reinvestment plan during the quarter ended September 30, 2012.

CNL Healthcare Trust, Inc.

For the nine months ended September 30, 2012 cash distributions paid to stockholders were 100% funded with proceeds from the offering. For the nine months ended September 30, 2012, 100% of the cash distributions paid to stockholders are expected to be considered a return of capital to stockholders for federal income tax purposes.

CNL Lifestyle Properties, Inc.

The Company has borrowed and intends to continue to borrow money to acquire properties, ongoing enhancements to the portfolio and to pay certain related fees and to cover periodic shortfalls between distributions paid and cash flows from operating activities. The Company has also borrowed, and may continue to borrow money to pay distributions to stockholders in order to avoid distribution volatility.

Cole Corporate Income Trust, Inc.

The distributions paid during the nine months ended September 30, 2012 were funded by net cash provided by operating activities of \$262,000, or 13%, combined with cash provided by operating activities from the prior year (in excess of distributions paid in the prior year) in the amount of \$219,000, or 11%, and proceeds

from the issuance of common stock of \$1.5 million, or 76%. Net cash provided by operating activities for the nine months ended September 30, 2012 and 2011 reflect a reduction for real estate acquisition related expenses incurred and expensed of \$1.6 million and \$719,000, respectively, in accordance with GAAP. As set forth in the "Estimated Use of Proceeds" section of the prospectus for the Offering, as supplemented, the Company treats acquisition related expenses as funded by proceeds from the Offering, including proceeds from the DRIP. Therefore, for consistency, proceeds from the issuance of common stock for the nine months ended September 30, 2012 have been reported as a source of distributions to the extent that acquisition related expenses have reduced net cash flows from operating activities.

Cole Credit Property Trust II, Inc.

During the nine months ended September 30, 2012, the Company paid distributions of \$98.7 million including \$43.2 million through the issuance of shares pursuant to the DRIP Offering. Distributions for the nine months ended September 30, 2012 were funded by net cash provided by operating activities of \$86.0 million, or 87%, a portion of the net proceeds in excess of the investment from the prior year sale of marketable securities of \$10.0 million, or 10%, and distributions received in excess of income from the unconsolidated joint venture and cash received from mortgage notes receivable and real estate assets under direct financing leases of \$2.7 million, or 3%.

Cole Credit Property Trust III, Inc.

During the nine months ended September 30, 2012, the Company paid distributions of \$218.4 million including \$125.0 million through the issuance of shares pursuant to the DRIP. 2012 distributions were funded by net cash provided by operating activities of \$178.6 million, or 82%, distributions received in excess of income from the Unconsolidated Joint Ventures of \$4.7 million, or 2%, and proceeds from the issuance of common stock of \$35.1 million, or 16%. Net cash provided by operating activities for the nine months ended September 30, 2012 and 2011, reflects a reduction for real estate acquisition related costs incurred and expensed of \$43.9 million and \$47.2 million, respectively, in accordance with GAAP. The Company treats real estate acquisition expenses as funded by proceeds from the offering of the shares, including proceeds from the DRIP Offering. Therefore, for consistency, proceeds from the issuance of common stock for the nine months ended September 30, 2012 and 2011 have been reported as a source of distributions to the extent that acquisition expenses have reduced net cash flows from operating activities.

Cole Credit Property Trust IV, Inc.

During the nine months ended September 30, 2012, the Company paid distributions of \$1.1 million, including \$539,000 through the issuance of shares pursuant to the DRIP. Net cash used in operating activities for the nine months ended September 30, 2012 was \$3.4 million and reflects a reduction for real estate acquisition fees and related costs incurred and expensed of \$4.6 million, in accordance with GAAP. As set forth in the "Estimated Use of Proceeds" section of the prospectus for the Offering, the Company treats real estate acquisition related expenses as funded by proceeds from the Offering. Therefore, for consistency, proceeds from the issuance of common stock for the nine months ended September 30, 2012 are considered a source of the distributions to the extent that acquisition expenses have reduced net cash flows from operating activities. As such, all of the 2012 distributions were funded from proceeds from the Offering.



Source of Distributions

Cole Real Estate Income Strategy (Daily NAV), Inc.

During the nine months ended September 30, 2012, the Company paid distributions of \$415,000, including \$1,000 through the issuance of shares pursuant to the DRIP. Distributions for the nine months ended September 30, 2012 were funded by net cash provided by operating activities of \$255,000, or 61%, and borrowings from the Credit Facility of \$160,000, or 39%.

Corporate Property Associates 16-Global, Inc.

During the nine months ended September 30, 2012, the Company used cash flows from operating activities of \$143.2 million primarily to fund net cash distributions to shareholders of \$74.8 million, which excluded \$26.0 million in dividends that were reinvested by shareholders through the distribution reinvestment and share purchase plan, and to pay distributions of \$23.2 million to affiliates that hold noncontrolling interests in various entities with us.

Corporate Property Associates 17-Global, Inc.

During the nine months ended September 30, 2012, the Company used cash flows provided by operating activities of \$125.6 million to fund cash distributions paid to stockholders of \$54.6 million, excluding \$51.3 million in dividends that were reinvested in shares of common stock by stockholders through the DRIP, and to pay distributions of \$17.4 million to affiliates that hold noncontrolling interests in various entities.

Dividend Capital Diversified Property Fund Inc.

For the year to date period ending September 30, 2012, the company paid \$75.8 million in distributions which were funded with \$67.3 million in cash flow from operations and \$8.4 in borrowings.

Global Income Trust, Inc.

During the nine months ended September 30, 2012 cash distributions totaling approximately \$2.2 million were declared payable to stockholders (including approximately \$0.3 million but unpaid as of September 30, 2012 which were paid in October 2012). As the Company had no distributable earnings or funds from operations ("FFO"), the distributions were made from Offering proceeds. In addition, 100% of distributions for the nine months ended September 30, 2012 are expected to be a return of capital and 100% of the distributions for the nine months ended September 30, 2011 were considered a return of capital for federal income tax purposes.

Griffin Capital Net Lease REIT, Inc.

For the nine months ended September 30, 2012, the Company paid and declared distributions of approximately \$4.1 million to common stockholders and approximately \$2.0 million to the limited partners of the Operating Partnership, as compared to FFO and MFFO for the nine months ended September 30, 2012 of \$2.7 million and \$5.6 million, respectively. The payment of distributions from sources other than FFO or MFFO may reduce the amount of proceeds available for investment and operations or cause the Company to incur additional interest expense as a result of borrowed funds.

Griffin-American Healthcare REIT II, Inc.

The distributions paid for the nine months ended September 30, 2012 were \$29.8 million and were funded with \$9.6 million in cash flow from operations and \$20.2 million in offering proceeds.

Hartman Short Term Income Properties XX, Inc.

During the nine months ended September 30, 2012, the Company paid distributions of \$1.2 million. Some or all of the distributions will be paid from other sources, such as from the proceeds of its offerings, cash advances to us by the advisor, cash resulting from a waiver of asset management fees and borrowings secured by the assets in anticipation of future operating cash flow until such time as the Company has sufficient cash flow from operations to fund fully the payment of distributions. The Company expects to have limited cash flow from operations available for distribution until the Company makes substantial investments.

Hines Global REIT, Inc.

For the nine months ended September 30, 2012, the Company paid distributions of \$50.4 million compared to cash flow from operating activities of \$21.8 million and cash flows from financings of \$31.8 million which includes proceeds from the Initial Offering and proceeds from debt financings.

Hines Real Estate Investment Trust, Inc.

With respect to the \$0.00138082 per share, per day distributions declared for July 2011 through December 31, 2012, \$0.00041425 of the per share, per day distributions are or will be designated by as special distributions which represent a return of a portion of the shareholders' invested capital and, as such, reduce their remaining investment in the Company. The special distributions were or will be funded with a portion of the proceeds from sales of investment property. The designations of a portion of the distributions as special distributions does not impact the tax treatment of the distributions to shareholders. The remaining 70% of the distributions for such period was or will be paid from funds generated by operations.

In addition, for the period from July 1, 2011 through December 31, 2012, the Advisor has agreed to waive a portion of its monthly cash asset management fee such that the fee will be reduced from 0.0625% to 0.0417% (0.75% to 0.50% on an annual basis) of the net equity capital the Company have invested in real estate investments as of the end of each month. As a result of the waiver of these fees, cash flow from operations that would have been paid to the Advisor will be available to pay distributions to shareholders. This fee waiver is not a deferral and accordingly, these fees will not be paid to the Advisor in cash at any time in the future. For the period July 1, 2011 through September 30, 2012, this waiver totaled \$6.3 million.

Independence Realty Trust, Inc.

For the nine months ended September 30, 2012, the Company paid cash distributions of \$2.4 million as compared to cash flows from operating activities of \$2.8 million.

Industrial Income Trust, Inc.

For the third, second and first quarters of 2012 and the fourth quarter of 2011, 52%, 33%, 17%, and 57%, respectively, of total distributions were paid from cash flows from operating activities, as determined on a GAAP basis. For the third, second and first quarters of 2012 and the fourth quarter of 2011, 48%, 67%, 83%, and 43%, respectively, of total distributions were funded from sources other than cash flows from operating activities, as were 100% of total distributions for the first three quarters of 2011. In the aggregate, 24% of total distributions for the first three quarters of 2012 and all of 2011 were funded with proceeds from our debt



Source of Distributions

financings (including borrowings secured by the assets) and 45% of total distributions for the first three quarters of 2012 and all of 2011 were funded with proceeds from the issuance of shares under the distribution reinvestment plan, or DRIP shares.

Inland American Real Estate Trust, Inc.

The Company declared cash distributions to stockholders per weighted average number of shares outstanding during the period from January 1, 2012 to September 30, 2012 totaling \$329.1 million or \$0.50 per share on an annualized basis. These cash distributions were paid with cash flow from operations which was \$352.3 for the nine months ended September 30, 2012.

Inland Diversified Real Estate Trust, Inc.

For the nine months ending September 30, 2012, the Company declared and paid distributions totaling \$0.60 per share on an annualized basis and fully funded all distributions from cash flow from operations.

Jones Lang Lasalle Income Property Trust, Inc.

For the nine months ended September 30, 2012, the Company paid cash distributions of \$4.6 million as compared to funds from operations of \$18.1 million.

KBS Legacy Partners Apartment REIT, Inc.

For the nine months ended September 30, 2012, the Company paid aggregate distributions of \$3.5 million, including \$2.0 million of distributions paid in cash and \$1.5 million of distributions reinvested through the dividend reinvestment plan. Negative FFO for the nine months ended September 30, 2012 was \$2.4 million and cash flow used in operations was \$0.2 million. The Company funded total distributions paid, which includes cash distributions and dividends reinvested by stockholders, with \$1.7 million of cash flows from operations and \$1.8 million of debt financing. For the purposes of determining the source of distributions paid, the Company assumes first that it will use cash flows from operations from the relevant periods to fund distribution payments. All non-operating expenses (including general and administrative expenses), debt service and other obligations are assumed to be paid from gross offering proceeds as permitted by the offering documents and loan agreement.

KBS Real Estate Investment Trust, Inc.

For the nine months ended September 30, 2012, the Company paid aggregate distributions of \$24.7 million, including \$13.6 million of distributions paid in cash and \$11.1 million of distributions reinvested through the dividend reinvestment plan (which terminated effective April 10, 2012). As discussed below, all distributions were paid during the three months ended March 31, 2012. The Company funded total distributions paid, which includes net cash distributions and dividends reinvested by stockholders, with \$7.8 million of cash flows from operations from the three months ended March 31, 2012 and \$16.9 million of a combination of operating cash reserves from prior periods, proceeds from the sale of properties in 2012 and 2011 and proceeds from debt financing. For purposes of determining the sources of the distributions paid, the Company assumes first that it will use current period cash flows from operations, operating cash reserves from prior periods, proceeds from asset sales and proceeds from financings from the relevant periods to fund distribution payments.

KBS Real Estate Investment Trust II, Inc.

For the nine months ended September 30, 2012, the Company paid aggregate distributions of \$93.2 million, including \$43.1 million of distributions paid in cash and \$50.1 million of distributions reinvested through the dividend reinvestment plan. FFO and cash flows from operations for the nine months ended September 30, 2012 were \$121.9 million and \$98.6 million, respectively. The Company funded total distributions paid, which includes net cash distributions and dividends reinvested by stockholders, with current period cash flows from operations and debt financing for any distributions paid in excess of cash flows from operations. For purposes of determining the source of distributions paid, the Company assumes first that it will use cash flows from operations from the relevant periods to fund distribution payments.

KBS Real Estate Investment Trust III, Inc.

For the nine months ended September 30, 2012, the Company paid aggregate distributions of \$7.7 million, including \$4.2 million of distributions paid in cash and \$3.5 million of distributions reinvested through the dividend reinvestment plan. FFO for the nine months ended September 30, 2012 was \$3.4 million and cash flows provided by operations was \$4.3 million. The Company funded total distributions paid, which includes net cash distributions and dividends reinvested by stockholders, with \$4.7 million of cash flows from operations from the second and third quarters of 2012 and \$3.0 million of debt financing. For purposes of determining the source of distributions paid, the Company assumes first that it will use cash flows from operations from the relevant periods to fund distribution payments.

KBS Strategic Opportunity REIT, Inc.

For the nine months ended September 30, 2012, the Company paid aggregate distributions of \$12.9 million, including \$4.3 million of distributions paid in cash and \$8.5 million of distributions reinvested through the dividend reinvestment plan. Net loss for the nine months ended September 30, 2012 was \$7.2 million and cash flow used in operations was \$1.8 million. The Company has funded cumulative distributions, which includes net cash distributions and dividends reinvested by stockholders, with proceeds from debt financing of \$18.7 million and proceeds from the disposition of property of \$0.6 million (which amount is approximately equal to the gain resulting from the disposition). To the extent that the Company pays distributions from sources other than cash flow from operations or gains from asset sales, the Company will have fewer funds available for investment in real estate-related loans, opportunistic real estate, real estate-related debt securities and other real estate-related investments, the overall return to stockholders may be reduced and subsequent investors may experience dilution.

Landmark Apartment Trust of America, Inc

For the nine months ended September 30, 2012, the Company paid aggregate distributions of \$4.5 million (\$1.5 million of which was reinvested in shares of the common stock pursuant to the Amended and Restated Dividend Reinvestment Plan (the "Amended and Restated DRIP")), as compared to cash flows used in operating activities of \$10.9 million.

Lightstone Value Plus Real Estate Investment Trust, Inc.

For the nine months ended September 30, 2012, the Company paid distributions of \$15.9 million which was funded by cash flow provided by operations (GAAP basis) and the issuance of stock through the distribution reinvestment plan.



Source of Distributions

Lightstone Value Plus Real Estate Investment Trust II, Inc.

For the nine months ended September 30, 2012, the Company paid distributions of \$2.3 million which was funded by cash flow provided by operations (GAAP basis), the issuance of stock through the distribution plan, and offering proceeds.

Moody National REIT I, Inc.

For the nine months ended September 30, 2012, approximately 65% of distributions were paid from cash provided by operating activities and the remaining amount was paid from offering proceeds.

Northstar Real Estate Income Trust, Inc.

The Company paid \$15.4 million in distributions during the nine months ended September 30, 2012 compared to cash flows from operations of \$7.5 million. The distributions in excess of cash flow from operations were paid using Offering proceeds, including from the purchase of additional shares by the Sponsor.

Paladin Realty Income Properties, Inc.

The Company paid \$3.4 million in distributions during the nine months ended September 30, 2012 compared to cash flows from operations of \$3.5 million.

Phillips Edison - ARC Shopping Center REIT Inc.

For the nine months ended September 30, 2012, gross distributions to stockholders of approximately \$2,119,000 were paid, including \$693,000 of distributions reinvested through the DRP, for net cash distributions of \$1,426,000. These distributions were funded by a combination of cash generated from operating activities and borrowings. On October 1, 2012, gross distributions of approximately \$431,000 were paid, including \$168,000 of distributions reinvested through the DRP, for net cash distributions of \$263,000. These distributions were funded by a combination of cash generated from operating activities and borrowings.

Resource Real Estate Opportunity REIT, Inc.

For the nine months ended September 30, 2012, the Company paid aggregate distributions of \$6.9 million, including \$0.8 million of distributions paid in cash and \$1.1 million of distributions reinvested through the distribution reinvestment plan. Net loss for the nine months ended September 30, 2012 was \$6.2 million and net cash used in operating activities was \$1.7 million. Cumulative distributions and net loss from inception through September 30, 2012 are \$9.0 million and \$15.5 million, respectively. The Company funded cumulative distributions, which includes net cash distributions and distributions reinvested by stockholders, with proceeds from debt financing. To the extent that the Company pays distributions from sources other than the cash flow from operating activities or gains from asset sales, it will have fewer funds available for investment in commercial real estate and real estate-related debt, the overall return to the stockholders may be reduced and subsequent investors may experience dilution.

Sentio Healthcare Properties, Inc.

For the four quarters ended September 30, 2012, cash flow from operations was approximately \$8.5 million. During that period the Company paid distributions to investors of approximately \$3.2 million, all of which was paid to investors in cash.

Steadfast Income REIT, Inc.

As of September 30, 2012, the Company has funded total distributions paid, which includes net cash distributions and dividends reinvested by stockholders, with proceeds of the public offering.

Strategic Storage Trust, Inc.

For the nine months ended September 30, 2012, the Company paid distributions of approximately \$20.4 million, as compared to cash flows provided by operations of approximately \$6.4 million and proceeds from issuance of common stock (including distributions reinvested) of \$14.0 million.

TNP Strategic Retail Trust, Inc.

To date, all of the Company's cash distributions have been paid substantially from proceeds from the public offering of common stock.

United Development Funding IV

For the nine months ended September 30, 2012, the Company paid distributions of approximately \$12.5 million (\$7.9 million in cash and \$4.6 million in common shares of beneficial interest pursuant to the DRIP), as compared to cash flows provided by operations of approximately \$5.9 million. Distributions in excess of operating cash flows have been funded via financing activities, specifically borrowings under credit facilities, consistent with the intent to use credit facilities to meet the investment and distribution cash requirements throughout the initial period of operations.

Wells Core Office Income REIT, Inc.

During the nine months ended September 30, 2012, the Company paid total distributions to stockholders, including amounts reinvested in the common stock pursuant to the DRP, of approximately \$13.7 million. During the nine months ended September 30, 2012, net cash provided by operating activities was approximately \$8.8 million, which consisted primarily of rental receipts and tenant reimbursements in excess of payments for property operating costs, acquisition-related costs, asset and property management fees, and general and administrative costs, such as legal, accounting and other professional fees. During the nine months ended September 30, 2012, acquisition-related costs paid, which were funded with cash generated from the sale of common stock under the Initial Offering but which under GAAP reduced net cash from operating activities, were approximately \$4.7 million.

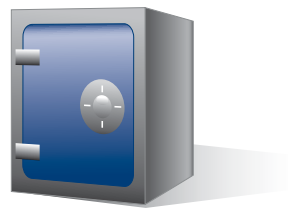
Wells Real Estate Investment Trust II, Inc.

During the nine months ended September 30, 2012, the Company generated net cash flows from operating activities of \$195.6 million, which consists primarily of receipts from tenants for rent and reimbursements, reduced by payments for operating costs, administrative expenses, and interest expense. During the same period, the Company paid total distributions to stockholders of \$204.1 million, which includes \$94.4 million reinvested in common stock pursuant to the DRP.



2012 Publication Schedule

	SEC 10Q/10K Release Date	Report Publication Date
2012 Year-in-Review	Year End 2012 Estimates	March 1, 2013
Fourth Quarter 2012 (10K)	April 1, 2013	April 23, 2013
First Quarter 2013 (10Q)	May 15, 2013	June 7, 2013
Second Quarter 2013 (10Q)	August 14, 2013	September 6, 2013
Third Quarter 2013 (10Q)	November 14, 2013	December 9, 2013
2013 Year-in-Review	Year End 2013 Estimates	March 1, 2014
Fourth Quarter 2013 (10K)	March 31, 2014	April 23, 2014



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