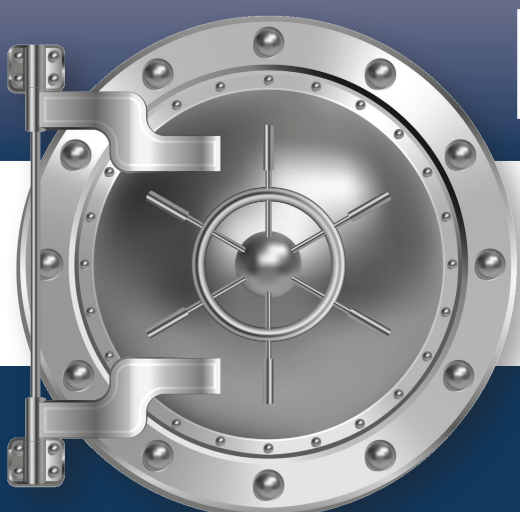
BLUE VAULT™



Nontraded **REIT**

Industry Review

Third Quarter 2016

www.BlueVaultPartners.com

BLUE VAULT™

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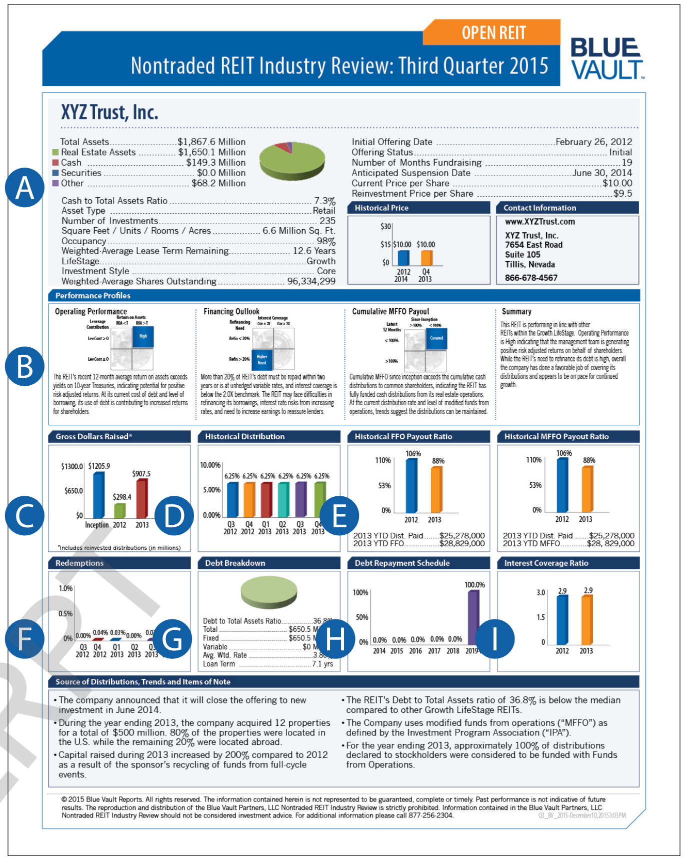


Ⓐ Portfolio Details

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 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 after 29 months from the breaking of escrow.
- List or Liquidate – positioning of the portfolio for sale or for listing on a public exchange. An external investment banker may be hired for guidance and to finalize refinement of the portfolio and its metrics to compete as a traded REIT.

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

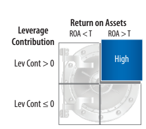
- Core – defined as a REIT that generates a high percentage of its total return from income and a modest percentage from asset appreciation. REITs in this category are also expected to exhibit low volatility in terms of asset values.
- Value Add – defined as a REIT that achieves a balanced total return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

Ⓑ Performance Profiles

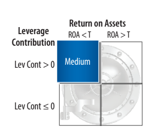
In April 2014, the Company introduced its Performance Profile System. By adapting proven financial models used by public company analysts to nontraded REITs, we have taken our financial reporting to the next level by adding multiple layers within our measurement system that focuses on three essential areas; Operating Performance, Refinancing Outlook and Cumulative MFFO Payout.

Using a four quadrant performance profile system, we showcase the essential areas of operating performance, refinancing outlook, and cumulative MFFO payout. Like many quadrant diagrams, the preferred location is the upper-right corner while the less than optimal location is the lower-left corner.

Operating Performance



High – The REIT's recent 12-month average return on assets exceeds yields on 10-Year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.



Medium – The REIT's recent 12-month average return on assets is less than yields on 10-Year Treasuries, indicating negative risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt may be increasing returns to shareholders, but only due to low short-term rates and not on a risk-adjusted basis.

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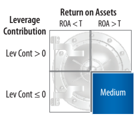
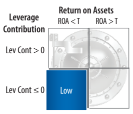
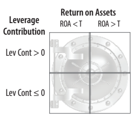
Metric Definitions and Explanations



Medium – The REIT's recent 12-month average return on assets exceeds yields on 10-Year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is not increasing returns to shareholders

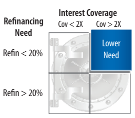


Low – The REIT's recent 12-month average return on assets is less than yields on 10-Year Treasuries, indicating negative risk adjusted returns. At its current cost of debt and level of borrowing, the use of debt is not increasing returns to shareholders. Earnings must improve to cover costs of debt.

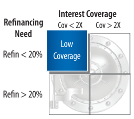


Less than Five Quarters of Data – As an Emerging LifeStage™ REIT, there are less than five quarters of data to calculate meaningful return on assets and leverage contribution metrics.

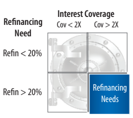
Financing Outlook



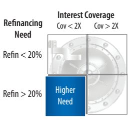
Lower Need – Interest coverage ratio exceeds the 2.0X benchmark and the REIT does not have over 20% of debt maturing within two years or at unhedged variable-rates. The REIT does not face an immediate need to refinance a significant portion of its debt, and has sufficient earnings to cover interest expense.



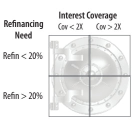
Low Coverage – The REIT's interest coverage ratio is below the 2.0X benchmark but the REIT does not have over 20% of debt maturing within two years or at unhedged variable-rates. The REIT does not face an immediate need to refinance a significant portion of its debt, but may need to increase earnings to provide lenders with sufficient interest coverage.



Refinancing Need – Interest coverage ratio is above the 2.0X benchmark but more than 20% of the REIT's debt matures within two years or is at unhedged variable-rates. The REIT may face difficulties in refinancing its borrowings or interest rate risk from increasing rates, but earnings currently provide coverage of interest expense.

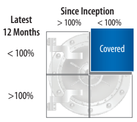


Higher Need – More than 20% of REIT's debt must be repaid within two years or is at unhedged variable-rates, and interest coverage is below the 2.0X benchmark. The REIT may face difficulties in refinancing its borrowings, interest rate risks from increasing rates, and need to increase earnings to reassure lenders.

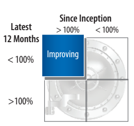


Less than Five Quarters of Data – As an Emerging LifeStage™ REIT, there are less than five quarters of data to calculate meaningful interest coverage ratios. REITs in the Emerging LifeStage™ often rely on short-term financing with variable rates which will later be refinanced with longer maturity debt.

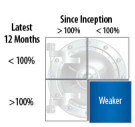
Cumulative MFFO Payout



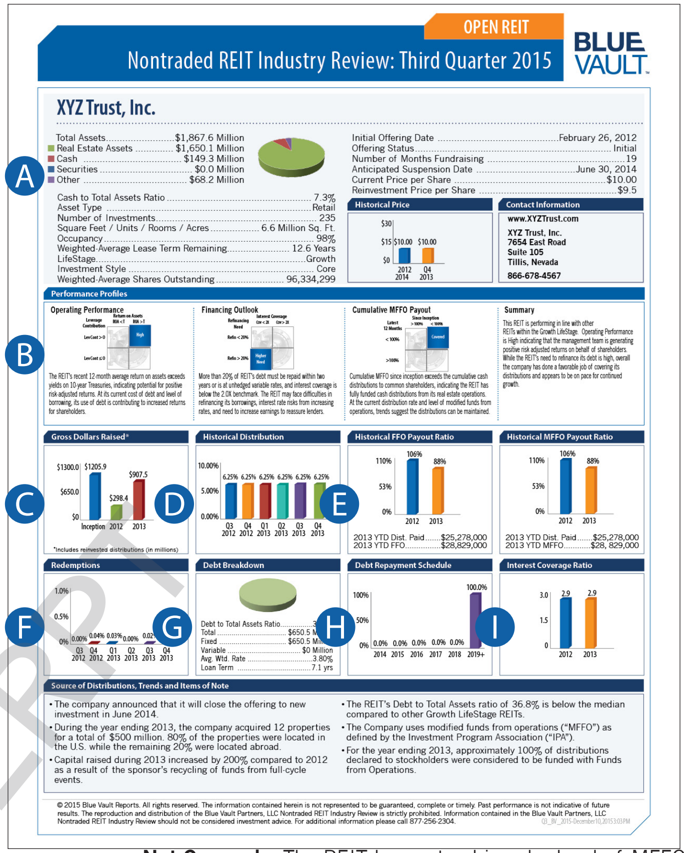
Covered – Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

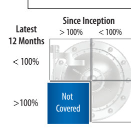


Improving – The REIT has not yet reached full coverage of cash distributions with an MFFO payout ratio below 100% since inception, but the last 12 months shows full coverage of cash distributions, a positive trend. If the 12-month trend continues, the distribution rate can be maintained.

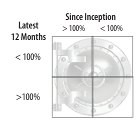


Weaker – The REIT has achieved full coverage of distributions with MFFO exceeding cash distributions since inception, but the most recent 12-month results show cash distributions in excess of MFFO, a negative trend. If the most recent 12-month trend does not improve, distribution levels cannot be maintained.

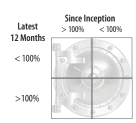




Not Covered – The REIT has not achieved a level of MFFO in excess of cash distributions since inception and the latest 12-month results indicate cash distributions exceed MFFO, a trend which must be eventually reversed for distribution sustainability.



Less than Five Quarters of Data – For this Emerging LifeStage™ REIT there are less than five quarters of data to calculate meaningful MFFO Payout ratios. REITs in the Emerging LifeStage™ may fund a portion of cash distributions in the first year of operations from offering proceeds until MFFO is sufficient to fund them.



Not Paying Cash Distributions – This REIT has not paid cash distributions to common shareholders. MFFO payout ratios are not applicable.

Gross Dollars Raised

C Defined as sales of nontraded REIT shares, including those purchased with reinvested dividends.

Current Distribution and Historical Distribution

D The annualized distribution yield for each quarter or calendar year. Distribution yields are calculated using the cash distribution amount per share, as declared by the board of directors, net of shareholder servicing fees and other class-specific expense allocations, and dividing the annualized amount by the original offering prices for each share class. When partial liquidating distributions have been made, the original offering prices have been reduced by the per share amount of those distributions. Yields do not include stock distributions which are footnoted. When offering prices have changed, distribution yields based upon updated prices are found in the notes at the bottom of the report page.

SAMPLE

Metric Definitions and Explanations

E FFO and 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% as the main objective during this initial fundraising period is to acquire properties as new capital is raised. Once the REIT has closed to new investments and the rental income becomes more stabilized, the payout ratio tends to decline towards a more ideal ratio of 100% or less.

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

The National Association of Real Estate Investment Trusts (NAREIT) has defined FFO as:

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

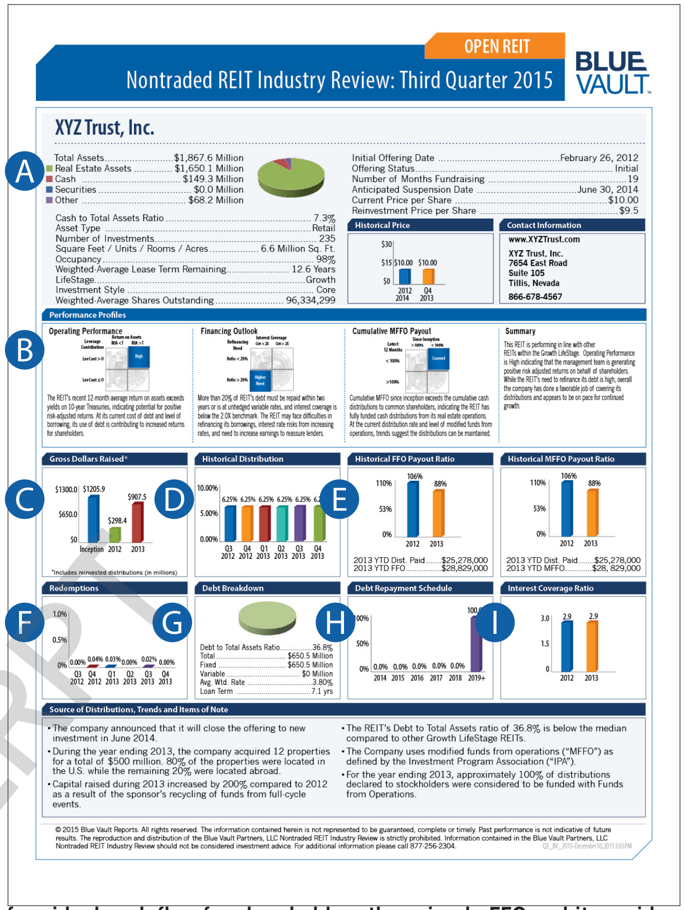
FFO

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 presents FFO in keeping with the NAREIT definition to the best of our ability, given the public information made available by each REIT in the quarterly filings. We may attempt to deduce FFO for nontraded REITs that are not forthcoming, but cannot guarantee the accuracy.

FFO does have some limitations:

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

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



While one REIT's reported MFFO may not be completely comparable to another REIT's reported MFFO, 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 presents estimates in accordance with these 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 market 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, h edges, foreign exchange, derivatives or securities holdings, unrealized gains or losses resulting from consolidation from, or deconsolidation to, equity accounting, and adjustments for consolidated and unconsolidated partnerships and joint ventures.

F 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.

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Metric Definitions and Explanations

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

G Debt Breakdown

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

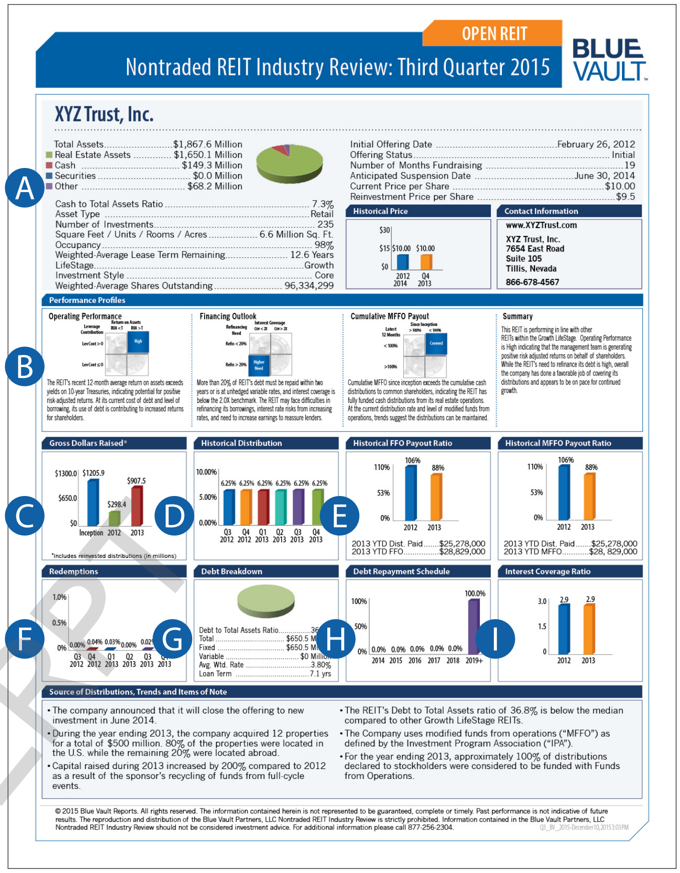
H Debt Repayment Schedule

The due date for a debt when the principal must be repaid. 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.

I Interest Coverage Ratio

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

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


OPEN REIT

Nontraded REIT Industry Review: Third Quarter 2015 — BLUE VAULT

XYZ Trust, Inc.

A

Total Assets	$1,867.6 Million
Real Estate Assets	$1,650.1 Million
Cash	$149.3 Million
Securities	$0.0 Million
Other	$68.2 Million
Cash to Total Assets Ratio	7.3%
Asset Type	Retail
Number of Investments	235
Square Feet / Units / Rooms / Acres	6.6 Million Sq. Ft.
Occupancy	98%
Weighted-Average Lease Term Remaining	12.6 Years
LifeStage	Growth
Investment Style	Core
Weighted-Average Shares Outstanding	96,334,299

Initial Offering Date	February 26, 2012
Offering Status	Initial
Number of Months Fundraising	19
Anticipated Suspension Date	June 30, 2014
Current Price per Share	$10.00
Reinvestment Price per Share	$9.5

Historical Price

Contact Information
www.XYZTrust.com
XYZ Trust, Inc.
7654 East Road
Suite 105
Tillis, Nevada
866-678-4567

Performance Profiles

B

Operating Performance — The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

Financing Outlook — More than 20% of REIT's debt must be repaid within two years or is at unhedged variable rates, and interest coverage is below the 2.0X benchmark. The REIT may face difficulties in refinancing its borrowings, interest rate risks from increasing rates, and need to increase earnings to reassure lenders.

Cumulative MFFO Payout — Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

Summary — This REIT is performing in line with other REITs within the Growth LifeStage. Operating Performance is High indicating that the management team is generating positive risk adjusted returns on behalf of shareholders. While the REIT's need to refinance its debt is high, overall the company has done a favorable job of covering its distributions and appears to be on pace for continued growth.

C Gross Dollars Raised* — *Includes reinvested distributions (in millions)

D Historical Distribution

E Historical FFO Payout Ratio — 2013 YTD Dist. Paid $25,278,000; 2013 YTD FFO $28,829,000

Historical MFFO Payout Ratio — 2013 YTD Dist. Paid $25,278,000; 2013 YTD MFFO $28, 829,000

F Redemptions

G Debt Breakdown — Debt to Total Assets Ratio 36[…]; Total $650.5 M[…]; Fixed $650.5 M[…]; Variable $0 Million; Avg. Wtd. Rate 3.80%; Loan Term 7.1 yrs

H Debt Repayment Schedule

I Interest Coverage Ratio

Source of Distributions, Trends and Items of Note

- The company announced that it will close the offering to new investment in June 2014.
- During the year ending 2013, the company acquired 12 properties for a total of $500 million. 80% of the properties were located in the U.S. while the remaining 20% were located abroad.
- Capital raised during 2013 increased by 200% compared to 2012 as a result of the sponsor's recycling of funds from full-cycle events.
- The REIT's Debt to Total Assets ratio of 36.8% is below the median compared to other Growth LifeStage REITs.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- For the year ending 2013, approximately 100% of distributions declared to stockholders were considered to be funded with Funds from Operations.

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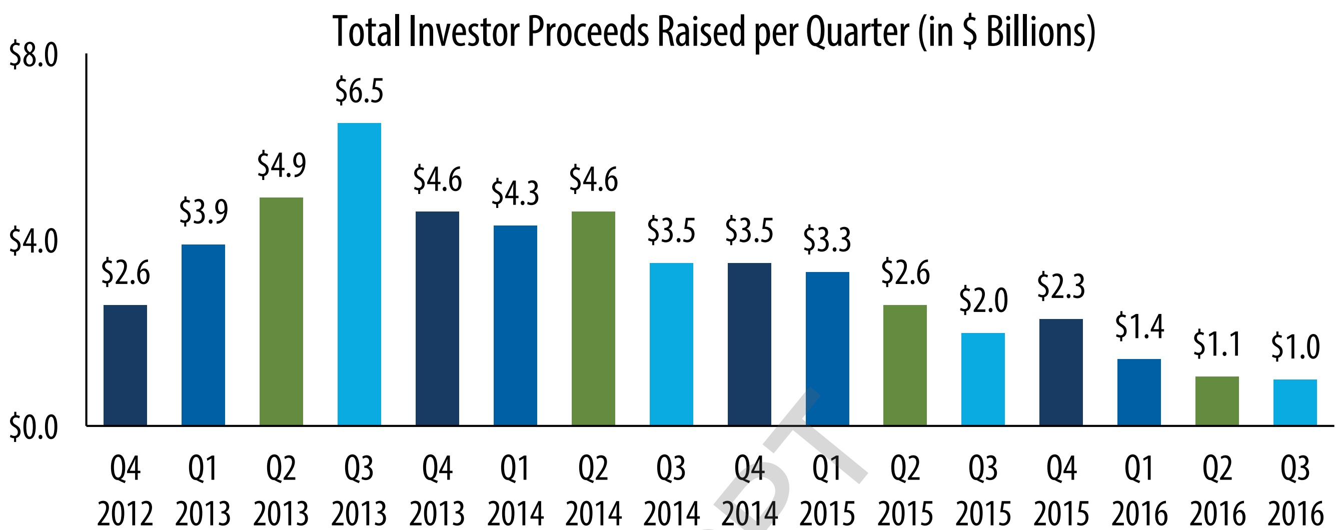
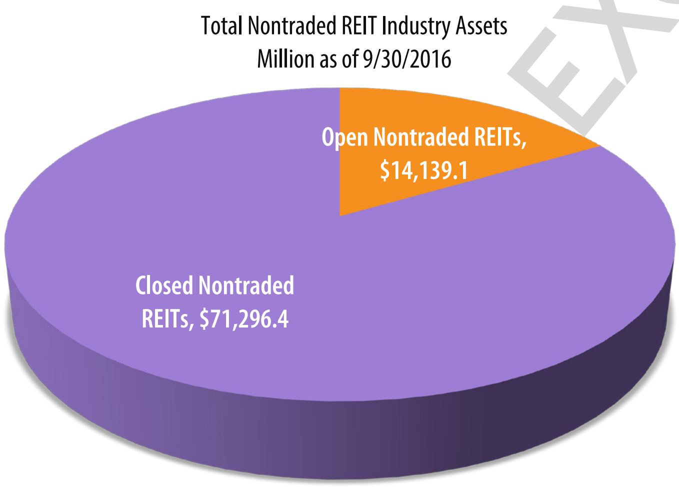
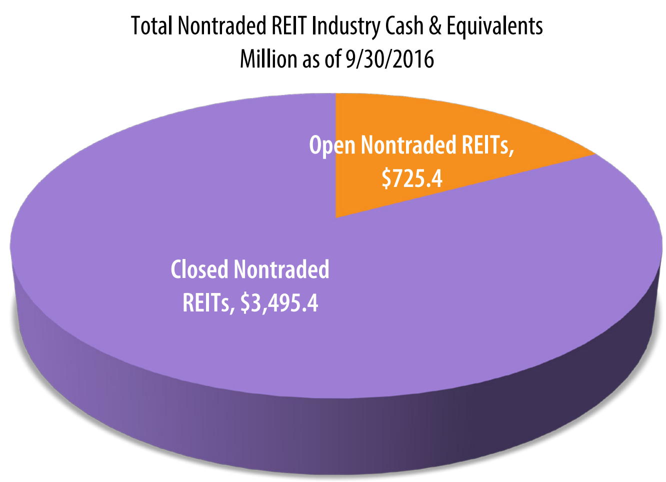
Overall Data Summary
Nontraded REIT Industry Review: Third Quarter 2016







Overall Data Summary
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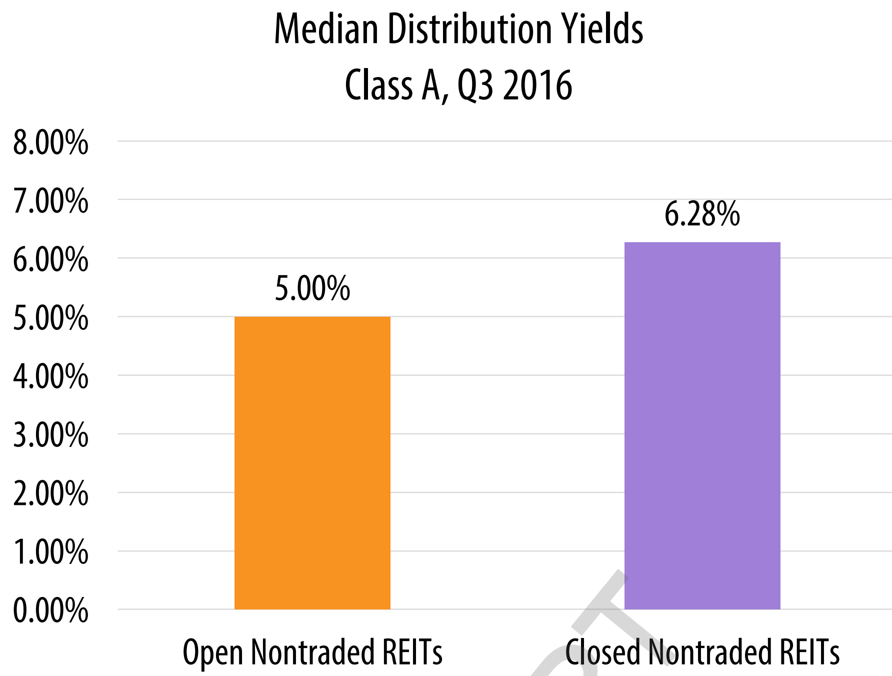
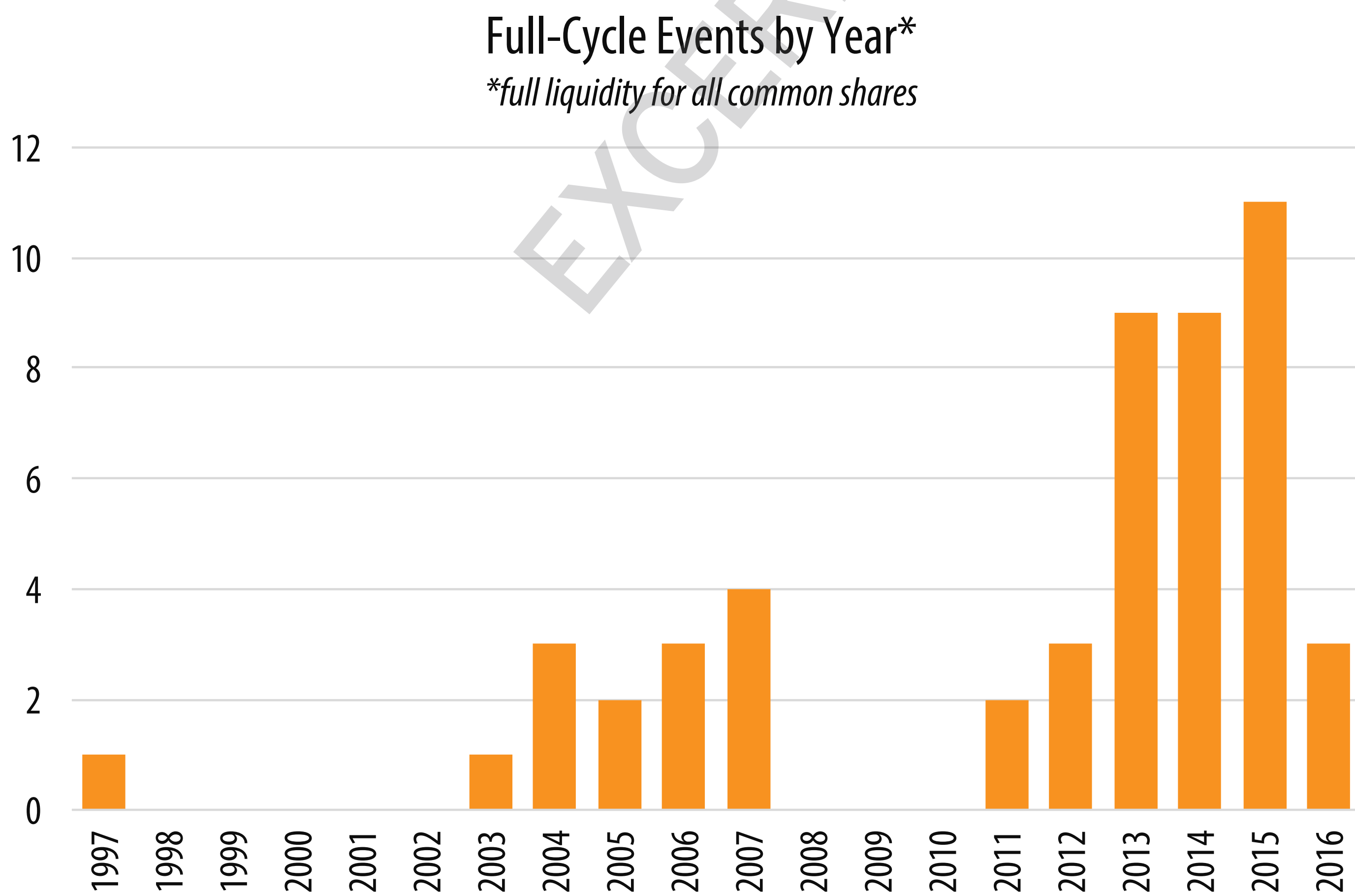




BLUE VAULT™

Liquidating LifeStage™ REITs

Liquidating LifeStage™ REITs	Total Assets (in $ Millions)	Cash to Total Assets Ratio	Number of Properties/ Investments	Current Distribution Yield *	Debt to Total Assets Ratio	YTD FFO Payout Ratio	YTD MFFO Payout Ratio Blue Vault	YTD Interest Coverage Ratio
American Finance Trust, Inc.	$2,129.4	6.7%	459	6.60%	48.6%	141%	147%	2.7
American Realty Capital - Retail Centers of America, Inc.	$1,252.1	3.6%	35	6.40%	34.7%	118%	119%	5.7
American Realty Capital Global Trust II, Inc.	$614.2	3.4%	16	7.10%	66.0%	Not Meaningful	Not Meaningful	1.2
Behringer Harvard Opportunity REIT I, Inc.	$259.6	8.5%	6	0.00%	54.9%	Not Applicable	Not Applicable	1.0
Behringer Harvard Opportunity REIT II, Inc.	$274.7	25.4%	9	0.00%	52.0%	Not Meaningful	Not Meaningful	4.3
CNL Growth Properties, Inc.	$516.8	4.2%	10	0.00%	49.3%	Not Applicable	Not Applicable	Not Applicable
CNL Lifestyle Properties, Inc	$1,019.2	13.0%	43	6.56%	14.5%	65%	57%	14.6
Hines Real Estate Investment Trust, Inc.	$1,418.8	7.2%	14	0.00%	0.0%	100%	119%	12.9
InvenTrust Properties (FKA Inland American Real Estate Trust, Inc.)	$2,929.3	19.8%	74	1.69%	22.3%	79%	68%	5.3
KBS Real Estate Investment Trust, Inc.	$816.1	26.9%	190	1.07%	21.9%	Not Meaningful	109%	13.1
Median	$917.6	7.8%	26	1.38%	41.6%	100%	114%	5.3
Average	$1,123.0	11.9%	86	2.94%	36.4%	101%	103%	6.8
Minimum	$259.6	3.4%	6	0.00%	0.0%	65%	57%	1.0
Maximum	$2,929.3	26.9%	459	7.10%	66.0%	141%	147%	14.6

**Yields are based upon the original offering price or the adjusted NAV for REITs that have had partial portfolio liquidations*

**Yields annualized for cash distributions and quarterly rates for stock distributions*

Nontraded REIT Industry Review: Third Quarter 2016

BLUE VAULT™

Top Line Assessment of the Nontraded REIT Industry – 3rd Quarter 2016

Sales by nontraded REITs during Q3 2016 totaled an estimated $1.04 billion, down from the $1.09 billion recorded in Q2 2016, and more than 59% below the average quarterly totals for 2015 of $2.54 billion. For the year-to-date as of September 30, 2016, industry capital raise, including DRIP proceeds, is just $3.54 billion, compared to $7.84 billion for the same nine-month period in 2015. At the current pace of capital raising, the industry will not exceed $5.0 billion in sales in 2016. Capital raise, including proceeds from distribution reinvestments, totaled an estimated $10.15 billion for the year ended December 31, 2015, compared to an estimated $15.8 billion for 2014. There were 31 nontraded REITs raising capital during Q3 2016, and as of December, 2016, there are 30 nontraded REITs raising capital through public offerings.

The withdrawal of AR Global from the sector in Q4 2015 continues to impact Q3 2016 results. In 2014, American Realty Capital, as it was then known, raised nearly $5.4 billion alone. After virtually shutting down capital raise at the end of 2015, AR Global raised only $6.6 million via open offerings in Q1 2016 and zero in Q2 2016. The turnover in the capital raising leadership sees Jones Lang LaSalle and Griffin Capital at the top in Q3 2016 with $174.7 million and $148.4 million raised respectively, followed closely by Cole Capital's $145.3 million. The top five sponsors together raised over 65% of capital in Q3 2016. The entry of Blackstone into the nontraded REIT sector that was announced in August, with plans to raise $5 billion for Blackstone Real Estate Income Trust, may provide the boost that the industry sorely needs.

Nontraded REIT Acquisitions

The volume of property acquisitions by nontraded REITs fell compared to the second quarter of 2016 as a total of 97 properties were purchased for an aggregate acquisition price of $2.51 billion, compared to 128 properties for an aggregate total of $3.43 billion in the prior period. At the end of the third quarter, 2016, all nontraded REITs had $4.22 billion in cash on their balance sheets to help fund acquisitions, and among effective REITs this total was just $0.73 billion, down from $0.98 billion in cash among the open REITs at June 30, 2016.

The Six Most Active Nontraded REITs in Terms of Acquisitions During Q3 2016 Were:	$ Millions
Carey Watermark Investors 2 Inc.	$369.4
Jones Lang LaSalle Income Property Trust, Inc.	$356.8
Industrial Property Trust, Inc.	$280.7
Hines Global REIT II, Inc.	$195.4
Griffin-American Healthcare REIT III, Inc.	$172.2
KBS Strategic Opportunity REIT, Inc.	$168.0

Nontraded REIT Dispositions

Property dispositions for all nontraded REITs totaled $1,426 million for Q3 2016, down from the $2,474 million in Q2 2016. The four most active REITs in terms of dispositions accounted for 86% of the industry total in Q3 2016, and Hines REIT accounted for 56% of the total with its liquidating sales. Subsequent to the third quarter end, the major portion of Hines REIT's portfolio was sold in October 2016.

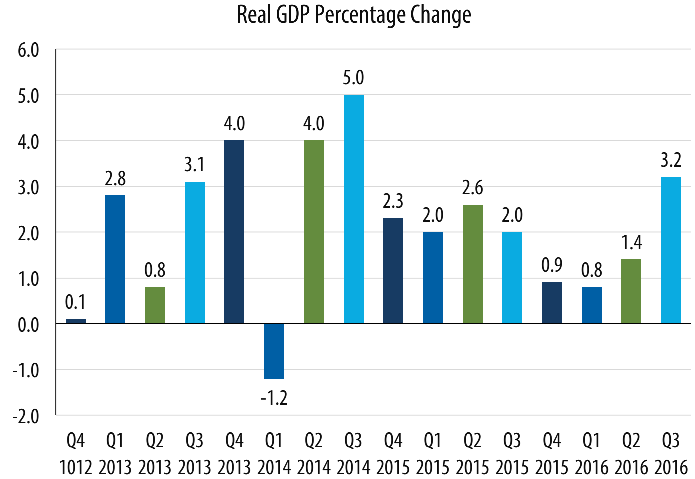
The Six Most Active Nontraded REITs in Terms of Dispositions During Q3 2016 Were:	$ Millions
Hines Real Estate Investment Trust, Inc.	$797.0
Corporate Property Associates 17 - Global Incorporated	$151.3
KBS Real Estate Investment Trust, Inc.	$145.6
InvenTrust Properties	$125.6
CNL Growth Properties, Inc.	$51.2
Resource Real Estate Opportunity REIT, Inc.	$45.5

Macroeconomic Trends

Real gross domestic product increased at an annual rate of 3.2% in Q3 2016 according to an update released by the Bureau of Economic Analysis on November 29. The Q2 2016 real GDP increased 1.4%. The increase in real GDP primarily reflected positive contributions from personal consumption, exports, private inventory investment and Federal government spending, that were partially offset by decreases in both residential and nonresidential fixed investment, state and local government spending. The U.S. consumer price index for all gross domestic purchases increased 1.5% in the third quarter, compared to a 2.1% increase in the second quarter. Corporate profits from current production increased $133.8 billion in the third quarter, compared to a decrease of $12.5 billion in the second.

The U.S. economy has added 1.6 million jobs thus far in 2016, including 575,000 in the third quarter.

Real GDP Percentage Change



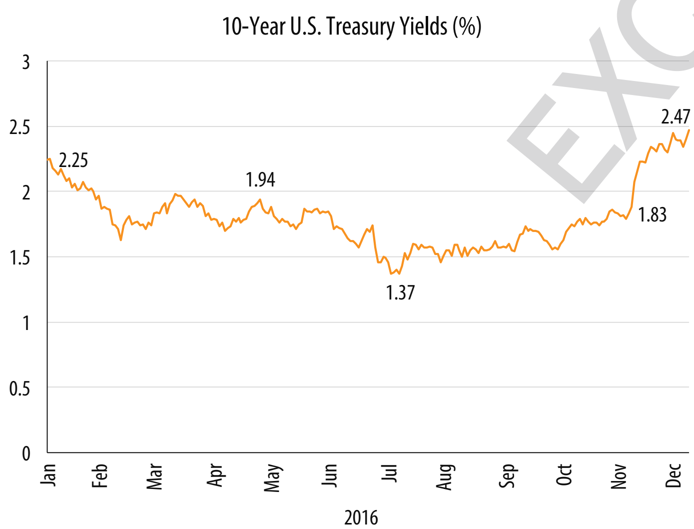
U.S. Bureau of Economic Analysis, Seasonally Adjusted Annual Rates

Nontraded REIT Industry Review: Third Quarter 2016

The latest minutes of the Federal Reserve's Open Market Committee meeting in November report that the Committee decided to maintain the target range for the federal funds rate at ¼% to ½%, remaining accommodative and supporting further improvement in the labor market and a return to two percent inflation.

Total nonfarm payroll employment expanded at a solid pace in September, and the unemployment rate was little changed at five percent. The labor force participation rate and the employment-to-population ratio both edged up in September. Inflation had increased somewhat since earlier this year but was still below the Committee's two percent longer-run objective, partly reflecting earlier declines in energy prices and in prices of non-energy imports. Total U.S. consumer prices, as measured by the PCE price index, increased about 1¼% over the 12 months ending in September. Housing market activity was weak in the third quarter. Real residential investment spending decreased, partly reflecting a decline in total housing starts. The most recent construction data were mixed, with starts for new single-family homes increasing in September and starts for multifamily units declining sharply.

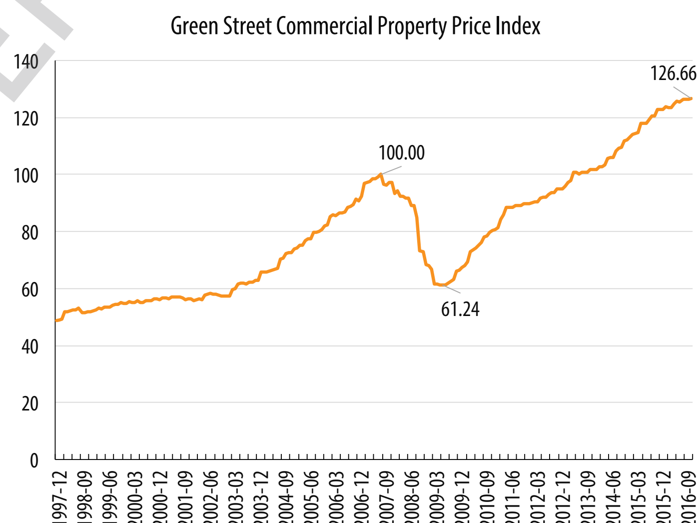
As noted last quarter, for several years we have been anticipating an "inevitable rise in interest rates." Now, with President-elect Donald Trump's announced plans to increase infrastructure spending, markets may be anticipating upward pressure on federal deficits and inflation.



The U.S. 10-Year Treasury yield has jumped 64 basis points from election day to December 9, 2016. While this has narrowed the gap between bond yields and current market cap rates for commercial real estate investments, those spreads are still well above those in prior cycles.

President-elect Trump's stated policy positions include lower taxes, reduced regulation and increased spending on infrastructure and defense. If these changes stimulate economic growth, as the financial markets appear to be anticipating, investors may expect the Fed to raise rates and act more aggressively in 2017.

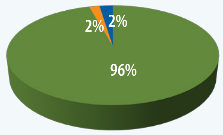
Prior to the spike in interest rates following the election, lending conditions had already been tightening in 2016. Leverage rates as measured in LTVs had already dropped from 66.6% to 64.0% between Q3 2015 and Q3 2016, mostly in commercial loans. Regulators are taking steps to limit more risky loans, especially in speculative construction. Buyers are having to commit more equity for new and refinanced loans. CBRE reports that buyers are asking for and some are receiving price reductions for deals under contract due to rate increases. It isn't yet clear if the recent rise in interest rates will have a proportional effect on cap rates. CBRE's studies of the May to August 2013 spike in the 10-Year Treasury yield of over 100 basis points showed that fewer than 10% of the 347 valuations studied showed any change in pricing over that time period. They concluded that any expectation of cap rate movement must take into consideration the market, asset type and the strength of global capital flows before drawing any inferences regarding the response of an asset's value to interest rate increases.



The Green Street Commercial Property Price Index was essentially unchanged in November. Property prices are up just three percent this year after seeing nearly double-digit gains in each of the past few years, according to Green Street Advisors in their December 6 release. "Pricing for some assets has been a little better, and others a little worse, but for the most part, values have dug in over the past few months," said Peter Rothemund, Senior Analyst at Green Street Advisors in the release.

Dividend Capital Diversified Property Fund Inc.

Total Assets	$1,821.7 Million
Real Estate Assets	$1,743.3 Million
Cash	$34.4 Million
Securities	$0.0 Million
Other	$44.0 Million

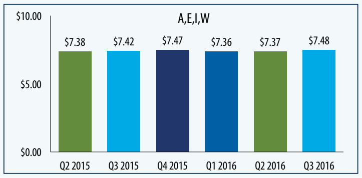


Initial Offering Date	January 27, 2006
Offering Close Date	Perpetual
Price per Share (all classes)	$7.48
Reinvestment Price per Share	$7.48
Selling Commission	Class A 3.00%
Dealer-Manager Fee	Class A and Class W 0.60%; Class I 0.10%

New Info!

Cash to Total Assets Ratio	1.9%
Asset Type	Diversified
Number of Investments	55 Properties, 3 Debt Investments
Square Feet/Units/Rooms/Acres	8.989 Million Square Feet
Occupancy	91.5%
Weighted-Average Lease Term Remaining	4.2 Years
LifeStage™	Stabilizing
Investment Style	Core
Weighted-Average Shares Outstanding	170,952,000

Historical Price or NAV



Contact Information

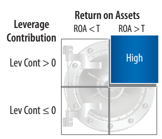
www.dividendcapitaldiversified.com

Dividend Capital Diversified Property Fund Inc.
518 Seventeenth Street, 17th Floor
Denver, CO 80202

303-228-2200

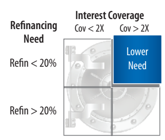
Performance Profiles

Operating Performance



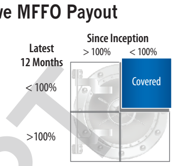
The REIT's recent 12-month average return on assets exceeds yields on 10-Year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders

Financing Outlook



Interest coverage ratio exceeds the 2.0X benchmark and the REIT does not have over 20% of debt maturing within two years or at unhedged variable rates. The REIT does not face an immediate need to refinance a significant portion of its debt, and has sufficient earnings to cover interest expense.

Cumulative MFFO Payout

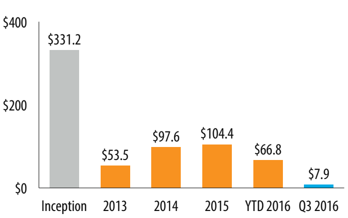


Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

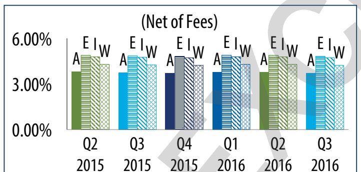
Summary

The REIT's return on assets for the last four quarters was 8.15%, well above the yield on 10-Year Treasuries, and it had a positive leverage contribution due to its 3.16% average cost of debt and 57.7% debt ratio. About 19.6% of the REIT's debt matures before 2018 and 17.9% is at unhedged variable rates, indicating some refinancing need and interest rate risk. Its interest coverage ratio for the last four quarters at an estimated 3.0X is above the 2.0X benchmark. Since inception the REIT has paid out an estimated 96% of MFFO in cash distributions, excluding DRIP proceeds, but this rate was 47% for the last four quarters, a sustainable cash distribution payout rate.

Gross Dollars Raised

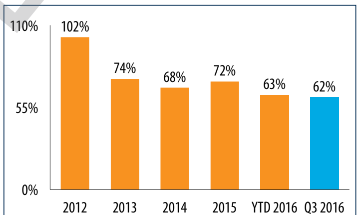


Historical Distribution



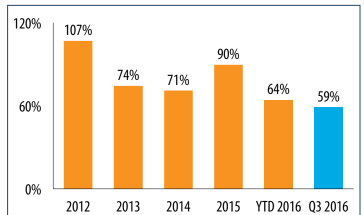
	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
A	3.80%	3.75%	3.72%	3.79%	3.79%	3.72%
E	4.88%	4.85%	4.82%	4.89%	4.88%	4.82%
I	4.78%	4.75%	4.72%	4.79%	4.78%	4.72%
W	4.29%	4.25%	4.22%	4.29%	4.29%	4.22%

Historical FFO Payout Ratio



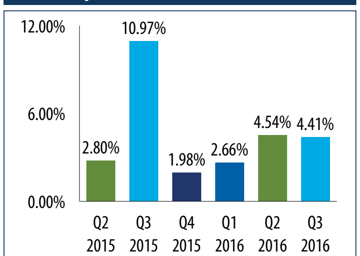
YTD Distributions Paid Including DRIP	$47,068,000
YTD FFO	$69,598,000

Historical MFFO Payout Ratio

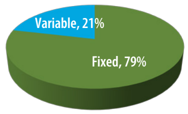


YTD Distributions Paid Including DRIP	$47,068,000
YTD MFFO	$68,453,000

Redemptions

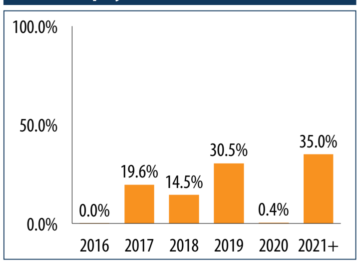


Debt Breakdown

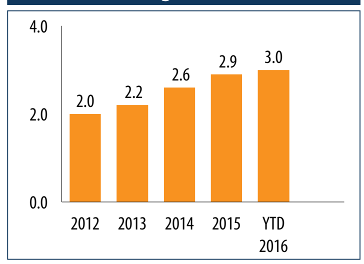


Debt to Total Assets Ratio	57.7%
Total	$1,050.7 Million
Fixed	$694.7 Million
Variable	$188.5 Million
Avg. Wtd. Rate	3.16%
Loan Term	< 1-13 years

Debt Repayment Schedule



Interest Coverage Ratio

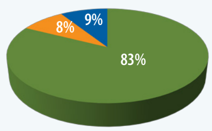


Source of Distributions, Trends and Items of Note

- In March 2016, the Company initiated a program to raise capital in private placements through the sale of beneficial interests in a DST (Delaware Statutory Trust) program holding real properties. As of September 30, 2016, it had sold approximately $1.3 million in interests.
- The Company sold three properties in the quarter ended September 30, 2016, for approximately $27.6 million. The Company did not acquire any properties during the same period.
- During the quarter ended September 30, 2016, DPF sold Rockland 360-372 Market, a retail property located in Greater Boston for $3.6 million, 6900 Riverport, an industrial property located in Louisville, KY for $5.4 million, and Sunset Hills, an office property located in Washington, DC for $18.6 million, each to an unrelated party.
- Total Assets reported according to GAAP understate the current NAV of real estate investments which was $2.3 billion (calculated in accordance with the REIT's valuation procedures) as of September 30, 2016.
- The REIT's leverage ratio, based on the fair value of its investments, was 45.6% as of September 30, 2016.
- The Company does not use modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA"). The MFFO figures above are Blue Vault estimates. The Company-defined FFO attributable to common shares – diluted, was $66.16 million for the nine months ended September 30, 2016.
- For the nine months ended September 30, 2016, distributions paid in cash totaled $27.747 million. 100% of the cash distributions were paid from the $67.838 million in cash flows from operations.

Behringer Harvard Opportunity REIT I, Inc.

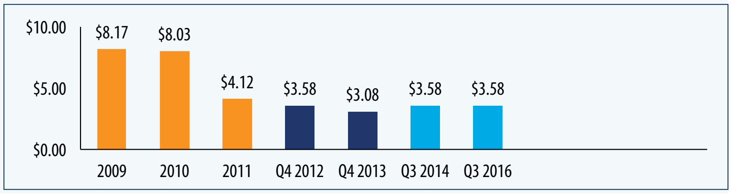
Total Assets .... $259.6 Million
- Real Estate Assets .... $214.1 Million
- Cash .... $22.0 Million
- Securities .... $0.0 Million
- Other .... $23.6 Million



Initial Offering Date .... September 20, 2005
Offering Close Date .... December 28, 2007
Most Recent NAV per Share .... Not Applicable
Reinvestment Price per Share .... Not Applicable
Cumulative Capital Raised during Offering (including DRIP) .... $548.6 Million

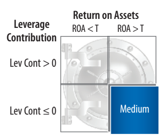
Cash to Total Assets Ratio 8.5%
Asset Type .... Diversified
Number of Investments .... 5 properties; 1 JV
Square Feet/Units/Rooms/Acres .... 393,500 Square feet
Occupancy .... Not Applicable
Weighted-Average Lease Term Remaining .... Not Applicable
LifeStage™ .... Liquidating
Investment Style .... Opportunistic
Weighted-Average Shares Outstanding 56,500,472

Historical Price or NAV



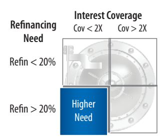
Performance Profiles

Operating Performance



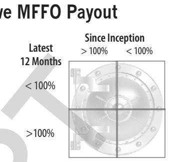
The REIT's recent 12-month average return on assets exceeds yields on 10-Year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is not increasing returns to shareholders.

Financing Outlook



More than 20% of REIT's debt must be repaid within two years or is at unhedged variable rates, and interest coverage is below the 2.0X benchmark. The REIT may face difficulties in refinancing its borrowings, interest rate risks from increasing rates, and needs to increase earnings to reassure lenders.

Cumulative MFFO Payout



This REIT is not currently paying cash distributions to common shareholders and cumulative MFFO since inception is currently negative. MFFO payout ratios are not applicable.

Summary

The REIT's average 12-month return on assets was 4.02% which is above the yield on 10-Year Treasuries. However, its leverage contribution was negative, given the 54.9% debt ratio and 5.30% estimated average cost of debt. The REIT's interest coverage ratio for the trailing 12-month period is a low 1.1X, 79.4% of the REIT's debt matures before 2018 and 39.6% is at variable rates, indicating significant refinancing need and interest rate risk. The REIT does not have a meaningful cumulative MFFO payout ratio or 12-month MFFO payout ratio because cumulative MFFO is negative and no cash distributions have been paid since 2011.

Contact Information

www.behringerinvestments.com

Behringer Harvard Opportunity REIT I, Inc.
15601 Dallas Parkway, Suite 600
Addison, TX 75001

866-655-3650

Historical Distribution

See Notes

Historical FFO Payout Ratio

Not Applicable

YTD Distributions Paid Including DRIP 0
YTD FFO .... Not Meaningful

Historical MFFO Payout Ratio

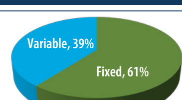
Not Applicable

YTD Distributions Paid Including DRIP 0
YTD MFFO .... Not Meaningful

Redemptions

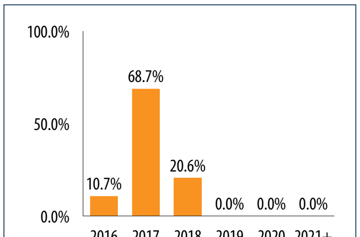
Not Applicable

Debt Breakdown

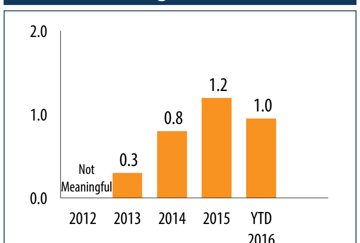


Debt to Total Assets Ratio 54.9%
Total .... $142.5 Million
Fixed .... $86.6 Million
Variable .... $56.5 Million
Avg. Wtd. Rate 5.30%
Loan Term .... < 1 - 2 Years

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- On August 26, 2016, in connection with a review of potential strategic alternatives available, the board of directors unanimously approved a plan for the sale of all assets and dissolution pursuant to the terms of a plan of complete liquidation and dissolution. The Company is in various stages of marketing all of its assets for sale and if the plan of liquidation is approved, it expects to market and dispose of its remaining assets within two years. Pursuant to its charter, the affirmative vote of a majority of all of the shares of common stock entitled to vote on the plan of liquidation is required for approval of the plan. The Company can provide no assurance that the plan will be approved by its stockholders.
- As of September 30, 2016, the Company wholly owned two properties and consolidated three properties through investments in joint ventures. In addition, it had a noncontrolling, unconsolidated ownership interest in a joint venture consisting of 18 properties that are accounted for using the equity method.
- In connection with entering the disposition phase, on March 28, 2011, the board of directors discontinued regular quarterly distributions in favor of those that may arise from proceeds available to be distributed from the asset sales. Because the REIT did not pay distributions during this period, the FFO and MFFO Payout Ratios are not applicable.