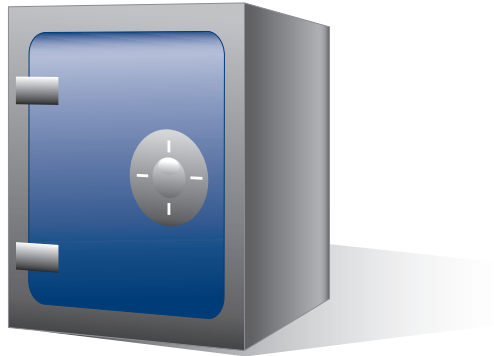


PREMIUM CONTENT



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

Nontraded REIT Industry Review

SECOND QUARTER 2011

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September 15, 2011

Once again, we are pleased to provide you with the Blue Vault Partners Nontraded REIT Industry Review Second Quarter 2011.

Within this issue you will find research on an unprecedented number of nontraded REITs. For the period ending June 30, 2011, there were a total of 66 nontraded REITs with 45 raising capital and 21 that were closed to new investments. Of the 45 REITs that were raising capital, four offerings were launched during the second quarter bringing the total number of new products launched in the first half of the year to seven.

We are especially pleased to expand upon our LifeStages™ classification and ranking system. Blue Vault introduced LifeStages in our fourth quarter 2010 Review to provide the industry with a better set of definitions to compare the operations of nontraded REITs. LifeStages recognizes that nontraded REITs are different than their traded counterparts primarily due to capital raising against a blind pool of assets. Nontraded REITs evolve through distinct phases primarily dictated by their capital raise. To best gauge the relative success of a particular nontraded REIT, it should be compared to its counterparts within a relative LifeStage, not to the industry as a whole.

This quarter we have expanded and refined the LifeStages concept to include ranges of metrics, based upon actual historical results, for the major areas that determine the success of a nontraded REIT. Blue Vault is dedicated to providing our subscribers cutting edge research and information. We maintain the strict belief that each nontraded REIT should be measured by the same set of verifiable and consistently defined operational metrics. We apply this same standard to our publications, custom research and consulting.

We hope that you find this new system to be valuable and as always, we look forward to your feedback.

Our Best Regards,

Stacy Chitty
Managing Partner

Vee Kimbrell
Managing Partner

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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.

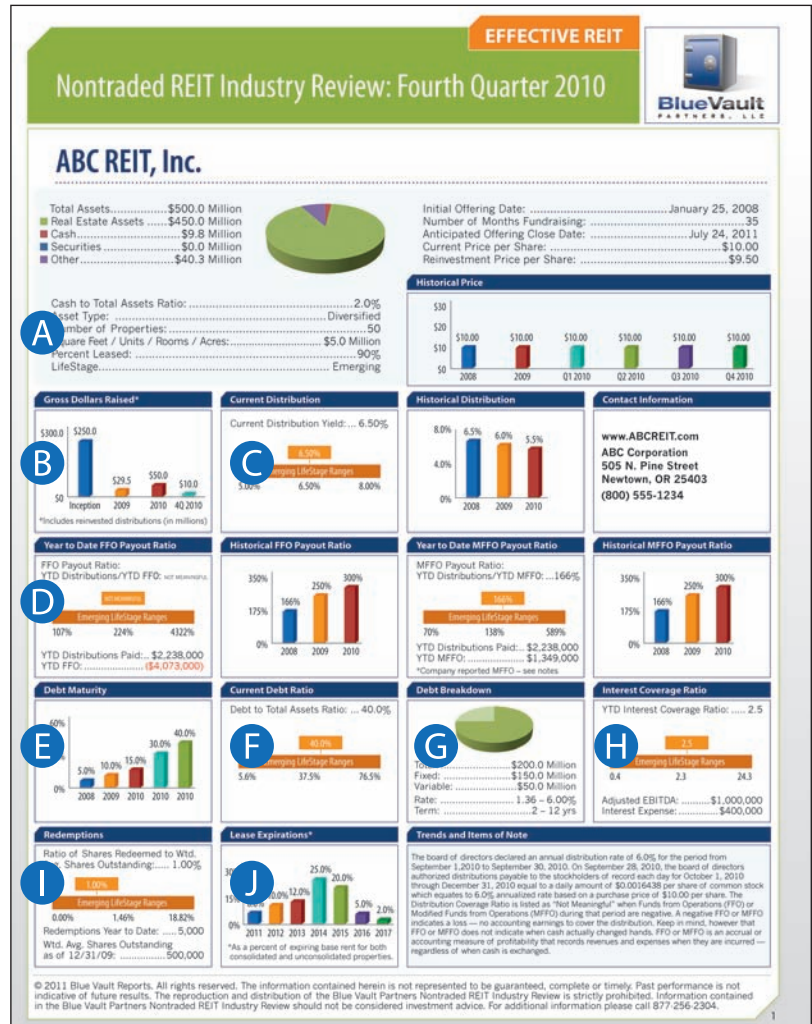
LifeStages™ Blue Vault Partners has established distinct stages within a nontraded REIT's life that have distinguishing characteristics regarding asset base, capital raise, investment style and operating metrics. REITs are categorized within the publication by their LifeStages.

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.



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 current share price.

D FFO & MFFO Payout Ratios Cash distributions paid as a percentage of the REITs Funds from Operations (FFO) or Modified Funds from 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%

Nontraded REIT Industry Review: Second Quarter 2011



Metric Definitions & Explanations.

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.

Instead of 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. But the properties don't fall in value to zero like, say a piece of equipment would. So the high real estate depreciation charges—which are required accounting—can seem unfair given that real estate assets have historically appreciated and been sold for a profit. Besides, those depreciation expenses aren't real cash being expensed anyway. It's only a paper loss and not a cash loss. 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 (NAREIT) has defined FFO as:

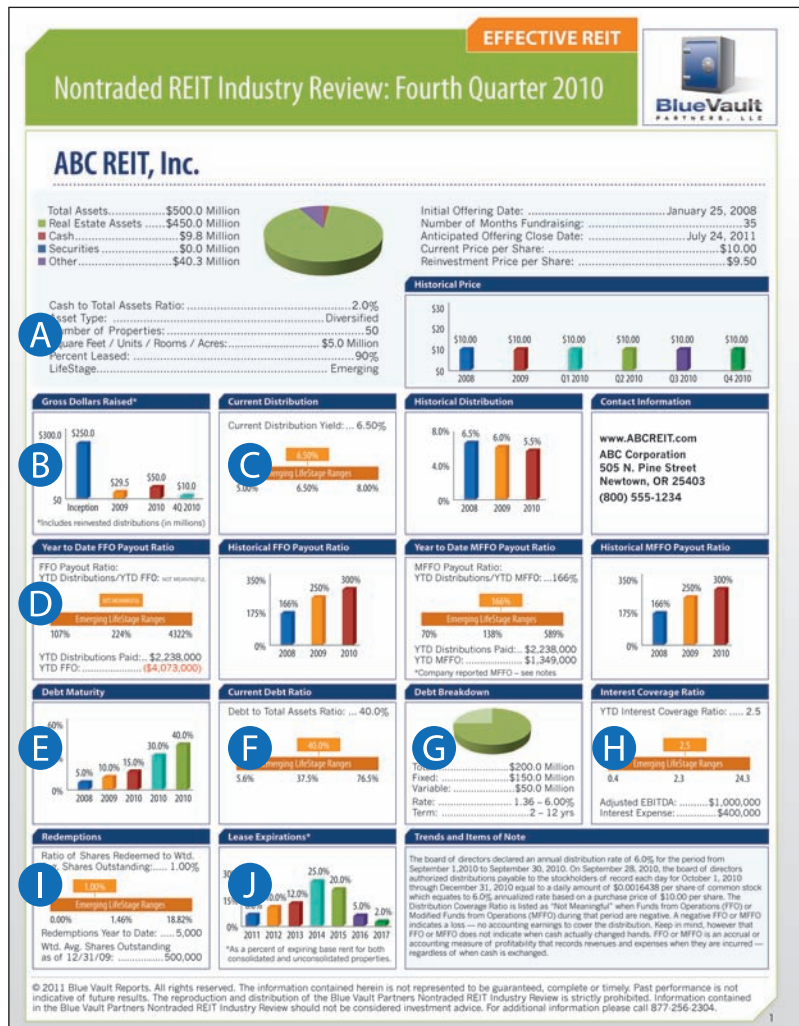
Net Income
+ Depreciation
–/+ Gains/Losses on Property Sales (removes one-time items)
–/+ Adjustments for unconsolidated joint ventures and partnerships
FFO

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.
- The NAREIT definition of FFO also does not take into account one-time items—those gains or losses that aren't recurring.
- FFO contains another weakness: it does not subtract out 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 as it provides for 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' estimates are presented 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, or deconsolidation to, equity

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Metric Definitions & Explanations.

accounting, and adjustments for consolidated and unconsolidated partnerships and joint ventures.

E Debt Maturity 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.

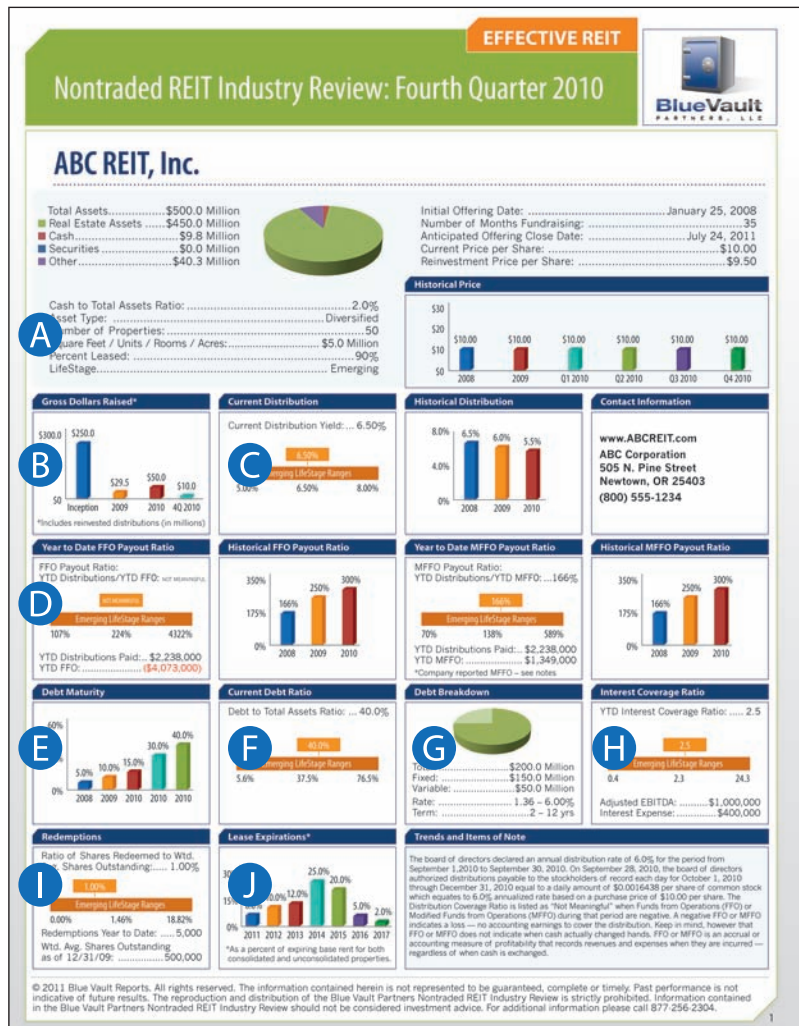
F Current Debt Ratio The ratio of Total Debt divided by Total Assets. There is no perfect debt level for a REIT; some sectors use more debt than others. But what was once considered reasonable debt can become a problem in a difficult economic environment. A careful REIT investor will look at both the 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. 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, profits are 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 back 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 year to date by the weighted average number of shares outstanding at the end of the prior calendar year.

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.

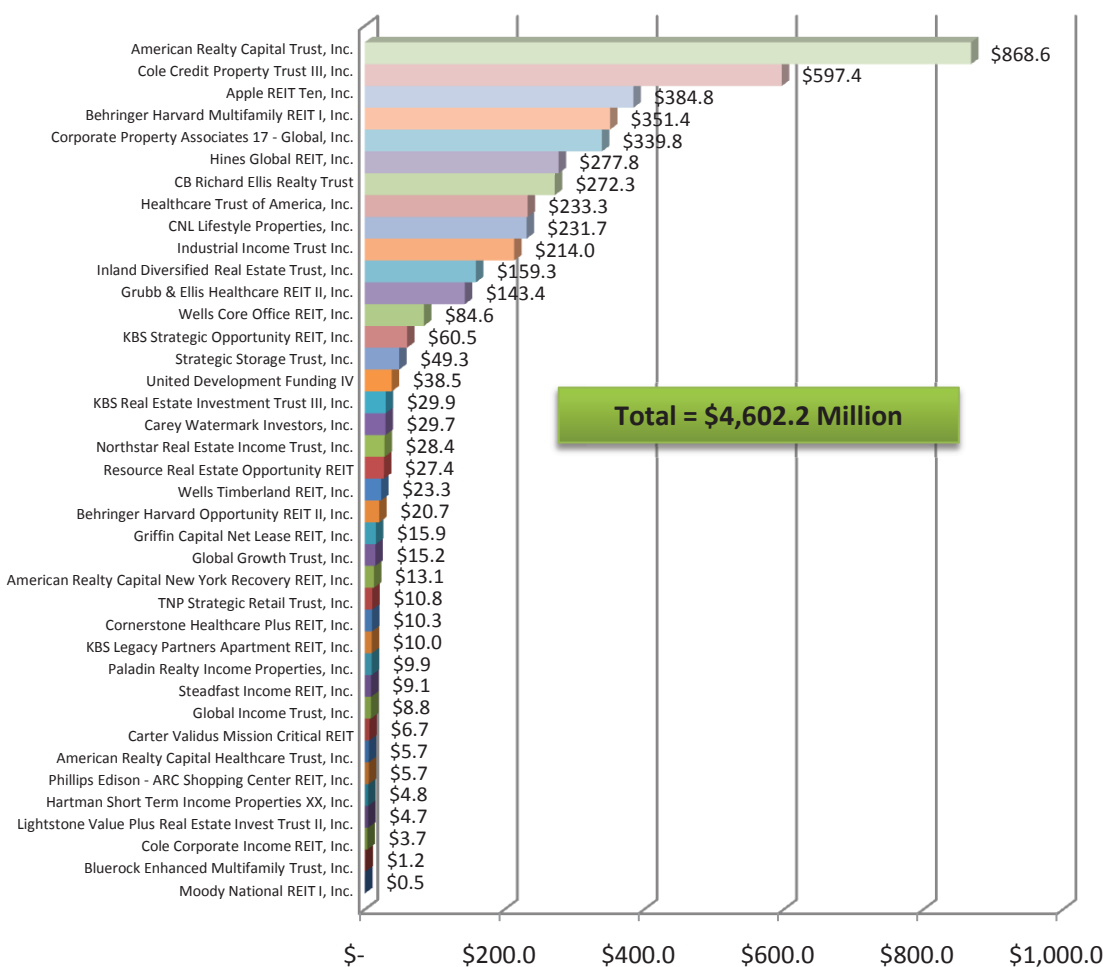
LifeStage Ranges: For certain metrics we have provided a summary of data ranges that include the minimum, maximum and median data points for each LifeStage. The actual value for each REIT is indicated along the LifeStage Range indicator in order to quickly determine how each REIT has performed against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

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Overall Industry Summary

Gross Dollars Raised Year-to-Date (\$ Millions)

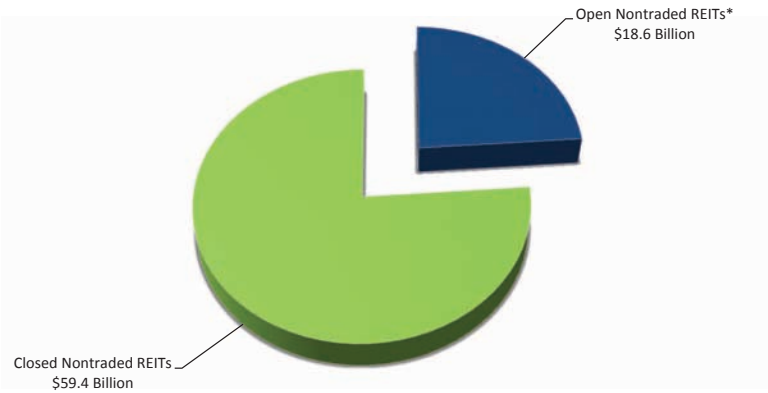


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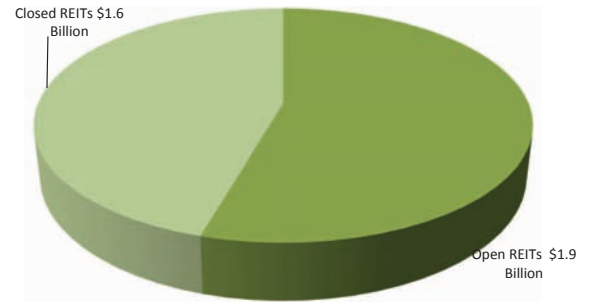


Overall Industry Summary

Total Nontraded REIT Assets: \$77.9 Billion
as of June 30, 2011

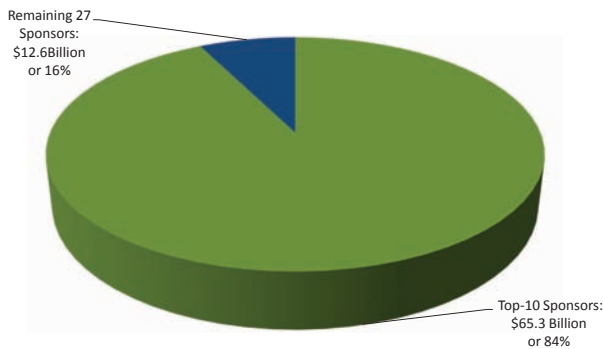


Total Nontraded REIT Industry Cash & Equivalents: \$3.5 Billion

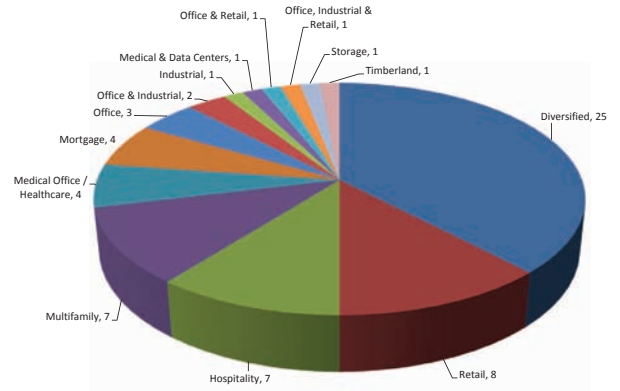


* Includes \$279 million in assets for two suspended REITs.

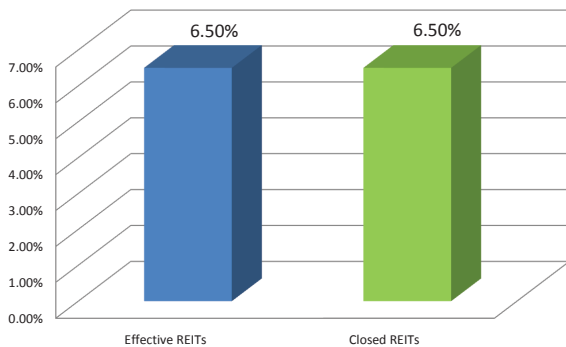
Top-10 Nontraded REIT Sponsor Market Share
as of June 30, 2011



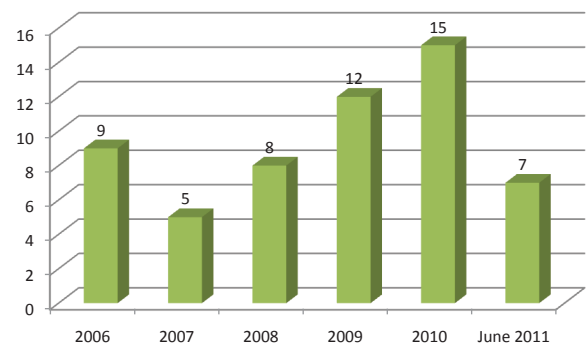
Breakdown of Nontraded REIT Asset Types: 66 Total Programs



Effective vs. Closed Nontraded REITs: Median Distribution Yield Comparison - 2Q 2011



New Product Introductions Since 2006 Period ending June 30, 2011



Nontraded REIT Industry Review: Second Quarter 2011



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	YTD Interest Coverage	YTD Share Redemption Ratio
American Realty Capital – Retail Centers of America, Inc.	\$0.02	0.0%		None Declared through June 2011	NA	NA	NA	NA	0.0%
American Realty Capital Healthcare Trust, Inc.	\$6.70	7.7%	2	6.60%	33.4%	NA	NA	NM	0.0%
American Realty Capital Trust III, Inc.	\$0.03	NA	0	None Declared through June 2011	NA	NA	NA	NA	0.0%
Bluerock Enhanced Multifamily Trust, Inc.	\$6.00	3.3%	5	7.00%	83.0%	NM	NM	NM	0.0%
Carey Watermark Investors, Inc.	\$26.30	22.2%	1	4.00%	NA	NM	NM	NA	0.0%
Carter Validus Mission Critical REIT	\$6.20	66.9%	0	None Declared through June 2011	NA	NA	NA	NA	0.0%
Clarion Partners Properties Trust	\$0.30	NA	0	None Declared	NA	NA	NA	NA	0.0%
CNL Properties Trust, Inc.	\$0.20	NA	0	None Declared	NA	NA	NA	NA	0.0%
Cole Corporate Income REIT, Inc.	\$38.10	NA	1	6.50%	60%	NA	NA	NA	0.0%
FundCore Institutional REIT, Inc.	\$1.60	NA	0	None Declared	NA	NA	NA	NA	0.0%
Global Growth Trust, Inc.	\$23.30	NA	1	Stock Distribution Only	NA	NA	NA	NA	0.0%
Global Income Trust, Inc.	\$28.60	11.6%	2	6.50%	53%	NM	NM	NM	0.0%
Green Realty Trust, Inc.	\$0.20	NA	0	None Declared	NA	NA	NA	NA	0.0%
Hartman Short Term Income Properties XX, Inc.	\$6.20	2.1%	1	7.00%	NA	NM	NM	NA	0.0%
Independence Realty Trust	\$104.50	1.6%	6	None Declared	61.7%	NA	NA	NA	0.0%
KBS Legacy Partners Apartment REIT, Inc.	\$37.50	4.6%	1	6.50%	74.2%	NM	NM	0.7	0.0%
KBS Real Estate Investment Trust III, Inc.	\$25.20	61.3%	1	6.50%	NA	NA	NA	NA	0.0%
Northstar Real Estate Income Trust, Inc.	\$81.70	29.4%	4	8.00%	29.4%	463%	NM	1.7	0.7%
Phillips Edison – ARC Shopping Center REIT, Inc.	\$31.90	0.7%	3	6.50%	62.5%	NM	126%	1.5	0.0%
Steadfast Income REIT, Inc.	\$40.20	14.3%	4	7.00%	64.2%	NM	NM	0.04	0.0%
Resource Real Estate Opportunity REIT	\$44.60	2.0%	9	Stock Distribution Only	NA	NA	NA	NA	0.0%
MEDIAN	\$23.30	6.2%	1	6.50%*	61.7%*	NA	NA	1.1*	0.0%

*Among those REITs that have declared a distribution and have debt.

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Growth LifeStage REITs

Growth 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	YTD Interest Coverage	YTD Share Redemption Ratio
American Realty Capital New York Recovery REIT, Inc.	\$83.1	3.3%	8	6.05%	57.1%	124%	110%	1.9	0.00%
Apple REIT Ten, Inc.	\$335.4	42.6%	12	7.50%	NA	NM	366%	NA	0.00%
Behringer Harvard Opportunity REIT II, Inc.	\$404.7	13.5%	11	5.00%	50.2%	659%	317%	1.5	0.42%
Cornerstone Core Properties REIT, Inc.	\$85.8	1.8%	12	1.00%	32.2%	NM	213%	NM	0.00%
Cornerstone Healthcare Plus REIT, Inc.	\$193.2	16.4%	15	7.50%	50.4%	771%	259%	1.7	2.36%
Griffin Capital Net Lease REIT, Inc.	\$172.9	1.9%	7	6.75%	59.9%	NM	185%	1.5	0.00%
Grubb & Ellis Healthcare REIT II, Inc.	\$433.6	2.1%	53	6.50%	40.7%	NM	106%	3.6	0.71%
KBS Strategic Opportunity REIT, Inc.	\$93.6	60.3%	5	NA	NA	NA	NA	NA	0.00%
Lightstone Value Plus Real Estate Invest Trust II, Inc.	\$33.0	17.5%	4	6.50%	NA	59750%	174%	NA	1.26%
Moody National REIT I, Inc.	\$21.4	0.7%	2	8.00%	78.0%	102%	105%	2.0	0.00%
Strategic Storage Trust, Inc.	\$423.3	3.4%	72	7.00%	50.4%	NM	279%	1.9	2.02%
TNP Strategic Retail Trust, Inc.	\$104.0	2.5%	6	7.00%	72.0%	NM	NM	0.9	0.07%
United Development Funding IV	\$113.0	4.7%	36	8.00%	21.9%	111%	98%	4.6	1.10%
Wells Core Office REIT, Inc.	\$177.8	1.3%	6	6.00%	48.5%	NM	128%	1.7	0.00%
MEDIAN	\$143.0	3.4%	10	6.75%	50.4%	392%	180%	1.8	0.04%

Nontraded REIT Industry Review: Second Quarter 2011



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	YTD Interest Coverage	YTD Share Redemption Ratio
American Realty Capital Trust, Inc.	\$1,921.5	14.4%	368	7.00%	33.4%	264%	105%	2.8	0.93%
Behringer Harvard Multifamily REIT I, Inc.	\$1,295.5	20.6%	36	6.00%	14.7%	117%	204%	4.9	1.32%
CB Richard Ellis Realty Trust	\$2,168.9	5.2%	118	6.00%	31.7%	136%	103%	2.7	1.31%
Cole Credit Property Trust III, Inc.	\$4,287.4	7.4%	539	6.50%	38.2%	126%	108%	3.6	1.16%
Corporate Property Associates 17 - Global, Inc.	\$2,539.7	8.9%	302	6.50%	34.0%	99%	111%	2.7	0.40%
Hines Global REIT, Inc.	\$1,094.8	22.9%	7	7.00%	43.4%	NM	183%	1.4	1.52%
Industrial Income Trust Inc.	\$684.5	2.8%	63	6.25%	53.9%	NM	106%	2.1	0.47%
Inland Diversified Real Estate Trust, Inc.	\$879.4	4.6%	44	6.00%	52.3%	96%	83%	2.5	0.41%
Paladin Realty Income Properties, Inc.	\$168.6	6.0%	12	6.00%	74.0%	275%	201%	1.3	1.79%
Wells Timberland REIT, Inc.	\$348.1	1.8%	1	NA	41.4%	NA	NA	1.0	0.18%
MEDIAN	\$1,195.2	6.7%	54	6.25%	39.8%	126%	108%	2.6	1.05%

Nontraded REIT Industry Review: Second Quarter 2011



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	YTD Interest Coverage	Share Redemption Program Status
Apartment Trust of America, Inc.	\$362.2	0.3%	15	3.00%	69.4%	190%	142%	1.5	Suspended
Apple REIT Six, Inc.	\$775.7	0.0%	66	7.00%	8.2%	91%	91%	20.5	Program Open
Apple REIT Seven, Inc.	\$883.4	0.0%	51	7.00%	18.7%	117%	117%	7.2	Program Open
Apple REIT Eight, Inc.	\$953.0	0.0%	51	7.00%	23.5%	175%	175%	4.4	Program Open
Apple REIT Nine, Inc.	\$1,749.1	3.9%	86	8.00%	7.2%	133%	131%	25.1	Program Open
Behringer Harvard Real Estate Investment Trust, Inc.	\$3,856.9	2.8%	62	1.00%	65.8%	33%	60%	1.5	Suspended – Death & Disability Redemptions Only
CNL Lifestyle Properties, Inc.	\$2,940.4	11.7%	150	6.25%	28.3%	263%	236%	2.2	Program Open
Cole Credit Property Trust II, Inc.	\$3,426.4	0.6%	749	6.25%	50.6%	85%	113%	2.2	Program Open
Corporate Property Associates 15, Inc.	\$2,724.1	3.5%	346	7.34%	55.7%	99%	84%	2.5	Suspended – Death & Disability Redemptions Only
Corporate Property Associates 16 – Global, Inc.	\$3,947.7	1.9%	559	6.62%	54.9%	484%	92%	1.7	Program Open
Dividend Capital Total Realty Trust, Inc.	\$2,874.9	2.2%	101	7.10%	54.2%	126%	125%	2.0	Program Open
Healthcare Trust of America, Inc.	\$2,380.3	6.5%	244	7.25%	28.0%	138%	135%	3.8	Program Open
Hines Real Estate Investment Trust, Inc.	\$2,943.3	5.0%	58	5.00%	45.1%	114%	111%	1.3	Suspended – Death & Disability Redemptions Only
Inland American Real Estate Trust, Inc.	\$11,214.5	2.1%	981	5.00%	49.7%	146%	102%	2.1	Redemptions for Death Only
KBS Real Estate Investment Trust, Inc.	\$2,315.8	1.7%	80	5.25%	61.2%	657%	261%	1.2	Limited to Death & Disability Only
KBS Real Estate Investment Trust II, Inc.	\$2,725.5	2.0%	32	6.50%	40.4%	88%	102%	4.1	Program Open
Lightstone Value Plus Real Estate Investment Trust, Inc.	\$563.5	1.3%	31	7.00%	42.6%	NM	125%	0.8	Program Open
Wells Real Estate Investment Trust II, Inc.	\$5,919.3	0.7%	72	5.00%	25.8%	114%	96%	3.1	Program Open
MEDIAN	\$2,724.8	2.0%	76	6.56%	43.9%	126%	115%	2.2	

Nontraded REIT Industry Review: Second Quarter 2011



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	YTD Interest Coverage	Share Redemption Program Status
Behringer Harvard Opportunity REIT, Inc.	\$608.0	2.5%	20	NA	51.1%	NM	NM	0.6	Suspended
Inland Western Retail Real Estate Trust, Inc.	\$6,163.9	1.9%	283	2.5%	59.0%	90%	76%	1.7	Suspended
MEDIAN	\$3,386.0	2.2%	152	2.5%	55.1%	90%	76%	1.2	

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Top-Line Assessment of the Nontraded REIT Industry – 2nd Quarter 2011

At the end of the second quarter, the real estate world was a cautiously optimistic place with strongly improving real estate values in almost all sectors, fundamentals beginning to turn the corner, and nontraded REIT performance reflecting those improvements. Since 2nd quarter results are not filed by REITs until the middle of August, Blue Vault's Nontraded REIT Industry Review has the luxury of reporting on the past while actually being two months into the future. This luxury allows us to know that the Federal debt ceiling deal has been passed, U.S. debt has been downgraded, the markets have reacted very poorly, and Europe is in turmoil. So we temper our reporting of good news with the reality of some rough times ahead.

Capital raise has continued its strong pace increasing to \$2.4 billion in the second quarter from \$2.2 billion in the first quarter. We believe the industry remains on track to raise approximately \$10 billion by year-end. Further enhancing capital raise potential is Inland Western's potential listing.

Second quarter nontraded REIT acquisition volume reached \$4.24 billion, including the \$954 million merger of CPA 14 with CPA 16, bringing the year's total to \$7.6 billion as of June 30, 2011. Effective REITs closed \$3.0 billion in the quarter. The most active nontraded REITs in the first half of the year were:

Top-Ten Nontraded REITs Ranked by Acquisitions (in \$ Millions)

	Q2 2011
1. Corporate Proerty Associates 16 – Global Inc.	\$954.5*
2. Cole Credit Property Trust III, Inc.	\$501.1
3. American Realty Capital Trust, Inc.	\$354.8
4. CB Richard Ellis Realty Trust	\$350.8
5. Industrial Income Trust Inc.	\$270.3
6. Inland Diversified Real Estate Trust, Inc.	\$233.3
7. Behringer Harvard Multifamily REIT I, Inc.	\$194.7
8. Grubb & Ellis Healthcare REIT II, Inc.	\$180.7
9. Corporate Proerty Associates 17 – Global, Inc.	\$174.8
10. KBS Real Estate Investment Trust II, Inc.	\$126.5

* Includes assets acquired through the merger of CPA 14.

In this quarter's review, we will examine the acquisition market at mid-year, look at the multifamily and industrial sectors, and continue our discussion on LifeStages of nontraded REITs.

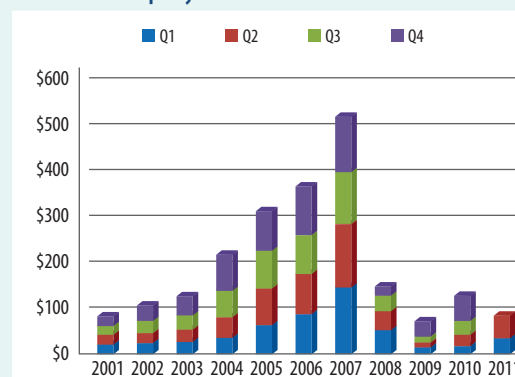
Key Nontraded REIT Trends

- **Acquisitions** – \$4.24 billion was acquired by nontraded REITs in the second quarter, a 33% increase over the first quarter of 2011.
- **CPA 14 Merger with CPA 16** – in a \$954.5 million transaction comprised of cash and shares, W.P. Carey's Corporate Property Associates 14 merged with Corporate Property Associates 16 - Global.
- **New Offering Design** – New nontraded REITs introduced by Clarion Partners and American Realty Capital became effective in July and August, respectively, bringing innovative features to the market and addressing issues of valuation, fees, and redemptions.
- **Operating Metrics** – Overall operating metrics showed modest improvement over year-end 2010 median levels.
- **Capital Raise** – In the second quarter, \$2.4 billion was raised, an increase over the \$2.2 billion in the first quarter 2011.

Mid-Year Acquisition Review

At mid-year 2011, the acquisition market has shown a strong rebound from the doldrums of the past couple of years. The volume of transactions is up, both in dollars and numbers of deals. It is interesting to note, however, that while volume is up, it still has not hit historic norms. In fact, transaction volumes have not yet reached 2004 levels. In addition, pricing, while increasing strongly, is still below the peak levels hit in the second half of the last decade.

Commercial Property Sales Volume



*Source: Real Capital Analytics, Grubb & Ellis

What does this all mean? Looked at broadly — we are in a supply-constrained market with significant capital looking to complete acquisitions, which is driving pricing up faster than fundamentals would indicate. Driving the supply constraint is the slow pace of property entering the market from banks and special servicers. With no governmental mandate to push product out and in fact tacit approval to move slowly, banks have not flooded the market with foreclosed commercial assets. In addition, the owners who have assets are not willing to sell what they do own in this market unless they can harvest significant profits.

The result — very strong pricing at low cap rates for core assets in certain sectors. Multifamily has led all sectors with very substantial price rebounds and cap rates falling below 5% in some markets. Similarly, assets with strong credit tenancy and long-term leases are achieving aggressive prices in office, retail, and industrial. These lower return purchases are being supported by the lowest-cost debt in decades. Lenders are very willing to place mortgages on those assets deemed safe. Leveraged returns have fallen only slightly as a result.

Other notable trends and predications:

- **High Demand Markets** – Cities such as Washington, D.C.; New York; and Austin will begin to see record pricing as capital continues to seek safe returns in known, well-regarded markets.
- **Secondary Markets** – The inability of some investors to find transactions in major markets has already begun to push them into secondary cities. This increased demand will rapidly firm pricing and then create strong increases.
- **Portfolio Sales** – The difficulty in finding one-off acquisitions will lead buyers to seek portfolios to purchase, causing a return of the portfolio pricing premium. Several portfolio transactions in the industrial sector have seen much better than expected pricing due to the beginning of this phenomenon.
- **Underwater Assets** – Those owners with property values lower than their outstanding mortgages and who were lucky enough to have not lost their properties to foreclosure, will have the ability to sell and potentially take a small portion of equity.
- **Cap Rate Compression** – As has already been seen in the multifamily sector and among long-term leased properties, cap rate compression will begin to filter into other asset segments as demand increases.

Top Nontraded REIT Sponsors

The top-ten nontraded REIT Sponsors completed \$6.4 billion of the \$7.4 billion in total real estate transactions as of June 30, 2011. The expanding number of REIT offerings and sponsors led to

transactions being completed by 24 sponsors in Q2 2011, up from 20 sponsors in Q1 2011. The top-five sponsors included:

1. **Cole Capital Advisors** – Completed \$602 million in acquisitions in the second quarter, bringing its yearly total to \$941 million across three REITs. Of note were corporate headquarter transactions with University of Phoenix, Medtronics, and Banner Life Insurance.
2. **American Realty Capital** – Across its five offerings, ARC completed \$765 million in acquisitions ranging from Walgreens stores, a FedEx distribution facility, a New York City parking structure, to a 12-facility healthcare portfolio.
3. **Wells Real Estate Funds** – Led by Wells Real Estate Investment Trust II, Inc.'s purchase of a Washington, D.C. property at a record price, Wells completed \$751.3 million across its three funds.
4. **CB Richard Ellis** – with just one REIT, CBRE has completed \$625 million in acquisitions year to date, including a multi-property portfolio from Duke Realty and a 1-million-square-foot Whirlpool facility in Texas.
5. **W.P. Carey** – Even without the merger transaction listed separately below, the three CPA REITs completed \$545.1 million in transactions, including an \$86 million self-storage portfolio and the CompuCom headquarters in Dallas.
6. **CPA 14 Merger with CPA 16** – In a \$954.5 million transaction comprising cash and shares, W.P. Carey's Corporate Property Associates 14 merged with Corporate Property Associates 16.

Multifamily Sector Overview

What do you get when you combine favorable demographic trends, tough borrowing conditions for individuals, and a lack of new supply? The U.S. multifamily sector. Bolstered by surging demand created by the housing fallout, kids (and parents) moving out of houses, and limited new construction to date, the multifamily market is seeing record absorption of existing inventory, very high occupancies, and spiking rental rates.

Coming out of the trough of 2008, the apartment markets have rebounded handsomely, rewarding those owners who were able to purchase early in the cycle. Current capitalization rates (net operating income divided by purchase price) have fallen to 5% or less in some highly desirable markets. Those buyers are factoring in further anticipated strong rental rate increases, as pricing is just beginning to match the cost of new construction. And like a desert flower receiving its first drops of water, the multifamily development community is responding in full bloom with a significant uptick in new projects.

Multifamily Sector Real Estate Trends

Why would anyone pay these cap rates? There is strong belief in a coming demand wave for apartments that is only slowly being met with new construction. Rental rate growth is predicted to be very robust over the near-term as a result. Fueling the demand are the following factors:

- **Kids moving out of the house (finally!)** – The recent recession drove a large number of new college graduates back to their parent's houses. With the improving economy and fraying nerves of both parents and children, significant pent-up demand will come from this segment of the market.
- **Stagnant single-family housing market** – Limited lending and tougher standards will continue to hurt the ability of current renters to move into single-family housing, removing this traditional pressure relief valve.
- **Population growth** – Both from immigration and growth rates within the population, the size of the rental market will continue to expand.
- **Graying downsizers** – As baby boomers age, an increasing number are looking to downsize out of their single-family homes and move into apartments.

Multifamily owners are looking to these social and demographic trends to buoy rental rates and occupancies over the next decade. On a national basis, occupancy rates now stand at 94.1%, and rental rate growth of 3.8% is expected to occur this year according to Cushman & Wakefield. Total acquisition volume doubled to \$22.9 billion in the first half of 2011, compared with a similar period in 2010 according to Real Capital Analytics.

Seven nontraded REITs focus specifically on the multifamily sector and one has significant holdings. Collectively, these REITs total \$2.1 billion of assets under management and owned 80 complexes with more than 18,500 units. Acquisition volume by nontraded REITs in the first half of 2011 totaled \$339 million.

Notable Apartment Transactions

- Resource Real Estate Opportunity Trust, Inc. purchased two nonperforming notes for a total of \$19.1 million on projects located in Ohio and Pennsylvania.
- Behringer Harvard Multifamily REIT I, Inc. acquired 711 units in a joint venture in Massachusetts and California during the second quarter, for a total of \$194.7 million (\$273,840/unit).
- Paladin Realty Income Properties, Inc. purchased two joint venture interests totaling \$6.4 million in South Carolina and Louisiana.

- Steadfast Income REIT, Inc. purchased two complexes totaling 280 units in Kansas and Kentucky for \$17.7 million (\$63,214/unit).

Industrial Sector Overview

The success of the industrial market in the United States is tied closely to the health of the economy and the willingness of the individual consumer to spend. Almost all goods sold in the U.S. will at some point be stored and distributed out of an industrial facility. In addition, many manufacturing operations are housed in commercial real estate. The industrial market is dominated by several key distribution markets that are closely linked to rail, ports, and/or the interstate highway system.

Overall, the industrial market has a national occupancy of 89.6%, with rental rates up 1.7% over the same period last year according to Cushman & Wakefield. New construction remains limited with only 12.6 million square feet under way. The volume of industrial acquisition transactions has risen 54% year over year to \$10.7 billion per Real Capital Analytics. Similar to other sectors, high-quality product with credit tenancy under a long-term lease has seen the highest demand from investors.

The nontraded REIT industry has a smaller presence in the Industrial sector with only two REITs, Industrial Trust and newly launched O'Donnell Strategic Industrial, dedicated to the sector. In addition, several REITs include industrial in their investment portfolio, bringing the total number of REITs that invest in the sector to 10. Year-to-date 2011 acquisition volume among those REITs dedicated to industrial totaled \$428 million.

Notable Industrial Transactions

- During the first half of 2011, Industrial Income Trust purchased 38 properties for \$428 million (\$52/SF) including:
 - Six buildings in Chicago totaling 1.1 million square feet were purchased totaling \$80.5 million (\$73/SF). The portfolio was 86% leased with an average lease term of 3.6 years.
 - The three-building Industrial Portfolio totaling 2.0 million square feet was purchased for \$111.8 million (\$56/SF). Buildings in Atlanta; York, Pa.; and Houston were included, which were 100% leased for an average lease term of 13 years.
- Cole Credit Property Trust III, Inc. purchased \$134 million of industrial properties in the first half of the year.
- W.P. Carey closed on a \$51 million (\$36/SF) sale leaseback of four properties totaling 1.4 million square feet to Flanders Corporation.
- KBS Real Estate Investment Trust II, Inc. bought a 1.6-million-square-foot Pennsylvania portfolio for \$90 million (\$56/SF).

LifeStages™ Revisited

Blue Vault introduced the LifeStages™ classification and ranking system in the fourth quarter 2010 Review to provide the industry with a better set of definitions to compare the operations of nontraded REITs. This quarter we have expanded and refined the LifeStages concept to include ranges of metrics, based upon actual historical results, for the major areas that determine the success of a nontraded REIT.

Nontraded REITs have a unique life cycle based upon their method of raising capital, acquiring assets, paying

distributions, and, ultimately, creating a liquidity event and returning capital to investors. Two distinct phases are present for a nontraded REIT, its “effective,” capital raise phase and its “closed” phase, when it no longer accepts new investments.

Blue Vault Partners has begun defining these phases even further by delineating distinct stages within these two categories to allow for further segmentation and establishing a high-level peer group analysis as noted below. Each stage is also marked by certain capital raise and acquisition characteristics, as well as debt profile. Those items are further detailed in the following tables.

	Assets Under Management	Years Since Initial Effective Date	LifeStage Name	Characteristics	Number of Properties / Investments Owned	MFFO Payout Ratio
Effective	\$0 – \$100 Million	0 to 2	Emerging	Slow ramp of capital raise and start of acquisitions	0 – 5	NM – 500% +
	\$100 Million – \$500 Million	1 to 4	Growth	Acceleration of both capital raise and acquisitions	5 – 30	100 – 500%
	\$500 Million – \$1 Billion+	3 to 6	Stablizing	Distinct formation of REIT personality	30+	100 – 300%
Closed	Usually greater than \$500 Million	4 to 8	Maturing	Refinement of portfolio through dispositions, targeted acquisitions and debt policy	30+	90 – 200%
	Usually greater than \$500 Million	7+	Liquidating	Positioning for sale or listing on public exchange	30+	90 – 150%

	Debt to Total Assets Ratio	Interest Coverage	Debt Terms and Covenants	Geographic Diversification	Industry Diversification	Asset Diversification
Effective	30 – 80%	< 1.0 – 2.0X	Highly restrictive and higher cost – bridge financing	Highly limited	Highly limited	Highly limited
	25 – 65%	1.0 – 2.5X	Introduction of lines of credit and debt pools	Coalescing	Coalescing	Coalescing
	20 – 50%	1.5 – 3.0X	Beginning refinement and balance between fixed and variable rate debt.	Balanced	Balanced	Balanced
Closed	25 – 55%	1.5 – 3.0X +	An increasingly sophisticated use of fixed and variable rate debt, portfolio and one off, secured and unsecured as well as senior debt and bonds with lower overall costs and rates	Balanced	Balanced	Balanced
	25 – 60%	2.0 – 3.5X +	An increasingly sophisticated use of fixed and variable rate debt, portfolio and one off, secured and unsecured as well as senior debt and bonds with lower overall costs and rates	Refined	Refined	Refined

The Risk/Reward Tradeoff of Nontraded REIT Distributions

The Feds may be keeping the economy afloat with a Fed Funds rate close to zero, but an unfortunate consequence is that traditional sources of fixed income have all but dried up for conservative portfolios. A yield-hungry investor could stay hungry with CDs yielding 1% and five-year Treasuries yielding less than 1%.

In today's economic environment, it is hard to find safe, predictable returns at a rate higher than inflation, but getting starry-eyed over every attractive interest rate could cause investors to lose sight of their principal. That's because higher-yielding securities should not be viewed as riskless. After all, in today's world, return of investment is just as important as return on investment.

Nontraded REIT Distributions and Risk

As financial professionals, the first lesson of investing begins with learning about the risk-reward tradeoff. Low levels of uncertainty (low risk) are associated with low potential returns, whereas high levels of uncertainty (high risk) are associated with high potential returns.

A big selling point of nontraded REITs is the higher yields compared to many other income-producing investments. But those higher yields — that is, the distributions — are indicative of higher risk.

It may seem like semantics — distributions as a mere synonym for dividends, but there is a key distinction. Dividends, by definition, are a portion of corporate profits returned to stockholders. Distributions, on the other hand, are not necessarily a reflection of the nontraded REIT's profitability. In fact, the distribution sources can highlight the investment risks noted in nontraded REIT prospectuses:

“Until we generate operating cash flow sufficient to pay distributions to our stockholders, we may make distributions from the proceeds of this offering or from borrowings in anticipation of future cash flow, which may constitute a return of capital, reduce the amount of capital we ultimately invest in properties and negatively impact the value of your investment.”

In other words, nontraded REIT distributions can be sourced partially or fully from offering proceeds or debt instead of profits — which can ultimately affect the investment value. And unlike safe investments such as bank deposits or Treasury bonds, nontraded REIT distributions are not guaranteed. If a nontraded REIT runs into a cash crunch, cutting or eliminating distribution payments is one way it may try to right itself.

Distribution Details

Even the most successful nontraded REIT is still subject to the risk/reward tradeoff financial principle:

- Over 90% of the nontraded REITs tracked by Blue Vault Partners that have significant operating results and are currently open to new investors sourced their first quarter 2011 distributions partially or fully using offering proceeds and/or borrowing.
- For the year ended 2010, the portion of distributions that were categorized as a return of capital averaged 79% for effective, nontraded REITs tracked by Blue Vault Partners. A return of capital is a return from an investment that is not considered income. The return of capital is when some or all of the money an investor has in an investment is paid back to them, thus decreasing the value of the investment. That's why it's important to not assume that all distributions reflect return on investment.
- Four effective and nine closed nontraded REITs have lowered their distributions since 2009 according to Blue Vault Partners data.

Appetite for Risk

Because of the risk-reward tradeoff, it's important to be mindful of an individual's personal risk tolerance when choosing investments. For some investors, like retirees who live off their investment income, it can be hard to resist the attractive distribution yields. However, these individuals would do well to carefully consider all the risks and ask themselves if they can better afford to tighten their belts now, or risk being forced to tighten them later.

Apartment Trust of America was formed in 2006 to acquire apartment communities with stable cash flow and growth opportunities located in U.S. metropolitan areas. As of the end of the second quarter, the REIT had \$362.2 million in assets in 15 properties totaling 2,573 units plus master tenants on four properties. In December 2010, the company changed its name from Grubb & Ellis Apartment REIT. In November 2010, the REIT suspended its follow-on offering. In February 2011, the REIT entered into a new advisory agreement with ROC REIT Advisors.

With its offering suspended and now closed, the REIT has been transitioning into the Maturing LifeStage of Closed REITs, which is characterized by a refinement of the portfolio through dispositions, strategic acquisitions, and debt.

Key Highlights

- The transition from Grubb & Ellis Apartment REIT to Apartment Trust of America with the accompanying suspension, the closing of its follow-on offering has placed the REIT in a position to stabilize its portfolio and operations.
- The REIT is the third-party manager for 39 properties.

Capital Stack Review

- Capital Raised – \$200.9 million has been raised since inception; capital raise was suspended in late 2010.
- Debt – At 69.4%, the debt ratio has risen modestly over the last two years from 67% at year-end 2009. The REIT's debt is 76% fixed rate and 24% variable rate with over 57% having a maturity of 5 years or greater.
- Loan Activity – Note outstanding to old affiliate NNN Realty Advisors of \$7,750,000.
- Cash on Hand – At 0.3% of assets, cash on hand has been steadily declining for the past five quarters.

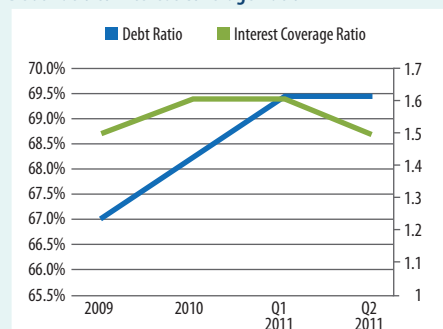
Metrics

- Distribution – Lowered to 3.0% from 6.0% due to expenses associated with the various sponsor changes and other litigation.
- Distribution Source – Distributions in excess of cash flow were paid from other sources.
- MFFO Payout Ratio – Increased substantially to 158% from first quarter at 100%; 2010 averaged 143%.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – Declined modestly to 1.5x EBIDTA, continuing a trend of slight declines over the past 5 quarters.
- Impairments – An impairment loss was recognized associated with the purchase of the NNN/MR Holdings interest.

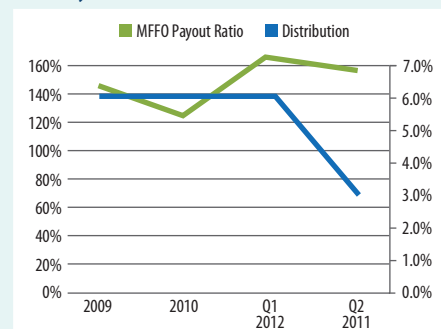
Real Estate

- Acquisitions – In the second quarter the REIT completed the acquisition of the previously nonowned 50% joint venture interest in NNN/MR holding company that owns the master tenants for 4 multifamily properties.
- Occupancy – Not reported.
- Revenue – No same-store results were reported.
- Dispositions – None reported.
- Diversification – The portfolio is primarily located in Texas (63%), Georgia (13%), and Virginia (12%).

Debt Ratio to Interest Coverage Ratio



MFFO Payout Ratio to Distribution





Behringer Harvard Multifamily REIT I became effective with the SEC in 2008 and acquires multifamily communities and other real estate related assets. As of the end of the second quarter, the REIT had \$1.3 billion in assets in 36 properties totaling 9,871 units. Approximately 69% of its properties are owned in a joint venture with the Stichting Depository PGGM Private Real Estate Fund, a Dutch foundation acting in its capacity as depository of and for the account and risk of PGGM Private Real Estate Fund, an investment vehicle for Dutch pension funds (“PGGM”). The REIT closed to new investments on September 2, 2011. As of June 30, the REIT is in the Stabilization LifeStage which is marked by the distinct formation of its investment premise and stabilization of operating metrics. Due to the offering close, the REIT will begin its transition into the Maturing LifeStage of Closed REITs which is marked by a refinement of the portfolio through strategic acquisitions, dispositions and debt.

Key Highlights

- As reported in this quarter’s 10-Q, the REIT expects total offering expenses to be 11% of gross proceeds, netting approximately 89% for new investment.
- Over \$266 million (20.6%) in cash was on the REIT’s balance sheet due to above average capital raised as a result of the public offering close.
- A total of 36 investments are in the portfolio with approximately 31% wholly owned and 69% held in joint ventures.

Capital Stack Review

- Capital Raised – \$1.2 billion has been raised since inception, with a steady uptick in capital raise rate this year at \$113 million and \$238 million in the first and second quarters, respectively.
- Debt – With a debt ratio of only 14.7%, the REIT has a below median usage of debt for Effective REITs. However, the REIT does not consolidate the \$431 million of debt on its joint venture properties. On a combined basis (consolidated and unconsolidated asset) the REIT’s debt ratio is 44.4%. Financing is distributed 68% to fixed instruments and 32% to variable.

- Debt Maturity – Almost 74% of the on-book debt matures in 2016 or later, with 24% maturing in 2013.
- Cash on Hand – Is 20.6% and above the median of 7.4% for the Stabilizing LifeStage.

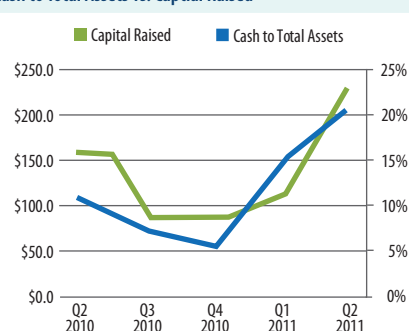
Metrics

- Distribution – Steady at 6.0% for past 3 quarters after being reduced from 7.0%.
- Distribution Source – Some of the distributions paid during the second quarter were funded from sources other than cash flow from operating activities.
- MFFO Payout Ratio – Above median at 203% though trending down from 2010 average of 285%.
- Fee Waivers and Deferrals – Fees totaling \$170,000 were waived for property and asset management. In addition, \$2.2 million of O&O expense has been deferred through the closing date.
- Interest Coverage Ratio – 4.9x EBIDTA reflects the low debt ratio in the REIT.
- Impairments – None reported.

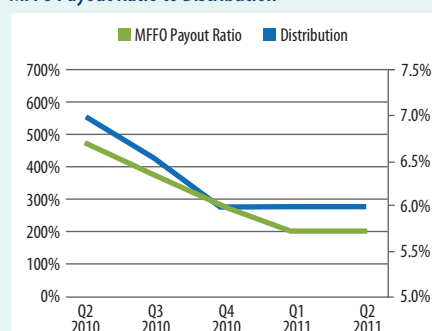
Real Estate

- Acquisitions – Three joint venture acquisitions totaling 711 units were acquired in the quarter for \$194.7 million (\$273,840/unit):
 - Stone Gate – 332 units in Marlborough, Mass.
 - West Village – 200 units in Mansfield, Mass.
 - Argenta – 179 units in San Francisco, Calif.
- Occupancy – 92%, up nicely from 88% at year-end 2010.
- Revenue – Not reported on a same-store basis to compare with previous years.
- Dispositions – The REIT’s 55% interest in Waterford Place was sold for a GAAP gain of \$18.1 million in May. The proceeds were used to fund other acquisitions.
- Diversification – Significant ownership concentrations exist in California and Texas.

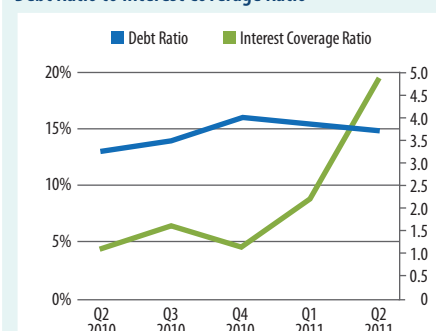
Cash to Total Assets vs. Capital Raised



MFFO Payout Ratio to Distribution



Debt Ratio to Interest Coverage Ratio



Bluerock Enhanced Multifamily Trust became effective with the SEC in 2009 and acquires residential real estate assets. As of the end of the second quarter, the REIT had \$6 million in assets in joint ventures in 5 properties totaling 1,323 units. In November 2010, the company suspended its offering to restate certain financial statements. The offering was reinstated in March 2011. The REIT is in the Emerging LifeStage for Effective REITs, which is typified by high levels of debt, not meaningful distribution payout levels, and limited distributions.

Key Highlights

- The ownership of the REIT's five properties are held in various joint ventures.
- Until capital raise activity increases, it is expected that limited acquisitions will occur at the REIT.

Capital Stack Review

- Capital Raised – \$7.4 million has been raised since inception with \$0.9 million raised in the second quarter.
- Debt – Approximately \$5.0 million of variable-rate debt was outstanding on the balance sheet at quarter-end. The debt is held by various affiliates of the joint venture entities.
- Debt Maturity – 100% of the outstanding debt is due within the next year.
- Cash on hand – 3.3% of assets are held in cash.

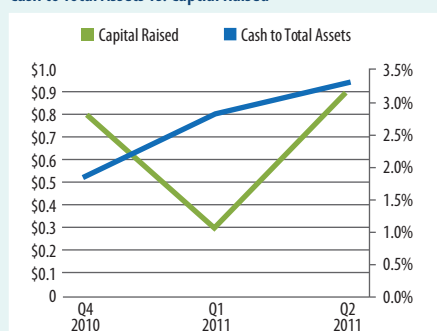
Metrics

- Distribution – Has held steady at 7.0% for the past three quarters.
- Distribution Source – All of the distributions to date have been paid from proceeds from the public offering.
- MFFO Payout Ratio – Is not meaningful which is consistent with Emerging LifeStage REITs.
- Fee Waivers and Deferrals – \$1.4 million of fees and expenses are outstanding to the Advisor.
- Interest Coverage Ratio – Is not meaningful, which is consistent with Emerging LifeStage REITs.
- Impairments – None reported.

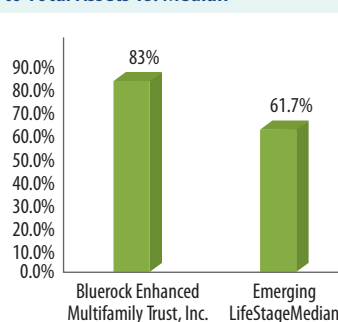
Real Estate

- Acquisitions – No acquisitions have been made in 2011. The REITs joint ventures were structured in 2009 and 2010.
- Occupancy – 94%, down modestly from 95% at year-end 2010.
- Dispositions – None reported.
- Diversification – Limited, as is typical of Emerging LifeStage REITs.

Cash to Total Assets vs. Capital Raised



Debt to Total Assets vs. Median



Griffin Capital Net Lease REIT became effective with the SEC in 2009 and acquires single-tenant net lease properties that are leased to creditworthy corporate tenants. As of the end of the second quarter 2011, the REIT had \$173 million in assets in 7 properties totaling 2.3 million square feet. The Company has extended the offering date to November 2012. The REIT is in the Growth Lifestage of effective REITs, which is characterized by accelerated growth in capital raise and acquisitions.

Key Highlights

- The REIT has issued limited partnership units as part of the capital to complete five acquisitions.
- Metrics are trending toward more stable levels but still reflect unevenness typical of Growth LifeStage REITs.

Capital Stack Review

- \$8.4 million was raised in 2Q 2011, continuing a trend of steadily increasing quarters.
- Debt – Current debt ratio is at 59.9%, up slightly from the previous quarter with 92% of the REIT's debt in fixed instruments.
- Debt Maturity – 53% of the REIT's debt matures in 2016 or later, with the first substantial maturity in 2013 (35%).
- Loan Activity – A bridge loan with KeyBank was expanded and extended by \$12.5 million to fund the acquisition of the LTI property.
- Cash on Hand – The Ratio of 1.9% reflects good management of cash.

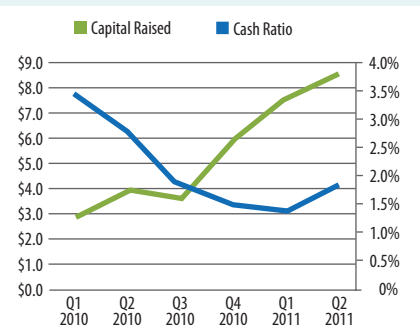
Metrics

- Distribution – The distribution yield has remained steady at 6.75% over the last 6 quarters.
- Distribution Source – Year-to-date distributions were paid from cash flows from operations and public and private offering proceeds.
- MFFO Payout Ratio – The ratio of 185% year to date is down from last year's average of 230%.
- Interest Coverage Ratio – Remained at 1.5x Adjusted EBIDTA in the second quarter.
- Impairments – None reported.

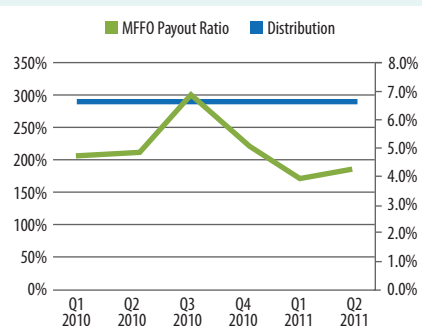
Real Estate

- Acquisitions – The REIT's portfolio consists of two warehouse facilities and five office/industrial properties. During the second quarter, the REIT purchased one office/manufacturing property occupied by LTI in California for \$56 million (\$170/SF) at a 7.23% cap rate. The purchase included the assumption of \$34.8 million in debt and issuance of \$7.8 million in limited partnership units.
- Lease Expirations – 55% of the REIT's annualized lease revenue expires in 2022 or later, with a weighted-average lease term in the portfolio of 9.9 years.
- Occupancy – 100%.
- Dispositions – None reported.
- Diversification – Due to the limited number of properties in the portfolio and the single-tenant nature of the REIT, exposures exist in geographic concentrations.

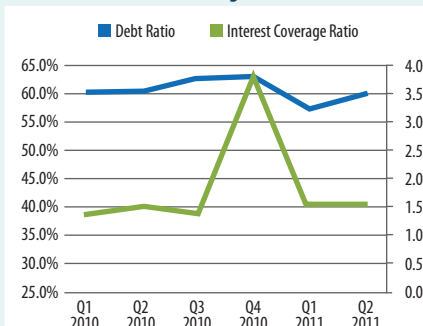
Cash to Total Assets vs. Capital Raised



MFFO Payout Ratio to Distribution



Debt Ratio to Interest Coverage Ratio



Independence Realty Trust, Inc. was originally formed in 2009 as Empire Realty Trust, Inc. On January 20, 2011, the advisor and other entities affiliated with the REIT were acquired by an affiliate of the Sponsor for approximately \$2.3 million, and the REIT was renamed and reregistered.

The Company invests in a diversified portfolio of real estate assets, primarily multifamily properties, located throughout the United States. As of the end of the second quarter, the REIT had \$104.5 million in assets invested in six multifamily properties. The REIT is in the Emerging LifeStage for Effective REITs, which is typified by high levels of debt, not meaningful distribution payout levels, and limited distributions.

Key Highlights

- The REIT acquired six properties from its Sponsor for \$104 million (the “Initial Portfolio”) in return for the assumption of debt and payment of limited partnership units.
- \$39.2 million of limited partnership units were provided to the Sponsor as part of the purchase of the properties.

Capital Stack Review

- Capital Raised – The REIT has not broken escrow.
- Debt – The REIT has \$64.6 million of fixed rate debt assumed in the purchase of its initial portfolio for a ratio of 62%.
- Debt Maturity – All debt matures in 2021.
- Cash on Hand – A ratio 1.5% of total assets.

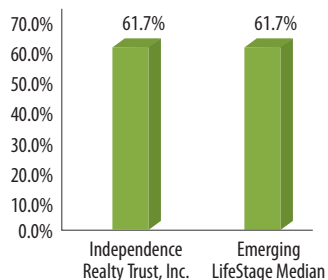
Metrics

- Distribution – 6% annualized yield.
- Distribution Source – No distributions have been paid to date.
- MFFO Payout Ratio – Not applicable, no distributions have been paid to date.
- Fee Waivers and Deferrals – None reported.
- Interest Coverage Ratio – 2.3X Adjusted EBITDA.
- Impairments – None reported.

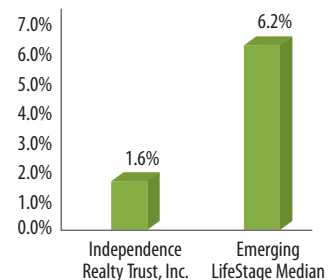
Real Estate

- Acquisitions – The REIT’s six multifamily properties totaling 1,492 units were purchased in April 2011 for \$104 million (\$69,700/unit).
- Occupancy – Portfolio occupancy of 94%.
- Dispositions – None reported
- Diversification – Limited due to early stage of REIT.

Debt to Total Assets vs. Median



Cash to Total Assets vs. Median



Industrial Income Trust became effective with the SEC in 2009 and acquires distribution warehouses and other industrial properties that are leased to creditworthy corporate tenants. As of the end of the second quarter 2011, the REIT had \$684.5 million in assets in 63 properties totaling 11.6 million square feet. In July 2011, a follow-on offering of up to \$2.0 billion in shares was filed to commence on or about December 2011 with the expiration of the current offering. The REIT is in the Growth Lifestage of effective REITs, which is characterized by accelerated growth in capital raise and acquisitions.

Key Highlights

- Strong recent capital raise has been matched by acquisition pace, showing good utilization of cash on hand.
- Metrics are trending toward more stable levels but still reflect unevenness typical of Growth LifeStage REITs.

Capital Stack Review

- \$107.7 million was raised in the second quarter 2011 bringing total lifetime raise to \$369.1 million.
- Debt – Current debt ratio is at 53.9% up from 48.0% in the previous quarter, with approximately 85% of the REIT's debt in fixed instruments.
- Debt Maturity – 78% of the REIT's debt matures in 2016 or later with the first substantial maturity in 2013 (16%).
- Loan Activity – A revolving credit agreement for \$40 million was executed in June 2011 that will add to the \$100 million line of credit already in place.
- Cash on Hand – Ratio is 2.8% and reflects strong current acquisition activity and good utilization of cash.

Metrics

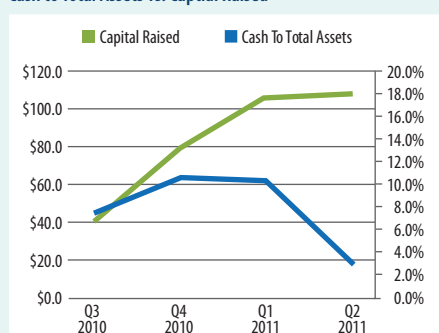
- Distribution – The distribution yield remained steady at 6.25% over the last 4 quarters.
- Distribution Source – Distributions have been paid from sources other than cash flows from operations, such as cash flows from financing activities.

- MFFO Payout Ratio – Increased from 88% in the first quarter 2011 to 118% in the second quarter reflecting high capital raise and acquisition activity.
- Interest Coverage Ratio – Despite an increase in its debt ratio, the REIT's interest coverage remained at 2.1x for the quarter.
- Impairments – None reported.

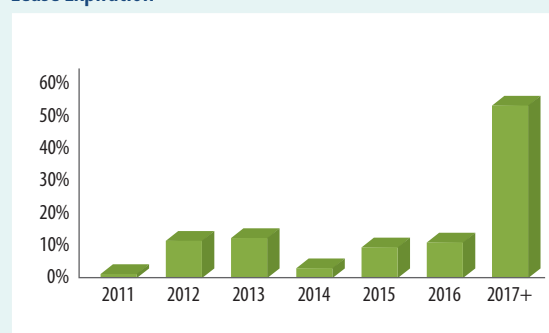
Real Estate

- Acquisitions – During the first half of 2011, the REIT purchased 38 properties for \$428 million (\$52/SF). Notable Acquisitions :
 - In June 2011, six of the nine buildings in the Chicago Portfolio totaling 1.1 million square feet were purchased totaling \$80.5 million (\$73/SF). The portfolio is 86% leased with an average lease term of 3.6 years.
 - In June 2011, the three-building Industrial Portfolio totaling 2.0 million square feet was purchased for \$111.8 million (\$56/SF). Buildings are in Atlanta; York, Pa. and Houston and are 100% leased for an average lease term of 13 years.
- Cap Rate – Weighted-average purchase price capitalization rate of 7.3% for the operating portfolio.
- Lease Expirations – Over 83% of the REITs leases expire in 2016 or later.
- Occupancy – 93%
- Dispositions – None reported
- Diversification – As is typical of REITs in the Growth Lifestage, concentrations exist in several geographical areas and tenancy (12% in Hanesbrand, Inc) which, at the current acquisition pace, are expected to decline below 10% in the coming quarters.

Cash to Total Assets vs. Capital Raised



Lease Expiration





KBS Legacy Partners Apartment REIT was formed in 2010 to acquire apartment communities located throughout the United States. As of the end of the second quarter, the REIT had \$37.5 million in assets in one property totaling 504 units. The REIT is advised by a joint venture between KBS Capital Advisors and Legacy Partners Residential Realty. The REIT is in the Emerging LifeStage for Effective REITs, which is typified by high levels of debt, not meaningful distribution payout levels, and limited distributions.

Key Highlights

- With only one asset, KBS Legacy REIT is at the early stages of its development.
- Good growth in capital raise has occurred to date with \$4.3 million raised in Q1, followed by \$5.7 million in Q2.

Capital Stack Review

- Capital Raised – \$13.4 million since inception and \$5.7 million in the second quarter.
- Debt – Fell to 74.2% in the second quarter from 87.7% in Q1 2011 as a result of the paydown of debt from capital raise. Variable-rate debt comprises 84% of the total debt for the REIT.
- Debt Maturity – 77% of the REIT's debt matures in 2015 or later with 17% maturing in the second half of 2011.
- Loan Activity – Outstanding debt includes a bridge loan from the Advisor with current balance of \$4.5 million, down from \$14 million.
- Cash on Hand – Stood at 4.6% at the end of the second quarter.

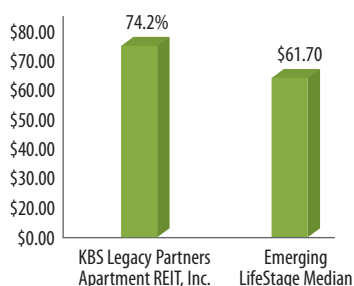
Metrics

- Distribution – 6.5%, consistent with the previous quarter.
- Distribution Source – Distributions paid were funded with prior year debt financing and cash on hand at December 31, 2010.
- MFFO Payout Ratio – Not meaningful, which is typical of REITs that are Emerging LifeStage.
- Fee Waivers and Deferrals – \$1.2 million of fees and expenses are due the Advisor.
- Interest Coverage Ratio – 0.7x EBITDA which is low but also characteristic of Emerging LifeStage REITs.
- Impairments – None reported.

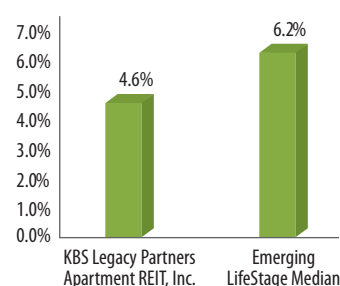
Real Estate

- Acquisitions – None reported.
- Occupancy – 96% which is consistent with last quarter.
- Dispositions – None reported.
- Diversification – Only one asset held in Irving, TX.

Debt to Total Assets vs. Median



Cash to Total Assets vs. Median



Paladin Realty Income Properties became effective with the SEC in 2005 and acquires a diversified portfolio of real estate and real estate related assets. As of the end of the second quarter, the REIT had \$168.6 million in assets invested in 12 properties, with ten assets being multifamily communities with 2,353 units. The current follow-on offering close date was extended to January 2012 and a follow-on offering was filed with the SEC in July 2011. Despite being effective since 2005, due to its asset size and operating characteristics, the REIT is in the Stabilizing LifeStage of effective REITs, which is characterized by accelerated growth in capital raise and acquisitions.

Key Highlights

- All of the REIT's properties are held in joint ventures. Paladin's ownership percentage ranges from 42.5% to 97.5% across the ventures.
- All of the joint ventures provide Paladin REIT with a priority income return from operations ranging from 8.25% to 12.0%
- \$725 million new follow-on offering is slated to be effective before the end of January 2012.

Capital Stack Review

- Capital Raised – Since inception, \$63.3 million has been raised, with quarterly capital raise steadily increasing to \$5.8 million in the current quarter.
- Debt – Debt ratio of 74% is higher than the median but down slightly from an average of 76% over the last four quarters. All debt is in fixed instruments.
- Debt Maturity – 53% of the REIT's debt matures in 2016 or later, with 8% maturing in the balance of 2011.
- Loan Activity – As part of the joint venture structure on the acquisitions, debt was taken on at the property level.
- Cash on Hand – Increased to 6% from 2.4% in the previous quarter as a result of much higher capital raise.

Metrics

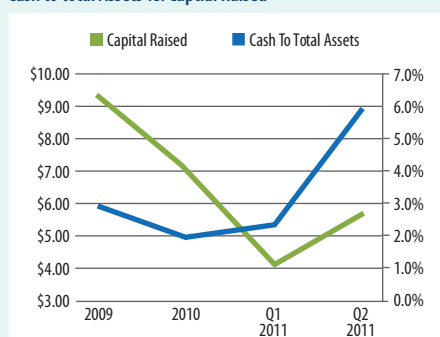
- Distribution – Unchanged at 6% for the last eight quarters.
- Distribution Source – A portion of distributions have been paid with sales proceeds from the disposition noted below.

- MFFO Payout Ratio – Similar to other REITs in this LifeStage, MFFO Payout Ratio has fluctuated widely. The ratio has been improving this year averaging 201% for the year to date.
- Fee Waivers and Deferrals – Expenses of the REIT previously advanced by the Advisor have been reimbursed to the Advisor in 2010 of \$1.7 million and in 2011 of \$575,000.
- The Advisor has permanently waived the 50% of its asset management fee.
- Interest Coverage Ratio – Ratio of 1.3x EBITDA, a slight improvement over the last four-quarter average of 1.2x.
- Impairments – None reported.

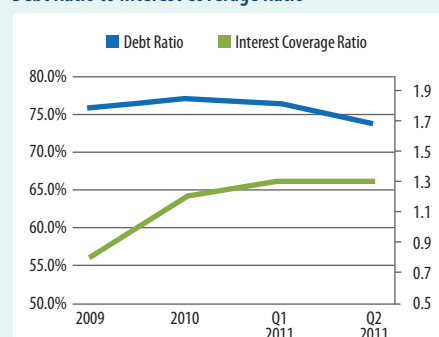
Real Estate

- Fundamentals – No discussion of rental rates and occupancy changes by property was included.
- Acquisitions – One property was acquired in the first quarter and another in July.
 - Stone Ridge Apartments, Columbia, S.C. – a 191-unit complex was purchased out of foreclosure in a joint venture for \$1.85 million under certain circumstances for a 68.5% interest.
 - Evergreen at Coursey Place, Baton Rouge, La. – an investment was made as a joint venture with the existing owner of the 352 unit property totaling \$5 million for a 51.7% interest.
- Occupancy – As of June 30 2011 occupancy averaged 94.6% for apartments and 94.9% for office.
- Revenue – A breakdown of same store rents was not provided.
- Dispositions – 801 Fiber Optic Drive in Little Rock, Ark., a 56,336 square foot industrial property was sold for \$4,175,000 (\$74/SF) in April. Net proceeds after the repayment of debt to the REIT's JV interest of \$2.19 million were realized for a gain.
- Diversification – 17% of multifamily is concentrated in Missouri with a predominance of units held in the Midwest.

Cash to total Assets vs. Capital Raised



Debt Ratio to Interest Coverage Ratio



Resource Real Estate Opportunity REIT was formed in 2009 and began its primary public offering in June 2010 to acquire discounted commercial real estate and real estate related assets with a particular focus on multifamily assets located in the United States. The REIT has a target holding 55% of its assets in nonperforming or distressed loans, 30% in multifamily rental properties and 15% in commercial mortgage-backed securities (CMBS). As of the end of the second quarter, the REIT had \$44.6 million in assets invested in two performing first mortgage loans, four nonperforming first mortgage loans and three multifamily properties. The REIT's sponsor is Resource America, Inc., a publicly traded company (NASDAQ: REXI). The REIT is in the Emerging LifeStage for Effective REITs. Resource is different than the majority of nontraded REITs in that it is investing opportunistically, not for current revenue. As such, it does not currently utilize debt, will initially have limited cash flow, plans to pay distributions with stock instead of cash flow and is managing for significant capital appreciation as opposed to stable cash flow.

Key Highlights

- Given the REIT's investment program, it will not only invest in loans but may have to foreclose or otherwise work out those loans. To date, two loans have been foreclosed.
- The REIT has paid quarterly distributions in shares of its common stock equivalent to a distribution rate of 1.5% per quarter, or 6.0% annualized.

Capital Stack Review

- Capital Raised – A total of \$39 million has been raised by the REIT in the public offering and \$12.8 million in the private offering.
- Debt – The REIT has no outstanding debt
- Cash on Hand – A ratio 2.0% of total assets demonstrates an efficient use of capital.

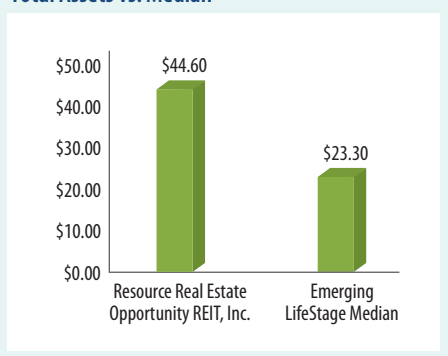
Metrics

- Distribution – 1.5% paid per quarter as shares of common stock.
- MFFO Payout Ratio – Not applicable; no cash distributions have been paid to date.
- Fee Waivers and Deferrals – Certain organization and offering costs have been funded by the Advisor totaling \$2.7 million at 2Q 2011. A total of \$4.4 million is due to related entities.
- Interest Coverage Ratio – Not applicable.
- Impairments – None reported.

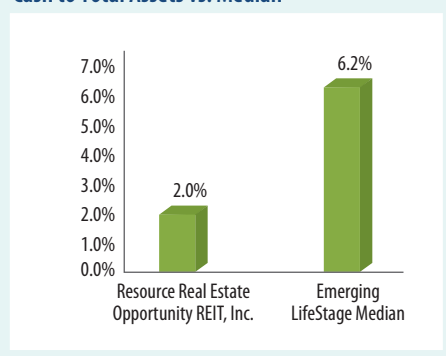
Real Estate

- Acquisitions – The REIT's three multifamily properties were purchased in 2010. The following three investments were made during 2011:
 - The Cannery Note on a multifamily community in Dayton, Ohio for \$7.1 million.
 - The Iroquois Note on a multifamily project in Philadelphia for \$12 million.
 - Small loan portfolio consisting of two nonperforming and two performing loans for \$3.1 million.
- Occupancy – Not reported.
- Dispositions – None reported.
- Diversification – Limited due to early stage of REIT.

Total Assets vs. Median



Cash to Total Assets vs. Median



Steadfast Income REIT became effective with the SEC in 2010 and acquires a diverse portfolio of real estate investments, primarily in the multifamily sector, located throughout the United States. As of the end of the second quarter, the REIT had \$40.2 million in assets invested in four properties totaling 685 units. The REIT is in the Emerging LifeStage for Effective REITs, which is typified by high levels of debt, not meaningful distribution payout levels and limited distributions.

Key Highlights

- Increased capital raise and acquisition activity for the second quarter.
- Significant cash on hand that needs to be deployed to acquire further assets.

Capital Stack Review

- Capital Raised – \$14.1 million raised since inception with \$3.5 million and \$5.6 million raised in Q1 and Q2, respectively.
- Debt – 64.2% up from 53% in the previous quarter, reflecting acquisition activity. 100% of the debt is fixed rate.
- Loan Activity – The two acquisitions made in 2Q 2011 were financed with a total of \$14.2 million in fixed rate debt.
- Cash on Hand – 14.3%, which is high but typical of Emerging LifeStage REITs.

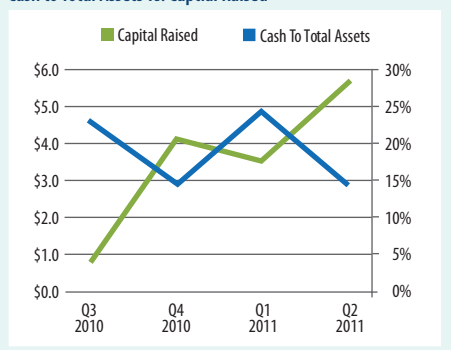
Metrics

- Distribution – The annualized yield of 7.0% has remained steady over the last four quarters.
- Distribution Source – Funded entirely from proceeds of the REIT's public offering.
- MFFO Payout Ratio – The second quarter ratio of 80% is strong; however, further fluctuation may occur, given high cash levels and small portfolio size.
- Fee Waivers and Deferrals – \$5.2 million of costs and fees have been deferred.
- Interest Coverage Ratio – 0.4x EBIDTA is low and typical for Emerging LifeStage REITs.
- Impairments – None reported.

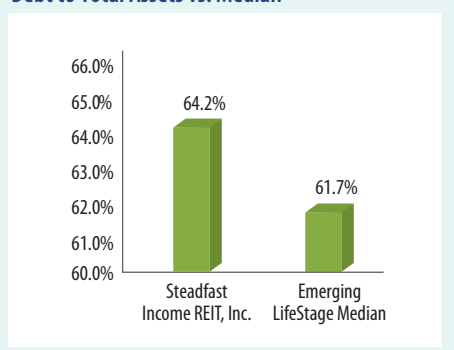
Real Estate

- Acquisitions – Two properties were acquired in the second quarter
 - Clarion Park, Olathe, Kansas – 220 unit property purchased for \$11.2 million (\$50,900/unit).
 - Arbor Pointe, Louisville, Kentucky – 60 unit complex purchased for \$6.5 million (\$108,000/unit).
- Occupancy – 98% as of Q2 2011, up from 86% in 3Q 2010.
- Revenue – Properties have not been held long enough to compare year-over-year revenue changes.
- Dispositions – None reported.
- Diversification – Limited due to 4-property portfolio.

Cash to Total Assets vs. Capital Raised



Debt to Total Assets vs. Median



Nontraded REIT Industry Review: Second Quarter 2011



American Realty Capital Healthcare Trust, Inc.

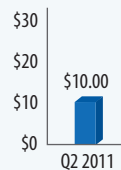
Total Assets.....	\$6.7 Million
Real Estate Assets	\$5.9 Million
Cash	\$0.5 Million
Securities	\$0.0 Million
Other	\$0.3 Million



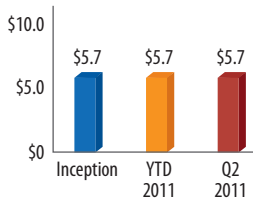
Initial Offering Date:	February 18, 2011
Number of Months Fundraising:	4
Anticipated Offering Close Date:	February 18, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	7.7%
Asset Type:	Medical Office / Healthcare
Number of Properties:	2
Square Feet / Units / Rooms / Acres:	22,864
Percent Leased:	100%
LifeStage:	Emerging

Historical Price



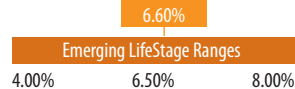
Gross Dollars Raised*



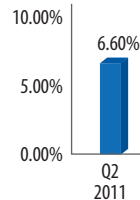
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.60%



Historical Distribution



Contact Information

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

Year to Date FFO Payout Ratio

Not Applicable

Historical FFO Payout Ratio

Not Applicable

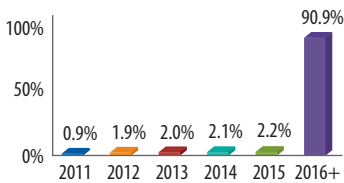
Year to Date MFFO Payout Ratio

Not Applicable

Historical MFFO Payout Ratio

Not Applicable

Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 33.4%



Debt Breakdown

Total:	\$2.3 Million
Fixed:	\$2.3 Million
Variable:	\$0.0 Million
Rate:	5.5%
Term:	5yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: NOT MEANINGFUL



Adjusted EBITDA:(\$150,000)
Interest Expense:\$3,000

Redemptions

Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding:0.00%



Redemptions Year to Date:0
Wtd. Avg. Shares Outstanding as of 6/30/11:125,647

See Notes

Lease Expirations

Weighted Average Lease Term is 10 yrs

Notes

- The REIT was declared effective by the SEC in February 2011 and raised proceeds sufficient to break escrow in May 2011.
- The REIT purchased 2 properties with an average weighted capitalization rate of 9.4% during the second quarter 2011.
- The REIT did not commence paying distributions until August 2011. As a result, no meaningful FFO or MFFO payout ratios can be calculated during this period.
- The REIT had a negative EBITDA and as a result, there is no meaningful Interest Coverage Ratio for this period.
- There are no share redemptions due to the fact that the REIT has been effective for less than 12 months. The weighted average shares are for the six months ended June 30, 2011.

Nontraded REIT Industry Review: Second Quarter 2011



American Realty Capital New York Recovery REIT, Inc.

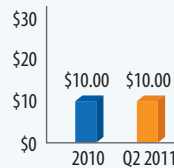
Total Assets.....	\$83.1 Million
Real Estate Assets	\$76.3 Million
Cash	\$2.7 Million
Securities	\$0.0 Million
Other	\$4.1 Million



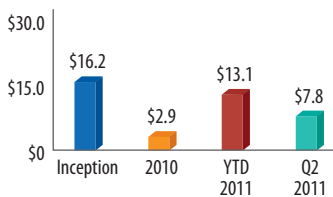
Initial Offering Date:	September 2, 2010
Number of Months Fundraising:	9
Anticipated Offering Close Date:	September 2, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	3.3%
Asset Type:	Office & Retail
Number of Properties:	8
Square Feet / Units / Rooms / Acres:	109,780
Percent Leased:	89.6%
LifeStage:	Growth

Historical Price



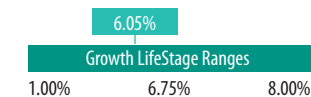
Gross Dollars Raised*



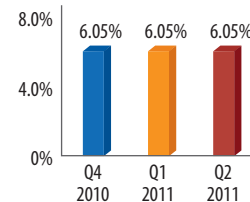
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.05%



Historical Distribution

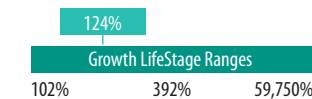


Contact Information

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

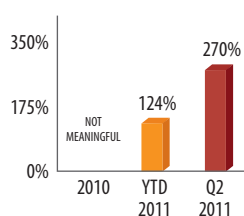
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 124%



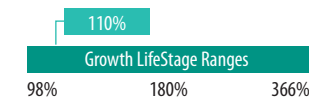
YTD Distributions Paid:..... \$912,000
 YTD FFO: \$735,000

Historical FFO Payout Ratio



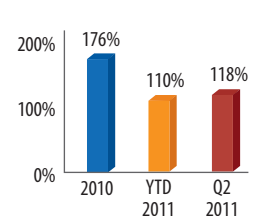
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...110%

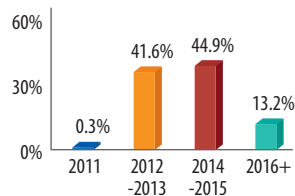


YTD Distributions Paid:..... \$912,000
 YTD MFFO: \$826,000
 *BVP Adjusted MFFO – see notes

Historical MFFO Payout Ratio

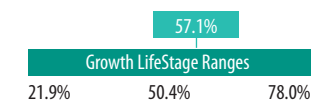


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 57.1%

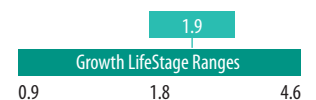


Debt Breakdown

Total:	\$47.4 Million
Fixed:	\$47.4 Million
Variable:	\$0.0 Million
Rate:	4.3 – 9.0%
Term:	1 – 5 yrs

Interest Coverage Ratio

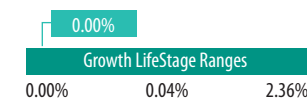
YTD Interest Coverage Ratio: 1.9



Adjusted EBITDA: \$2,606,000
 Interest Expense: \$1,366,000

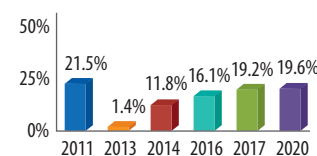
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:..... 0.00%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 36,108

Lease Expirations*



*Data as of 12/31/10

Notes

- The REIT purchased 2 properties for \$11.5 million during the second quarter 2011.
- Capitalization rates for the two acquisitions made during the second quarter of 2011 were 7.4% and 7.5% respectively.
- Debt consists of 100% fixed rate mortgages and is consistent with the past two quarters.
- The Company reported YTD 2011 MFFO of \$841,000 which includes a \$15,000 contribution from the sponsor. Blue Vault Partners has eliminated the contribution from the sponsor to report YTD 2011 MFFO of \$826,000.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



American Realty Capital Trust, Inc.

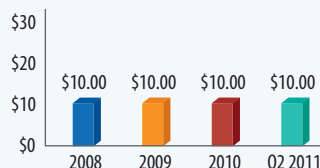
Total Assets.....\$1,921.5 Million
 Real Estate Assets ...\$1,583.1 Million
 Cash.....\$277.0 Million
 Securities\$0.0 Million
 Other.....\$61.4 Million



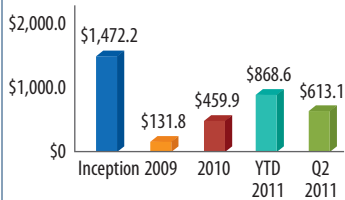
Initial Offering Date: January 25, 2008
 Number of Months Fundraising: 41
 Anticipated Offering Close Date: July 24, 2011
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 14.4%
 Asset Type: Diversified
 Number of Properties: 368
 Square Feet / Units / Rooms / Acres: 11.0 Million
 Percent Leased: 100%
 LifeStage..... Stabilizing

Historical Price

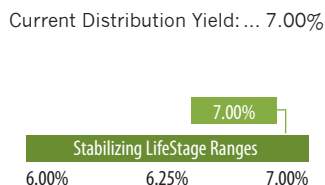


Gross Dollars Raised*

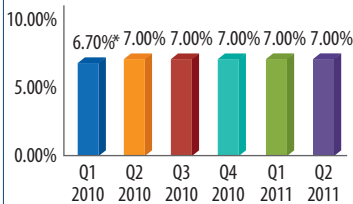


*Includes reinvested distributions (in millions)

Current Distribution



Historical Distribution

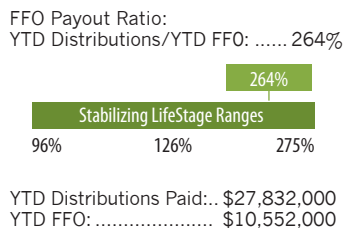


*Does not include a special distribution of \$0.05 per share

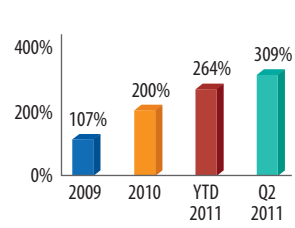
Contact Information

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

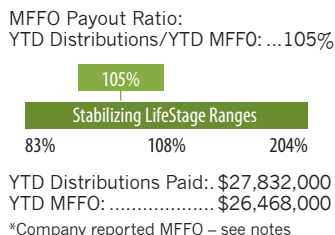
Year to Date FFO Payout Ratio



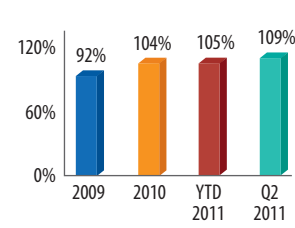
Historical FFO Payout Ratio



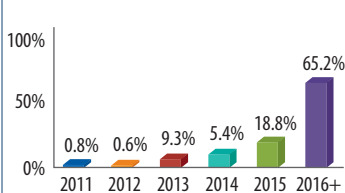
Year to Date MFFO Payout Ratio



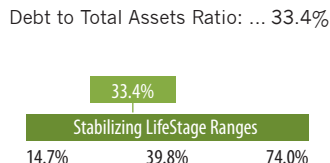
Historical MFFO Payout Ratio



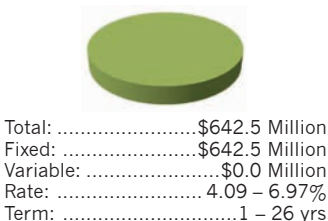
Debt Maturity



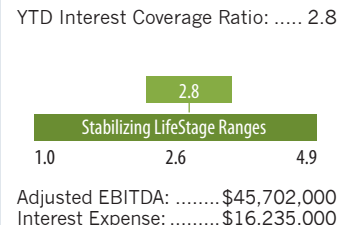
Current Debt Ratio



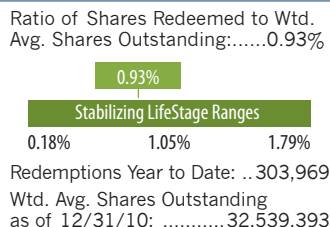
Debt Breakdown



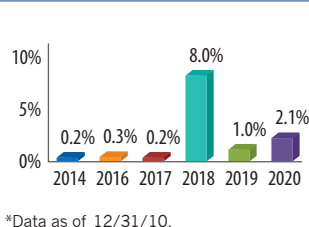
Interest Coverage Ratio



Redemptions



Lease Expirations*



Notes

- The REIT closed to new investments in July 2011.
- On May 16 2011, Moody's assigned a Ba3 issuer rating to the REIT indicating a "Stable Outlook"
- As of June 30, 2011, rental revenues derived from investment grade tenants (rated BBB- or better by Standard & Poor's) approximated 76.4%.
- The REIT purchased 50 properties for \$355 million during the second quarter of 2011.
- Cash on hand increased to 14.4% during the second quarter of 2011 compared to 1.5% during the first quarter of 2011.
- The Company reports MFFO (consistent with how the Company has historically presented this non-GAAP financial measure) as well as MFFO in accordance with the IPA recommended format (which deducts the impact of straight-line rent).
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Apple REIT Ten, Inc.

Total Assets.....	\$335.4 Million
Real Estate Assets	\$186.5 Million
Cash	\$142.8 Million
Securities	\$0.0 Million
Other	\$6.0 Million



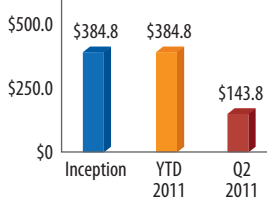
Initial Offering Date:	January 19, 2011
Number of Months Fundraising:	5
Anticipated Offering Close Date:	January 19, 2013
Current Price per Share:	\$11.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	42.6%
Asset Type:	Hospitality
Number of Properties:	12
Square Feet / Units / Rooms / Acres:	1,391 rooms
Percent Leased:	75%
LifeStage:	Growth

Historical Price



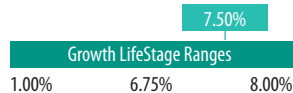
Gross Dollars Raised*



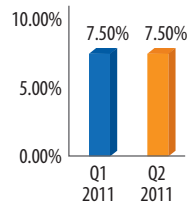
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.50%



Historical Distribution

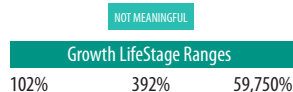


Contact Information

www.AppleREITCompanies.com
 814 E. Main Street
 Richmond, VA 23219
 804-272-6321

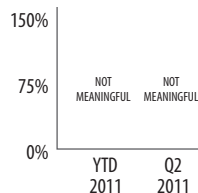
Year to Date FFO Payout Ratio

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



YTD Distributions Paid: ... \$7,608,000
 YTD FFO: (\$2,471,000)

Historical FFO Payout Ratio



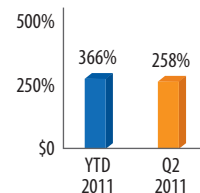
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 366%



YTD Distributions Paid: ... \$7,608,000
 YTD MFFO: \$2,077,000
 *BVP estimated MFFO – see notes

Historical MFFO Payout Ratio



Debt Maturity

Not Applicable

Current Debt Ratio

Not Applicable

Debt Breakdown

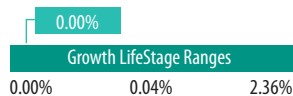
Not Applicable

Interest Coverage Ratio

Not Applicable

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 0.00%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 1/31/11: 10,380

Lease Expirations

Not Reported

Notes

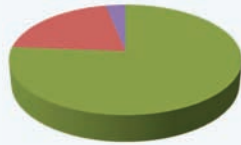
- The REIT was declared effective by the SEC in January 2011 and raised proceeds sufficient to break escrow in January 2011.
- The REIT purchased 10 properties for a total of \$98.5 million during the second quarter 2011.
- Average occupancy of 75% is better than national averages.
- Due to the timing of acquisitions and fundraising, a portion of the 2011 distribution will be treated as return of capital for tax purposes.
- The Company did not report MFFO for the period ending June 31, 2011. As a result, Blue Vault estimated these figures.
- No share redemptions due to the fact that the REIT has been effective for less than 12 months. The weighted average shares used for this metric are as of March 31, 2011 due to the fact that the REIT did not become effective until January 19, 2011.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Behringer Harvard Multifamily REIT I, Inc.

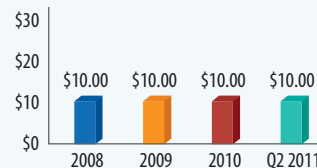
Total Assets.....	\$1,295.5 Million
Real Estate Assets ...	\$1,008.0 Million
Cash.....	\$266.3 Million
Securities	\$0.0 Million
Other.....	\$21.2 Million



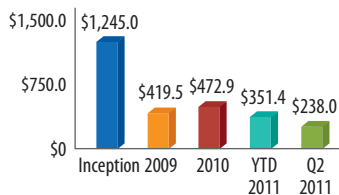
Initial Offering Date:	September 5, 2008
Number of Months Fundraising:	33
Anticipated Offering Close Date:	September 2, 2011
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	20.6%
Asset Type:	Multifamily
Number of Properties:	36
Square Feet / Units / Rooms / Acres:	9,871 units
Percent Leased:	92%
LifeStage:	Stabilizing

Historical Price



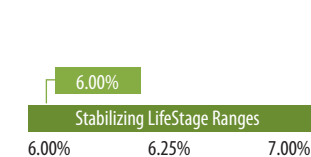
Gross Dollars Raised*



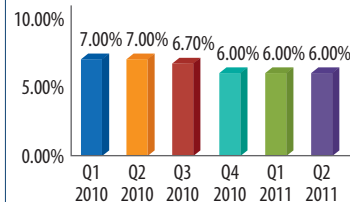
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution

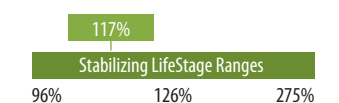


Contact Information

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

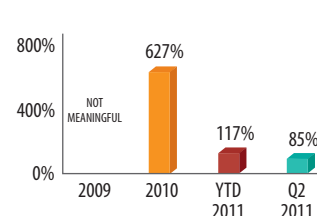
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 117%



YTD Distributions Paid: ... \$33,100,000
 YTD FFO: ... \$28,200,000

Historical FFO Payout Ratio



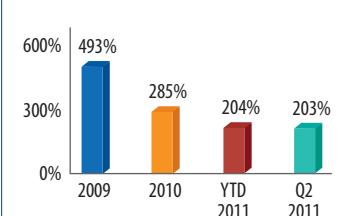
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 204%

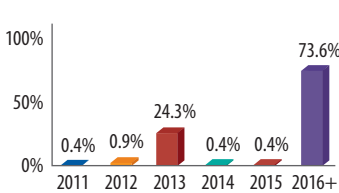


YTD Distributions Paid: ... \$33,100,000
 YTD MFFO: ... \$16,200,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

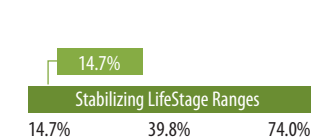


Debt Maturity

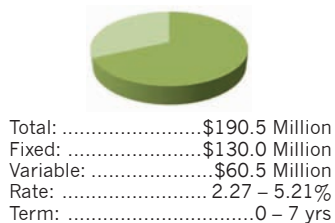


Current Debt Ratio

Debt to Total Assets Ratio: ... 14.7%

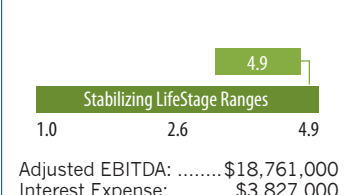


Debt Breakdown



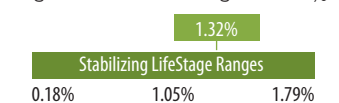
Interest Coverage Ratio

YTD Interest Coverage Ratio: 4.9



Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 1.32%



Redemptions Year to Date: ... 1,101,978
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 83,532,000

Lease Expirations

Less than one year

Notes

- The REIT has a strong institutional joint venture partner.
- Portfolio occupancy of 92% for the period ending June 30, 2011 remained unchanged compared to the quarter ending June 30, 2010.
- The company has utilized Co-Investment Ventures when it is favorable for the portfolio and has indicated that it anticipates Co-Investment Ventures will represent a smaller percentage and consolidated investments will represent a larger percentage of new investments in the future.
- Cash on hand of 20.6% is the highest among other comparable "Stabilizing" LifeStage REITs
- The Company uses modified funds from operations ("Modified Funds from Operations" or "MFFO") as defined by the Investment Program Association ("IPA").
- As of June 30, 2011, the Company owned 11 wholly owned multifamily investments and 25 investments in Co-Investment Ventures and one wholly owned note receivable.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Behringer Harvard Opportunity REIT II, Inc.

Total Assets.....	\$404.7 Million
Real Estate Assets	\$326.9 Million
Cash	\$54.6 Million
Securities	\$0.0 Million
Other	\$23.2 Million



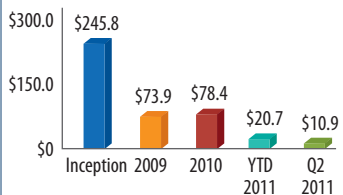
Initial Offering Date:	January 21, 2008
Number of Months Fundraising:	41
Anticipated Offering Close Date:	April 16, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	13.5%
Asset Type:	Diversified
Number of Properties:	11
Square Feet / Units / Rooms / Acres:	3.0 million sq. ft.
Percent Leased:	Not Reported
LifeStage:	Growth

Historical Price



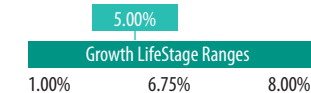
Gross Dollars Raised*



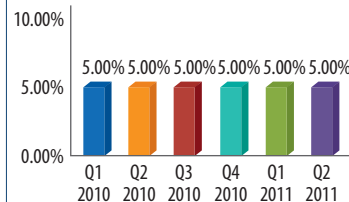
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 5.00%



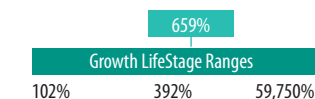
Historical Distribution



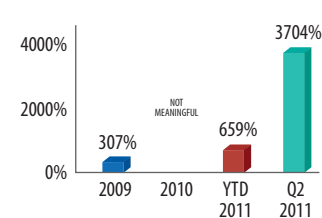
Contact Information

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

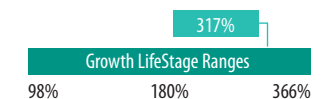
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO: 659%YTD Distributions Paid: ... \$5,736,000
YTD FFO: \$871,000

Historical FFO Payout Ratio

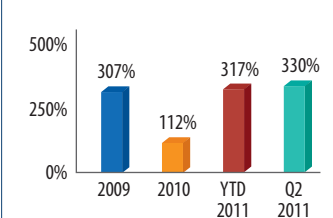


Year to Date MFFO Payout Ratio

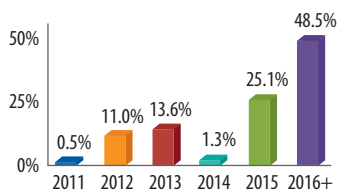
MFFO Payout Ratio:
YTD Distributions/YTD MFFO: ... 317%YTD Distributions Paid: .. \$5,736,000
YTD MFFO: \$1,806,900

*Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio

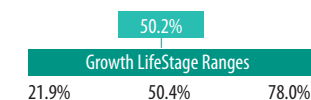


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 50.2%



Debt Breakdown

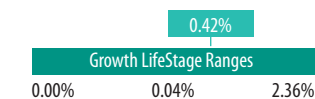
Total:	\$203.1 Million
Fixed:	\$105.8 Million
Variable:	\$97.3 Million
Rate:	1.14 – 10%
Term:	1 – 7 yrs

Interest Coverage Ratio

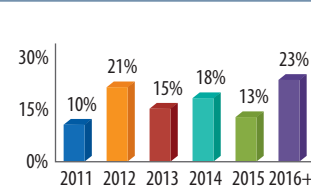
YTD Interest Coverage Ratio: 1.5

Adjusted EBITDA: \$7,067,000
Interest Expense: \$4,663,000

Redemptions

Ratio of Shares Redeemed to Wtd.
Avg. Shares Outstanding: 0.42%Redemptions Year to Date: ... 80,215
Wtd. Avg. Shares Outstanding
as of 12/31/10: 19,216,000

Lease Expirations*



*As a percentage of expiration base rent for consolidated office and industrial properties.

Notes

- 73.6% of the REIT's debt matures in 2015 or later.
- Management has indicated that leases for its consolidated office and industrial properties represent 31% of its annualized based rent which will expire by the end of 2012. As a normal course of business, the Company is pursuing renewals, extensions and new leases.
- The Company did not report MFFO for 2Q 2011. As a result, Blue Vault Partners' estimated these figures based on publicly available information.
- 2009 MFFO is as previously defined.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Bluerock Enhanced Multifamily Trust, Inc.

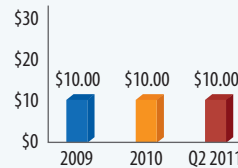
Total Assets.....	\$6.0 Million
Real Estate Assets	\$5.7 Million
Cash.....	\$0.2 Million
Securities	\$0.0 Million
Other.....	\$0.1 Million



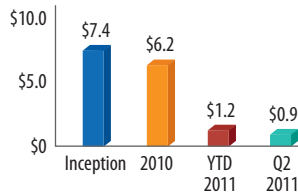
Initial Offering Date:	October 15, 2009
Number of Months Fundraising:	20
Anticipated Offering Close Date:	October 15, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio: 3.3%
 Asset Type: Multifamily
 Number of Properties: 5
 Square Feet / Units / Rooms / Acres: 1.3 million or 1,323 units
 Percent Leased: Not Reported
 LifeStage: Emerging

Historical Price



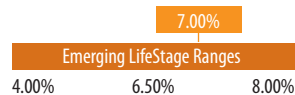
Gross Dollars Raised*



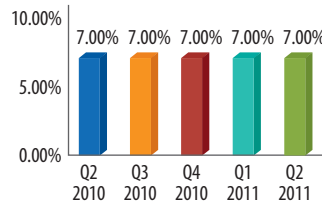
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



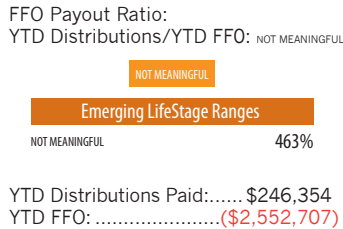
Historical Distribution



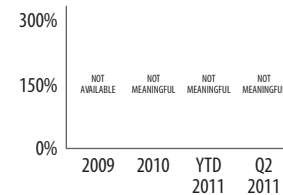
Contact Information

Bluerock Enhanced Multifamily Trust, Inc.
 c/o Bluerock Real Estate, LLC
 680 Fifth Avenue, 16th Floor
 New York, NY 10019
 (877) 826-2583

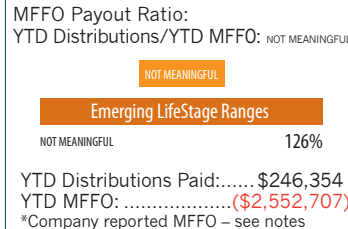
Year to Date FFO Payout Ratio



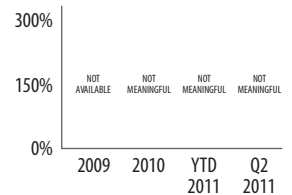
Historical FFO Payout Ratio



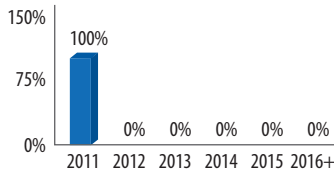
Year to Date MFFO Payout Ratio



Historical MFFO Payout Ratio

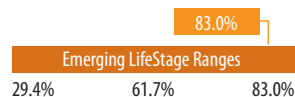


Debt Maturity

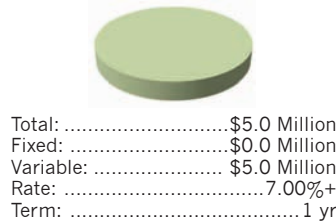


Current Debt Ratio

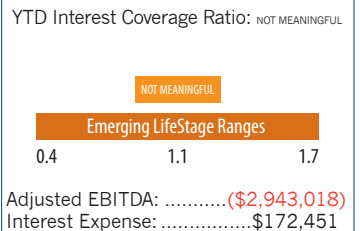
Debt to Total Assets Ratio: ... 83.0%



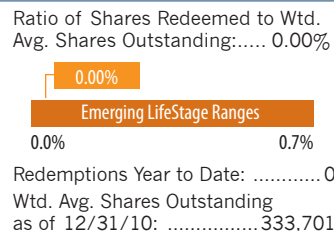
Debt Breakdown



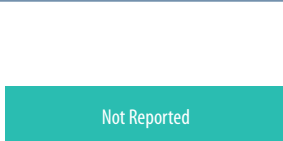
Interest Coverage Ratio



Redemptions



Lease Expirations



Notes

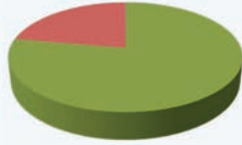
- The company owns equity interests in five multifamily real estate properties through joint venture partnerships.
- The REIT has been unable to raise significant capital and acquire more than five properties since becoming effective in 2009.
- Because this REIT is in the Emerging LifeStage, most metrics are not meaningful at this point.
- The REIT had a negative EBITDA and as a result, there is no meaningful Interest Coverage Ratio for this period.
- MFFO is company reported and Blue Vault did not identify additional adjustments.
- See additional notes on page 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Carey Watermark Investors Incorporated

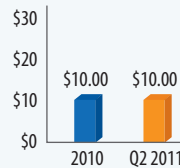
Total Assets.....	\$26.3 Million
Real Estate Assets	\$20.5 Million
Cash	\$5.8 Million
Securities	\$0.0 Million
Other	\$0.0 Million



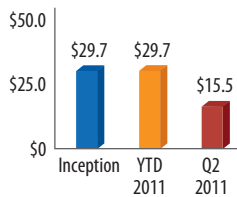
Initial Offering Date:	September 15, 2010
Number of Months Fundraising:	9
Anticipated Offering Close Date:	September 15, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	22.2%
Asset Type:	Hospitality
Number of Properties:	1
Square Feet / Units / Rooms / Acres:	372 rooms
Percent Leased:	Not Applicable
LifeStage:	Emerging

Historical Price



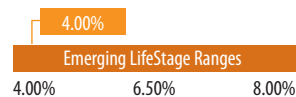
Gross Dollars Raised*



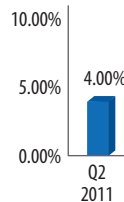
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 4.00%



Historical Distribution



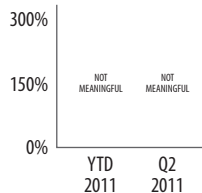
Contact Information

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

Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO: NOT MEANINGFULYTD Distributions Paid:.....\$40,908
YTD FFO:,(\$1,454,324)

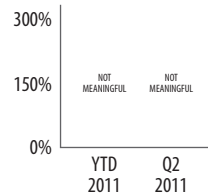
Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO: NOT MEANINGFULYTD Distributions Paid:.....\$40,908
YTD MFFO:,(\$1,454,324)
*Blue Vault Estimated MFFO – see notes

Historical MFFO Payout Ratio



Debt Maturity

Not Applicable

Current Debt Ratio

Not Applicable

Debt Breakdown

Not Applicable

Interest Coverage Ratio

Not Applicable

Redemptions

Ratio of Shares Redeemed to Wtd.
Avg. Shares Outstanding:.....0.00%Redemptions Year to Date:0
Wtd. Avg. Shares Outstanding
as of 12/31/10:9,402

*See Notes

Lease Expirations

Not Reported

Notes

- The REIT was declared effective by the SEC in September 2010 and raised proceeds sufficient to break escrow in March 2011.
- The REIT completed a joint venture with Ensemble Hotel for two hotels in Long Beach, CA.
- Because the REIT did not have any debt outstanding during the second quarter, the Debt Ratio and Interest Coverage Ratio are not applicable.
- The Company did not report MFFO for 2Q 2011. As a result, Blue Vault Partners' estimated these figures based on publicly available information.
- No share redemptions due to the fact that the REIT has been effective for less than 12 months
- See additional notes on page 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



CB Richard Ellis Realty Trust

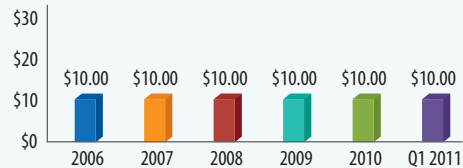
Total Assets.....\$2,168.9 Million
 Real Estate Assets ...\$2,018.1 Million
 Cash.....\$112.4 Million
 Securities\$0.0 Million
 Other.....\$38.4 Million



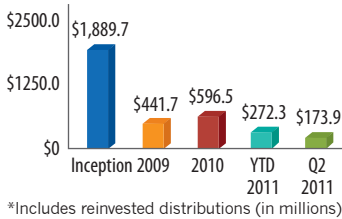
Initial Offering Date:October 24, 2006
 Number of Months Fundraising:56
 Anticipated Offering Close Date:January 30, 2012
 Current Price per Share:\$10.00
 Reinvestment Price per Share:\$9.50

Cash to Total Assets Ratio:5.2%
 Asset Type:Diversified
 Number of Properties:118
 Square Feet / Units / Rooms / Acres:26,970,000
 Percent Leased:94.13%
 LifeStage:Stabilizing

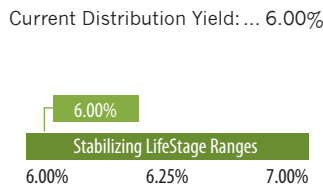
Historical Price



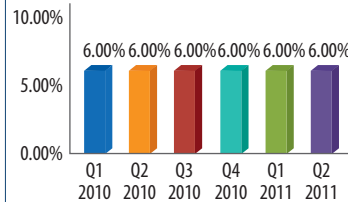
Gross Dollars Raised*



Current Distribution



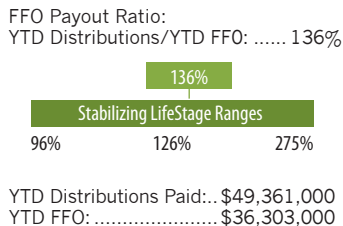
Historical Distribution



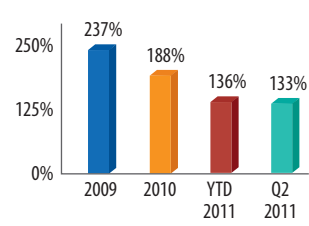
Contact Information

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

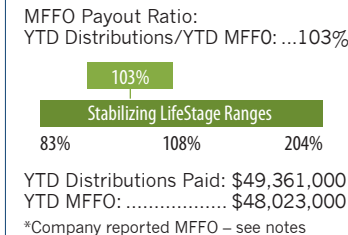
Year to Date FFO Payout Ratio



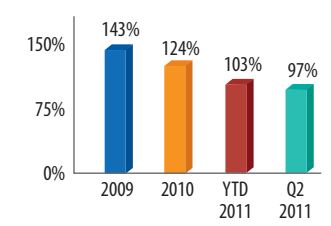
Historical FFO Payout Ratio



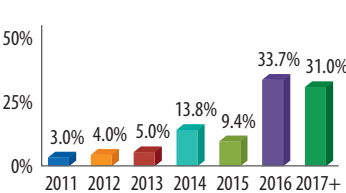
Year to Date MFFO Payout Ratio



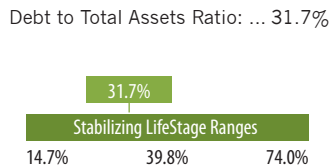
Historical MFFO Payout Ratio



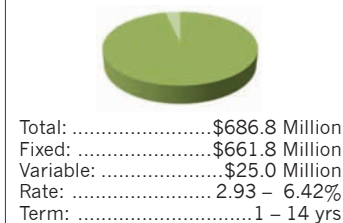
Debt Maturity



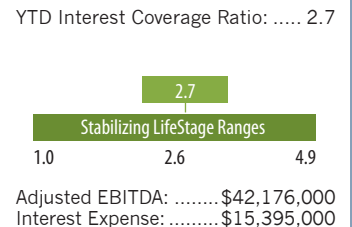
Current Debt Ratio



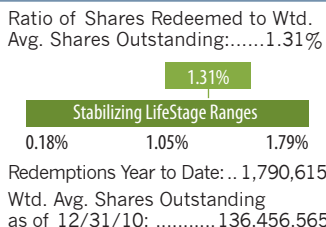
Debt Breakdown



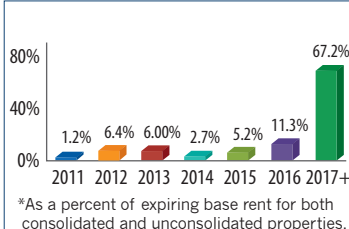
Interest Coverage Ratio



Redemptions



Lease Expirations*



Notes

- The REIT has begun to sell properties to align its portfolio with investment objectives.
- Interest coverage has declined to 2.7x from an average above 3.0x in the past year.
- The Company currently operates in two geographic areas, the United States and the United Kingdom.
- MFFO is company reported and Blue Vault Partners did not identify meaningful additional adjustments.
- 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 \$2,631.9 million, real estate assets would total \$2,275.2 million and total debt would equal \$1,123.0 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.
- See additional notes on page 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Cole Credit Property Trust III, Inc.

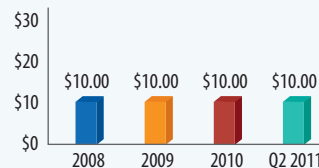
Total Assets.....	\$4,287.4 Million
Real Estate Assets ...	\$3,863.1 Million
Cash.....	\$316.8 Million
Securities	\$0.0 Million
Other.....	\$107.5 Million



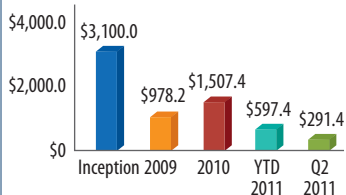
Initial Offering Date:	October 1, 2008
Number of Months Fundraising:	34
Anticipated Offering Close Date:	February 29, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	7.4%
Asset Type:	Retail
Number of Properties:	539
Square Feet / Units / Rooms / Acres:	23.4 million
Percent Leased:	99.0%
LifeStage.....	Stabilizing

Historical Price

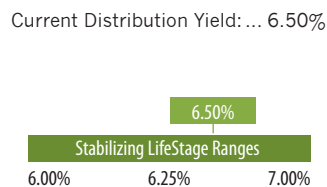


Gross Dollars Raised*

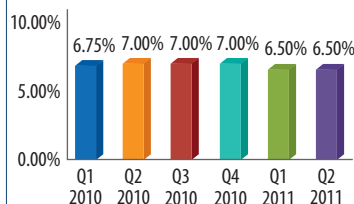


*Includes reinvested distributions (in millions)

Current Distribution



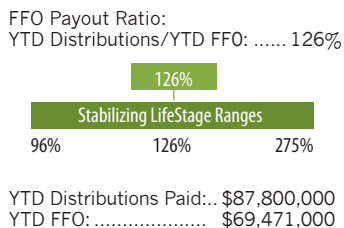
Historical Distribution



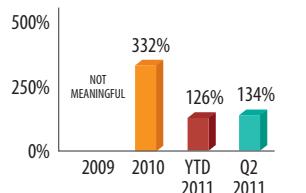
Contact Information

www.CCPTiii.com
Cole Capital Corporation
 2575 E. Camelback Road
 Suite 500
 Phoenix, AZ 85016
 866-341-2653

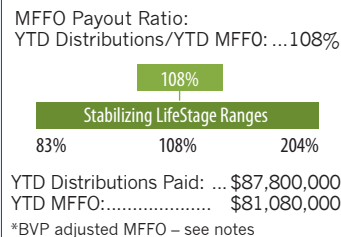
Year to Date FFO Payout Ratio



Historical FFO Payout Ratio

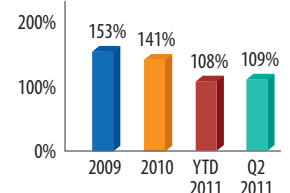


Year to Date MFFO Payout Ratio

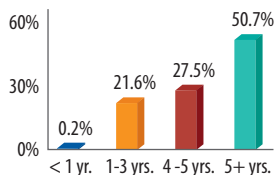


*BVP adjusted MFFO – see notes

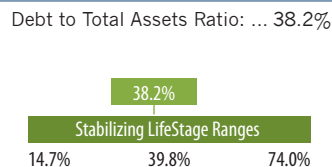
Historical MFFO Payout Ratio



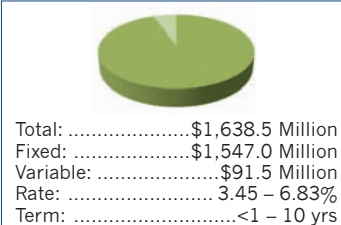
Debt Maturity



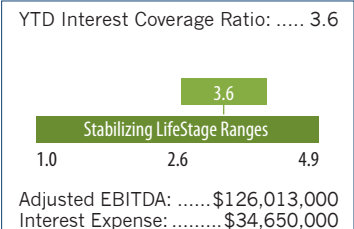
Current Debt Ratio



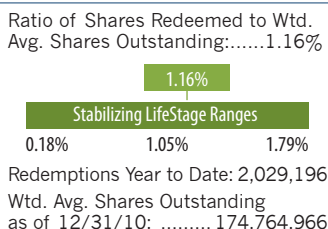
Debt Breakdown



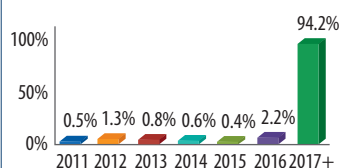
Interest Coverage Ratio



Redemptions



Lease Expirations*



*As of 12/31/10.

Notes

- As of June 30, 2011, the Company also owned two mortgage notes receivable secured by two office buildings, each of which is subject to a net lease.
- The Company has invested in single and multi-tenant retail and commercial space located in 42 states.
- The distribution per share was lowered to 6.50% from 7.00% beginning January 1, 2011.
- 83% of leases have expirations of 2021 or longer.
- The Company reported YTD 2011 MFFO of \$92,192,000 and does not include (\$11,100,000) in straight-line rent adjustments. Blue Vault Partners has included the adjustments to report YTD MFFO of \$81,080,000.
- See additional notes on page 82 for information regarding the source of distributions.



Nontraded REIT Industry Review: Second Quarter 2011

Corporate Property Associates 17 – Global, Inc.

Total Assets.....\$2,539.7 Million
 Real Estate Assets ...\$2,246.0 Million
 Cash.....\$225.0 Million
 Securities\$0.0 Million
 Other.....\$68.7 Million



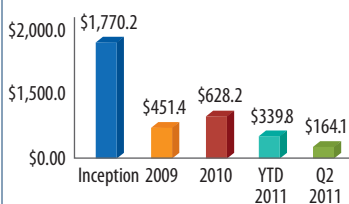
Initial Offering Date: November 2, 2007
 Number of Months Fundraising: 43
 Anticipated Offering Close Date: April 7, 2013
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 8.9%
 Asset Type: Diversified
 Number of Properties: 302
 Square Feet / Units / Rooms / Acres: 22 million sq. ft.
 Percent Leased: 100%
 LifeStage: Stabilizing

Historical Price

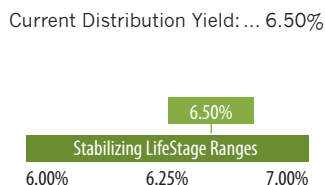


Gross Dollars Raised*

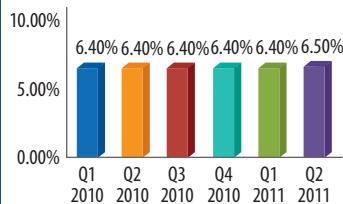


*Includes reinvested distributions (in millions)

Current Distribution



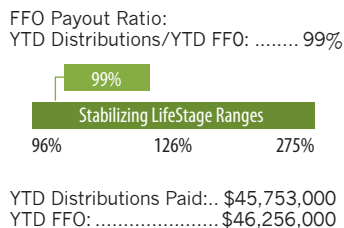
Historical Distribution



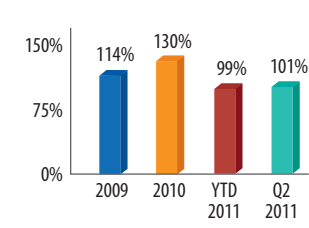
Contact Information

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

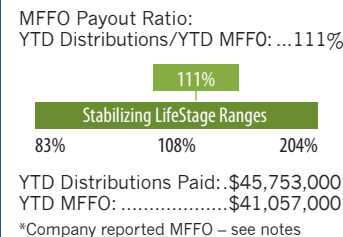
Year to Date FFO Payout Ratio



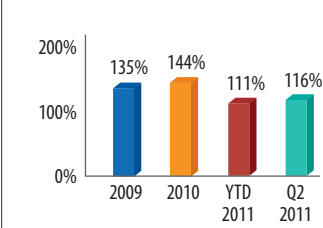
Historical FFO Payout Ratio



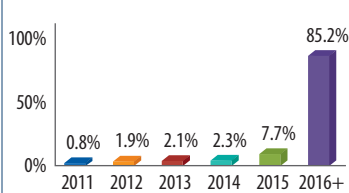
Year to Date MFFO Payout Ratio



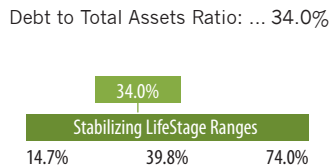
Historical MFFO Payout Ratio



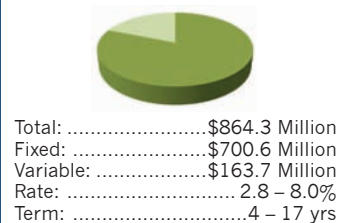
Debt Maturity



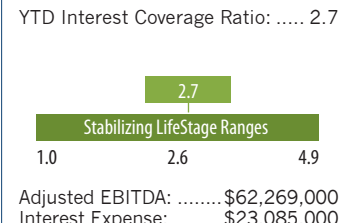
Current Debt Ratio



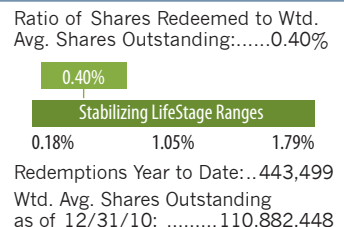
Debt Breakdown



Interest Coverage Ratio



Redemptions



Lease Expirations



Notes

- The follow on offering became effective on April 7, 2011.
- During the second quarter, the Company purchased a portfolio of 25 self storage facilities for \$89 million.
- 85% of debt matures in 2016 or beyond.
- At June 30, 2011, all of the Company's debt either bore interest at fixed rates, was swapped to a fixed rate or was subject to an interest rate cap.
- The YTD 2011 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 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Global Income Trust, Inc.

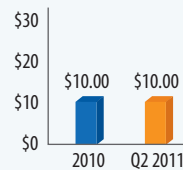
Total Assets.....	\$28.6 Million
Real Estate Assets	\$23.2 Million
Cash	\$3.3 Million
Securities	\$0.0 Million
Other	\$2.1 Million



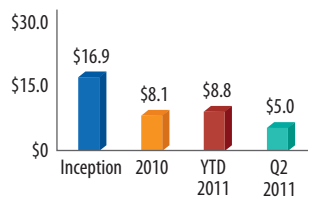
Initial Offering Date:	April 23, 2010
Number of Months Fundraising:	17
Anticipated Offering Close Date:	April 23, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	11.6%
Asset Type:	Diversified
Number of Properties:	2
Square Feet / Units / Rooms / Acres:	170,000
Percent Leased:	100%
LifeStage:	Emerging

Historical Price



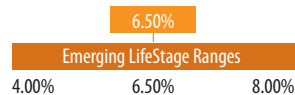
Gross Dollars Raised*



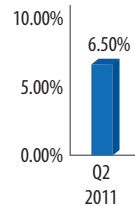
*Includes reinvested distributions (in millions)

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

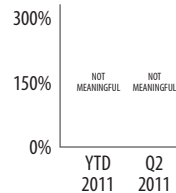
Year to Date FFO Payout Ratio

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



YTD Distributions Paid:..... \$354,966
 YTD FFO:, (\$1,328,003)

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

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



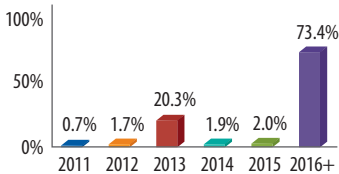
YTD Distributions Paid:..... \$354,966
 YTD MFFO:, (\$656,204)

*Company reported MFFO – see notes

Historical MFFO Payout Ratio

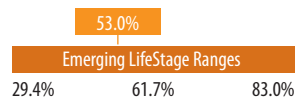


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio:..... 53%



Debt Breakdown

Total:	\$15.2 Million
Fixed:	\$12.4 Million
Variable:	\$2.8 Million
Rate:	3.19 – 4.7%
Term:	2 – 5 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: NOT MEANINGFUL



Adjusted EBITDA:, (\$545,710)
 Interest Expense:, \$111,724

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:..... 0%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 520,975

Lease Expirations

Not Reported

Notes

- The REIT was formerly known as Macquarie CNL Global Income Trust, Inc.
- In June 2011, the REIT purchased 2 properties for a total of \$23.3 million.
- The Company indicated that while it acquired its first two properties in Texas, it continues to have a broad mandate to invest in a wide variety of sectors around the world and anticipates that up to 60% of its assets may be located outside the United States.
- The Company uses modified funds from operations ("Modified Funds from Operations" or "MFFO") as defined by the Investment Program Association ("IPA").
- The REIT had a negative EBITDA and as a result, there is no meaningful Interest Coverage Ratio for this period.
- See additional notes on page 82 for information regarding the source of distributions.


BlueVault
 PARTNERS, LLC

Nontraded REIT Industry Review: Second Quarter 2011

Griffin Capital Net Lease REIT, Inc.

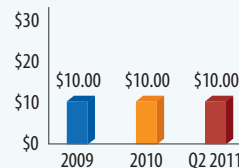
Total Assets.....	\$172.9 Million
Real Estate Assets	\$167.7 Million
Cash	\$3.2 Million
Securities	\$0.0 Million
Other	\$2.0 Million



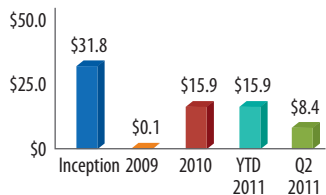
Initial Offering Date:	November 6, 2009
Number of Months Fundraising:	19
Anticipated Offering Close Date:	November 6, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	1.9%
Asset Type:	Diversified
Number of Properties:	7
Square Feet / Units / Rooms / Acres:	2,297,800
Percent Leased:	100%
LifeStage:	Growth

Historical Price



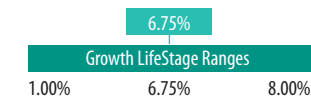
Gross Dollars Raised*



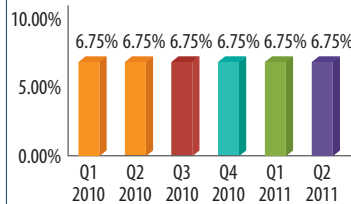
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.75%



Historical Distribution

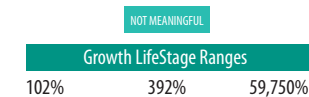


Contact Information

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

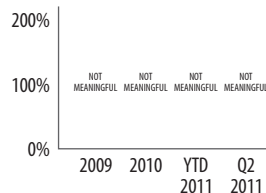
Year to Date FFO Payout Ratio

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



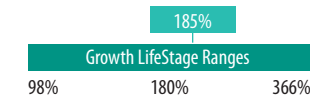
YTD Distributions Paid: ... \$1,919,683
 YTD FFO: ... (\$1,357,683)

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

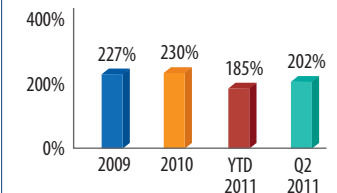
MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 185%



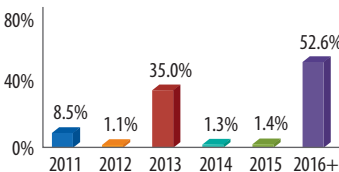
YTD Distributions Paid: ... \$1,919,683
 YTD MFFO: ... \$1,036,297

*Company reported MFFO – see notes

Historical MFFO Payout Ratio

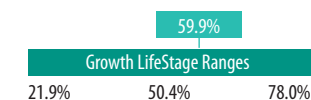


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 59.9%



Debt Breakdown



Total: \$103.5 Million
 Fixed: \$95.6 Million
 Variable: \$8.3 Million
 Rate: 5.75 – 6.65%
 Term: 1 – 13 yrs

Interest Coverage Ratio

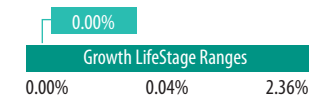
YTD Interest Coverage Ratio: 1.5



Adjusted EBITDA: \$4,127,674
 Interest Expense: \$2,686,163

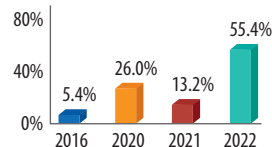
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 0.00%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 12/31/10 919,833

Lease Expirations*



*Data as of 12/31/10 based on annual rents.

Notes

- The REIT was formerly known as GC Net Lease REIT, Inc.
- Over 55% of leases expire in 2022 or later.
- On May 13, 2011, the Company, acquired the co-tenancy interests in a single-story, lab and manufacturing headquarters facility located in Carlsbad, CA ("LTI property") from 29 unaffiliated third party investors and one affiliated investor for \$56 million.
- The Interest Coverage Ratio of 1.5X is below the median of 1.9X for other "Growth" LifeStage REITs.
- The Company uses modified funds from operations ("Modified Funds from Operations" or "MFFO") as defined by the Investment Program Association ("IPA").
- The gross dollars raised above do not include capital raised in private offerings.
- See additional notes on page 83 for information regarding the source of distributions.



Nontraded REIT Industry Review: Second Quarter 2011

Grubb & Ellis Healthcare REIT II, Inc.

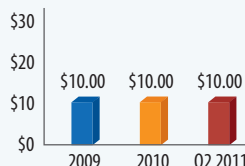
Total Assets.....	\$433.6 Million
Real Estate Assets	\$415.2 Million
Cash	\$8.9 Million
Securities	\$0.0 Million
Other	\$9.5 Million



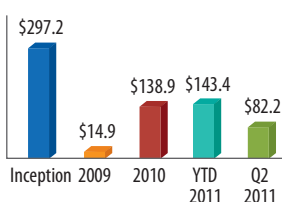
Initial Offering Date:	August 24, 2009
Number of Months Fundraising:	22
Anticipated Offering Close Date:	August 24, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	2.1%
Asset Type:	Medical Office/Healthcare Related
Number of Properties:	53
Square Feet / Units / Rooms / Acres:	1.86 Million sq. ft.
Percent Leased:	96.9%
LifeStage:	Growth

Historical Price



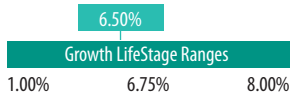
Gross Dollars Raised*



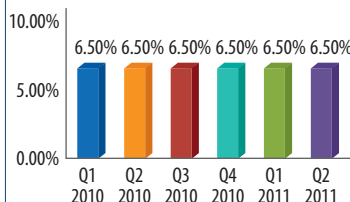
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

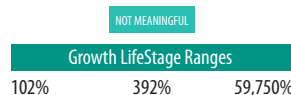


Contact Information

www.GBE-REITS.com
Grubb & Ellis Healthcare REIT II Advisor, LLC
 1551 N. Tustin Avenue,
 Suite 300
 Santa Ana, CA 92705
 877-888-7348 option 2

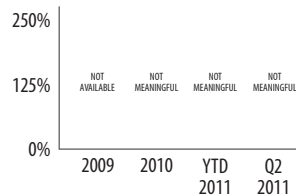
Year to Date FFO Payout Ratio

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



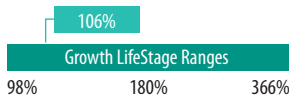
YTD Distributions Paid: ... \$6,335,000
 YTD FFO: (\$2,295,000)

Historical FFO Payout Ratio



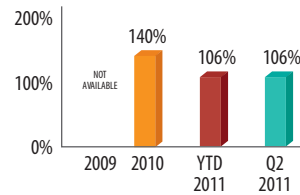
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...106%

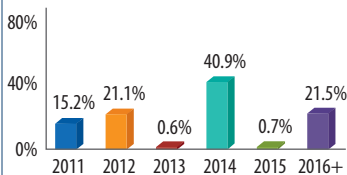


YTD Distributions Paid: .. \$6,335,000
 YTD MFFO: \$5,970,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

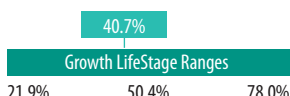


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 40.7%



Debt Breakdown



Total: \$176.5 Million
 Fixed: \$56.1 Million
 Variable: \$120.4 Million
 Rate: 1.29 – 6.6%
 Term: 1 – 9 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.6



Adjusted EBITDA: \$9,283,000
 Interest Expense: \$2,568,000

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 0.71%



Redemptions Year to Date: ... 53,136
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 7,471,184

Lease Expirations

Remaining Weighted Average
 Lease Term is 10.2 yrs

Notes

- The REIT purchased 23 properties for a total of \$180.7 million during the second quarter 2011.
- The Interest Coverage Ratio of 3.6X is well above the median of 1.9X for other "Growth" LifeStage REITs.
- The Debt to Total Assets Ratio for the portfolio increased to 40.7% during 2Q 2011 compared to 23.5% in Q1 2011.
- Only 21.5% of the Company's debt expires in 2016 or later.
- The Company uses modified funds from operations ("Modified Funds from Operations" or "MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Hartman Short Term Income Properties XX, Inc.

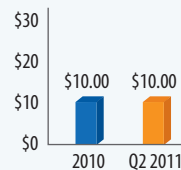
Total Assets.....	\$6.2 Million
Real Estate Assets	\$6.0 Million
Cash	\$0.1 Million
Securities	\$0.0 Million
Other	\$0.0 Million



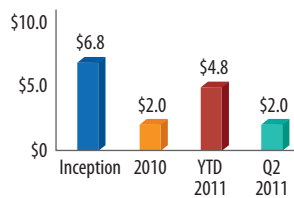
Initial Offering Date:	February 9, 2010
Number of Months Fundraising:	16
Anticipated Offering Close Date:	February 9, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	2.1%
Asset Type:	Diversified
Number of Properties:	1
Square Feet / Units / Rooms / Acres:	201,000
Percent Leased:	56.70%
LifeStage:	Emerging

Historical Price



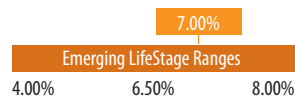
Gross Dollars Raised*



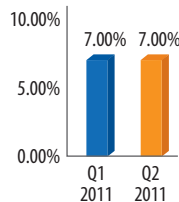
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution



Contact Information

Hartman Income REIT
2909 Hillcroft, Suite 420
Houston, Texas 77057
Toll Free: 800-880-2212

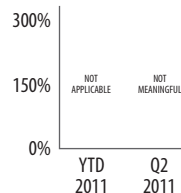
Year to Date FFO Payout Ratio

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



YTD Distributions Paid:.....\$136,137
 YTD FFO:,(\$138,676)

Historical FFO Payout Ratio



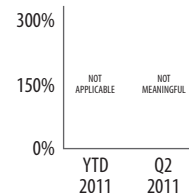
Year to Date MFFO Payout Ratio

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



YTD Distributions Paid:.....\$136,137
 YTD MFFO:,(\$38,138)
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio



Debt Maturity

Not Applicable

Current Debt Ratio

Not Applicable

Debt Breakdown

Not Applicable

Interest Coverage Ratio

Not Applicable

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:..... 0.00%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 12/31/10 46,551

Lease Expirations

Not Reported

Notes

- The 1Q 2011 distribution yield was incorrectly reported as 7.50% in the prior report. The correct distribution yield was 7.00%.
- On December 28, 2010, the Company entered into the limited liability company operating agreement of Hartman Richardson Heights Properties LLC (the "Joint Venture"). The Company owns 31% and Hartman XIX owns 69% of the Joint Venture as of June 30, 2011.
- Due to the Emerging LifeStage, most metrics are not meaningful at this point.
- MFFO is company reported and Blue Vault did not identify additional adjustments.
- Because the REIT did not have any debt outstanding, the Debt Ratio and Interest Coverage are not applicable.
- No share redemptions due to the fact that the REIT has been effective for less than 12 months.
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Hines Global REIT, Inc.

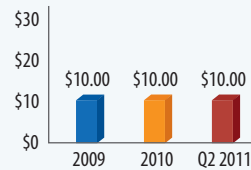
Total Assets.....	\$1,094.8 Million
Real Estate Assets	\$813.0 Million
Cash	\$250.2 Million
Securities	\$0.0 Million
Other.....	\$31.6 Million



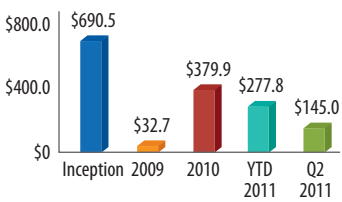
Cash to Total Assets Ratio:	22.9%
Asset Type:	Office, Industrial & Retail
Number of Properties:	7
Square Feet / Units / Rooms / Acres:	3.0 Million
Percent Leased:	98%
LifeStage.....	Stabilizing

Initial Offering Date:	August 5, 2009
Number of Months Fundraising:	22
Anticipated Offering Close Date:	August 5, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Historical Price

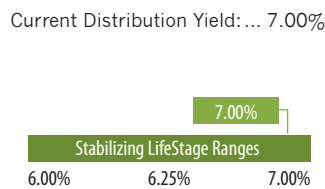


Gross Dollars Raised*

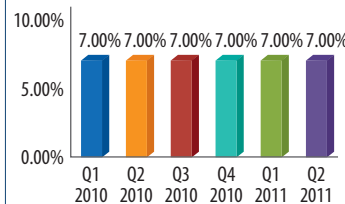


*Includes reinvested distributions (in millions)

Current Distribution



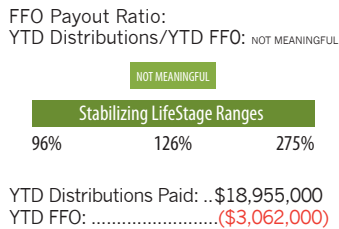
Historical Distribution



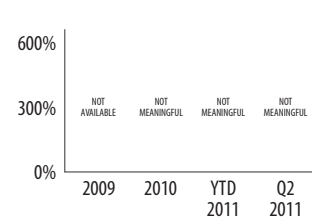
Contact Information

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

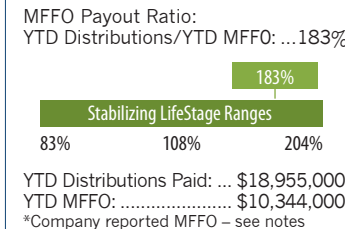
Year to Date FFO Payout Ratio



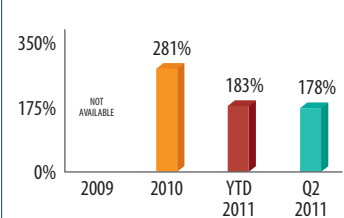
Historical FFO Payout Ratio



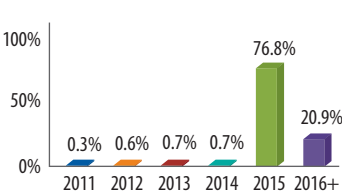
Year to Date MFFO Payout Ratio



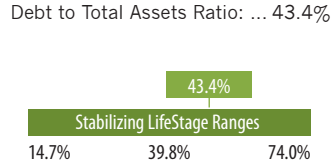
Historical MFFO Payout Ratio



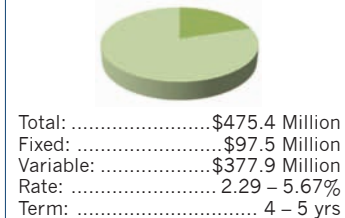
Debt Maturity



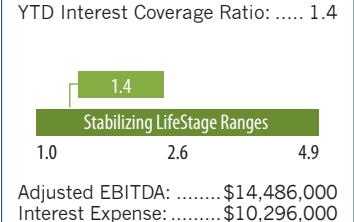
Current Debt Ratio



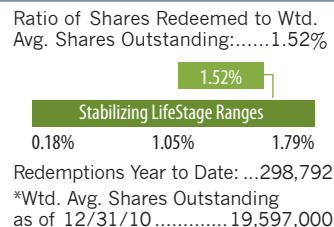
Debt Breakdown



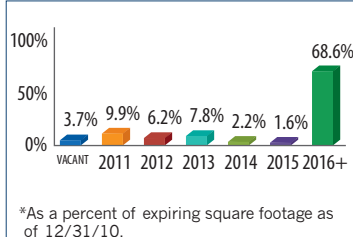
Interest Coverage Ratio



Redemptions



Lease Expirations*



Notes

- The board of directors extended the offering date to August 5, 2012.
- The REIT acquired one property in Russia during the second quarter for \$74.9 million.
- The REIT has had a Cash to Total Assets Ratio of over 20% for the past two quarters.
- The Percentage Leased grew from 97% in Q1 2011 to 98% in Q2 2011.
- Management uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Industrial Income Trust Inc.

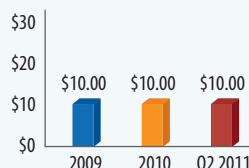
Total Assets..... \$684.5 Million
 Real Estate Assets \$648.0 Million
 Cash \$19.0 Million
 Securities \$0.0 Million
 Other \$17.5 Million



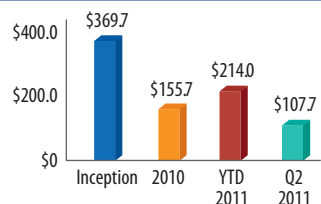
Initial Offering Date: December 18, 2009
 Number of Months Fundraising: 18
 Anticipated Offering Close Date: December 18, 2011
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 2.8%
 Asset Type: Industrial
 Number of Properties: 63
 Square Feet / Units / Rooms / Acres: 11.6 Million sq. ft.
 Percent Leased: 93%
 LifeStage: Stabilizing

Historical Price

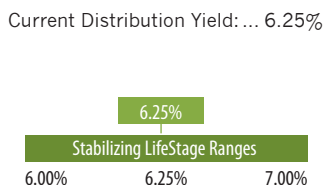


Gross Dollars Raised*

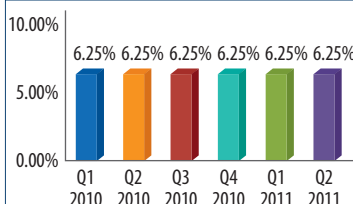


*Includes reinvested distributions (in millions)

Current Distribution



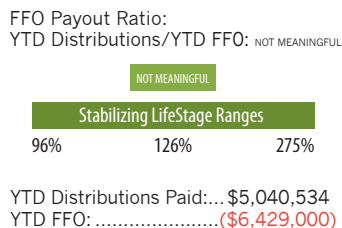
Historical Distribution



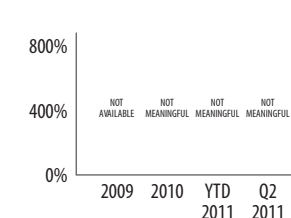
Contact Information

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

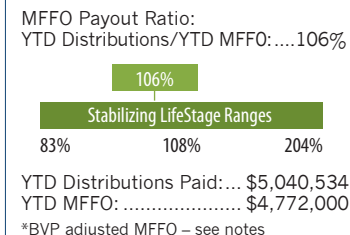
Year to Date FFO Payout Ratio



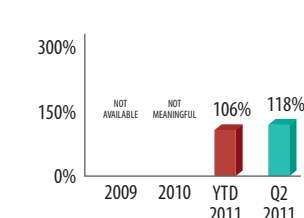
Historical FFO Payout Ratio



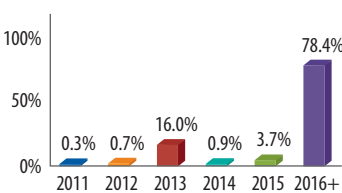
Year to Date MFFO Payout Ratio



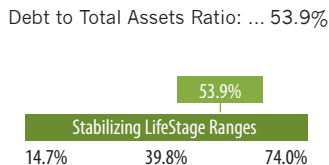
Historical MFFO Payout Ratio



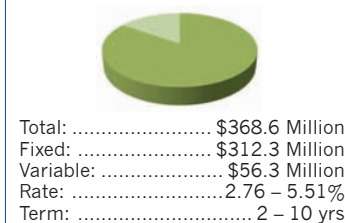
Debt Maturity



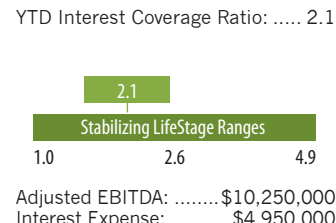
Current Debt Ratio



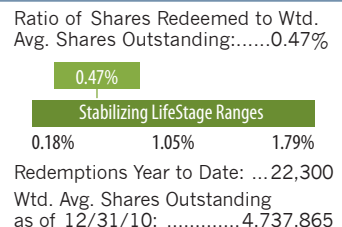
Debt Breakdown



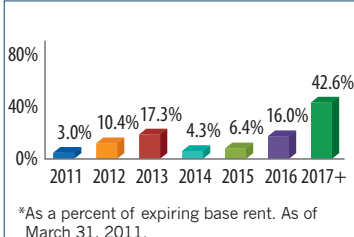
Interest Coverage Ratio



Redemptions



Lease Expirations*



Notes

- The REIT acquired several portfolios of properties totaling over \$270 million during the second quarter of 2011.
- The Debt to Total Assets Ratio increased from 48% in Q1 2011 to 53.9% in Q2 2011.
- The Interest Coverage Ratio of 2.1X is above the median of 1.9X compared to other "Growth" LifeStage REITs.
- The YTD 2011 Company Defined FFO of \$5,300,000 does not include (\$528,000) in amortization of straight-line rent and above- and below-market leases. Blue Vault Partners has included this to report YTD 2011 MFFO of \$4,772,000.
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Inland Diversified Real Estate Trust, Inc.

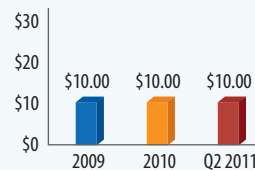
Total Assets.....	\$879.4 Million
Real Estate Assets	\$818.1 Million
Cash	\$40.7 Million
Securities	\$7.6 Million
Other	\$12.9 Million



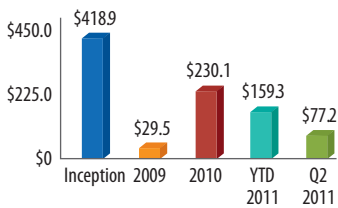
Initial Offering Date:	August 24, 2009
Number of Months Fundraising:	22
Anticipated Offering Close Date:	August 24, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	4.6%
Asset Type:	Diversified
Number of Properties:	44
Square Feet / Units / Rooms / Acres:	4,836,746 sq. ft. & 300 units
Percent Leased:	97.2%
LifeStage:	Stabilizing

Historical Price



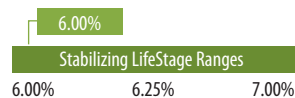
Gross Dollars Raised*



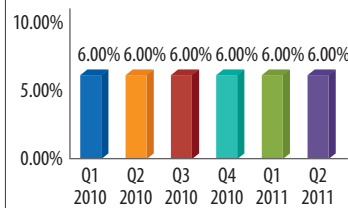
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution

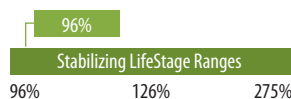


Contact Information

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

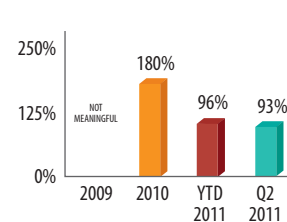
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 96%



YTD Distributions Paid: ... \$9,453,122
 YTD FFO: \$9,857,855

Historical FFO Payout Ratio



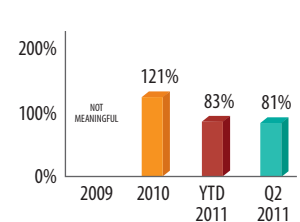
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 83%

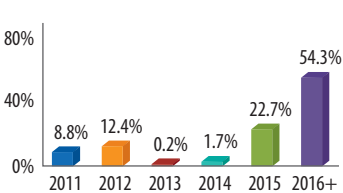


YTD Distributions Paid: .. \$9,453,122
 YTD MFFO: \$11,451,763
 *Blue Vault estimated MFFO^o - see notes

Historical MFFO Payout Ratio

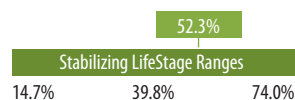


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 52.3%



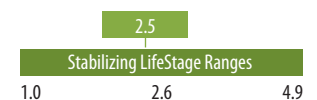
Debt Breakdown



Total: \$458.6 Million
 Fixed: \$360.5 Million
 Variable: \$98.0 Million
 Rate: 0.60% - 7.33%
 Term: 1 - 20 yrs

Interest Coverage Ratio

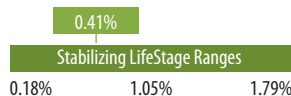
YTD Interest Coverage Ratio: 2.5



Adjusted EBITDA: \$18,418,823
 Interest Expense: \$7,392,230

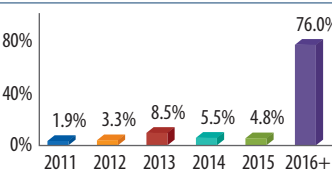
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 0.41%



Redemptions Year to Date: ... 56,128
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 13,671,936

Lease Expirations*



*As a percent of expiring base rent for both consolidated and unconsolidated properties (excluding multifamily properties)

Notes

- During the six months ended June 30, 2011, the Company acquired 16 properties for an aggregate purchase price of \$410.7 million.
- 20% of the REIT's debt expires in 2012 or sooner.
- The Interest Coverage Ratio of 2.5X is on par with the median of 2.6X for other "Stabilizing" LifeStage REITs.
- The Company did not report MFFO for 2011. The MFFO figures above are Blue Vault Partners' estimate.
- The offering has been extended for an additional year, through August 24, 2012.
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



KBS Legacy Partners Apartment REIT, Inc.

Total Assets.....	\$37.5 Million
Real Estate Assets	\$34.8 Million
Cash	\$1.7 Million
Securities	\$0.0 Million
Other	\$0.9 Million



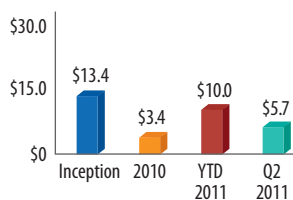
Initial Offering Date:	March 12, 2010
Number of Months Fundraising:	15
Anticipated Offering Close Date:	March 12, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	4.6%
Asset Type:	Multifamily
Number of Properties:	1
Square Feet / Units / Rooms / Acres:	453,178
Percent Leased:	96%
LifeStage:	Emerging

Historical Price



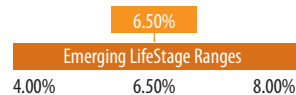
Gross Dollars Raised*



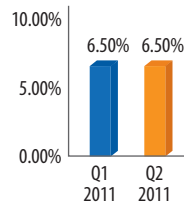
*Includes reinvested distributions (in millions)

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

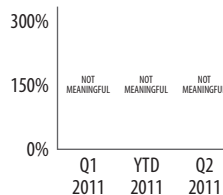
Year to Date FFO Payout Ratio

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



YTD Distributions Paid:..... \$198,000
 YTD FFO:, (\$286,000)

Historical FFO Payout Ratio



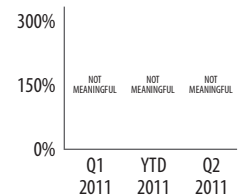
Year to Date MFFO Payout Ratio

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

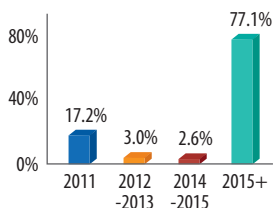


YTD Distributions Paid:..... \$198,000
 YTD MFFO:, (\$286,000)
 *BVP estimated MFFO – see notes

Historical MFFO Payout Ratio

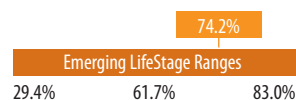


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 74.2%



Debt Breakdown



Total: \$27.8 Million
 Fixed: \$4.5 Million
 Variable: \$23.3 Million
 Rate: 3.8 – 6%
 Term: 1 – 6 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 0.7



Adjusted EBITDA: \$572,000
 Interest Expense: \$858,000

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:.....0.00%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 41,063

Lease Expirations

Not Reported

Notes

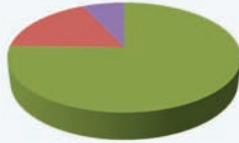
- Portfolio occupancy of 96% is higher than the national average for multifamily properties.
- The bridge loan from the Advisor has been paid down to \$4.5 million from \$14 million.
- The Company did not report MFFO for 2011. As a result, the MFFO figures above are Blue Vault Partners' estimate.
- The Debt to Total Assets Ratio for the period ending June 30, 2011 was 74.2% and declined from 87.7% as reported during the prior quarter.
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Lightstone Value Plus Real Estate Investment Trust II, Inc.

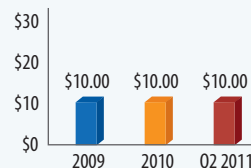
Total Assets.....	\$33.0 Million
Real Estate Assets	\$24.9 Million
Cash	\$5.8 Million
Securities	\$0.0 Million
Other	\$2.3 Million



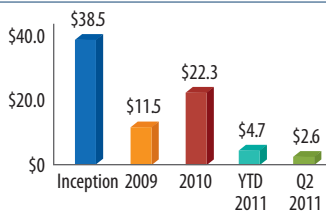
Initial Offering Date:	February 17, 2009
Number of Months Fundraising:	28
Anticipated Offering Close Date:	February 17, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio: 17.5%
 Asset Type: Diversified
 Number of Properties: 4 real estate related assets
 Square Feet / Units / Rooms / Acres: See Notes
 Percent Leased: See Notes
 LifeStage: Growth

Historical Price



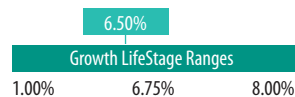
Gross Dollars Raised*



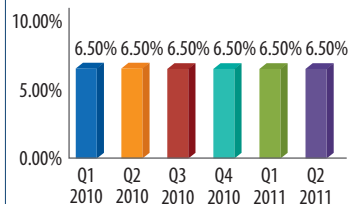
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution



Contact Information

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

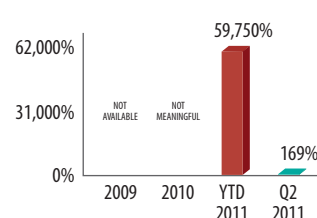
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: ... 59,750%



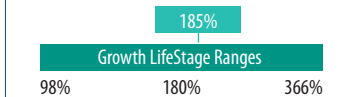
YTD Distributions Paid: ... \$1,195,000
 YTD FFO: \$2,000

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

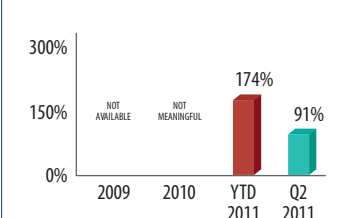
MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 174%



YTD Distributions Paid: \$1,195,000
 YTD MFFO: \$687,000

*Company reported MFFO – see notes

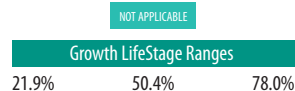
Historical MFFO Payout Ratio



Debt Maturity

No Debt @ 6/30/11

Current Debt Ratio



Debt Breakdown

No Debt @ 6/30/11

Interest Coverage Ratio

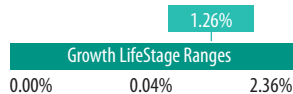
YTD Interest Coverage Ratio: NOT APPLICABLE



Adjusted EBITDA: (\$351,000)
 Interest Expense: ... NO DEBT @ 6/30/11

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 1.26%



Redemptions Year to Date: ... 32,000
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 2,539,994

Lease Expirations

Not Reported

Notes

- As of June 30, 2011, the Company owns a 34.413% membership interest in Brownmill, a 20% interest in the CP Boston Joint Venture and a 10% interest in the Rego Park Joint Venture.
- Because the REIT did not have any debt outstanding during the second quarter, the Debt Ratio and Interest Coverage Ratio are not applicable.
- The Company reported that its MFFO has been determined in accordance with the Investment Program Association ("IPA") definition of MFFO.
- See additional notes on page 84 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Moody National REIT I, Inc.

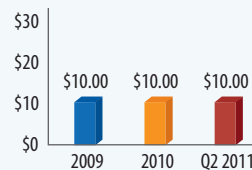
Total Assets.....	\$21.4 Million
Real Estate Assets	\$19.9 Million
Cash	\$0.1 Million
Securities	\$0.0 Million
Other	\$1.3 Million



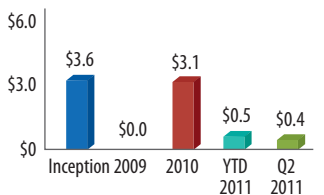
Initial Offering Date:	April 15, 2009
Number of Months Fundraising:	26
Anticipated Offering Close Date:	April 15, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	0.7%
Asset Type:	Hotels
Number of Properties:	1 property and 1 note
Square Feet / Units / Rooms / Acres:	128 rooms
Percent Leased:	80.5%
LifeStage:	Growth

Historical Price



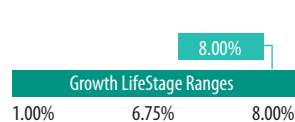
Gross Dollars Raised*



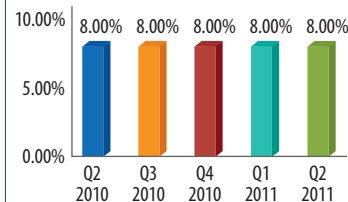
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 8.00%



Historical Distribution



Contact Information

Moody National REIT I, Inc.
Attn: Investor Relations
6363 Woodway Drive
Suite 110
Houston, Texas 77057
(713) 977-7500

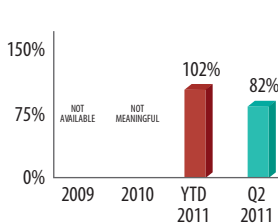
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: ... 102%



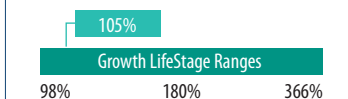
YTD Distributions Paid:..... \$146,078
 YTD FFO:..... \$142,577

Historical FFO Payout Ratio



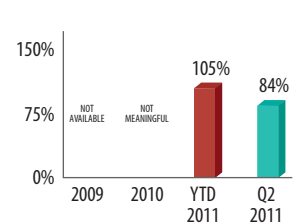
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 105%

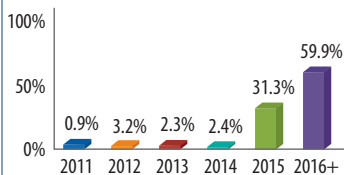


YTD Distributions Paid:..... \$146,078
 YTD MFFO*:..... \$139,020
 *Blue Vault adjusted MFFO – see notes

Historical MFFO Payout Ratio

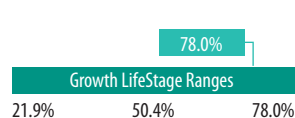


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 78.0%

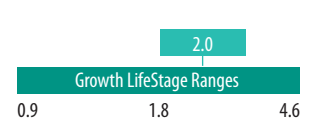


Debt Breakdown

Total: \$16.7 Million
 Fixed: \$16.7 Million
 Variable: \$0 Million
 Rate: 1.25 – 6.5%
 Term: 1 – 7 yrs

Interest Coverage Ratio

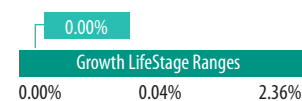
YTD Interest Coverage Ratio: 2.0



Adjusted EBITDA: \$381,501
 Interest Expense: \$190,421

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:..... 0.00%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 184,741

Lease Expirations

Not Reported

Notes

- The Company's Debt to Total Assets Ratio grew from 56.1% in Q1 2011 to 78.0% in Q2 2011.
- Over 90% of the Company's debt is due to mature in 2015 or later.
- Average occupancy of 80.5% is better than national averages.
- The Company reported Modified Funds from Operations (MFFO) for YTD 2011 of \$140,244, which included \$43,197 of stock/unit-based compensation and \$6,622 of amortized loan costs. Blue Vault Partners has excluded those items to report YTD 2011 MFFO of \$139,020.
- See additional notes on page 84 for information regarding the source of distributions.



Nontraded REIT Industry Review: Second Quarter 2011

Northstar Real Estate Income Trust, Inc.

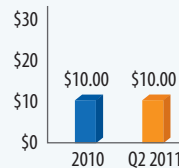
Total Assets.....	\$81.7 Million
Real Estate Assets	\$0.0 Million
RE Debt Investments.....	\$19.8 Million
Cash.....	\$24.0 Million
Securities	\$31.8 Million
Other.....	\$6.1 Million



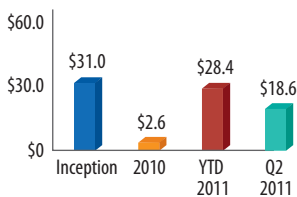
Initial Offering Date: July 19, 2010
 Number of Months Fundraising: 11
 Anticipated Offering Close Date: July 19, 2012
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 29.4%
 Asset Type: Securities
 Number of Properties: 2 First Mortgage Loans and 2 CMBS
 Square Feet / Units / Rooms / Acres: NA
 Percent Leased: NA
 LifeStage: Emerging

Historical Price



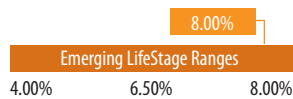
Gross Dollars Raised*



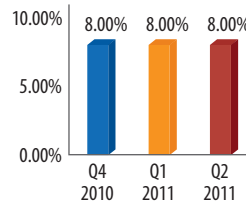
*Includes reinvested distributions (in millions)

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

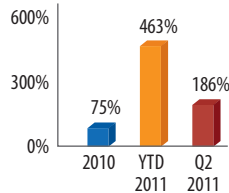
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 463%



YTD Distributions Paid: \$1,531,708
 YTD FFO: \$331,023

Historical FFO Payout Ratio



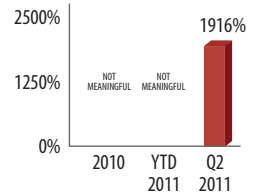
Year to Date MFFO Payout Ratio

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

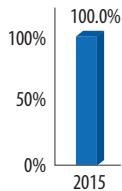


YTD Distributions Paid: \$1,531,708
 YTD MFFO: (\$51,917)
 *Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio

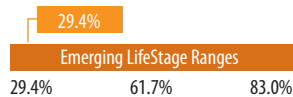


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 29.4%



Debt Breakdown

Total: \$24.1 Million
 Fixed: \$24.1 Million
 Variable: \$0.0 Million
 Rate: 3.69 – 3.73%
 Term: 4 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.7



Adjusted EBITDA: \$778,556
 Interest Expense: \$447,498

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 0.70%



Redemptions Year to Date: ... 14,748
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 2,104,915

Lease Expirations

Not Applicable

Notes

- The Company's Debt to Total Assets Ratio decreased from 39.9% in Q1 2011 to 29.4% in Q2 2011.
- 100% of the Company's debt is due to mature in 2015 or later.
- The Company reported YTD Adjusted Funds from Operations (AFFO) of (\$232,334) which includes (\$198,372) of acquisition fees and \$17,955 of equity based compensation amortization. Blue Vault Partners has excluded these items to report Modified Funds from Operations (MFFO) of (\$51,917).
- No share redemptions due to the fact that the REIT has been effective for less than 12 months
- See additional notes on page 84 for information regarding the source of distributions.


BlueVault
 PARTNERS, LLC

Nontraded REIT Industry Review: Second Quarter 2011

Paladin Realty Income Properties, Inc.

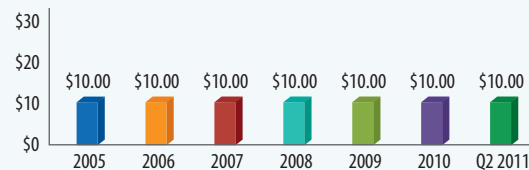
Total Assets.....	\$168.6 Million
Real Estate Assets	\$151.0 Million
Cash	\$10.1 Million
Securities	\$0.0 Million
Other	\$7.5 Million



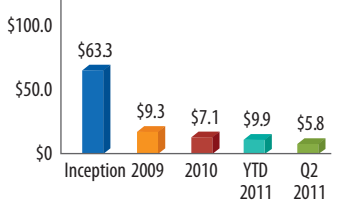
Initial Offering Date:	February 25, 2005
Number of Months Fundraising:	76
Anticipated Offering Close Date:	January 24, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	6.0%
Asset Type:	Diversified
Number of Properties:	12
Square Feet / Units / Rooms / Acres:	75,518 sq ft & 2,353 units
Percent Leased:	Not Reported
LifeStage:	Stabilizing

Historical Price



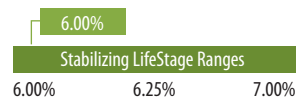
Gross Dollars Raised*



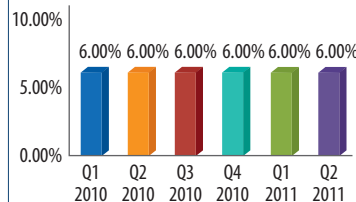
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution

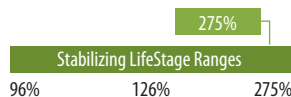


Contact Information

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

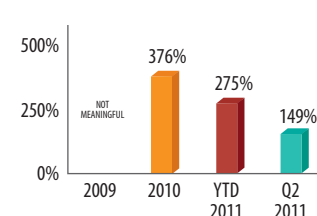
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 275%



YTD Distributions Paid: ... \$1,595,287
 YTD FFO: \$579,157

Historical FFO Payout Ratio



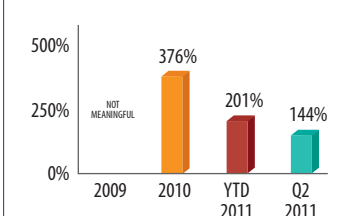
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 201%

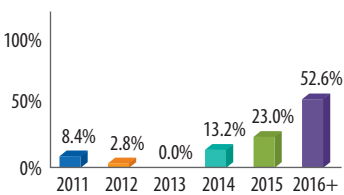


YTD Distributions Paid: .. \$1,595,287
 YTD MFFO: \$793,457
 *Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio



Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 74.0%



Debt Breakdown

Total: \$124.8 Million
 Fixed: \$124.8 Million
 Variable: \$0 Million
 Rate: 5.49 – 7.0%
 Term: <1 – 9 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.3



Adjusted EBITDA: \$5,028,015
 Interest Expense: \$3,868,498

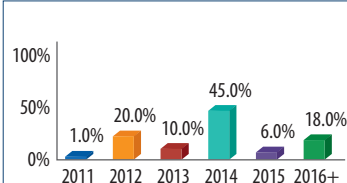
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 1.79%



Redemptions Year to Date: ... 85,771
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 4,787,071

Lease Expirations*



*As of 3/31/11.

Notes

- Previously deferred fees of \$2.2 million have been repaid since 2010.
- A 56,000 square foot property in Arkansas was sold for \$74 per square foot compared to a national average of approximately \$50 per square foot for industrial properties.
- The REIT has 20% of its portfolio concentrated in assets located in Missouri.
- The REIT's Debt to Total Asset Ratio of 74% is above the median of 34.1% for other "Stabilizing" LifeStage REITs.
- Lease expiration percentages are for the office and industrial properties only.
- The Company did not report MFFO for 2011. As a result, the MFFO figures above are Blue Vault Partners' estimate.
- See additional notes on page 84 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Phillips Edison – ARC Shopping Center REIT Inc.

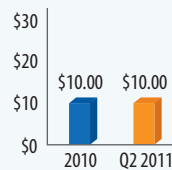
Total Assets.....	\$31.9 Million
Real Estate Assets	\$30.9 Million
Cash	\$0.2 Million
Securities	\$0.0 Million
Other	\$0.8 Million



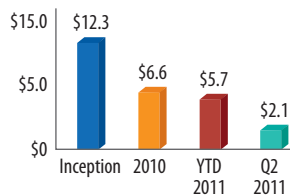
Initial Offering Date:	August 12, 2010
Number of Months Fundraising:	10
Anticipated Offering Close Date:	August 12, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	0.7%
Asset Type:	Retail
Number of Properties:	3
Square Feet / Units / Rooms / Acres:	247,493 sq. ft.
Percent Leased:	95.9%
LifeStage:	Emerging

Historical Price



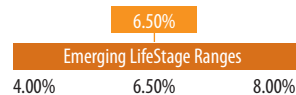
Gross Dollars Raised*



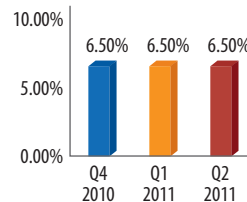
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution



Contact Information

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

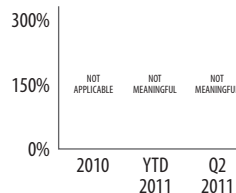
Year to Date FFO Payout Ratio

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



YTD Distributions Paid:..... \$311,000
 YTD FFO:

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

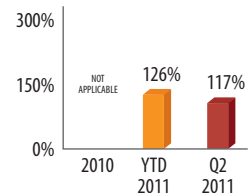
MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 126%



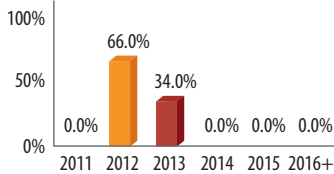
YTD Distributions Paid:..... \$311,000
 YTD MFFO:

*Blue Vault adjusted MFFO – see notes

Historical MFFO Payout Ratio

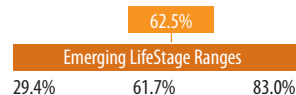


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 62.5%



Debt Breakdown

Total:	\$19.9 Million
Fixed:	\$0.0 Million
Variable:	\$19.9 Million
Rate:	3.10 – 3.25%
Term:	1 – 2 yrs.

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.5



Adjusted EBITDA: \$436,000
 Interest Expense: \$287,000

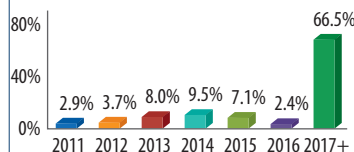
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:..... 0.00%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 168,419

Lease Expirations*



*Data as of 12/31/10.

Notes

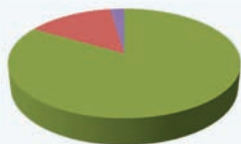
- The Company acquired one property during the second quarter for \$10.1 million.
- The Company's Debt to Total Assets Ratio grew to 62.5% for 2Q 2011 compared to 51.3% for Q1 2011.
- The Company reported MFFO of \$334,000 for YTD 2011 which included a \$88,000 contribution from the sponsor for certain general and administrative expenses. Blue Vault Partners has eliminated the contribution from the sponsor to report YTD 2011 MFFO of \$246,000.
- Sponsors have not received, and will not receive, any reimbursement or additional equity for the \$88,000 contribution noted above.
- No share redemptions due to the fact that the REIT has been effective for less than 12 months
- See additional notes on page 84 for information regarding the source of distributions.



Nontraded REIT Industry Review: Second Quarter 2011

Steadfast Income REIT, Inc.

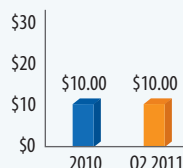
Total Assets.....	\$40.2 Million
Real Estate Assets	\$33.6 Million
Cash	\$5.7 Million
Securities	\$0.0 Million
Other	\$1.0 Million



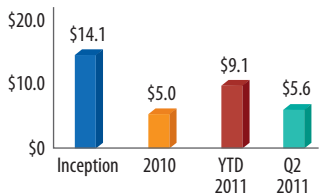
Initial Offering Date:	July 19, 2010
Number of Months Fundraising:	11
Anticipated Offering Close Date:	July 19, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	14.3%
Asset Type:	Multifamily
Number of Properties:	4
Square Feet / Units / Rooms / Acres:	685 units
Percent Leased:	98%
LifeStage:	Emerging

Historical Price

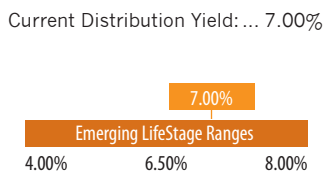


Gross Dollars Raised*

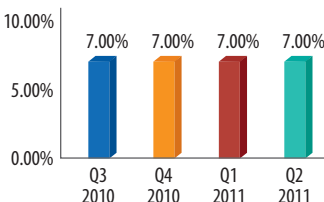


*Includes reinvested distributions (in millions)

Current Distribution



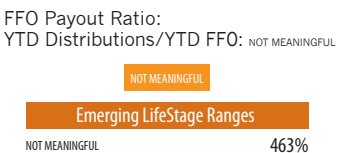
Historical Distribution



Contact Information

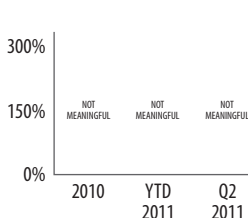
www.SteadfastREITs.com
Steadfast Capital Markets Group, LLC
 18100 Von Karman Avenue
 Suite 500
 Irvine, California 92612
 (949) 852-0700

Year to Date FFO Payout Ratio

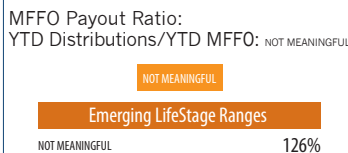


YTD Distributions Paid:..... \$494,604
 YTD FFO:, (\$708,561)

Historical FFO Payout Ratio

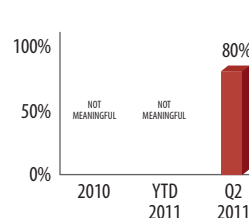


Year to Date MFFO Payout Ratio

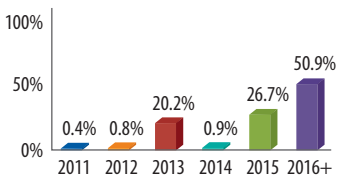


YTD Distributions Paid:..... \$494,604
 YTD MFFO:, (\$7,687)
 *Company reported MFFO – see notes

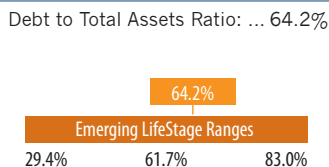
Historical MFFO Payout Ratio



Debt Maturity



Current Debt Ratio



Debt Breakdown

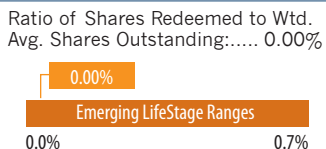
Total:	\$25.8 Million
Fixed:	\$25.8 Million
Variable:	\$0.00 Million
Rate:	4.58 – 6%
Term:	2 – 7 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio:..... 0.04

Adjusted EBITDA:	\$13,715
Interest Expense:	\$384,085

Redemptions



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding as of 12/31/10: 506,003

Lease Expirations

Not Reported

Notes

- The Company acquired two properties during the second quarter for \$17.7 million.
- Portfolio occupancy of 98% is higher than the national average for multifamily properties.
- The Company's Debt to Total Assets Ratio grew to 64.2% for 2Q 2011 compared to 53.0% for Q1 2011.
- The Company reported that its MFFO has been determined in accordance with the Investment Program Association ("IPA") definition of MFFO.
- No share redemptions due to the fact that the REIT has been effective for less than 12 months
- See additional notes on page 84 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Strategic Storage Trust, Inc.

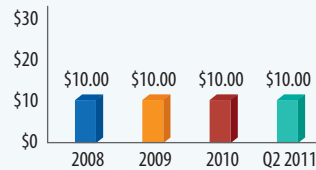
Total Assets.....	\$423.3 Million
Real Estate Assets	\$380.2 Million
Cash	\$14.6 Million
Securities	\$0.0 Million
Other	\$28.5 Million



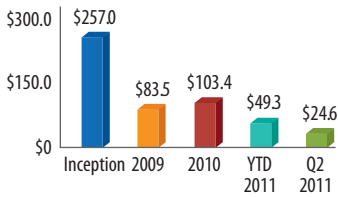
Initial Offering Date:	March 17, 2008
Number of Months Fundraising:	36
Anticipated Offering Close Date:	September 17, 2011
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	3.4%
Asset Type:	Storage
Number of Properties:	72
Square Feet / Units / Rooms / Acres:	5.9 million sq. ft.
Percent Leased:	78.2%
LifeStage:	Growth

Historical Price



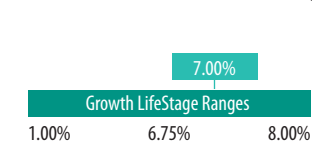
Gross Dollars Raised*



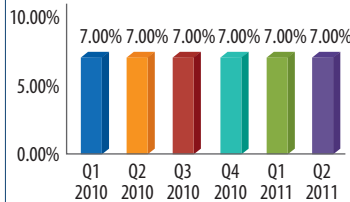
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

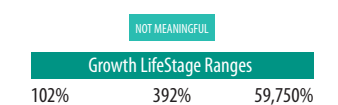


Contact Information

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

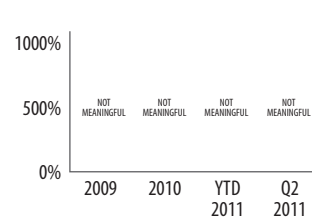
Year to Date FFO Payout Ratio

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



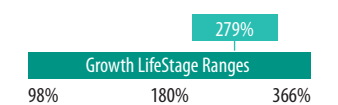
YTD Distributions Paid: ... \$9,844,877
 YTD FFO: ... (\$319,684)

Historical FFO Payout Ratio



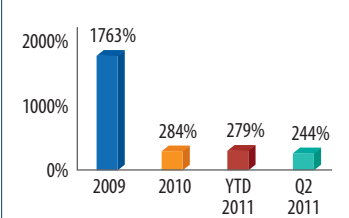
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...279%

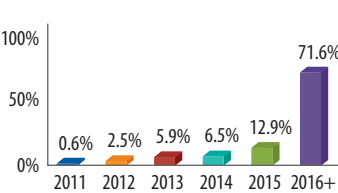


YTD Distributions Paid: ... \$9,844,877
 YTD MFFO: ... \$3,533,501
 *BVP estimated MFFO – see notes

Historical MFFO Payout Ratio

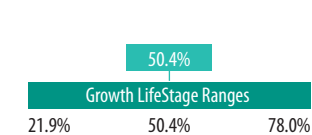


Debt Maturity

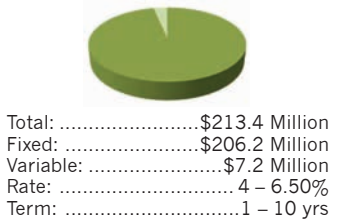


Current Debt Ratio

Debt to Total Assets Ratio: ... 50.4%

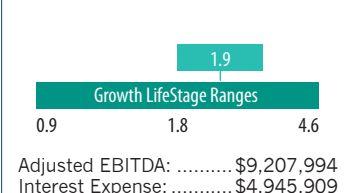


Debt Breakdown



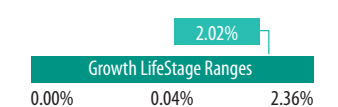
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.9



Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:2.02%



Redemptions Year to Date: ... 439,000
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 21,706,053

Lease Expirations



Notes

- The Company acquired 11 storage facilities during the second quarter for \$45 million.
- As of June 30, 2011, the Company owned self storage facilities located in 17 states and Canada.
- The weighted average capitalization rate at acquisition for the 72 self storage facilities owned as of June 30, 2011 was approximately 7.65%.
- The Company's Debt to Total Assets Ratio increased to 50.4% for 2Q 2011 compared to 39% for the year ending 2010.
- The Company did not report MFFO for 1Q 2011. MFFO is a Blue Vault estimate.
- See additional notes on page 84 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



TNP Strategic Retail Trust, Inc.

Total Assets.....	\$104.0 Million
Real Estate Assets	\$94.0 Million
Cash	\$0.6 Million
Securities	\$0.0 Million
Other	\$9.4 Million



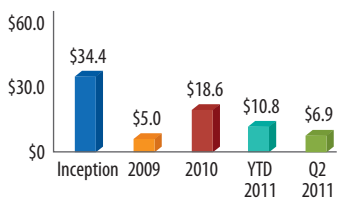
Initial Offering Date:	August 7, 2009
Number of Months Fundraising:	22
Anticipated Offering Close Date:	August 7, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	2.5%
Asset Type:	Retail
Number of Properties:	6
Square Feet / Units / Rooms / Acres:	615,025
Percent Leased:	83.0%
LifeStage:	Growth

Historical Price



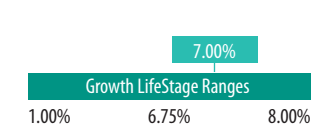
Gross Dollars Raised*



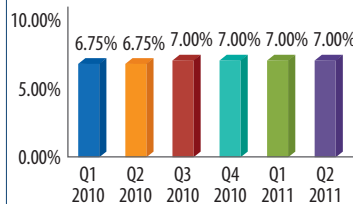
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

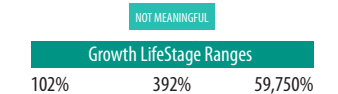


Contact Information

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

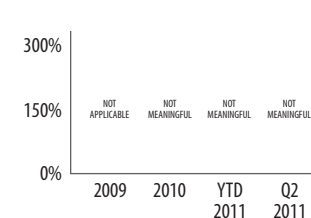
Year to Date FFO Payout Ratio

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



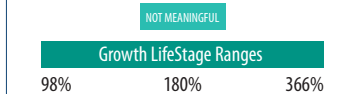
YTD Distributions Paid:..... \$933,000
 YTD FFO:, (\$1,454,000)

Historical FFO Payout Ratio



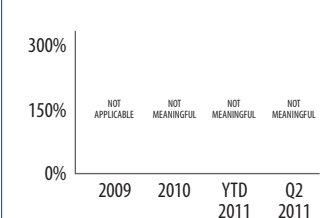
Year to Date MFFO Payout Ratio

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

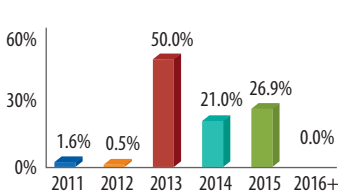


YTD Distributions Paid:..... \$933,000
 YTD MFFO:, (\$294,000)
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

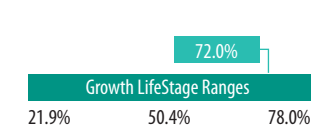


Debt Maturity

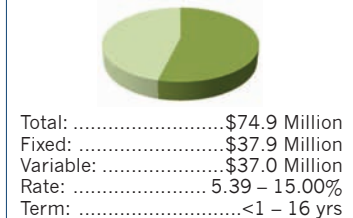


Current Debt Ratio

Debt to Total Assets Ratio: ... 72.0%



Debt Breakdown



Interest Coverage Ratio

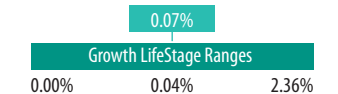
YTD Interest Coverage Ratio: 0.9



Adjusted EBITDA:, \$1,290,000
 Interest Expense:, \$1,503,000

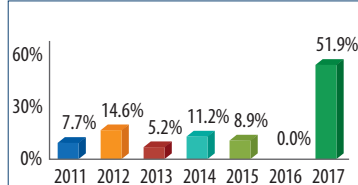
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:.....0.07%



Redemptions Year to Date: 1,000
 Wtd. Avg. Shares Outstanding
 as of 12/31/10:, 1,483,179

Lease Expirations*



*Data as of 12/31/10.

Notes

- The REIT acquired one property during the second quarter of 2011 for \$15 million.
- On June 29, 2011, the REIT acquired mortgage loans, for an aggregate purchase price of approximately \$18,000,000, exclusive of closing costs.
- The REIT has an Interest Coverage Ratio of 0.9X which is significantly below the median of 1.9X for "Growth" LifeStage REITs.
- The Company reported MFFO in accordance with IPA guidelines.
- See additional notes on page 84 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



United Development Funding IV

Total Assets.....	\$113.0 Million
Real Estate Assets	\$93.2 Million
Cash	\$5.3 Million
Securities	\$0.0 Million
Other	\$14.5 Million



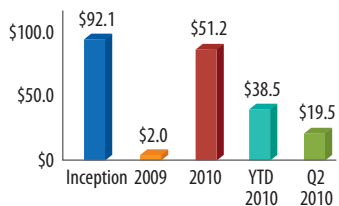
Initial Offering Date:	November 12, 2009
Number of Months Fundraising:	23
Anticipated Offering Close Date:	November 12, 2012
Current Price per Share:	\$20.00
Reinvestment Price per Share:	\$20.00

Cash to Total Assets Ratio: 4.7%
 Asset Type: Mortgage Loans
 Number of Properties: 14 related party participation and
 note agreements, 22 notes with third-parties
 Square Feet / Units / Rooms / Acres: NA
 Percent Leased: NA
 LifeStage: Growth

Historical Price



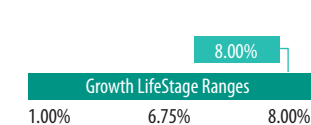
Gross Dollars Raised*



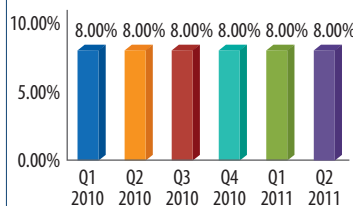
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 8.00%



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

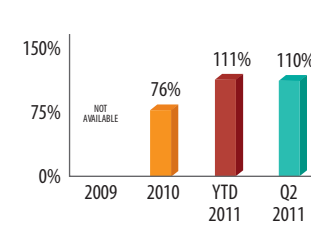
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 111%



YTD Distributions Paid: ... \$3,339,563
 YTD FFO: \$3,019,409

Historical FFO Payout Ratio



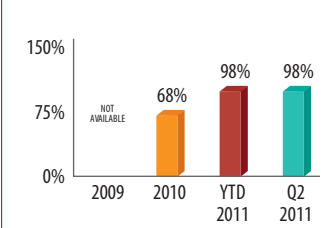
Year to Date MFFO Payout Ratio

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

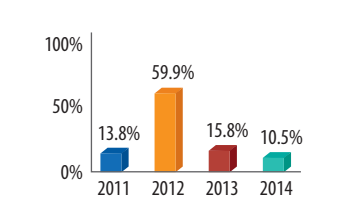


YTD Distributions Paid: .. \$3,339,563
 YTD MFFO: \$3,403,832
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

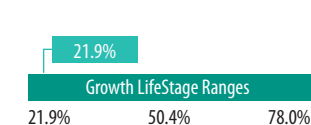


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 21.9%



Debt Breakdown

Total: \$24.7 Million
 Fixed: \$9.8 Million
 Variable: \$14.9 Million
 Rate: 5.0 – 8.5%
 Term: 1– 3 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 4.6



Adjusted EBITDA: \$4,072,369
 Interest Expense: \$886,315

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 1.10%



Redemptions Year to Date: ... 14,613
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 1,332,149

Lease Expirations

Not Reported

Notes

- 100% of the REIT's portfolio relates to property located in the state of Texas.
- On June 27, 2011, the board of trustees authorized a special distribution to shareholders of record as of the close of business on August 31, 2011. This special distribution will be paid pro rata over all common shares of beneficial interest outstanding as of August 31, 2011 in an amount equal to \$0.05 per common share of beneficial interest. This special distribution will be paid in cash and DRIP shares in September 2011.
- The REIT has an Interest Coverage Ratio of 4.6X which is well above the median of 1.9X for other "Growth" LifeStage REITs.
- The Company reported MFFO in accordance with IPA guidelines.
- See additional notes on page 84 for information regarding the source of distributions.



Nontraded REIT Industry Review: Second Quarter 2011

Wells Core Office Income REIT, Inc.

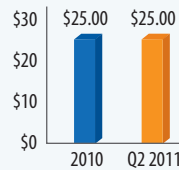
Total Assets.....	\$177.8 Million
Real Estate Assets	\$163.7 Million
Cash	\$2.3 Million
Securities	\$0.0 Million
Other	\$11.8 Million



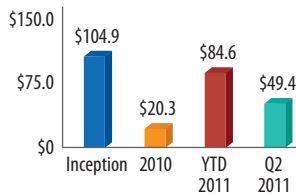
Initial Offering Date:	June 10, 2010
Number of Months Fundraising:	12
Anticipated Offering Close Date:	June 10, 2012
Current Price per Share:	\$25.00
Reinvestment Price per Share:	\$23.75

Cash to Total Assets Ratio:	1.3%
Asset Type:	Office
Number of Properties:	6
Square Feet / Units / Rooms / Acres:	898,000
Percent Leased:	99%
LifeStage:	Growth

Historical Price



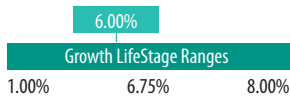
Gross Dollars Raised*



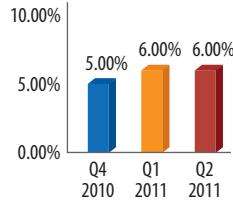
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.00%



Historical Distribution

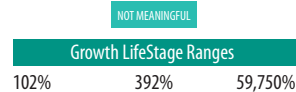


Contact Information

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

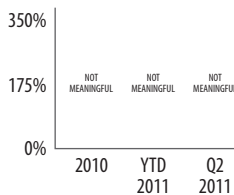
Year to Date FFO Payout Ratio

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



YTD Distributions Paid: ... \$1,448,790
 YTD FFO: ... (\$1,743,440)

Historical FFO Payout Ratio



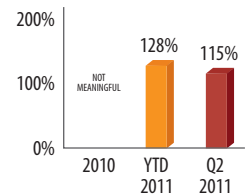
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 128%

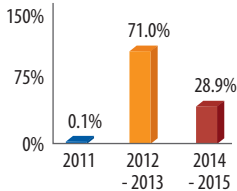


YTD Distributions Paid: ... \$1,448,790
 YTD MFFO: ... \$1,129,200
 *Company reported MFFO - see notes

Historical MFFO Payout Ratio

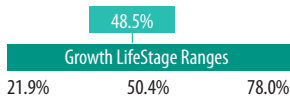


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 48.5%



Debt Breakdown

Total:	\$86.3 Million
Fixed:	\$0.0 Million
Variable:	\$86.3 Million
Rate:	2.25 - 4%
Term:	1 - 4yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.7



Adjusted EBITDA: \$1,855,840
 Interest Expense: \$1,061,097

Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding: 0.00%



Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding
 as of 12/31/10: 114,526

Lease Expirations

Not Reported

Notes

- During the second quarter of 2011, the REIT acquired three properties for a total purchase price of \$110.8 million.
- The Debt to Total Assets Ratio increased to 48.5% for the period ending June 30, 2011 compared to the previous quarter of 29.2%.
- The Interest Coverage Ratio increased to 1.7X for the period ending June 30, 2011 compared to the previous quarter of 1.2X.
- The YTD 2011 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.
- No share redemptions due to the fact that the REIT has been effective for less than 12 months.
- See additional notes on page 84 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Wells Timberland REIT, Inc.

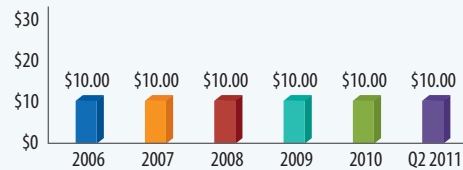
Total Assets.....	\$348.1 Million
Real Estate Assets	\$334.0 Million
Cash	\$6.4 Million
Securities	\$0.0 Million
Other	\$7.6 Million



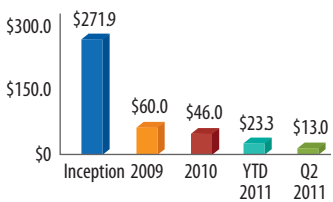
Initial Offering Date:	August 11, 2006
Number of Months Fundraising:	58
Anticipated Offering Close Date:	December 31, 2011
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.55

Cash to Total Assets Ratio:	1.8%
Asset Type:	Timberland
Number of Properties:	1
Square Feet / Units / Rooms / Acres:	302,500 acres
Percent Leased:	Not Applicable
LifeStage:	Stabilizing

Historical Price



Gross Dollars Raised*



*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... NOT APPLICABLE

Not Applicable

Historical Distribution

Not Applicable

Contact Information

Wells Timberland REIT, Inc.
Wells Real Estate Funds, 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

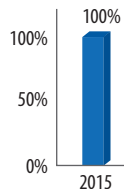
Year to Date MFFO Payout Ratio

Not Applicable

Historical MFFO Payout Ratio

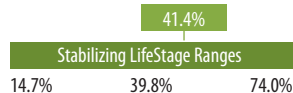
Not Applicable

Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 41.4%



Debt Breakdown



Total:	\$144.1 Million
Fixed:	\$43.5 Million
Variable:	\$100.6 Million
Rate:	2.085 – 5.085%
Term:	5 yrs

Interest Coverage Ratio

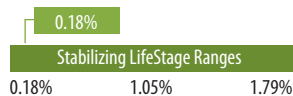
YTD Interest Coverage Ratio: 1.0



Adjusted EBITDA: \$3,372,298
 Interest Expense: \$3,264,397

Redemptions

Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.18%



Redemptions Year to Date: ... 40,165
 Wtd. Avg. Shares Outstanding as of 12/31/10: 22,356,438

Lease Expirations

Not Applicable

Notes

- The Interest Coverage Ratio increased to 1.0X for the period ending June 30, 2011 compared to the previous quarter of 0.3X.
- The Debt to Total Assets Ratio decreased slightly to 41.4% for the period ending June 30, 2011 compared to the previous quarter of 44.4%.
- On May 9, 2011, Wells Timberland REIT declared a stock dividend for the third quarter of 2011 in the amount of 0.000054348 shares per day per share on the outstanding shares of its common stock to the stockholders of record of such shares as shown on the books of Wells Timberland REIT at the close of business on each day during the period commencing on June 16, 2011 and continuing through and including September 15, 2011. This stock dividend is to be distributed during September 2011. As of June 30, 2011, Wells Timberland REIT had recognized an other liability in the accompanying consolidated balance sheets for the par value related to approximately 23,670 shares of Wells Timberland REIT's common stock pursuant to this declaration.

Nontraded REIT Industry Review: Second Quarter 2011



Effective Nontraded REITs with Limited Operating Results

	Effective Date	LifeStage	Minimum Shares Sold / Funds Released from Escrow	Gross Offering Proceeds Raised Since Inception (in \$ Millions)	Total Assets (in \$ Millions)	Real Estate / Real Estate Related Assets Owned	Distributions Declared	Debt on Balance Sheet
American Realty Capital – Retail Centers of America, Inc.	March 17, 2011	Emerging	No	NA	\$0.020	None	None	None
American Realty Capital Trust III, Inc.	March 31, 2011	Emerging	No	NA	\$0.030	None	None	None
Carter Validus Mission Critical REIT, Inc.	Dec. 10, 2010	Emerging	Yes	\$6.7	\$6.2	None	7.0% beginning July 2011	None
Clarion Partners Property Trust, Inc.	May 16, 2011	Emerging	No	NA	\$0.3	None	None	None
CNL Properties Trust, Inc.	May 17, 2011	Emerging	No	NA	\$0.2	None	None	None
Cole Corporate Income Trust, Inc.	Feb. 10, 2011	Emerging	Yes	\$3.7	\$38.1	1 Property	6.50%	\$32.0
FundCore Institutional REIT, Inc.	Oct. 20, 2010	Emerging	No	NA	\$1.6	None	None	None
Global Growth Trust, Inc.	Oct. 20, 2009	Emerging	Yes	\$27.8	\$23.3	1 Joint Venture	Stock Distributions: .08 of a share (annualized)	None
Green Realty Trust, Inc.	Dec. 9, 2010	Emerging	No	NA	\$0.2	None	None	None
Independence Realty Trust	June 13, 2010	Emerging	No	NA	\$104.5	6.0% beginning 6 Properties	July 2011	\$64.6
KBS Real Estate Investment Trust III, Inc.	Oct. 26, 2010	Emerging	Yes	\$29.9	\$25.2	1 First Mortgage Loan	6.50%	None
KBS Strategic Opportunity REIT, Inc.	Nov. 20, 2009	Growth	Yes	\$110.9	\$93.6	5 Properties	None	None
Resource Real Estate Opportunity REIT, Inc.	June 16, 2010	Emerging	Yes	\$39.0	\$44.6	1 Property, 6 Non-performing Promissory Notes, and 2 Performing Promissory Notes	Stock Distributions: .015 of a share declared in 2Q 2011 and .015 of a share declared in 1Q 2011	None



Nontraded REIT Industry Review: Second Quarter 2011

Cornerstone Core Properties REIT, Inc.

Total Assets.....	\$85.8 Million
Real Estate Assets	\$82.6 Million
Cash	\$1.5 Million
Securities	\$0.0 Million
Other	\$1.7 Million



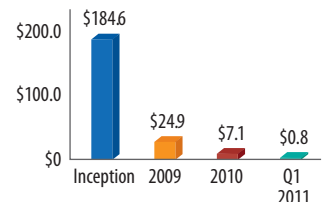
Initial Offering Date: January 6, 2006
 Number of Months Fundraising: Suspended
 Anticipated Offering Close Date: June 10, 2011
 Current Price per Share: \$8.00
 Reinvestment Price per Share: \$7.60

Cash to Total Assets Ratio: 1.8%
 Asset Type: Diversified
 Number of Properties: 12
 Square Feet / Units / Rooms / Acres: 1.1 Million
 Percent Leased: 79.3%
 LifeStage: Growth

Historical Price



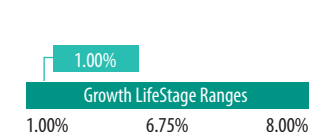
Gross Dollars Raised*



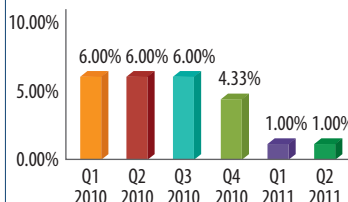
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 1.00%



Historical Distribution

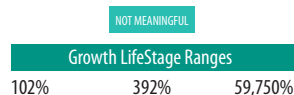


Contact Information

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

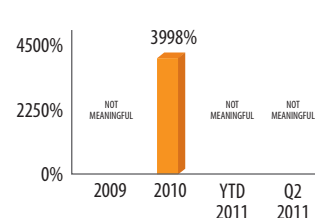
Year to Date FFO Payout Ratio

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



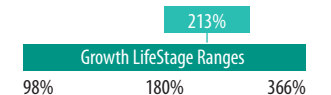
YTD Distributions Paid:..... \$611,000
 YTD FFO: (\$44,058,000)

Historical FFO Payout Ratio



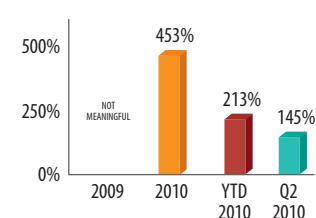
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...213%

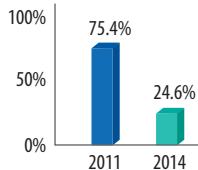


YTD Distributions Paid:..... \$611,000
 YTD MFFO: \$287,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

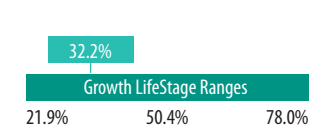


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 32.2%



Debt Breakdown

Total: \$27.6 Million
 Fixed: \$6.8 Million
 Variable: \$20.8 Million
 Rate: 1.63 – 5.89%
 Term: <1 – 3 yrs



Interest Coverage Ratio

YTD Interest Coverage Ratio: NOT MEANINGFUL



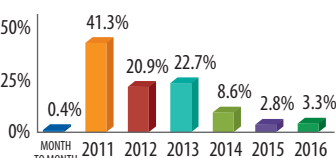
Adjusted EBITDA: (\$495,000)
 Interest Expense: \$611,000

Redemptions

Suspended

Wtd. Avg. Shares Outstanding
 as of 12/31/10: 22,921,142

Lease Expirations



*As a percent of expiring base rent.
 As of 12/31/10

Notes

- Effective November 23, 2010, the REIT discontinued making or accepting offers to purchase shares of stock in its public offering while the board of directors evaluates strategic alternatives to maximize value.
- As of June 30, 2011, the board of directors continues to evaluate strategic alternatives to reposition the company and preserve and increase shareholders' value. Specifically, it is pursuing options for restructuring and repaying debt, including asset sales, sourcing additional equity capital and obtaining new financing that will reposition the assets.
- Effective December 1, 2010, the board of directors resolved to reduce distributions on its common stock to a current annualized rate of \$0.08 per share (1% based on a share price of \$8.00), from the prior annualized rate of \$0.48 per share (6% based on a share price of \$8.00), in order to preserve capital that may be needed for capital improvements, debt repayment or other corporate purposes.
- The board of directors approved an amendment to the stock repurchase program to suspend redemptions under the program effective December 31, 2010.
- The Company reported MFFO in accordance with IPA guidelines.
- See additional notes on page 82 for information regarding the source of distributions.



Nontraded REIT Industry Review: Second Quarter 2011

Cornerstone Healthcare Plus REIT, Inc.

Total Assets.....	\$193.2 Million
Real Estate Assets	\$147.7 Million
Cash	\$31.7 Million
Securities	\$0.0 Million
Other	\$12.9 Million



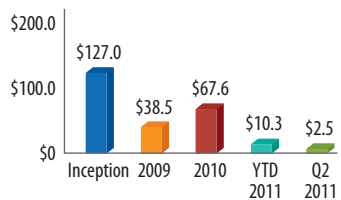
Initial Offering Date: June 20, 2008
 Number of Months Fundraising: Suspended
 Anticipated Offering Close Date: February 4, 2013
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 16.4%
 Asset Type: Diversified
 Number of Properties: 15
 Square Feet / Units / Rooms / Acres: 761,279
 Percent Leased: 86.7%
 LifeStage: Growth

Historical Price

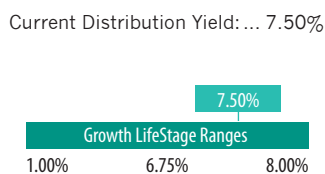


Gross Dollars Raised*

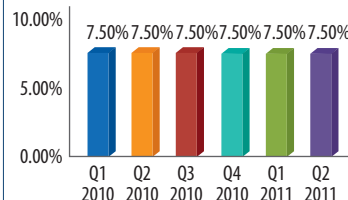


*Includes reinvested distributions (in millions)

Current Distribution



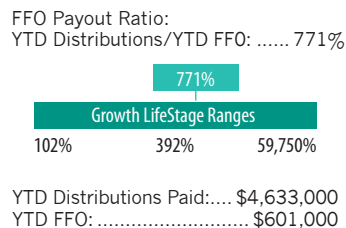
Historical Distribution



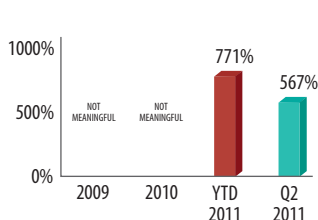
Contact Information

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

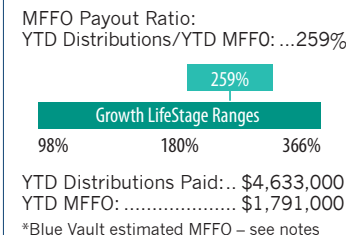
Year to Date FFO Payout Ratio



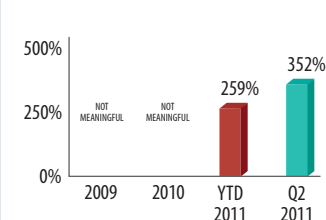
Historical FFO Payout Ratio



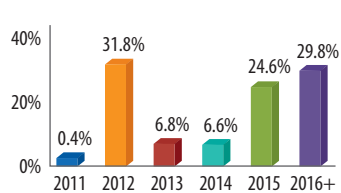
Year to Date MFFO Payout Ratio



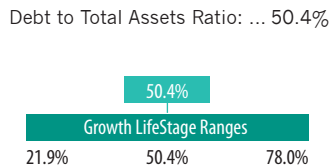
Historical MFFO Payout Ratio



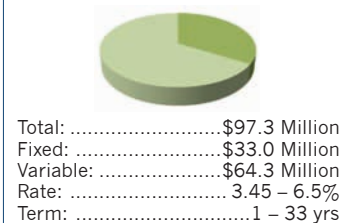
Debt Maturity



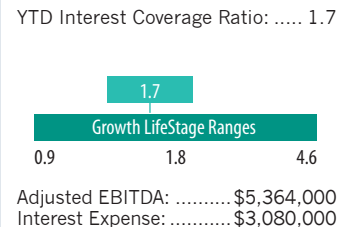
Current Debt Ratio



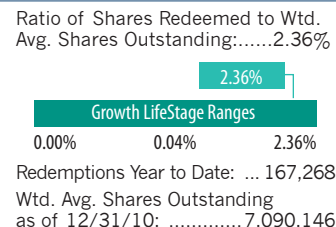
Debt Breakdown



Interest Coverage Ratio



Redemptions



Lease Expirations



Notes

- The REIT acquired one property during the second quarter of 2011 for \$9.0 million.
- The Cash to Total Assets Ratio has remained above 16% for the past four quarters.
- On April 29, 2011, the Company informed its stockholders that the Independent Directors Committee had directed it to suspend its offering, the dividend reinvestment plan and the stock repurchase program (except repurchases due to death) because of the uncertainty associated with the Independent Directors Committee consideration of various strategic alternatives to enhance stockholders' value. As a result, the distribution reinvestment plan was suspended effective as of May 10, 2011.
- The Company did not report MFFO for 1Q 2011. MFFO is a Blue Vault estimate.
- See additional notes on page 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Apartment Trust of America, Inc.

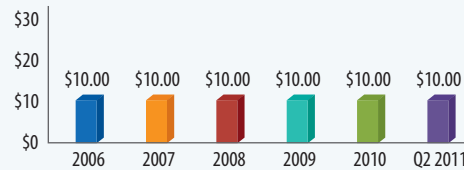
Total Assets.....	\$362.2 Million
Real Estate Assets	\$344.7 Million
Cash	\$0.9 Million
Securities	\$0.0 Million
Other	\$16.5 Million



Initial Offering Date: July 19, 2006
 Offering Close Date: July 17, 2011
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 0.3%
 Asset Type: Multifamily
 Number of Properties: 15
 Square Feet / Units / Rooms / Acres: 3,973 units
 Percent Leased: Not Applicable
 LifeStage: Maturing

Historical Price



Redemptions

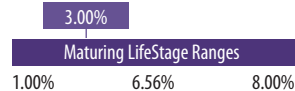
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.00%

Suspended

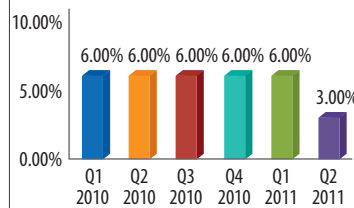
Redemptions Year to Date: SUSPENDED
 Wtd. Avg. Shares Outstanding as of 12/31/10: 18,356,824

Current Distribution

Current Distribution Yield: ... 3.00%



Historical Distribution

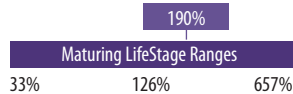


Contact Information

www.ATAREIT.com
Apartment Trust of America
Corporate Office
10467 White Granite Drive
Suite 300
Oakton, VA 22124
703-279-1300

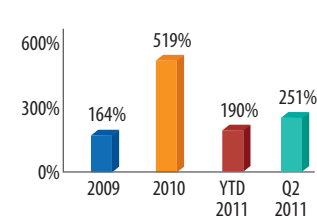
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 190%



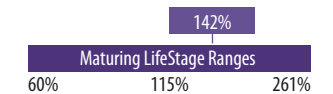
YTD Distributions Paid: ... \$4,400,000
 YTD FFO: \$2,310,000

Historical FFO Payout Ratio



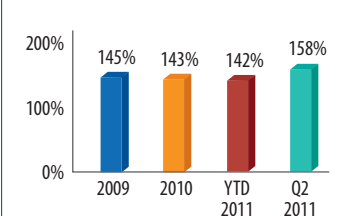
Year to Date MFFO Payout Ratio

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

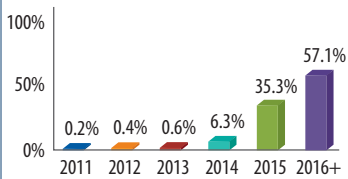


YTD Distributions Paid: .. \$4,400,000
 YTD MFFO: \$3,109,000
 *Blue Vault Adjusted MFFO – see notes

Historical MFFO Payout Ratio

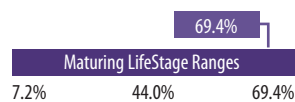


Debt Maturity

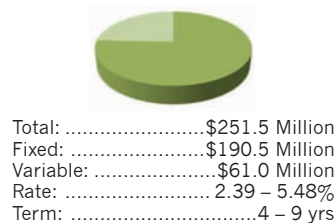


Current Debt Ratio

Debt to Total Assets Ratio: ... 69.4%



Debt Breakdown



Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.5



Adjusted EBITDA: \$9,344,000
 Interest Expense: \$6,263,000

Lease Expirations

The majority of leases are 12 months or less

Notes

- The follow-on offering terminated on July 17, 2011.
- In February 2011, the board of directors determined that it is in the best interest of the company and its stockholders to preserve the company's cash, and terminated the share repurchase plan. Accordingly, pending share repurchase requests will not be fulfilled. Following December 31, 2010, the Company has not repurchased any shares of common stock.
- The company reported YTD 2011 MFFO of \$3,926,000 which included \$817,000 of litigation expense. Blue Vault Partners eliminated the litigation expense to report MFFO of \$3,109,000.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Apple REIT Six, Inc.

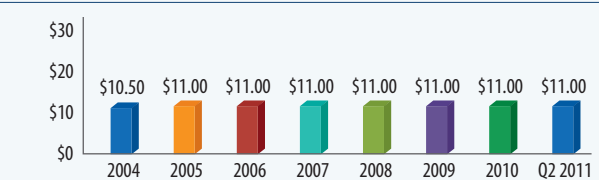
Total Assets.....	\$775.7 Million
Real Estate Assets	\$755.5 Million
Cash	\$0.0 Million
Securities	\$0.0 Million
Other	\$20.2 Million



Initial Offering Date: January 23, 2004
 Offering Close Date: March 3, 2006
 Current Price per Share: \$11.00
 Reinvestment Price per Share: \$11.00

Cash to Total Assets Ratio: 0.00%
 Asset Type: Hotels
 Number of Properties: 66
 Square Feet / Units / Rooms / Acres: 7,658 rooms
 Percent Leased: 75%
 LifeStage: Maturing

Historical Price



Redemptions

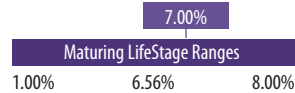
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 1.41%

Program Open

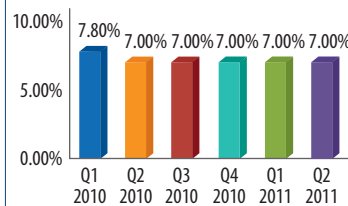
Redemptions Year to Date: ... 1,289,491
 Wtd. Avg. Shares Outstanding as of 12/31/10: 91,323,000

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

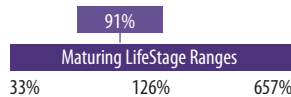


Contact Information

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

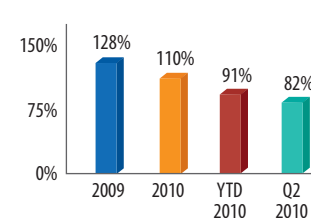
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 91%



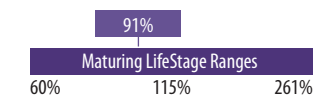
YTD Distributions Paid: ... \$35,150,000
 YTD FFO: \$38,807,000

Historical FFO Payout Ratio



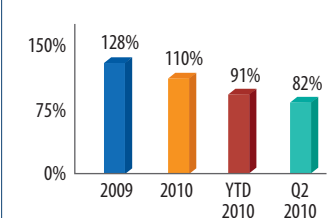
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 91%

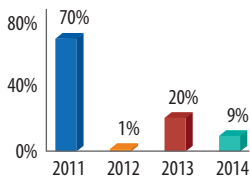


YTD Distributions Paid: ... \$35,150,000
 YTD MFFO: \$38,807,000
 *Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio



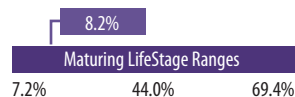
Debt Maturity



*As of 12/31/10

Current Debt Ratio

Debt to Total Assets Ratio: 8.2%

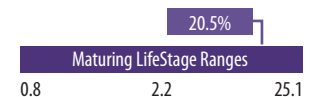


Debt Breakdown

Total: \$63.5 Million
 Fixed: \$19.8 Million
 Variable: \$43.7 Million
 Rate: 5.00 – 8.52%
 Term: <1 – 4 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: ... 20.5



Adjusted EBITDA: \$40,093,000
 Interest Expense: \$1,957,000

Lease Expirations

Not Reported

Notes

- The Company sold two properties during the second quarter of 2011 for \$10.8 million.
- On August 19, 2011, the Company announced that its board of directors has authorized the evaluation of a potential consolidation transaction in which Apple REIT Six, Inc., Apple REIT Seven, Inc., Apple REIT Eight, Inc., Apple REIT Nine, Inc. would be combined, which consolidation transaction could also include a listing of the stock of the combined enterprise for trading on a national exchange at the time of such combination or at a future date.
- The Company did not report YTD 2011 MFFO. The YTD 2011 MFFO figure is a Blue Vault Partners' estimate.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Apple REIT Seven, Inc.

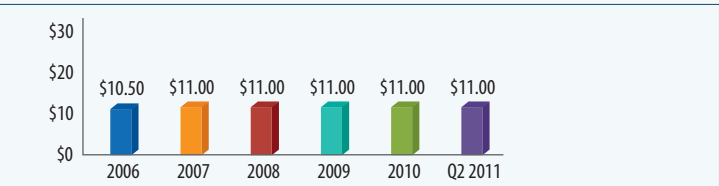
Total Assets.....	\$883.4 Million
Real Estate Assets	\$858.4 Million
Cash.....	\$0.0 Million
Securities	\$0.0 Million
Other.....	\$25.0 Million



Initial Offering Date: March 15, 2006
 Offering Close Date: July 16, 2007
 Current Price per Share: \$11.00
 Reinvestment Price per Share: \$11.00

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: Maturing

Historical Price



Redemptions

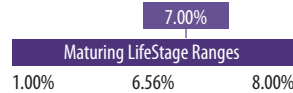
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 1.57%

Program Open

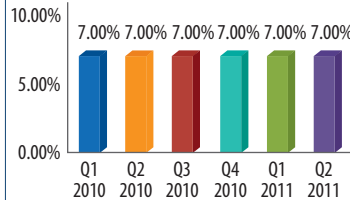
Redemptions Year to Date: 1,457,018
 Wtd. Avg. Shares Outstanding as of 12/31/10: 92,627,000

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

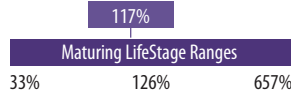


Contact Information

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

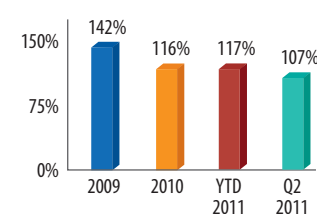
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 117%



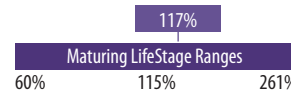
YTD Distributions Paid: \$35,283,000
 YTD FFO: \$30,084,000

Historical FFO Payout Ratio



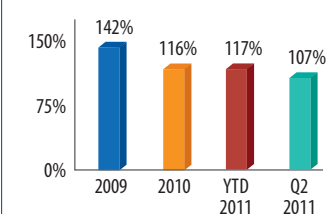
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: .. 117%

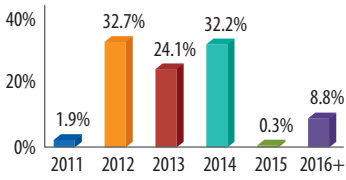


YTD Distributions Paid: \$35,283,000
 YTD MFFO: \$30,084,000
 *Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio



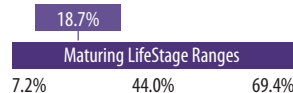
Debt Maturity



*As of 12/31/10

Current Debt Ratio

Debt to Total Assets Ratio: ... 18.7%

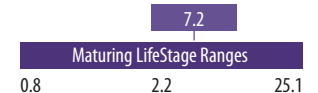


Debt Breakdown

Total: \$164.9 Million
 Fixed: \$111.9 Million
 Variable: \$53.0 Million
 Rate: 5 – 6.95%
 Term: 1 – 6 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 7.2



Adjusted EBITDA: \$34,912,000
 Interest Expense: \$4,828,000

Lease Expirations

Not Reported

Notes

- The Debt to Total Assets Ratio increased to 18.7% for the period ending June 30, 2011 compared to 14.6% for the period ending June 30, 2010.
- On August 19, 2011, the Company announced that its board of directors has authorized the evaluation of a potential consolidation transaction in which Apple REIT Six, Inc., Apple REIT Seven, Inc., Apple REIT Eight, Inc., Apple REIT Nine, Inc. would be combined, which consolidation transaction could also include a listing of the stock of the combined enterprise for trading on a national exchange at the time of such combination or at a future date.
- The Company did not report YTD 2011 MFFO. The YTD 2011 MFFO figure is a Blue Vault Partners' estimate.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Apple REIT Eight, Inc.

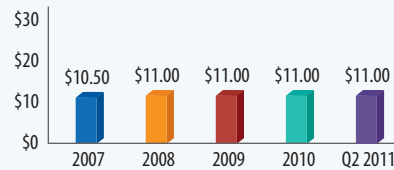
Total Assets.....	\$953.0 Million
Real Estate Assets	\$928.9 Million
Cash	\$0.1 Million
Securities	\$0.0 Million
Other	\$24.0 Million



Initial Offering Date: July 19, 2007
 Offering Close Date: April 30, 2008
 Current Price per Share: \$11.00
 Reinvestment Price per Share: \$11.00

Cash to Total Assets Ratio: 0.00%
 Asset Type: Hotels
 Number of Properties: 51
 Square Feet / Units / Rooms / Acres: 5,910 rooms
 Percent Leased: 78%
 LifeStage: Maturing

Historical Price



Redemptions

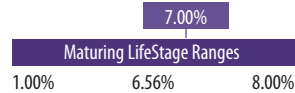
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 1.55%

Program Open

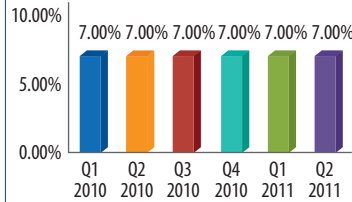
Redemptions Year to Date: 1,461,663
 Wtd. Avg. Shares Outstanding as of 12/31/10: 94,170,000

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

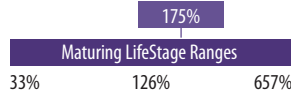


Contact Information

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

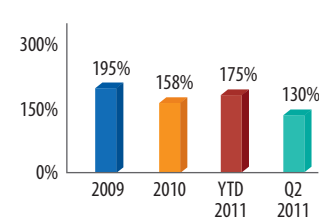
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 175%



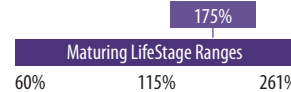
YTD Distributions Paid: \$36,288,000
 YTD FFO: \$20,694,000

Historical FFO Payout Ratio



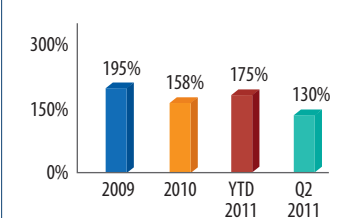
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 175%

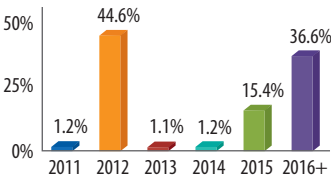


YTD Distributions Paid: \$36,288,000
 YTD MFFO: \$20,694,000
 *Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio



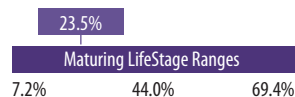
Debt Maturity



*As of 12/31/10

Current Debt Ratio

Debt to Total Assets Ratio: ... 23.5%

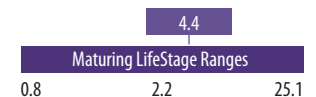


Debt Breakdown

Total: \$224.0 Million
 Fixed: \$147.6 Million
 Variable: \$76.3 Million
 Rate: 3.5 – 6.29%
 Term: 1 – 7 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 4.4



Adjusted EBITDA: \$26,733,000
 Interest Expense: \$6,039,000

Lease Expirations

Not Reported

Notes

- The Debt to Total Assets Ratio increased to 23.5% for the period ending June 30, 2011 compared to 19.8% for the period ending June 30, 2010.
- On August 19, 2011, the Company announced that its board of directors has authorized the evaluation of a potential consolidation transaction in which Apple REIT Six, Inc., Apple REIT Seven, Inc., Apple REIT Eight, Inc., Apple REIT Nine, Inc. would be combined, which consolidation transaction could also include a listing of the stock of the combined enterprise for trading on a national exchange at the time of such combination or at a future date.
- The Company did not report YTD 2011 MFFO. The YTD 2011 MFFO figure is a Blue Vault Partners estimate.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Apple REIT Nine Inc.

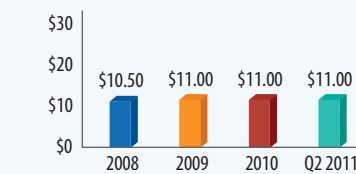
Total Assets.....	\$1,749.1 Million
Real Estate Assets ...	\$1,608.3 Million
Cash.....	\$67.7 Million
Securities	\$0.0 Million
Other.....	\$73.1 Million



Initial Offering Date:April 25, 2008
 Offering Close Date: December 9, 2010
 Current Price per Share:\$11.00
 Reinvestment Price per Share:\$11.00

Cash to Total Assets Ratio:3.9%
 Asset Type: Hotels
 Number of Properties:86
 Square Feet / Units / Rooms / Acres: 10,982 rooms
 Percent Leased:74%
 LifeStage:..... Maturing

Historical Price



Redemptions

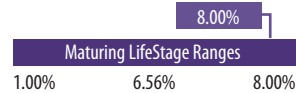
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding:.....0.51%

Program Open

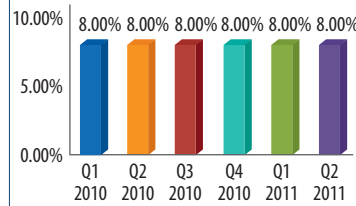
Redemptions Year to Date: ...697,258
 Wtd. Avg. Shares Outstanding as of 12/31/10: 135,825,000

Current Distribution

Current Distribution Yield: ... 8.00%



Historical Distribution

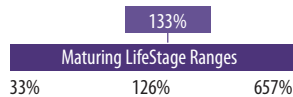


Contact Information

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

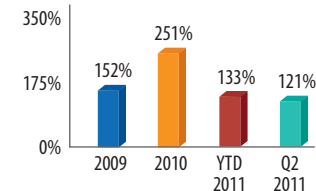
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 133%



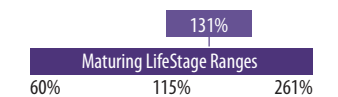
YTD Distributions Paid: ..\$80,044,000
 YTD FFO:.....\$60,021,000

Historical FFO Payout Ratio



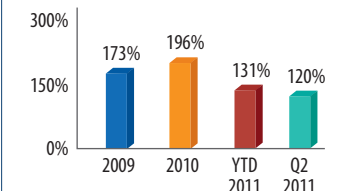
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...131%

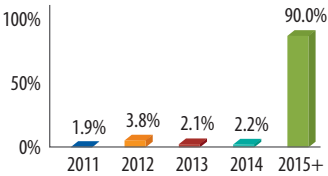


YTD Distributions Paid:..\$80,044,000
 YTD MFFO:.....\$61,277,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio



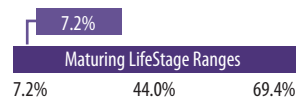
Debt Maturity



*As of 12/31/10

Current Debt Ratio

Debt to Total Assets Ratio: 7.2%



Debt Breakdown

Total:\$125.6 Million
 Fixed:\$125.6 Million
 Variable:\$0.0 Million
 Rate: 0 – 6.59%
 Term:1 – 6 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: ... 25.1



Adjusted EBITDA:\$66,102,000
 Interest Expense:.....\$2,638,000

Lease Expirations

Not Reported

Notes

- On August 19, 2011, the Company announced that its board of directors has authorized the evaluation of a potential consolidation transaction in which Apple REIT Six, Inc., Apple REIT Seven, Inc., Apple REIT Eight, Inc. Apple REIT Nine, Inc. would be combined, which consolidation transaction could also include a listing of the stock of the combined enterprise for trading on a national exchange at the time of such combination or at a future date.
- In July 2011, under the guidelines of the Company's Unit Redemption Program, the Company redeemed approximately 1.5 million Units in the amount of \$16.0 million under its Unit Redemption Program. As contemplated in the Program, 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. The redemption was approximately 41% of the requested redemption amount.
- In August 2011, the Company entered into a contract for the potential sale of its 110 parcels of land and improvements located in the Ft. Worth, Texas area for a total purchase price of \$198.4 million. Although the purchaser is not affiliated with the Company, a partner of the purchaser is also a member of the Board of Directors of Apple REIT Ten, Inc.
- MFFO is company reported and Blue Vault Partners did not identify additional adjustments.
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Behringer Harvard Opportunity REIT I, Inc.

Total Assets.....	\$608.0 Million
Real Estate Assets	\$567.5 Million
Cash	\$14.9 Million
Securities	\$0.0 Million
Other	\$25.6 Million

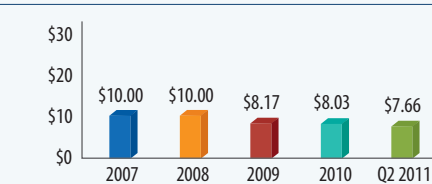


Initial Offering Date: September 20, 2005
 Offering Close Date: December 28, 2007
 Current Price per Share*: \$7.66
 Reinvestment Price per Share: \$7.66

*See notes

Cash to Total Assets Ratio: 2.5%
 Asset Type: Diversified
 Number of Properties: 20
 Square Feet / Units / Rooms / Acres: Not Reported
 Percent Leased: Not Reported
 LifeStage: Liquidating

Historical Price



Redemptions

Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.00%

Suspended

Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding as of 12/31/10: 56,255,000

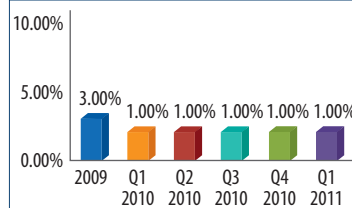
Current Distribution

Current Distribution Yield: ... SEE NOTES

NOT AVAILABLE

Liquidating LifeStage Ranges
 NOT AVAILABLE 2.50%

Historical Distribution



Contact Information

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

Year to Date FFO Payout Ratio

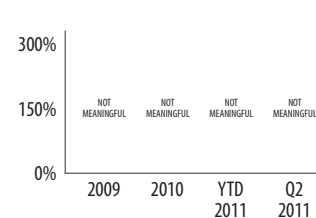
FFO Payout Ratio:
 YTD Distributions/YTD FFO: NOT MEANINGFUL

NOT MEANINGFUL

Liquidating LifeStage Ranges
 NOT MEANINGFUL 90%

YTD Distributions Paid: \$1,410,000
 YTD FFO: (\$47,428,000)

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

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

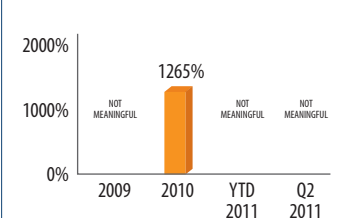
NOT MEANINGFUL

Liquidating LifeStage Ranges
 NOT MEANINGFUL 76%

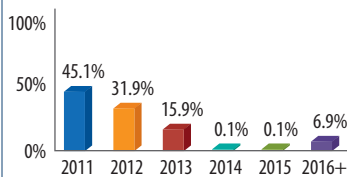
YTD Distributions Paid: \$1,410,000
 YTD MFFO: (\$7,191,000)

*Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio



Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 51.1%

51.1%

Liquidating LifeStage Ranges
 51.1% 55.1% 59.0%

Debt Breakdown



Total: \$310.7 Million
 Fixed: \$30.3 Million
 Variable: \$280.4 Million
 Rate: 1.7 – 15%
 Term: <1 – 5 yrs

Interest Coverage Ratio

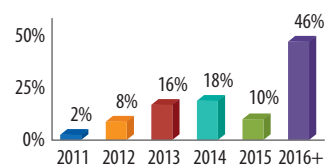
YTD Interest Coverage Ratio: 0.6

0.6

Liquidating LifeStage Ranges
 0.6 1.2 1.7

Adjusted EBITDA: \$5,913,000
 Interest Expense: \$9,311,000

Lease Expirations*



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

Notes

- In connection with entering the disposition phase, on March 28, 2011, the Company's 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.
- The REIT owns investment properties that are located in Arizona, California, Colorado, Missouri, Nevada, Texas, the Commonwealth of The Bahamas, London, England, the Czech Republic, Poland, Hungary, and Slovakia.
- The Company notes that the majority of the net proceeds from sales occurring in 2011 will be used to provide liquidity to refinance maturing debt, cover operating expenses, and make enhancements to portfolio properties in cases where additional investment makes sense for maximizing total stockholder value.
- On January 10, 2011, as is customary for REITs entering the disposition phase and in accordance with the Company's third amended and restated share redemption program, the board suspended the redemption program with respect to all redemption requests until further notice.
- The Company calculates Modified Funds from Operations or "MFFO" as defined by the Investment Program Association ("IPA").
- See additional notes on page 81 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Behringer Harvard REIT I, Inc.

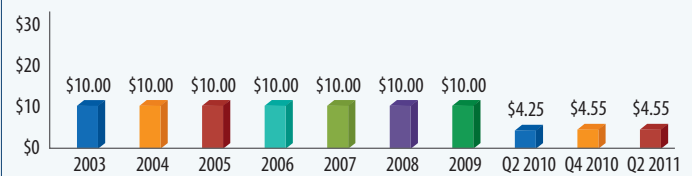
Total Assets.....	\$3,856.9 Million
Real Estate Assets ...	\$3,526.7 Million
Cash.....	\$108.3 Million
Securities	\$0.0 Million
Other.....	\$221.9 Million



Initial Offering Date:February 19, 2003
 Offering Close Date: December 31, 2008
 Current Price per Share:\$4.55
 Reinvestment Price per Share:\$4.55

Cash to Total Assets Ratio:2.8%
 Asset Type: Office
 Number of Properties: 62
 Square Feet / Units / Rooms / Acres:23.1 million sq. ft.
 Percent Leased:84%
 LifeStage:..... Maturing

Historical Price



Redemptions

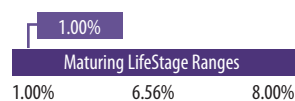
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding:.....0.16%

Suspended – Death and Disability Redemptions Only

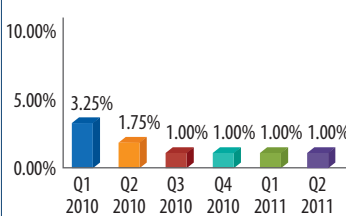
Redemptions Year to Date: ... 471,420
 Wtd. Avg. Shares Outstanding as of 12/31/10:294,241,424

Current Distribution

Current Distribution Yield: ... 1.00%



Historical Distribution

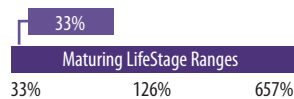


Contact Information

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

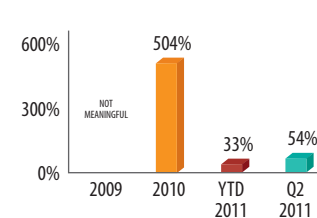
Year to Date FFO Payout Ratio

FFO Payout Ratio: YTD Distributions/YTD FFO: 33%



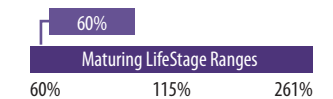
YTD Distributions Paid: \$14,785,000
 YTD FFO: \$45,066,000

Historical FFO Payout Ratio



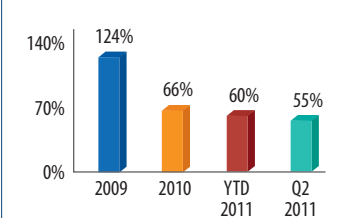
Year to Date MFFO Payout Ratio

MFFO Payout Ratio: YTD Distributions/YTD MFFO:60%

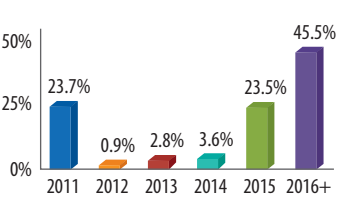


YTD Distributions Paid: \$14,785,000
 YTD MFFO: \$24,769,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

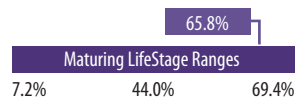


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 65.8%



Debt Breakdown

Total:\$2,538.3 Million
 Fixed:\$2,419.2 Million
 Variable:\$119.1 Million
 Rate: 2.94 – 7.78%
 Term:<1 – 6 yrs

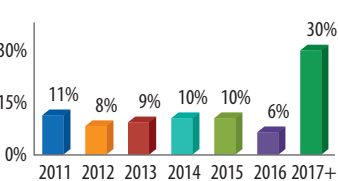
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.5



Adjusted EBITDA:\$121,528,000
 Interest Expense:\$79,651,000

Lease Expirations*



* As a percentage of total square feet as of 12/31/10.

Notes

- Distribution yields are based on a \$10 per share price. Reported distributions are those paid to common shareholders.
- The Company has approximately 1.5 million square feet of scheduled lease expirations in the remainder of 2011.
- In June 2011, the Company sold AMEC Paragon I & II which was located in Houston, Texas and in July 2011 sold Downtown Plaza property, located in Long Beach, California. The Company intends to sell at least four other properties during 2011.
- At June 30, 2011, the Company had cash and restricted cash of approximately \$206.3 million, which is anticipated to be used for leasing costs, to restructure or refinance debt, or for other strategic opportunities.
- Effective January 1, 2011, the Company has modified its definition of MFFO to be consistent with the definition established by the IPA.
- 2010 MFFO reported as \$110.2 million includes \$23.5 million gain on extinguishment of debt. Blue Vault eliminated to report 2010 MFFO of approximately \$86.7 million.
- See additional notes on page 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



CNL Lifestyle Properties, Inc.

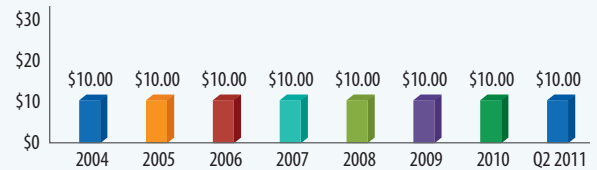
Total Assets.....	\$2,940.4 Million
Real Estate Assets ...	\$2,407.6 Million
Cash.....	\$342.9 Million
Securities	\$0.0 Million
Other.....	\$189.9 Million



Initial Offering Date:April 16, 2004
 Offering Close Date:April 9, 2011
 Current Price per Share:\$10.00
 Reinvestment Price per Share:\$9.50

Cash to Total Assets Ratio: 11.7%
 Asset Type: Diversified
 Number of Properties: 150
 Square Feet / Units / Rooms / Acres: Not Reported
 Percent Leased: Not Reported
 LifeStage: Maturing

Historical Price



Redemptions

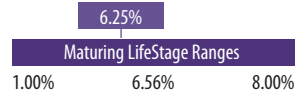
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.58%

Program Open

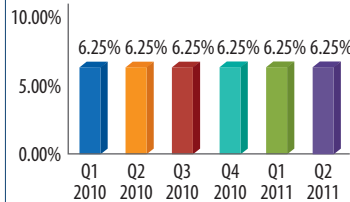
Redemptions Year to Date: 1,522,555
 Wtd. Avg. Shares Outstanding as of 12/31/10: 263,516,000

Current Distribution

Current Distribution Yield: ... 6.25%



Historical Distribution

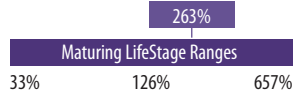


Contact Information

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

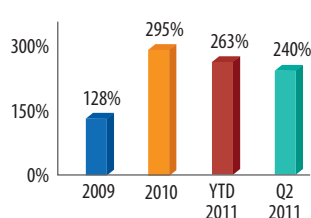
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 263%



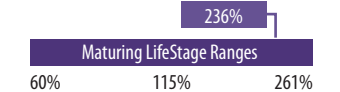
YTD Distributions Paid:.. \$92,470,000
 YTD FFO: \$35,121,000

Historical FFO Payout Ratio



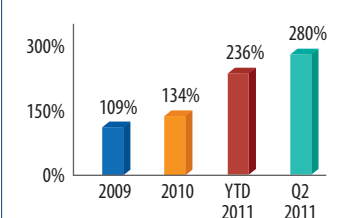
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 236%

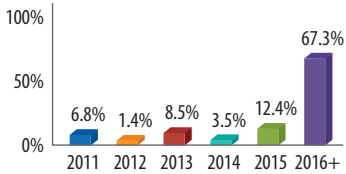


YTD Distributions Paid: . \$92,470,000
 YTD MFFO: \$39,155,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

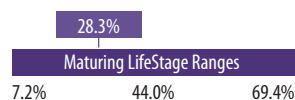


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 28.3%

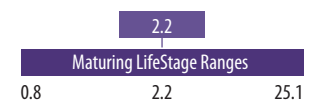


Debt Breakdown

Total:\$833.0 Million
 Fixed:\$720.6 Million
 Variable:\$112.4 Million
 Rate: 3.12 – 9.31%
 Term: 1 – 8 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.2



Adjusted EBITDA: \$61,161,000
 Interest Expense: \$27,292,000

Lease Expirations

Average Lease Expiration:
 17 years

Notes

- The Company completed its third offering of common stock to new investors on April 9, 2011.
- As of August 5, 2011, the REITs portfolio consisted of 22 ski and mountain lifestyle properties, 53 golf facilities, 35 senior living facilities, 20 attractions, 17 marinas and eight additional lifestyle properties.
- The Company's business experiences significant seasonal fluctuations in operating income during the third quarter representing the seasonal high period.
- On April 5, 2011, the Company issued \$400.0 million in unsecured senior notes. Approximately \$210.1 million in proceeds from the Senior Notes was used to refinance existing debt including the pay down of the Company's line of credit.
- On May 12, 2011, the Company repaid a maturing variable rate mortgage loan of approximately \$25.0 million.
- MFFO is company reported and Blue Vault Partners did not identify additional adjustments.
- The Company adopted the Investment Program Association's definition of MFFO for the quarter and six months ended June 30, 2011 which include additional adjustments, please see the Company's June 30, 2011 form 10Q as filed for details of those adjustments.
- See additional notes on page 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Cole Credit Property Trust II, Inc.

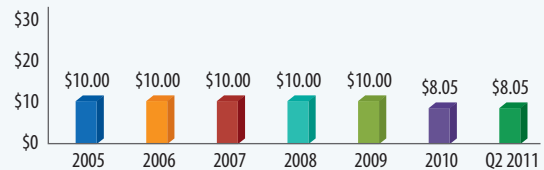
Total Assets.....	\$3,426.4 Million
Real Estate Assets ...	\$3,316.4 Million
Cash.....	\$21.5 Million
Securities	\$0.0 Million
Other.....	\$88.6 Million



Initial Offering Date: June 27, 2005
 Offering Close Date: January 2, 2009
 Current Price per Share: \$8.05
 Reinvestment Price per Share: \$8.05

Cash to Total Assets Ratio: 0.6%
 Asset Type: Retail / Commercial
 Number of Properties: 749
 Square Feet / Units / Rooms / Acres: 21.0 million sq. ft.
 Percent Leased: 95%
 LifeStage: Maturing

Historical Price



Redemptions

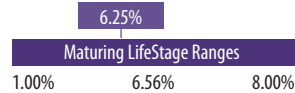
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 1.48%

Program Open

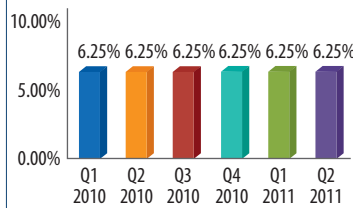
Redemptions Year to Date: 3,067,175
 Wtd. Avg. Shares Outstanding as of 12/31/10: 207,198,078

Current Distribution

Current Distribution Yield: ... 6.25%



Historical Distribution

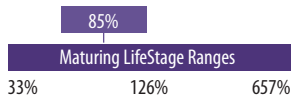


Contact Information

www.ColeCapital.com
Cole Capital Corporation
 2575 E. Camelback Road
 Suite 500
 Phoenix, AZ 85016
 866-341-2653

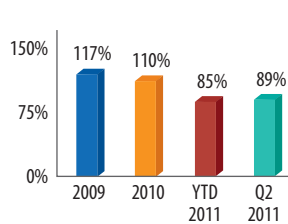
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 85%



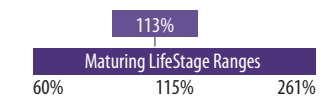
YTD Distributions Paid: .. \$65,237,000
 YTD FFO: \$76,444,000

Historical FFO Payout Ratio



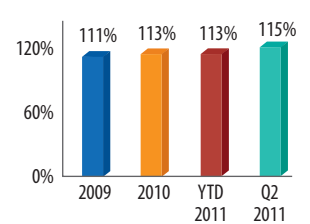
Year to Date MFFO Payout Ratio

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

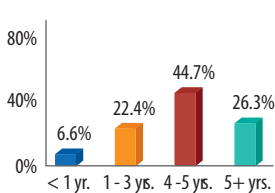


YTD Distributions Paid: \$65,237,000
 YTD MFFO: \$57,748,000
 *BVP adjusted MFFO – see notes

Historical MFFO Payout Ratio

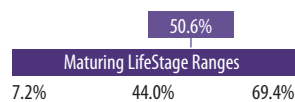


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 50.6%

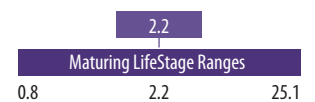


Debt Breakdown

Total: \$1,733.3 Million
 Fixed: \$1,486.9 Million
 Variable: \$246.4 Million
 Rate: 2.19 – 7.22%
 Term: <1 – 20 yrs

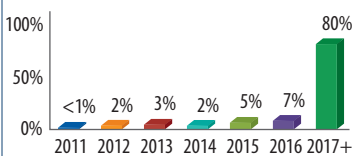
Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.2



Adjusted EBITDA: \$115,855,000
 Interest Expense: \$53,419,000

Lease Expirations*



* As of 12/31/10.

Notes

- Subsequent to June 30, 2011, the Company announced a new Estimated Share Value of \$9.35 as determined by the Company's board of directors on July 27, 2011.
- Distribution yields are based on a \$10 price per share.
- The Company has indicated that due to improvements in market conditions, it has begun evaluating potential strategies to exit the portfolio within the next twelve months.
- As of June 30, 2011, the Company also owned 69 mortgage notes receivable secured by 43 restaurant properties and 26 single-tenant retail properties, each of which is subject to a net lease.
- The Company reported YTD 2011 MFFO of \$78,762,000. Blue Vault Partners has included straight-line rent adjustments of (\$5,400,000) and a gain on sale of marketable securities of (\$15,600,000) to estimate YTD 2011 MFFO of approximately \$57,748,000.
- See additional notes on page 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Corporate Property Associates 15 Inc.

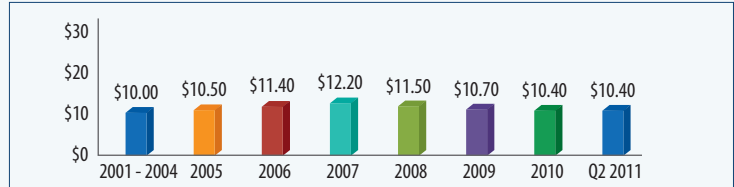
Total Assets.....	\$2,724.1 Million
Real Estate Assets ...	\$2,494.6 Million
Cash.....	\$94.0 Million
Securities	\$0.0 Million
Other.....	\$135.5 Million



Initial Offering Date: November 30, 2001
 Offering Close Date: August 7, 2003
 Current Price per Share: \$10.40
 Reinvestment Price per Share: \$10.40

Cash to Total Assets Ratio: 3.5%
 Asset Type: Diversified
 Number of Properties: 346
 Square Feet / Units / Rooms / Acres: 30 million sq. ft.
 Percent Leased: 98%
 LifeStage: Maturing

Historical Price



Redemptions

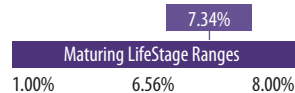
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.13%

Suspended – Death and Disability Redemptions Only

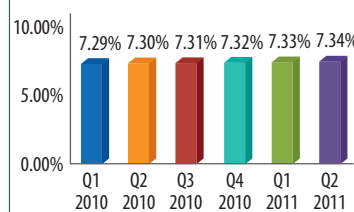
Redemptions Year to Date: ... 160,973
 Wtd. Avg. Shares Outstanding as of 12/31/10: 127,312,274

Current Distribution

Current Distribution Yield: ... 7.34%



Historical Distribution

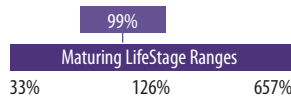


Contact Information

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

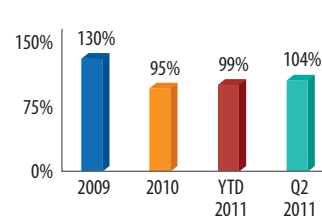
Year to Date FFO Payout Ratio

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



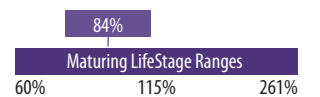
YTD Distributions Paid: \$46,839,000
 YTD FFO: \$47,107,000

Historical FFO Payout Ratio



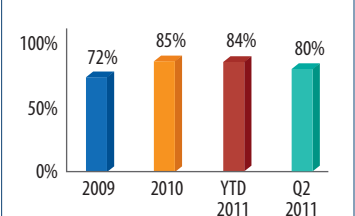
Year to Date MFFO Payout Ratio

MFFO Payout Ratio: YTD Distributions/YTD MFFO: 84%

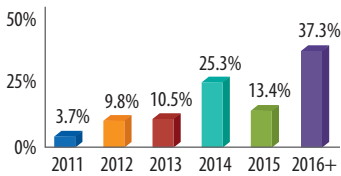


YTD Distributions Paid: \$46,839,000
 YTD MFFO: \$55,689,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

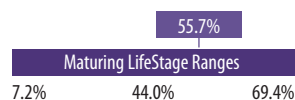


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 55.7%

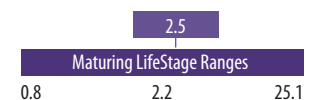


Debt Breakdown

Total: \$1,517.7 Million
 Fixed: \$1,235.0 Million
 Variable: \$282.7 Million
 Rate: 4.3 – 10%
 Term: 1 – 16 yrs

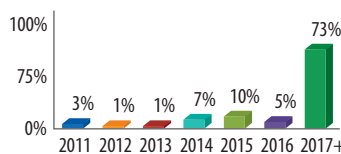
Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.5



Adjusted EBITDA: \$108,164,000
 Interest Expense: \$43,718,000

Lease Expirations*



*As of 12/31/10.

Notes

- During the second quarter of 2011, the board of directors formed a special committee of independent directors to explore possible liquidity transactions, including transactions proposed by the advisor. The special committee is authorized to retain, and has retained, legal and financial advisors to assist the committee in its review.
- During the six months ended June 30, 2011, the Company sold three domestic properties leased to Childtime Childcare, Inc. for approximately \$74.0 million. The Company's share of the sale price was approximately \$22.2 million, and recognized a net gain on these sales of \$1.3 million, of which \$0.7 million was recognized during the second quarter, excluding impairment charges of \$0.3 million recognized in the fourth quarter of 2010.
- In July 2011, a venture in which the Company and CPA*16 – Global hold interests of 30% and 70%, respectively, and which has been accounted for under the equity method of accounting, sold eleven properties leased to PETS/MART, Inc. for approximately \$74.0 million. The Company's share of the sale price was approximately \$22.2 million.
- During the second quarter of 2011, the Company recognized an impairment charge totaling \$10.4 million, inclusive of amounts attributable to noncontrolling interests of \$3.8 million, on several properties leased to Best Buy Stores, L.P. to reduce their carrying values to their estimated fair values based on a potential sale of the properties.
- The 2Q 2011 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 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Corporate Property Associates 16 – Global, Inc.

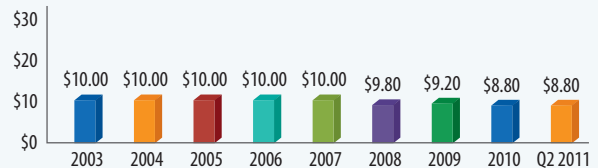
Total Assets	\$3,947.7 Million
Real Estate Assets.....	\$3,781.6 Million
Cash	\$73.6 Million
Securities.....	\$0.0 Million
Other	\$92.5 Million



Initial Offering Date:	December 1, 2003
Offering Close Date:	December 1, 2006
Current Price per Share:	\$8.80
Reinvestment Price per Share:	\$8.80

Cash to Total Assets Ratio:	1.9%
Asset Type:	Diversified
Number of Properties:	559
Square Feet / Units / Rooms / Acres:	51 million sq. ft.
Percent Leased:	98%
LifeStage:	Maturing

Historical Price



Redemptions

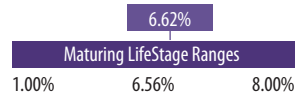
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.73%

Program Open

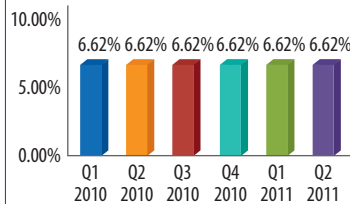
Redemptions Year to Date: ...905,684
Wtd. Avg. Shares Outstanding as of 12/31/10: 124,631,975

Current Distribution

Current Distribution Yield: ... 6.62%



Historical Distribution



Contact Information

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

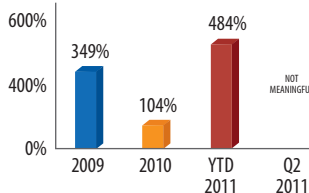
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO: 484%



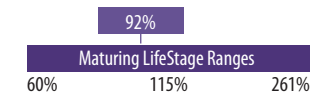
YTD Distributions Paid: \$41,801,000
YTD FFO: \$8,635,000

Historical FFO Payout Ratio



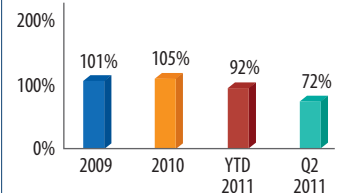
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO: 92%

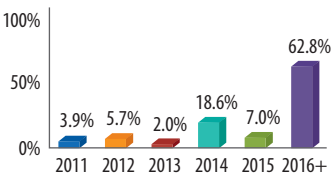


YTD Distributions Paid: \$41,801,000
YTD MFFO: \$45,364,000
*Company reported MFFO – see notes

Historical MFFO Payout Ratio

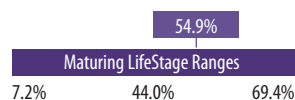


Debt Maturity

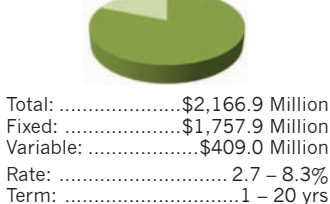


Current Debt Ratio

Debt to Total Assets Ratio: ... 54.9%



Debt Breakdown



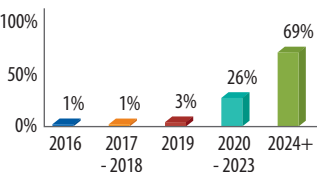
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.7



Adjusted EBITDA: \$81,872,000
Interest Expense: \$49,197,000

Lease Expirations*



*As of 12/31/2010

Notes

- In May 2011, the Company acquired a portfolio of 177 properties from affiliate, Corporate Property Associates 14 Incorporated ("CPA-14").
- In May 2011, the Company recognized a bargain purchase gain of \$17.0 million in the Merger. This gain was the result of the fair value of CPA-14's net assets increasing more than the Company's net assets during the period between the date of the Merger Agreement, which was December 13, 2010 and the closing of the Merger on May 2, 2011.
- In May and June 2011, the Company sold three domestic properties acquired in connection with the Merger for a total price of \$18.7 million, net of selling costs. In connection with these sales, the Company prepaid the existing non-recourse mortgage debt on these properties of \$7.2 million and incurred a prepayment penalty of \$0.3 million. The Company also recognized a net loss on the sales of less than \$0.1 million and a net loss on the extinguishment of debt of less than \$0.1 million.
- In connection with the Merger with CPA-14's, the Company assumed property level debt comprised of 7 variable-rate and 48 fixed-rate non-recourse mortgages with fair values totaling \$38.1 million and \$421.9 million, respectively, on the date of acquisition and recorded an aggregate net fair market value adjustment of \$6.9 million. The fair market value adjustment is amortized to interest expense over the remaining lives of the loans. These fixed-rate and variable-rate mortgages have weighted average rates of 6.8% and 6.1%, respectively.
- The 2Q 2011 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 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Dividend Capital Total Realty Trust Inc.

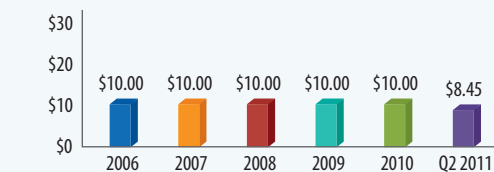
Total Assets.....	\$2,874.9 Million
Real Estate Assets ...	\$2,730.8 Million
Cash.....	\$62.9 Million
Securities	\$3.7 Million
Other.....	\$77.5 Million



Initial Offering Date: January 27, 2006
 Offering Close Date: September 30, 2009
 Current Price per Share: \$8.45
 Reinvestment Price per Share: \$8.45

Cash to Total Assets Ratio: 2.2%
 Asset Type: Diversified
 Number of Properties: 101
 Square Feet / Units / Rooms / Acres: 19.2 million sq. ft.
 Percent Leased: 94.40%
 LifeStage: Maturing

Historical Price



Redemptions

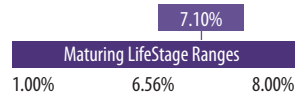
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 1.36%

Program Open

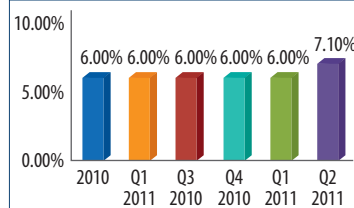
Redemptions Year to Date: 2,505,120
 Wtd. Avg. Shares Outstanding as of 12/31/10: 184,215,000

Current Distribution

Current Distribution Yield: ... 7.10%



Historical Distribution

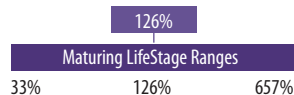


Contact Information

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

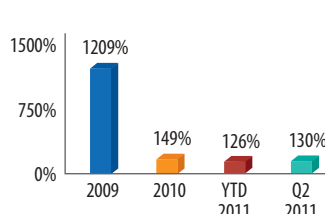
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 126%



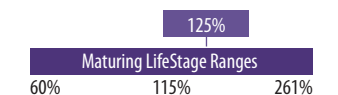
YTD Distributions Paid: ..\$55,148,000
 YTD FFO:.....\$43,618,000

Historical FFO Payout Ratio



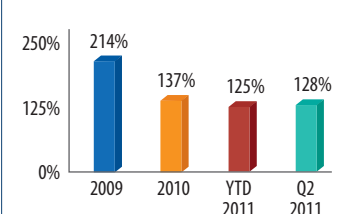
Year to Date MFFO Payout Ratio

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

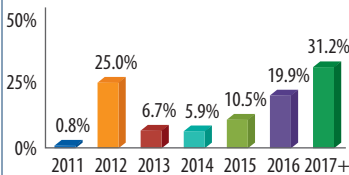


YTD Distributions Paid: \$55,148,000
 YTD MFFO: \$44,052,000
 *BVP adjusted MFFO – see notes

Historical MFFO Payout Ratio

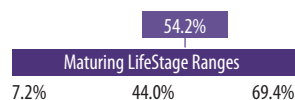


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 54.2%

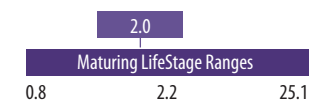


Debt Breakdown

Total: \$1,558.2 Million
 Fixed: \$1,109.4 Million
 Variable: \$448.8 Million
 Rate: 1.4 – 7.8%
 Term: 1 – 18 yrs

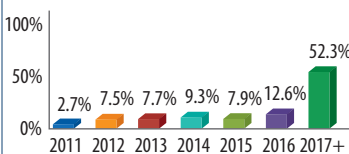
Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.0



Adjusted EBITDA: \$91,022,000
 Interest Expense: \$46,251,000

Lease Expirations*



*As a percent of expiring base rent.

Notes

- Distribution yield of 7.1% is based on the new share price of \$8.45.
- During the six months ended June 30, 2011, the Company acquired two retail properties in the New England market aggregating 147,000 square feet with a combined purchase price of \$21.8 million.
- During the six months ended June 30, 2011, the Company received full and complete repayment of a debt investment structured as a mortgage note that was collateralized by two hotel properties located in the Houston, Texas market (the "Westin Galleria Loan").
- As of June 30, 2011, certain consolidated subsidiaries were in default on three mortgage note borrowings totaling \$27.7 million, all of which were collateralized by office properties with gross investment amounts totaling \$38.8 million that are held in joint ventures in which the REIT is not the managing partner. Subsequent to June 30, 2011, one of the three assets in default was sold through foreclosure to the beneficiary (the lender) at an amount that approximated the loan balance. The carrying amount of this asset as of June 30, 2011 was approximately \$1.3 million, and the related loan balance was approximately \$3.3 million.
- The reported and Company defined YTD FFO of \$49,892,000 does not include straight line rent adjustments of (-\$5,411,000); amortization of above market lease assets of \$4,390,000; and amortization of below-market lease liabilities of (-\$4,819,000). Blue Vault Partners has included those adjustments to report YTD 2011 MFFO of \$44,052,000.
- See additional notes on page 82 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Healthcare Trust of America, Inc.

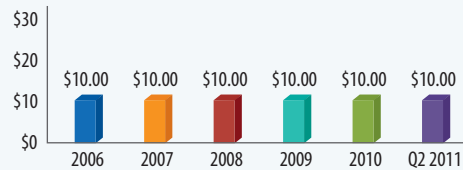
Total Assets.....	\$2,380.3 Million
Real Estate Assets ...	\$2,144.0 Million
Cash.....	\$154.3 Million
Securities	\$0.0 Million
Other.....	\$82.0 Million



Initial Offering Date: September 20, 2006
 Offering Close Date: February 28, 2011
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 6.5%
 Asset Type: Medical Office
 Number of Properties: 78 acquisitions comprised of
 242 buildings and 2 real-estate related assets
 Square Feet / Units / Rooms / Acres: 11.1 million sq. ft.
 Percent Leased: 91%
 LifeStage: Maturing

Historical Price



Redemptions

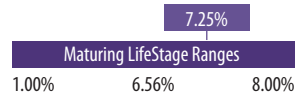
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 1.11%

Program Open

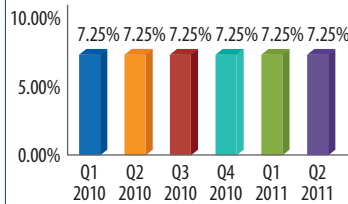
Redemptions Year to Date: 1,834,141
 Wtd. Avg. Shares Outstanding as of 12/31/10: 165,952,860

Current Distribution

Current Distribution Yield: ... 7.25%



Historical Distribution

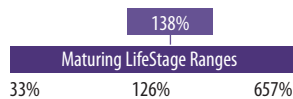


Contact Information

www.HTAREIT.com
Healthcare Trust of America
 16427 North Scottsdale Road,
 Suite 440
 Scottsdale, AZ 85254
 480-998-3478

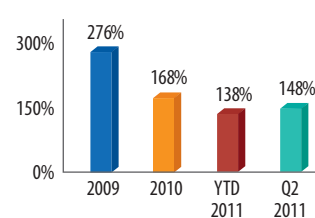
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 138%



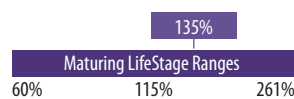
YTD Distributions Paid:.. \$78,154,000
 YTD FFO: \$56,645,000

Historical FFO Payout Ratio



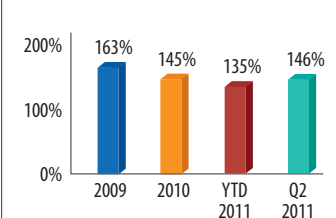
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 135%

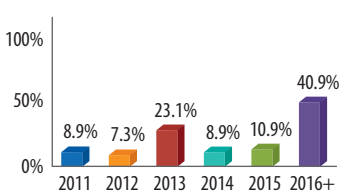


YTD Distributions Paid: ... \$78,154,000
 YTD MFFO: \$58,068,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

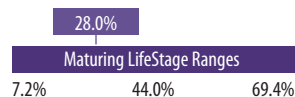


Debt Maturity

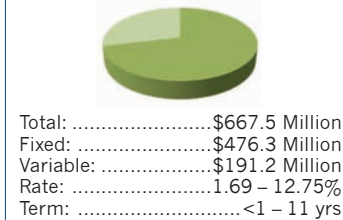


Current Debt Ratio

Debt to Total Assets Ratio: ... 28.0%

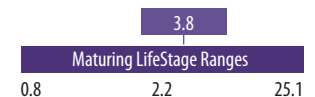


Debt Breakdown



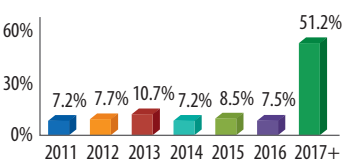
Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.8



Adjusted EBITDA: \$77,898,000
 Interest Expense: \$20,665,000

Lease Expirations*



*As of 12/31/10.

Notes

- As of June 30, 2011, approximately 94% of the portfolio, based on GLA, is located on or adjacent to, or is anchored by, the campuses of nationally and regionally recognized healthcare systems.
- On June 29, 2011, the Company entered into a purchase and sale agreement to acquire a best in class medical office building portfolio located in Phoenix, Arizona, for \$32,750,000. This portfolio consists of two Class A medical office buildings, comprising a total of approximately 118,000 rentable square feet, which have a combined occupancy of over 88%.
- As of June 30, 2011, the Company had variable rate mortgage loans on 5 properties, as well as a real estate term loan secured by certain properties. However, as of June 30, 2011, the Company had fixed rate interest rate swaps and caps on the entire principal balances of the Decatur, Mountain Empire, and Sun City-Sun 2 variable rate mortgage loans payable as well as on \$75,000,000 of our secured real estate term loan, thereby effectively fixing our interest rates on those debt instruments at 5.16%, 5.87%, 2.00%, and 3.42%, respectively.
- MFFO is company reported and Blue Vault Partners did not identify any additional adjustments.
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Hines Real Estate Investment Trust, Inc.

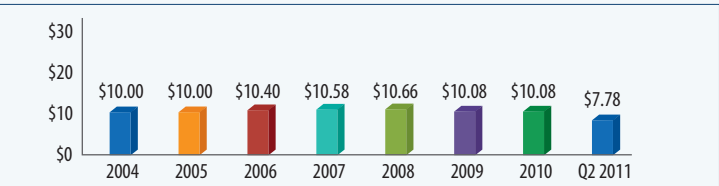
Total Assets.....	\$2,943.3 Million
Real Estate Assets ...	\$2,496.7 Million
Cash.....	\$147.1 Million
Securities	\$0.0 Million
Other.....	\$299.5 Million



Initial Offering Date: June 18, 2004
 Offering Close Date: December 31, 2009
 Current Price per Share: \$7.78
 Reinvestment Price per Share: \$7.78

Cash to Total Assets Ratio: 5.0%
 Asset Type: Office
 Number of Properties: 58
 Square Feet / Units / Rooms / Acres: 28,180,905 sq. ft.
 Percent Leased: 89%
 LifeStage: Maturing

Historical Price



Redemptions

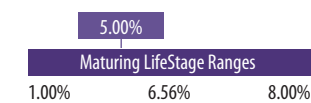
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.30%

Suspended – Death and Disability Redemptions Only

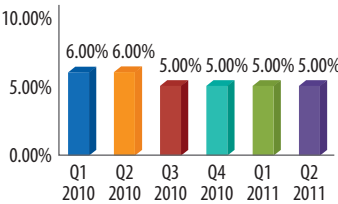
Redemptions Year to Date: ...657,442
 Wtd. Avg. Shares Outstanding as of 12/31/10: 220,896,000

Current Distribution

Current Distribution Yield: ... 5.00%



Historical Distribution

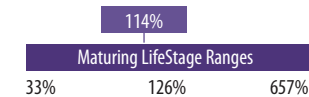


Contact Information

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

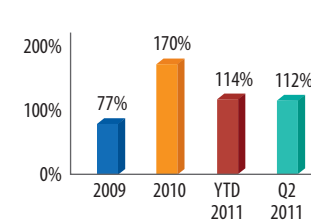
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 114%



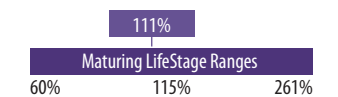
YTD Distributions Paid: ..\$56,118,000
 YTD FFO: \$49,086,000

Historical FFO Payout Ratio



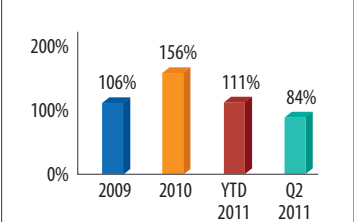
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...111%

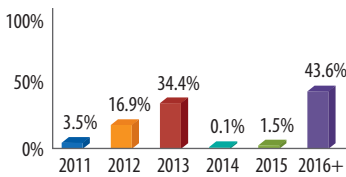


YTD Distributions Paid: ..\$56,118,000
 YTD MFFO: \$50,362,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

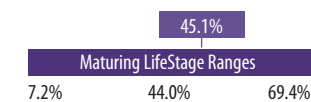


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 45.1%



Debt Breakdown

Total:\$1,328.0 Million
 Fixed:\$1,263.9 Million
 Variable:\$64.1 Million
 Rate: 3.25 – 7.39%
 Term: <1 – 6 yrs

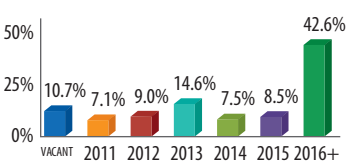
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.3



Adjusted EBITDA:\$51,302,000
 Interest Expense:\$40,285,000

Lease Expirations*



*As a percentage of expiring square footage as of 12/31/10.

Notes

- Effective May 24, 2011, the board of directors established the new estimated value per share of \$7.78.
- The distribution yield is based on a \$10.08 share price.
- On June 1, 2011, the Company sold Atrium on Bay for \$353 million. The property was located in Toronto, Canada and was originally acquired in February 2007.
- The Debt to Total Asset Ratio declined to 45.1% for the period ending June 30, 2011 compared to 49.3% for the previous quarter.
- On May 24, 2011, the board of directors established an estimated per-share value of the Company's common stock of \$7.78. Effective for the distributions scheduled to be paid for the second quarter of 2011, participants in the Company's dividend reinvestment plan will acquire shares at a fixed price of \$7.78 per share rather than at the current price of \$9.58.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Inland American Real Estate Trust, Inc.

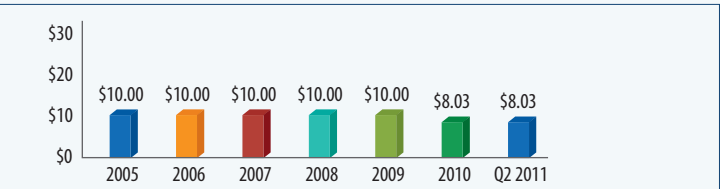
Total Assets	\$11,214.5 Million
Real Estate Assets ..	\$10,361.3 Million
Cash	\$230.4 Million
Securities	\$279.8 Million
Other	\$343.0 Million



Initial Offering Date: August 31, 2005
 Offering Close Date: April 6, 2009
 Current Price per Share: \$8.03
 Reinvestment Price per Share: \$8.03

Cash to Total Assets Ratio: 2.1%
 Asset Type: Diversified
 Number of Properties: 981
 Square Feet / Units / Rooms / Acres: 48.4 Million/
 15,564 Rooms/9,790 Units
 Percent Leased: See notes
 LifeStage: Maturing

Historical Price



Redemptions

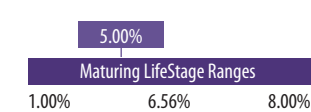
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.1%

Redemptions For Death Only

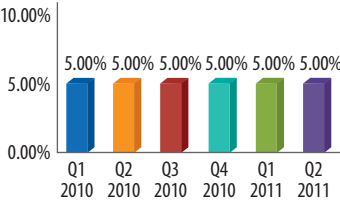
Redemptions Year to Date: .. 691,563
 Wtd. Avg. Shares Outstanding as of 12/31/10: 835,131,057

Current Distribution

Current Distribution Yield: ... 5.00%



Historical Distribution

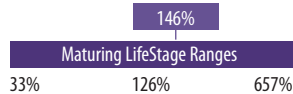


Contact Information

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

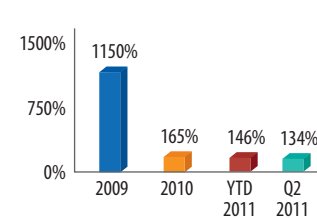
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 146%



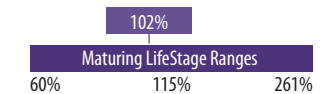
YTD Distributions Paid: \$212,899,000
 YTD FFO: \$146,042,000

Historical FFO Payout Ratio



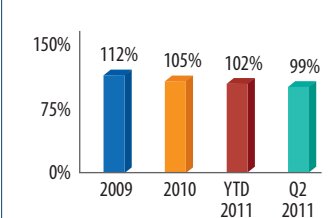
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 102%

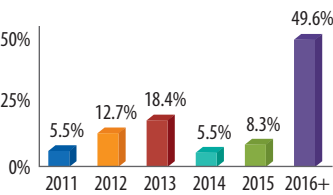


YTD Distributions Paid: \$212,899,000
 YTD MFFO: \$208,217,000
 *BVP estimated MFFO – see notes

Historical MFFO Payout Ratio

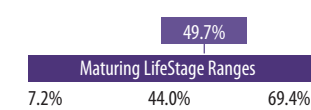


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 49.7%

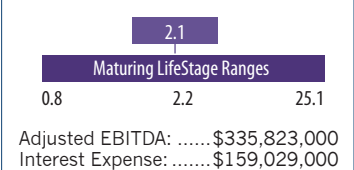


Debt Breakdown

Total: \$5,572.5 Million
 Fixed: \$3,995.6 Million
 Variable: \$1,576.8 Million
 Rate: 0.608 – 8.06%
 Term: 1 – 36 years

Interest Coverage Ratio

YTD Interest Coverage Ratio: 2.1



Lease Expirations

Not Reported

Notes

- Distributions yields are based on a \$10.00 share price.
- As of June 30, 2011, the retail properties, the industrial properties, the multi-family properties, lodging properties and the office properties were 93%, 90%, 92%, 71% and 92% occupied based on a weighted average basis, respectively.
- For the period ended June 30, 2011, approximately 8% of the Company's rental revenue was generated by over 400 retail banking properties leased to SunTrust Banks, Inc. Also, as of June 30, 2011, approximately 7% of the Company's rental revenue was generated by three properties leased to AT&T, Inc.
- The Company did not report MFFO for 2Q 2011. The 2Q 2011 MFFO figure is a Blue Vault Partners' estimate.
- Effective April 11, 2011, the Company began accepting share repurchase requests due to the death of any beneficial owner of shares, with checks distributed by the end of the calendar quarter. There is \$5 million available each quarter to repurchase shares at a price per share of \$7.23, which is equal to 90% of the most recently disclosed estimated per share value of \$8.03.
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Inland Western Retail Real Estate Trust, Inc.

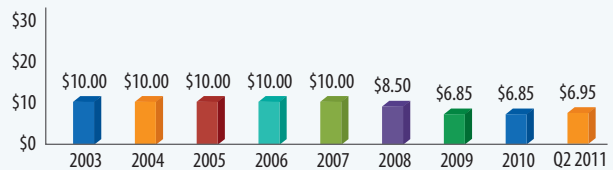
Total Assets.....	\$6,163.9 Million
Real Estate Assets ...	\$5,737.4 Million
Cash.....	\$119.9 Million
Securities	\$36.3 Million
Other.....	\$270.4 Million



Initial Offering Date: September 15, 2003
 Offering Close Date: September 9, 2005
 Current Price per Share: \$6.95
 Reinvestment Price per Share: \$6.95

Cash to Total Assets Ratio: 1.9%
 Asset Type: Retail
 Number of Properties: 283
 Square Feet / Units / Rooms / Acres: 41.2 Million
 Percent Leased: 90.0%
 LifeStage: Liquidating

Historical Price



Redemptions

Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.00%

Suspended

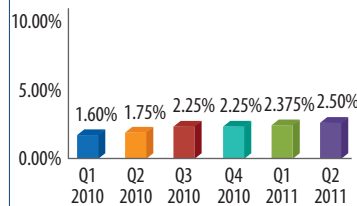
Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding as of 12/31/10: 483,743,000

Current Distribution

Current Distribution Yield: 2.50%



Historical Distribution



Contact Information

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

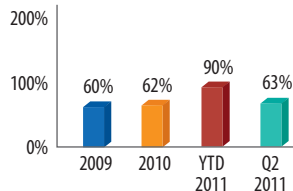
Year to Date FFO Payout Ratio

FFO Payout Ratio: YTD Distributions/YTD FFO: 90%



YTD Distributions Paid: ..\$55,284,000
 YTD FFO:\$61,515,000

Historical FFO Payout Ratio



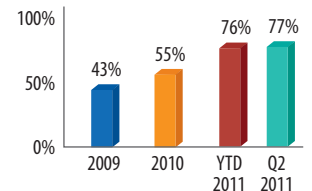
Year to Date MFFO Payout Ratio

MFFO Payout Ratio: YTD Distributions/YTD MFFO: 76%

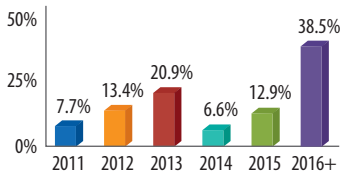


YTD Distributions Paid: ..\$55,284,000
 YTD MFFO:\$72,357,000
 *BVP estimated MFFO – see notes

Historical MFFO Payout Ratio

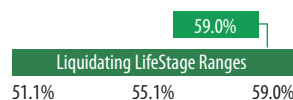


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 59.0%



Debt Breakdown

Total:\$3,636.1 Million
 Fixed:\$3,104.4 Million
 Variable:\$531.7 Million
 Rate: 0.59% – 14%
 Term: 1 – 26 years

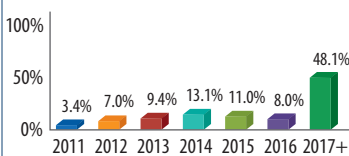
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.7



Adjusted EBITDA:\$194,118,000
 Interest Expense:\$117,312,000

Lease Expirations*



*Excludes month-to-month leases. Data as of March 31, 2011

Notes

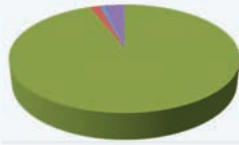
- Distribution yields based on \$10 share price.
- During the past six months the REIT sold four operating properties aggregating 1,338,400 square feet for a combined sales price of \$58.8 million resulting in net proceeds of \$57.1 million.
- The retail properties in the portfolio have a weighted average age, based on annualized base rent (ABR), of approximately 10.1 years since the initial construction or most recent major renovation.
- On June 14, 2011, the Company's board of directors established an estimated per-share value of the Company's common stock of \$6.95, solely to assist broker dealers in connection with their obligations under applicable Financial Industry Regulatory Authority (FINRA) rules and to assist fiduciaries in discharging their obligations under Employee Retirement Income Security Act (ERISA) reporting requirements, and amended the DRP effective August 31, 2011, solely to modify the purchase price. Thus, on or after August 31, 2011, additional shares of common stock purchased under the DRP will be purchased at \$6.95 per share.
- The Company did not report MFFO for 2Q 2011. The 2Q 2011 MFFO figure is a Blue Vault Partners' estimate.
- Share repurchase program suspended as of November 19, 2008.
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



KBS Real Estate Investment Trust, Inc.

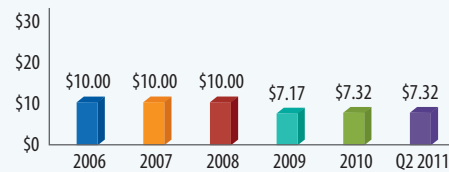
Total Assets.....	\$2,315.8 Million
Real Estate Assets ...	\$2,181.2 Million
Cash.....	\$39.3 Million
Securities	\$19.1 Million
Other.....	\$76.3 Million



Initial Offering Date: January 13, 2006
 Offering Close Date: May 30, 2008
 Current Price per Share: \$7.32
 Reinvestment Price per Share: \$7.32

Cash to Total Assets Ratio: 1.7%
 Asset Type: Diversified
 Number of Properties: 64 properties, 16 real estate related assets
 Square Feet / Units / Rooms / Acres: 20.4 million sq. ft.
 Percent Leased: 76%
 LifeStage: Maturing

Historical Price



Redemptions

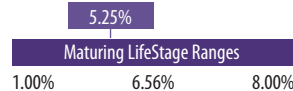
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.22%

Limited to Death and Disability

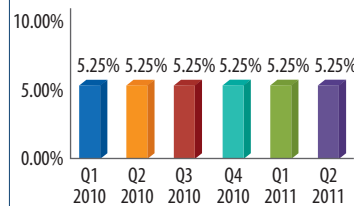
Redemptions Year to Date: ... 392,673
 Wtd. Avg. Shares Outstanding as of 12/31/10: 182,437,352

Current Distribution

Current Distribution Yield: ... 5.25%



Historical Distribution

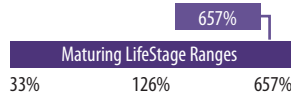


Contact Information

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

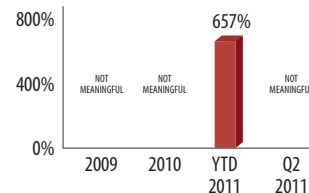
Year to Date FFO Payout Ratio

FFO Payout Ratio: YTD Distributions/YTD FFO: 657%



YTD Distributions Paid: .. \$48,773,000
 YTD FFO: \$7,426,000

Historical FFO Payout Ratio



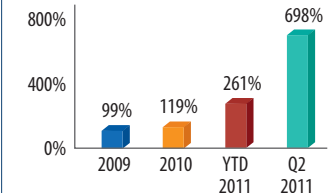
Year to Date MFFO Payout Ratio

MFFO Payout Ratio: YTD Distributions/YTD MFFO: ... 261%

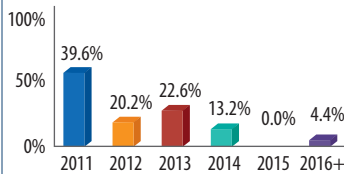


YTD Distributions Paid: \$48,773,000
 YTD MFFO: \$18,668,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

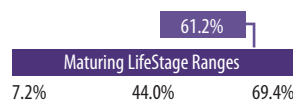


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: 61.2%

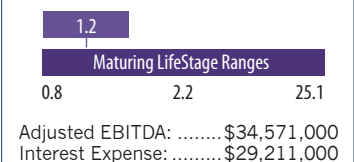


Debt Breakdown

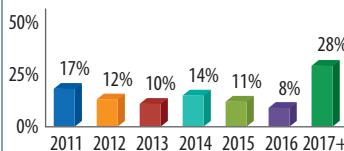
Total: \$1,416.1 Million
 Fixed: \$533.1 Million
 Variable: \$883.0 Million
 Rate: 1.0 – 6.4%
 Term: <1 – 6 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.2



Lease Expirations*



*As a percent of expiring base rent as of 12/31/10.

Notes

- Distribution yields based on \$10 share price.
- The Company intends to update the estimated value per share in December 2011.
- The portfolio occupancy rate has declined from 82% in the fourth quarter of 2010 to 76% in the second quarter of 2011.
- As of June 30, 2011, The Company also owns one master lease, 12 real estate loans receivable, two investments in securities directly or indirectly backed by commercial mortgage loans, and a preferred membership interest in a real estate joint venture.
- As of June 30, 2011, of the \$ 883.0 million of variable rate notes payable and repurchase agreements, \$164.7 million are effectively fixed through interest rate swaps and \$ 443.3 million are subject to interest rate caps.
- The Company computes MFFO in accordance with the definition issued by the Investment Program Association ("IPA") in November 2010.
- See additional notes on page 83 for information regarding the source of distributions.



Nontraded REIT Industry Review: Second Quarter 2011

KBS Real Estate Investment Trust II, Inc.

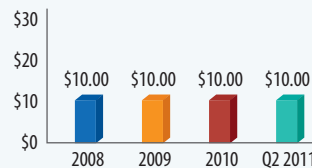
Total Assets.....	\$2,725.5 Million
Real Estate Assets ...	\$2,616.0 Million
Cash.....	\$54.1 Million
Securities	\$0.0 Million
Other.....	\$55.3 Million



Initial Offering Date:April 22, 2008
 Offering Close Date: December 31, 2010
 Current Price per Share:\$10.00
 Reinvestment Price per Share:\$9.50

Cash to Total Assets Ratio: 2.0%
 Asset Type: Diversified
 Number of Properties: 25 properties, 7 real-estate related assets
 Square Feet / Units / Rooms / Acres: 10.4 million sq. ft
 Percent Leased: 96%
 LifeStage:.....Maturing

Historical Price



Redemptions

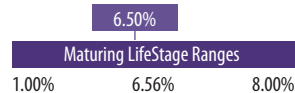
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding:..... 0.79%

Program Open

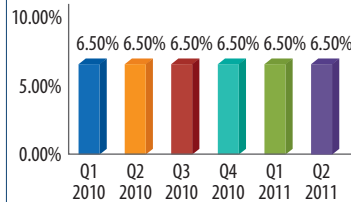
Redemptions Year to Date: ..994,341
 Wtd. Avg. Shares Outstanding as of 12/31/10: 125,894,756

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

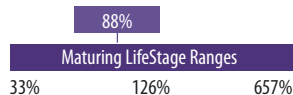


Contact Information

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

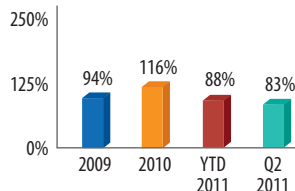
Year to Date FFO Payout Ratio

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



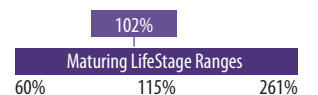
YTD Distributions Paid:..\$59,643,000
 YTD FFO:.....\$67,795,000

Historical FFO Payout Ratio



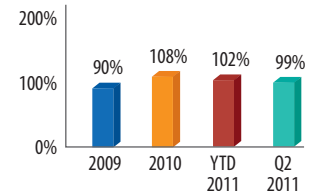
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...102%

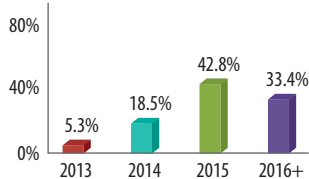


YTD Distributions Paid:..\$59,643,000
 YTD MFFO:.....\$58,327,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

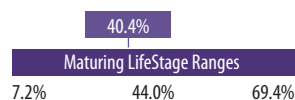


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 40.4%



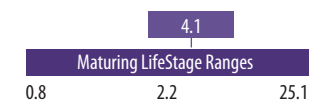
Debt Breakdown



Total:\$1,101.3 Million
 Fixed:\$460.2 Million
 Variable:\$641.1 Million
 Rate: 3.4 – 5.9%
 Term:2 – 5 yrs

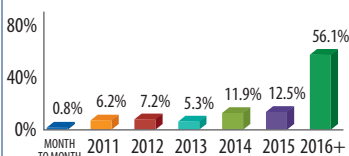
Interest Coverage Ratio

YTD Interest Coverage Ratio: 4.1



Adjusted EBITDA:\$96,614,000
 Interest Expense:.....\$23,508,000

Lease Expirations*



*As of 12/31/10.

Notes

- The Company acquired one property during the second quarter of 2011 for \$126.5 million.
- The interest rates on \$561.2 million of variable rate notes payable are effectively fixed through interest rate swap agreements.
- As of June 30, 2011, the Company had two tenants with a rent balance outstanding for over 90 days.
- The Interest Coverage Ratio of 4.1X as of June 30, 2011 is significantly higher than the mean of 2.2X for other Maturing LifeStage REITs.
- The Company computes MFFO in accordance with the definition issued by the Investment Program Association ("IPA").
- See additional notes on page 83 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Lightstone Value Plus Real Estate Investment Trust, Inc.

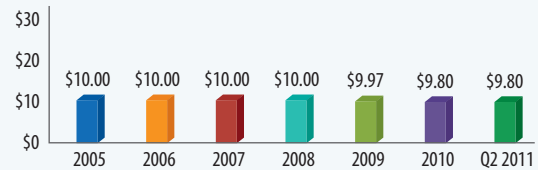
Total Assets.....	\$563.5 Million
Real Estate Assets	\$290.5 Million
Cash	\$7.2 Million
Securities	\$236.7 Million
Other	\$29.2 Million



Initial Offering Date: May 23, 2005
 Offering Close Date: October 10, 2008
 Current Price per Share: \$9.80
 Reinvestment Price per Share: \$9.50

Cash to Total Assets Ratio: 1.3%
 Asset Type: Diversified
 Number of Properties: 31
 Square Feet / Units / Rooms / Acres: 3.1 million sq. ft.,
 1,585 units, 656 rooms
 Percent Leased: See notes
 LifeStage: Maturing

Historical Price



Redemptions

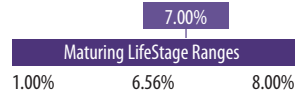
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.00%

Program Open

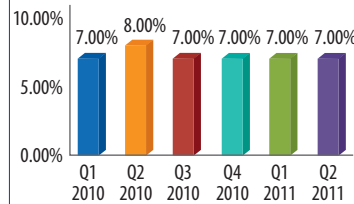
Redemptions Year to Date: 0
 Wtd. Avg. Shares Outstanding as of 12/31/10: 31,755,268

Current Distribution

Current Distribution Yield: ... 7.00%



Historical Distribution

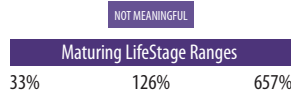


Contact Information

www.LightstoneGroup.com
The Lightstone Group
 460 Park Avenue, 13th Floor
 New York, NY 10022
 212-616-9969

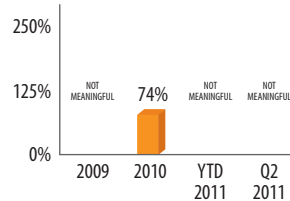
Year to Date FFO Payout Ratio

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



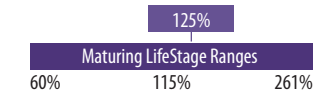
YTD Distributions Paid: .. \$11,000,038
 YTD FFO: (\$3,311,000)

Historical FFO Payout Ratio



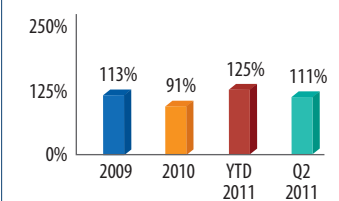
Year to Date MFFO Payout Ratio

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

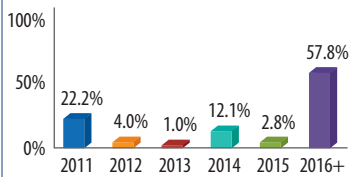


YTD Distributions Paid: \$11,000,038
 YTD MFFO: \$8,824,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

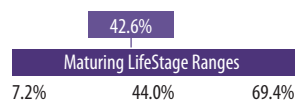


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 42.6%

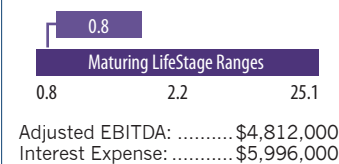


Debt Breakdown

Total: \$240.0 Million
 Fixed: \$174.8 Million
 Variable: \$65.2 Million
 Rate: 1.10 – 6.75%
 Term: <1 – 6 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 0.8



Lease Expirations

Not Reported

Notes

- On April 12, 2011, LVP Rego Park, LLC, a joint venture in which the Company and Lightstone REIT II have 90% and 10%, ownership interests, respectively, acquired a \$19.5 million, nonrecourse second mortgage note for approximately \$14.8 million from Kelmar Company, LLC, an unaffiliated third party. The purchase price reflects a discount of approximately \$4.7 million to the outstanding principal balance. The Company's share of the aggregate purchase price was approximately \$13.6 million.
- The Debt to Total Assets Ratio of 42.6% for the period ending June 30, 2011 is on par with the median of 43.9% for other Maturing LifeStage REITs.
- As of June 30, 2011, the retail properties, the industrial properties, the multi-family residential properties and the office property were 82.8%, 72.8%, 94.2% and 81.2% occupied based on a weighted-average basis, respectively. Occupancy was 61.7% for the hotel hospitality properties.
- MFFO has been determined in accordance with the Investment Program Association ("IPA") definition of MFFO.
- See additional notes on page 84 for information regarding the source of distributions.

Nontraded REIT Industry Review: Second Quarter 2011



Wells Real Estate Investment Trust II, Inc.

Total Assets.....	\$5,919.3 Million
Real Estate Assets ...	\$5,017.5 Million
Cash.....	\$38.6 Million
Securities	\$646.0 Million
Other.....	\$217.2 Million



Initial Offering Date: December 1, 2003
 Offering Close Date: June 30, 2010
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.55

Cash to Total Assets Ratio: 0.7%
 Asset Type: Office
 Number of Properties: 72
 Square Feet / Units / Rooms / Acres: 23.0 million
 Percent Leased: 93.2%
 LifeStage: Maturing

Historical Price



Redemptions

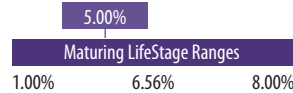
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.82%

Program Open

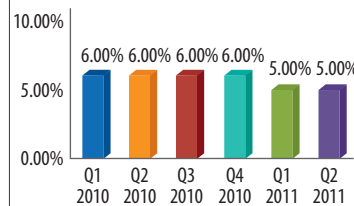
Redemptions Year to Date: 4,290,000
 Wtd. Avg. Shares Outstanding as of 12/31/10: 524,848,000

Current Distribution

Current Distribution Yield: ... 5.00%



Historical Distribution

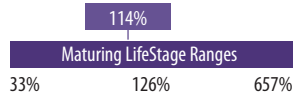


Contact Information

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

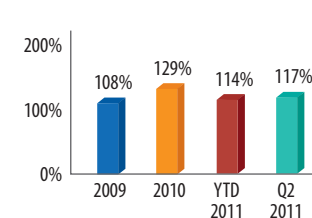
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 114%



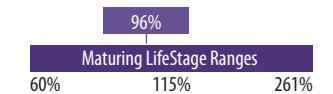
YTD Distributions Paid: \$135,100,000
 YTD FFO: \$118,779,000

Historical FFO Payout Ratio



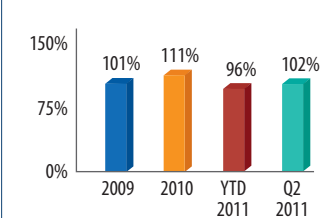
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: 96%

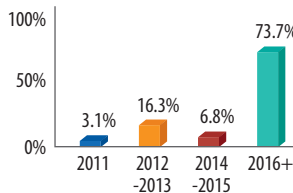


YTD Distributions Paid: \$135,100,000
 YTD MFFO: \$140,743,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

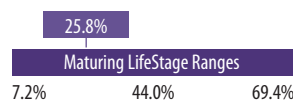


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 25.8%

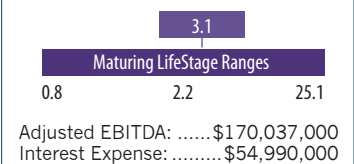


Debt Breakdown

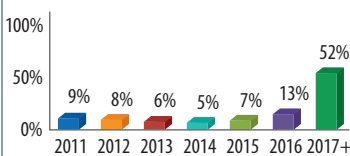
Total: \$1,526.9 Million
 Fixed: \$1,342.5 Million
 Variable: \$184.4 Million
 Rate: 2.56 – 6.675%
 Term: < 1 – 5+ yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.1



Lease Expirations*



*As of 12/31/10

Notes

- The REIT intends to conduct a valuation of its shares of common stock and to publish the estimated value by December 31, 2011.
- On April 4, 2011, the REIT sold \$250.0 million aggregate principal amount of its 5.875% unsecured senior notes due in 2018 at 99.295 percent of their face value in a private placement offering. Two rating agencies have assigned investment-grade ratings to these senior notes.
- Pursuant to the limitations outlined in the Advisory Agreement, monthly asset management fees will be capped at \$2.7 million (or \$32.5 million annualized) beginning in April 2011 as a result of the March 2011 acquisition of the Market Square Buildings for \$603.4 million.
- The YTD 2011 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 84 for information regarding the source of distributions.



Closed Nontraded REITs with Limited Operating Results

Desert Capital REIT, Inc. was formed in December 2003. On May 5, 2011, an involuntary petition for protection under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et. seq., was filed against Desert Capital REIT, Inc. with the United States Bankruptcy Court for the District of Nevada, Las Vegas Division, thereby commencing an involuntary Chapter 11 bankruptcy case against the Company. On May 31, 2011, the Company entered into an Agreement for Services with MorrisAnderson & Associates, Ltd. to provide management services for the Company. Due to these events, information regarding this REIT will not be included in future reports.



Source of Distributions

American Realty Capital Trust New York Recovery REIT, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$912,000 (\$843,000 in cash and \$68,000 in shares of common stock pursuant to the DRIP). Cash flows provided by operations were \$412,000 for the same period.

American Realty Capital Trust, Inc.

For the six months ended June 30, 2011, the Company paid aggregate distributions of \$27,832,000 (\$15,558,000 in cash and \$12,274,000 in shares of common stock pursuant to the DRIP). Cash flow from operating activities was \$13,932,000 for the same period and includes the impact of expensing acquisition and related transaction costs as incurred of \$17.8 million for the six months ended June 30, 2011.

Apartment Trust of America, Inc.

For the six months ended June 30, 2011, the Company paid aggregate distributions of \$4,400,000 (\$2,748,000 in cash and \$1,652,000 in shares of common stock pursuant to the DRIP), as compared to cash flows from operations of \$1,385,000. For the six months ended June 30, 2011, the Company paid distributions of \$2,310,000 from FFO. The payment of distributions from sources other than FFO reduces the amount of proceeds available for investment and operations and may cause the Company to incur additional interest expense as a result of borrowed funds.

Apple REIT Eight, Inc.

Distributions in the first six months of 2011 totaled \$36.3 million and were paid monthly at a rate of \$0.064167 per common share. For the same six month period, the Company's cash generated from operations was approximately \$18.3 million. This shortfall includes a return of capital and was funded primarily by additional borrowings under the Company's credit facility.

Apple REIT Nine, Inc.

Distributions during the first six months of 2011 totaled approximately \$80.0 million and were paid at a monthly rate of \$0.073334 per common share. For the same period the Company's net cash generated from operations was approximately \$50.4 million. During the initial phase of the Company's operations, the Company may, due to the inherent delay between raising capital and investing that same capital in income producing real estate, have a portion of its distributions funded from offering proceeds. The portion of the distributions funded from offering proceeds is expected to be treated as a return of capital for federal income tax purposes. Since a portion of distributions has to date been funded with proceeds from the offering of Units, the Company's ability to maintain its current intended rate of distribution will be based on its ability to fully invest its offering proceeds and thereby increase its cash generated from operations.

Apple REIT Seven, Inc.

Distributions in the first six months of 2011 totaled \$35.3 million and were paid monthly at a rate of \$0.064167 per common share. For the same six month period, the Company's cash generated from operations was approximately \$25.3 million. This shortfall includes a return of capital and was funded primarily by increases in the Company's total borrowings, including the Company's credit facility.

Apple REIT Six, Inc.

Distributions in the first six months of 2011 totaled \$35.2 million. For the same period the Company's cash generated from operations was \$31.5 million. The shortfall includes a return of capital and was funded primarily by borrowings on the credit facility.

Apple REIT Ten, Inc.

Distributions during the first six months of 2011 totaled approximately \$7.6 million and were paid at a monthly rate of \$0.06875 per common share beginning in February 2011. For the same period, the Company's cash used in operations was approximately \$3.5 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, distributions paid through June 30, 2011 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. Since distributions to date have been funded with proceeds from the offering of Units, the Company's ability to maintain its current intended rate of distribution will be based on its ability to fully invest its offering proceeds and thereby increase its cash generated from operations.

Behringer Harvard Multifamily REIT I, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$33,100,000 (\$15,200,000 in cash and \$17,900,000 in shares of common stock pursuant to the DRIP). Cash flow from operating activities was \$12,600,000 for the same period. The Company has indicated that until proceeds from the Initial Public Offering are fully invested and generating sufficient operating cash flow to fully fund the payment of distributions to stockholders, it has and will continue to pay some or all of the distributions from sources other than operating cash flow. The Company may, for example, generate cash to pay distributions from financing activities, components of which may include borrowings secured by the Company's assets) in anticipation of future operating cash flow. The Company may also utilize cash from dispositions, including the components of which may represent a return of capital and/or the gains on sale. In addition, from time to time, the Advisor may agree to waive or defer all or a portion of the acquisition, asset management or other fees or incentives due to it, pay general administrative expenses or otherwise supplement investor returns in order to increase the amount of cash that the Company has available to pay distributions to stockholders.

Behringer Harvard Opportunity REIT II, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$5,736,000 (\$1,873,000 in cash and \$3,863,000 in shares of common stock pursuant to the DRIP). Cash flow used in operations was (\$1,005,000) for the same period. The Company has indicated that until proceeds from the Initial Public Offering are fully invested and generating sufficient operating cash flow to fully fund the payment of distributions to stockholders, it has and will continue to pay some or all of the distributions from sources other than operating cash flow. The Company may, for example, generate cash to pay distributions from financing activities, components of which may include proceeds from the Initial Public Offering and borrowings (including borrowings secured by the Company's assets) in anticipation of future operating cash flow. The Company may also utilize cash from dispositions, including the components of which may represent a return of capital and/or the gains on sale. In addition, from time to time, the Advisor may agree to waive or defer all or a portion of the acquisition, asset management or other fees or incentives due to it, pay general administrative expenses or otherwise supplement investor returns in order to increase the amount of cash that the Company has available to pay distributions to stockholders.



Source of Distributions

Behringer Harvard Opportunity REIT I, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$1,410,000 (\$485,000 in cash and \$925,000 in shares of common stock pursuant to the DRIP). Cash flow provided by operating activities was \$14,826,000 for the same period. Cash amounts distributed to stockholders during the six months ended June 30, 2011 were \$0.5 million and were funded from cash flow provided by operating activities.

Behringer Harvard REIT I, Inc.

The total distributions paid to common stockholders for the six months ended June 30, 2011 \$14,785,000. Of the distributions paid to common stockholders for the six months ended June 30, 2011, approximately \$6,656,000 was reinvested in shares of common stock pursuant to the DRP. For the six months ended June 30, 2011, cash provided by operating activities was approximately \$6.0 million and net cash distributions paid to common stockholders exceeded cash flows from operating activities by approximately \$2.1 million.

Bluerock Enhanced Multifamily Trust, Inc.

All of the distributions to date have been paid from proceeds from the public offering and may in the future be paid from additional sources, such as from borrowings, advances from the advisor, and the advisor's deferral of its fees and expense reimbursements.

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 have substantially invested the net proceeds from this offering.

CB Richard Ellis Realty Trust

Total distributions paid for the six months ending June 30, 2011 were \$49,361,000. During the same period, 50.5% of these distributions were funded by cash flows provided by operating entities and 49.5% were funded by uninvested proceeds from financings of the properties.

Cole Credit Property Trust II, Inc.

During the six months ended June 30, 2011, the Company paid distributions of \$65.2 million, including \$29.9 million through the issuance of shares pursuant to the DRIP Offering. Distributions for the six months ended June 30, 2011 were funded by net cash provided by operating activities of \$54.5 million, proceeds from the DRIP offering of \$2.3 million, return of capital from unconsolidated joint ventures of \$1.2 million, and a portion of the net proceeds from the sale of marketable securities of \$7.2 million.

Cole Credit Property Trust III, Inc.

During the six months ended June 30, 2011, the Company paid distributions of \$87.8 million including \$49.6 million through the issuance of shares pursuant to the DRIP. The distributions paid during the six months ended June 30, 2011 were funded by net cash provided by operating activities of \$62.5 million, proceeds from the issuance of common stock of \$22.7 million, return of capital from the Unconsolidated Joint Ventures of \$452,000 and borrowings of \$2.1 million.

Cornerstone Core Properties REIT, Inc

The distributions paid for the six month period ended June 30, 2011 were approximately \$0.61 million. During the four quarters ended June 30, 2011, total distributions paid in cash exceeded cash flow from operations and FFO for the same period. The Company used offering proceeds to pay cash distributions in excess of cash flow from operations during the fourth quarters ended June 30, 2011.

Cornerstone Healthcare Plus REIT, Inc.

The distributions paid for the six month period ended June 30, 2011 were approximately \$4.6 million. For the four quarters ended June 30, 2011, cash outflow from operations was approximately \$0.4 million. During that period the Company paid distributions to investors of approximately \$8.6 million, of which approximately \$3.4 million was reinvested pursuant to the distribution reinvestment plan and approximately \$5.1 million was paid to investors in cash from offering proceeds.

Corporate Property Associates 15, Inc.

During the six months ended June 30, 2011, the Company used cash flows from operating activities of \$77.8 million to fund cash distributions to shareholders of \$46.8 million, excluding \$9.6 million in dividends that were reinvested by shareholders in shares of common stock through the distribution reinvestment and stock purchase plan, and to pay distributions of \$15.8 million to affiliates that hold noncontrolling interests in various entities with the Company.

Corporate Property Associates 16-Global, Inc.

During the six months ended June 30, 2011, the Company paid distributions to shareholders totaling \$41.8 million. Cash flow from operating activities was \$58.0 million and adjusted cash flow from operating activities was \$46.4 million for the same period.

Corporate Property Associates 17-Global, Inc.

During the six months ended June 30, 2011, the Company used cash flows provided by operating activities of \$45.7 million to fund cash distributions to shareholders of \$23.2 million, excluding \$22.6 million in dividends that were reinvested by shareholders through the distribution reinvestment and share purchase plan, and to pay distributions of \$12.6 million to affiliates that hold noncontrolling interests in various entities with us.

CNL Lifestyle Properties, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$92.5 million of which \$51.3 was paid in cash and \$41.2 was reinvested. During the same period, cash flows from operating activities were \$51.6 million.

Dividend Capital Total Realty Trust, Inc.

For the six months ended June 30, 2011, the Company reported \$50.0 million of cash provided by operating activities. Distributions declared payable to common stockholders for the six months ended June 30, 2011 were funded with approximately \$50.5 million from the operating activities, and the remaining amounts of approximately \$4.6 million were funded from borrowings.

Global Income Trust, Inc.

During six months ended June 30, 2011, cash distributions totaling \$401,552 were declared payable to stockholders, including \$87,318 declared but unpaid as of June 30, 2011, which were paid on July 15, 2011. For the six months ended June 30, 2011, 100% of the distributions paid to stockholders were considered a return



Source of Distributions

of capital for federal income tax purposes. As the Company had no distributable earnings or funds from operations ("FFO"), the distributions were made from capital proceeds.

Griffin Capital Net Lease REIT, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$1.9 million. Cash flow provided by operating activities was \$1.6 million for the same period. Since June 15, 2009, the Company has funded distributions with operating cash flow from properties and offering proceeds raised in the private offering and the Public Offering. To the extent that the Company does not have taxable income, distributions paid will be considered a return of capital to stockholders.

Grubb & Ellis Healthcare REIT II, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$6,335,000 (\$3,214,000 in cash and \$3,121,000 in shares of common stock pursuant to the DRIP). None of the distributions were paid from cash flows from operations of \$(892,000) and \$6,335,000, or 100%, of the distributions were paid from offering proceeds.

Hartman Short Term Income Properties XX, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$136,137 (\$65,101 paid in cash; the remaining \$71,036 were reinvested pursuant to the DRP). Some or all of the distributions have been paid from other sources, such as from the proceeds of the offerings, cash advances by the advisor, cash resulting from a waiver of asset management fees and borrowings secured by 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 it makes substantial investments.

Healthcare Trust of America, Inc.

For the six months ended June 30, 2011, the Company paid distributions to stockholders of \$78 million as compared to cash flow from operations of \$60.8 million and funds from operations, or FFO, of \$56.6 million.

Hines Global REIT, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$18,955,000 (\$8,738,000 in cash and \$10,217,000 in shares of common stock pursuant to the DRP). Cash flows from operating activities were \$10,654,000 for the same period. The Company notes that in the initial quarters of operations, and from time to time thereafter, it may not generate sufficient cash flow from operations to fully fund distributions paid. Therefore, particularly in the earlier part of the Offering, some or all of the distributions may continue to be paid from other sources, such as cash advances by the Advisor, cash resulting from a waiver or deferral of fees, borrowings and/or proceeds from the Offering. The Company has not placed a cap on the amount of distributions that may be paid from any of these sources.

Hines Real Estate Investment Trust, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$56,118,000 (\$30,964,000 in cash and \$25,154,000 in shares of common stock pursuant to the DRP). For the six months ended June 30, 2011, the Company funded cash distributions with distributions received from unconsolidated investments and proceeds from the sales of real estate investments. The Company has indicated that future

distributions will be paid from two sources. Approximately 70% will be paid from funds generated by operations and approximately 30% will be a special distribution from the proceeds on sales of certain properties. This special distribution represents a return of shareholders' invested capital.

Industrial Income Trust, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$5 million. Distributions have been paid from sources other than cash flows from operations.

Inland American Real Estate Trust, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$212.9 million. During the same period, cash flow provided by operations was \$195.7 million, distributions from unconsolidated entities was \$14.2 million, and gain on sales of properties was \$1.2 million.

Inland Diversified Real Estate Trust, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$9.5 million. The Company generated sufficient cash flow from operations, determined in accordance with U.S. GAAP, to fully fund distributions paid during the six months ended June 30, 2011.

Inland Western Retail Real Estate Trust, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$55.3 million. During the same period, the company generated cash flows from operations of \$85 million.

KBS Legacy Partners Apartment REIT, Inc.

For the six months ended June 30, 2011, the Company paid aggregate distributions of \$198,000, including \$130,000 of distributions paid in cash and \$68,000 of distributions reinvested through the dividend reinvestment plan. FFO for the six months ended June 30, 2011 was \$(0.3) million and cash flow used in operations was \$0.1 million. The Company funded total distributions paid, which includes cash distributions and dividends reinvested by stockholders, with prior year debt financing and cash on hand at December 31, 2010.

KBS Real Estate Investment Trust, Inc.

For the six months ended June 30, 2011, the Company paid aggregate distributions of \$48.8 million, including \$25.5 million of distributions paid in cash and \$23.2 million of distributions reinvested through the dividend reinvestment plan. The Company funded the total distributions paid, which includes net cash distributions and dividends reinvested by stockholders, with \$23.9 million of current period operating cash flows, \$24.9 million of operating cash reserves from prior periods, proceeds from the sale of properties in 2010 and proceeds from debt financing. FFO for the six months ended June 30, 2011 was \$7.4 million.

KBS Real Estate Investment Trust II, Inc.

For the six months ended June 30, 2011, the Company paid aggregate distributions of \$59.6 million, including \$26.3 million of distributions paid in cash and \$33.3 million of distributions reinvested through the dividend reinvestment plan. FFO and cash flow from operations for the six months ended June 30, 2011 were \$67.8 million and \$50.7 million, respectively. The Company funded the total distributions paid, which includes net cash distributions and dividends reinvested by stockholders, with \$50.7 million of current period operating cash flows and \$8.9 million of debt financing.



Source of Distributions

Lightstone Value Plus Real Estate Investment Trust, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$11 million. The source of distributions included cash flows provided by operations of \$10 million, proceeds from investment in affiliates in excess of cash of (\$2.6) million, and proceeds from the issuance of common stock through the distribution reinvestment program of \$3.7 million.

Lightstone Value Plus Real Estate Investment Trust II, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$1.2 million. The Company used proceeds from the offering of common stock to fund the cash portion of the distributions.

Moody National REIT I, Inc.

The Company paid \$146,078 in total distributions for the six month period ending June 30, 2011. \$88,989 was paid in cash distributions and cash flow provided by operating activities was \$54,163 during the same period.

Northstar Real Estate Income Trust, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$1.5 million in distributions. The Sponsor has committed to purchase up to \$10,000,000 of shares of the Company's common stock during the two-year period following commencement of the Company's Offering under certain circumstances in which the Company's distributions exceed its adjusted funds from operations ("AFFO") in order to provide additional funds to support distributions to stockholders. On March 23, 2011 and May 12, 2011, the Company's board of directors approved the sale of 43,439 and 58,565 shares of the Company's common stock, \$0.01 par value per share, to a subsidiary of the Sponsor, at a price of \$9.00 per Share.

Paladin Realty Income Properties, Inc.

Of the \$1,595,287 in distributions paid during the six months ended June 30, 2011, \$797,583 was paid in cash and \$797,704 was paid through the distribution reinvestment plan. During the same period, the Company had \$1,363,672 of cash operating distributions from investments. From inception through June 30, 2011, the cumulative distributions paid to stockholders of \$9,944,523 exceeded cash distributions from the operation of investments of \$9,561,762 as well as cumulative net cash provided by operating activities of \$2,493,393 and cumulative funds from operations, or FFO. As a result, portions of the cumulative distributions paid as of June 30, 2011 have been paid with sales proceeds from the sale of the investment in 801 Fiber Optic or offering proceeds.

Phillips Edison – ARC Shopping Center REIT Inc.

During the six months ended June 30, 2011, gross distributions of approximately \$311,000 were paid, net of \$43,000 of distributions reinvested through the DRP, for net distributions of \$268,000. Distributions for the month of June were paid on July 1, 2011, and distributions for the month of July were paid on August 1, 2011. These distributions were funded from advances from the Sub-advisor and cash generated from operations.

Steadfast Income REIT, Inc.

For the six months ended June 30, 2011, the Company paid aggregate distributions of \$494,604 including \$308,782 of distributions paid in cash and 19,560 shares of common stock issued pursuant to the distribution reinvestment plan for \$185,822. For the six months ended June 30, 2011, net loss was \$1,929,514,

and FFO totaled \$(708,561), and cash flow used in operations was \$360,532. The Company funded total distributions paid, which includes net cash distributions and dividends reinvested by stockholders, with funds from proceeds of the public offering.

Strategic Storage Trust, Inc.

For the six months ended June 30, 2011, the Company paid distributions of \$9,844,877 of which \$5,707,803 was paid in cash and \$4,137,074 was reinvested. Sources of distributions included cash flows provided by (used in) operations in the amount of \$180,693, proceeds from issuance of common stock in the amount of \$5,527,110, and distributions reinvested in the amount of \$4,137,074 during the same period.

TNP Strategic Retail Trust, Inc.

For the six months ended June 30, 2011, the Company paid aggregate distributions of \$933,000, including \$623,000 of distributions paid in cash and \$310,000 of distributions reinvested through the dividend reinvestment plan. The net loss for the six months ended June 30, 2011 was \$(3,021,000), FFO for the six months ended June 30, 2011 was \$(1,454,000), and cash flow from operations for the six months ended June 30, 2011 was \$(1,126,000). The Company funded the total distributions paid, which includes net cash distributions reinvested pursuant to the distribution reinvestment plan, with proceeds from the initial public offering. See the reconciliation of FFO to net loss above under "Funds From Operations and Modified Funds From Operations."

United Development Funding IV

For the six months ended June 30, 2011, the Company paid distributions of \$3,339,563 (\$2,094,962 in cash and \$1,244,601 in common shares of beneficial interest pursuant to the DRIP), as compared to cash flows provided by operations of \$468,209. From May 28, 2008 (Date of Inception) through June 30, 2011, the Company paid cumulative distributions of \$5,225,606, as compared to cumulative funds from operations ("FFO") of \$5,484,922. As of June 30, 2011, the Company had \$359,570 of cash distributions declared that were paid subsequent to period end.

Wells Core Office Income REIT, Inc.

For the six months ended June 30, 2011, the Company paid total distributions to stockholders, including amounts reinvested in common stock pursuant to the distribution reinvestment plan, of \$1.4 million. During the same period, net cash provided by operating activities was approximately \$0.4 million. Distributions paid to common stockholders for the six months ended June 30, 2011, were funded with approximately \$0.4 million (reflecting the impact of \$2.5 million of acquisition-related expenses) from operating activities, and the remaining amount of approximately \$1.0 million was funded from borrowings. Borrowings have been used to fund distributions to the extent that acquisition-related expenses have reduced net cash flows from operating activities.

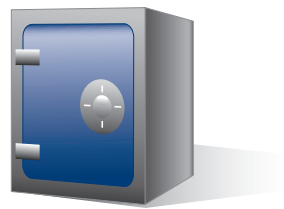
Wells Real Estate Investment Trust II, Inc.

The Company paid total distributions to stockholders, including \$65.4 million reinvested in common stock pursuant to the DRP, of \$135.1 million for the six months ended June 30, 2011. During the same period, net cash provided by operating activities was \$131.0 million, and acquisition related costs, which were funded with cash generated from the sale of common stock but which under GAAP reduce net cash provided by operating activities, was \$11.2 million.



Publication Schedule

	SEC 10Q/10K Release Date	Report Publication Date
Second Quarter 2011 (10Q)	August 15, 2011	September 15, 2011
Third Quarter 2011 (10Q)	November 14, 2011	December 14, 2011
Special Supplement	Year End 2011 Estimates	March 1, 2012
Fourth Quarter 2011 (10K)	March 30, 2012	April 30, 2012
First Quarter 2012 (10Q)	May 10, 2012	June 11, 2012



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