DIVIDEND CAPITAL

DIVERSIFIED PROPERTY FUND™

QUARTERLY EARNINGS

and

SUPPLEMENTAL DISCLOSURE

(unaudited)

Quarter Ended March 31, 2014

www.dividendcapitaldiversified.com

TABLE OF CONTENTS

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Statements included in this supplemental package that are not historical facts (including any statements concerning investment objectives, other plans and objectives of management for future operations or economic performance or assumptions or forecasts related thereto) are forward looking statements. These statements are only predictions. We caution that forward looking statements are not guarantees. Actual events or our investments and results of operations could differ materially from those expressed or implied in the forward looking statements. Forward looking statements are typically identified by the use of terms such as "may," "will," "should," "expect," "could," "intend," "plan," "anticipate," "estimate," "believe," "continue," "predict," "potential" or the negative of such terms and other comparable terminology.

The forward looking statements included herein are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward looking statements. Factors which could have a material adverse effect on our operations and future prospects include, but are not limited to: the continuing impact of high unemployment and the slow economic recovery, which is having and may continue to have a negative effect on the following, among other things, the fundamentals of our business, including overall market demand and occupancy, tenant space utilization, and rental rates; the value of our real estate assets, which may limit our ability to dispose of assets at attractive prices or obtain or maintain debt financing secured by our properties or on an unsecured basis; general risks affecting the real estate industry (including, without limitation, the inability to enter into or renew leases, dependence on tenants' financial condition, and competition from other developers, owners and operators of real estate); our ability to effectively raise and deploy proceeds from our equity offerings; risks associated with the availability and terms of debt and equity financing and refinancing and the use of debt to fund acquisitions and developments, including the risk associated with interest rates impacting the cost and/or availability of financing and refinancing; the business opportunities that may be presented to and pursued by us, changes in laws or regulations (including changes to laws governing the taxation of real estate investment trusts; changes in accounting principles, policies and guidelines applicable to real estate investment trusts; environmental, regulatory and/or safety requirements; and the availability and cost of comprehensive insurance, including coverage for terrorist acts and earthquakes. Except as otherwise required by the federal securities laws, we undertake no obligation to publicly update or revise any forward looking statements after the date of this supplemental package, whether as a result of new information, future events, changed circumstances or any other reason. You should review the risk factors contained in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 10, 2014, and in our subsequent quarterly reports.

Please see the section titled "Definitions" at the end of this supplemental package for definitions of terms used in this supplemental package.

COMPANY PROFILE

The Company

Dividend Capital Diversified Property Fund Inc. is a Maryland corporation formed on April 11, 2005 to invest in a diverse portfolio of real property and real estate related investments. As used herein, "the Company," "we," "our" and "us" refer to Dividend Capital Diversified Property Fund Inc. and its consolidated subsidiaries and partnerships except where the context otherwise requires. As of March 31, 2014, we held 68 operating real properties comprising approximately 11.7 million square feet located in 24 geographic markets, and 11 debt related investments. Our operating portfolio was approximately 92.2% leased as of March 31, 2014. Dividend Capital Diversified Property Fund, Inc. has paid quarterly dividends to its stockholders continuously since 2006. We reported net income as defined under principles of accounting generally accepted in the United States ("GAAP") of approximately $32.0 million for the three months ended March 31, 2014. The following table presents information about the operating results and fair value of our real property and debt investment portfolios as of or for the three months ended March 31, 2014 (dollar and square footage amount in thousands).

Snapshot

As of or for the three months ended March 31, 2014	Real Properties (1) Total	Office	Industrial	Retail	Debt Related Investments, Net	Grand Total
Number of investments	68	25	13	30	11	79
Square footage	11,652	5,030	3,660	2,962	N/A	11,652
Percentage leased at period end	92.2%	93.2%	89.4%	93.8%	N/A	92.2%
Net operating income ("NOI") (2)	$ 42,341	$ 25,323	$ 5,614	$ 11,404	$ 2,013	$ 44,354
Segment as % of total NOI	95.5%	57.1%	12.7%	25.7%	4.5%	100.0%
NOI - cash basis (3)	$ 40,839	$ 25,191	$ 4,907	$ 10,741	$ 2,013	$ 42,852
Fair Value (4)	$ 2,332,355	$ 1,355,230	$ 261,900	$ 715,225	$ 94,180	$ 2,426,535
Segment as % of total Fair Value	96.1%	55.8%	10.8%	29.5%	3.9%	100.0%

(1) "As of" information includes all real properties that we owned as of March 31, 2014, including an office property that we had classified as "held for sale" in our financial statements included within our Quarterly Report on Form 10-Q. Operations information provided here and throughout this document is presented inclusive of amounts related to properties that have been disposed of or classified as held for sale as of March 31, 2014.

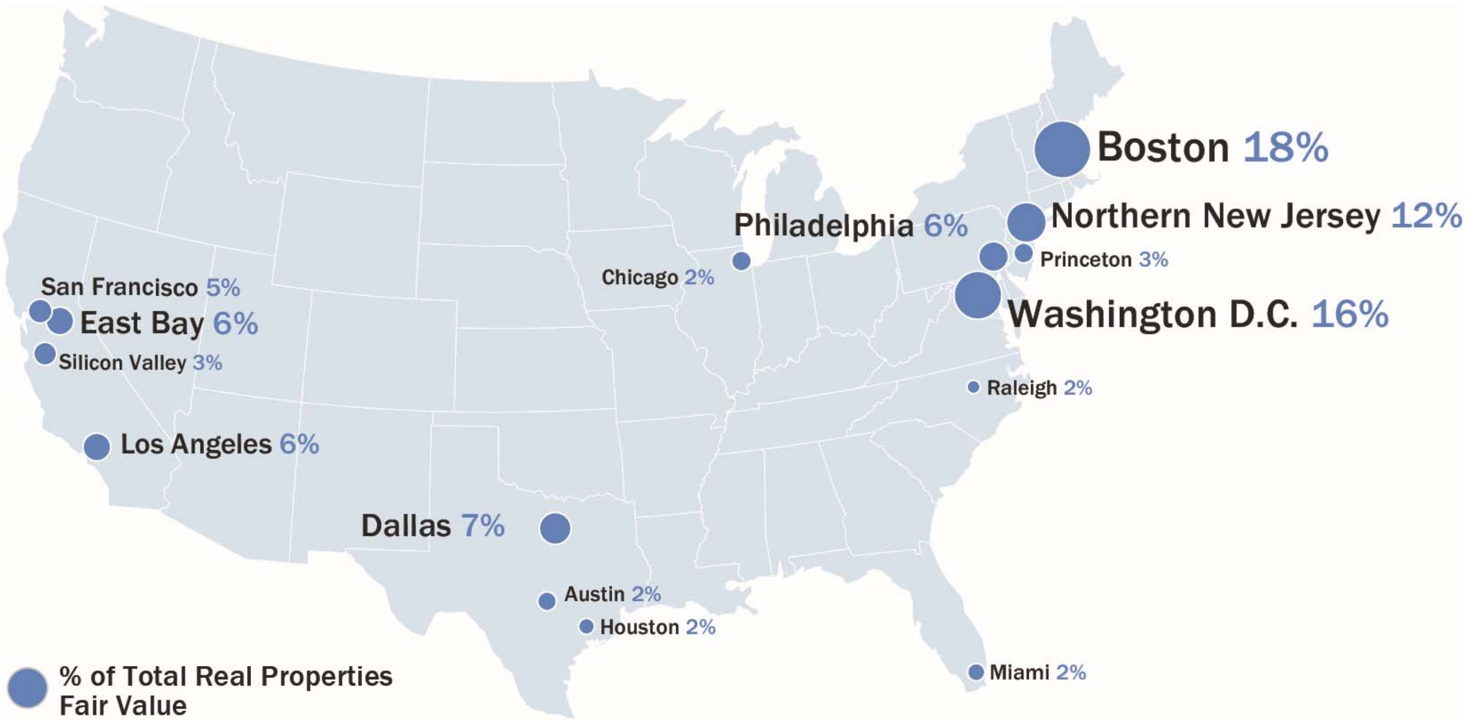
(2) For a reconciliation of NOI to GAAP net income, see section titled "Results of Operations" beginning on page 17.

(3) For a reconciliation of NOI – Cash Basis to NOI and to GAAP net income, see section titled "Results of Operations" beginning on page 17.

(4) As determined in accordance with our Valuation Procedures, filed as Exhibit 99.1 to our 2013 Annual Report on Form 10-K. See a discussion of some of the differences between the definition of "fair value" of our real estate assets as used in our Valuation Procedures and in this document versus GAAP values in the section titled "Definitions" beginning on page 25. For a description of key assumptions used in calculating the value of our real properties as of March 31, 2014, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2 of our Quarterly Report on Form 10-Q.

COMPANY PROFILE (continued)

As of March 31, 2014, our real property investments were geographically diversified across 24 markets throughout the United States. Our debt related investments are located in six additional markets resulting in a combined portfolio allocation across 30 markets. The following map shows the current allocations of our more significant real property investments across geographic markets within the continental United States by fair value (1) as of March 31, 2014:



In addition, we had real property investments, each accounting for 1% or less of the total fair value of our real property portfolio, in the following markets: Central Kentucky, Cleveland, OH, Denver, CO, Fayetteville, AR, Jacksonville, FL, Louisville, KY, Minneapolis/St. Paul, MN, Pittsburgh, PA, and San Antonio, TX.

(1) As determined in accordance with our Valuation Procedures, filed as Exhibit 99.1 to our 2013 Annual Report on Form 10-K. See a discussion of some of the differences between the definition of "fair value" of our real estate assets as used in our Valuation Procedures and in this document versus GAAP values in the section titled "Definitions" beginning on page 25. For a description of key assumptions used in calculating the value of our real properties as of March 31, 2014, please refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part I, Item 2 of our Quarterly Report on Form 10-Q.

COMPANY PROFILE (continued)

Investor Information

Board of Directors

Richard D. Kincaid
Chairman of the Board of Directors

John A. Blumberg
Director

Charles B. Duke
Director

Daniel J. Sullivan
Director

John P. Woodberry
Director

Management

Jeffrey L. Johnson
Chief Executive Officer

J. Michael Lynch
President

M. Kirk Scott
Chief Financial Officer and Treasurer

Joshua J. Widoff
Executive Vice President, Secretary and General Counsel

Gregory M. Moran
Executive Vice President

Company Information

Corporate Headquarters
518 17th Street, Suite 1700
Denver, Colorado, 80202

CIK
0001327978

Web Page for Daily NAV
www.dividendcapitaldiversified.com

Ticker Symbols:

Class E Common Stock	ZDPFEX
Class A Common Stock	ZDPFAX
Class W Common Stock	ZDPFWX
Class I Common Stock	ZDPFIX

Investor Relations
Dividend Capital Diversified Property Fund, Inc.
517 17th Street, 17th Floor
Denver, CO 80202

www.dividendcapitaldiversified.com

Inquiries
For Real Estate inquiries, call 303.228.2200.

For inquiries related to our equity capital offering, please contact our distributor, Dividend Capital Securities, at 866.DCG.REIT (324.7348).

dividend.capital@dividendcapital.com

FINANCIAL HIGHLIGHTS

Amounts in thousands, except per share information and percentages.

	As of or for the Three Months Ended				
Selected Operating Data (as adjusted) [1]	**March 31, 2014**	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
Total revenues	$ 58,068	$ 60,288	$ 60,490	$ 66,615	$ 69,408
Net income (loss)	31,988	(1,452)	45,331	18,457	(5,866)
Portfolio Statistics					
Operating properties	68	82	82	84	93
Square feet	11,652	15,250	15,077	15,464	19,025
Percentage leased at end of period	92.2%	93.6%	95.9%	96.2%	93.8%
Earnings Per Share					
Net (loss) income per share	$ 0.15	$ (0.02)	$ 0.24	$ 0.10	$ (0.03)
Funds from Operations ("FFO") per share [2]	$ 0.11	$ 0.11	$ 0.12	$ 0.13	$ 0.12
Company-defined FFO per share [2]	$ 0.11	$ 0.12	$ 0.12	$ 0.13	$ 0.12
Weighted average number of common shares outstanding - basic	176,873	177,548	178,201	178,176	178,792
Weighted average number of common shares outstanding - diluted	189,993	190,942	191,783	192,019	192,927
Net Asset Value ("NAV") per share [3]					
At the end of period	$ 6.96	$ 6.93	$ 6.87	$ 6.83	$ 6.79
High during period	$ 6.96	$ 6.93	$ 6.89	$ 6.84	$ 6.79
Low during period	$ 6.93	$ 6.84	$ 6.83	$ 6.74	$ 6.71
Weighted average distributions per share	$ 0.0874	$ 0.0874	$ 0.0875	$ 0.0875	$ 0.0875
Weighted average closing dividend yield - annualized	5.02%	5.05%	5.10%	5.12%	5.15%
Weighted average total return for the period	1.72%	2.24%	1.72%	1.93%	2.60%
Consolidated Debt					
Leverage [4]	49%	50%	49%	50%	55%
Secured borrowings	$ 918,716	$ 1,023,472	$ 969,265	$ 1,004,982	$ 1,277,957
Secured borrowings as % of total borrowings	77%	77%	78%	76%	80%
Unsecured borrowings	$ 270,000	$ 300,000	$ 270,000	$ 325,000	$ 325,000
Unsecured borrowings as % of total borrowings	23%	23%	22%	24%	20%
Fixed rate borrowings [5]	$ 1,110,196	$ 1,214,892	$ 1,060,595	$ 1,096,222	$ 1,225,839
Fixed rate borrowings as % of total borrowings	93%	92%	86%	82%	76%
Floating rate borrowings	$ 78,520	$ 108,580	$ 178,670	$ 233,760	$ 377,118
Floating rate borrowings as % of total borrowings	7%	8%	14%	18%	24%
Total borrowings	**$ 1,188,716**	**$ 1,323,472**	**$ 1,239,265**	**$ 1,329,982**	**$ 1,602,957**

(1) Operating data in this table and throughout this documented are presented inclusive of amounts relating to real properties that have been disposed of or classified as held for sale at the end of the period, and in certain cases, reclassified as discontinued operations in our GAAP financial statements. Certain asset and liability amounts in this table and throughout this document are presented inclusive of amounts relating to real properties that have been classified as held for sale in our GAAP financial statements.

(2) For a reconciliation FFO and Company-Defined FFO to GAAP net income, see section titled "Funds from Operations" beginning on page 9.

(3) As determined in accordance with our Valuation Procedures, filed as Exhibit 99.1 to our 2013 Annual Report on Form 10-K. See a discussion of some of the differences between the definition of "fair value" of our real estate assets as used in our Valuation Procedures and in this document versus GAAP values in the section titled "Definitions" beginning on page 25. For a description of key assumptions used in calculating the value of our real properties as of March 31, 2014, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2 of our Quarterly Report on Form 10-Q.

(4) Leverage presented represents our total borrowings, calculated on a GAAP basis, divided by the fair value of our real property and debt investments.

(5) Fixed rate borrowings presented includes floating rate borrowings that are effectively fixed by a derivative instrument such as a swap through maturity or substantially through maturity.

BALANCE SHEETS

The following table presents our consolidated balance sheets, as adjusted, as of the end of each of the five quarters ended March 31, 2014. Certain asset and liability amounts in this table are presented inclusive of amounts relating to real properties that have been classified as held for sale in our GAAP financial statements (dollar amounts in thousands):

	As of				
	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
ASSETS					
Investments in real property	$ 2,352,401	$ 2,570,480	$ 2,463,767	$ 2,560,229	$ 2,817,022
Accumulated depreciation and amortization	(469,466)	(502,847)	(481,521)	(489,184)	(513,522)
Total net investments in real property	1,882,935	2,067,633	1,982,246	2,071,045	2,303,500
Debt related investments, net	94,180	123,935	127,055	123,017	165,469
Total net investments	1,977,115	2,191,568	2,109,301	2,194,062	2,468,969
Cash and cash equivalents	81,292	24,778	40,003	31,609	36,793
Restricted cash	35,209	25,556	27,410	23,391	24,945
Other assets, net	67,856	63,507	62,603	62,532	67,837
Total Assets	$ 2,161,472	$ 2,305,409	$ 2,239,317	$ 2,311,594	$ 2,598,544
LIABILITIES AND EQUITY					
Liabilities:					
Mortgage notes and other secured borrowings	$ 918,716	$ 1,023,472	$ 969,265	$ 1,004,982	$ 1,277,957
Unsecured borrowings	270,000	300,000	270,000	325,000	325,000
Intangible lease liabilities, net	72,389	77,549	77,833	79,722	86,229
Other liabilities	93,724	99,377	94,466	105,489	97,459
Total Liabilities	1,354,829	1,500,398	1,411,564	1,515,193	1,786,645
Equity:					
Stockholders' equity:					
Common stock	1,755	1,760	1,767	1,755	1,772
Additional paid-in capital	1,576,970	1,582,886	1,588,760	1,583,945	1,605,226
Distributions in excess of earnings	(848,768)	(860,747)	(843,855)	(870,346)	(871,891)
Accumulated other comprehensive loss	(10,586)	(10,794)	(12,893)	(12,821)	(15,597)
Total stockholders' equity	719,371	713,105	733,779	702,533	719,510
Noncontrolling interests	87,272	91,906	93,974	93,868	92,389
Total Equity	806,643	805,011	827,753	796,401	811,899
Total Liabilities and Equity	$ 2,161,472	$ 2,305,409	$ 2,239,317	$ 2,311,594	$ 2,598,544

STATEMENTS OF OPERATIONS

The following table presents our condensed consolidated statements of operations, as adjusted, for each of the five quarters ended March 31, 2014. Operating data in this table are presented inclusive of amounts relating to real properties that have been reclassified as discontinued operations in our GAAP financial statements (amounts in thousands, except per share data):

	Three Months Ended				
	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
REVENUE:					
Rental revenue	$ 56,055	$ 57,498	$ 58,181	$ 64,000	$ 66,673
Debt related income	2,013	2,790	2,309	2,615	2,735
Total Revenue	58,068	60,288	60,490	66,615	69,408
EXPENSES:					
Rental expense	13,714	13,048	12,363	14,954	17,327
Real estate depreciation and amortization expense	22,350	25,093	24,285	28,290	30,523
General and administrative expenses	2,819	2,886	2,211	2,515	2,361
Advisory fees, related party	3,743	3,898	3,813	3,725	3,684
Acquisition-related expenses	-	337	-	-	-
Impairment of real estate property	-	2,600	-	-	-
Total Operating Expenses	42,626	47,862	42,672	49,484	53,895
Other Income (Expenses):					
Interest and other income (expense)	(81)	111	(376)	207	(171)
Interest expense	(16,465)	(17,761)	(17,603)	(20,473)	(22,151)
Loss on extinguishment of debt and financing commitments	(63)	(1,808)	(4)	(425)	(270)
Gain on sale of real property	33,155	5,580	45,496	22,017	1,213
Net (Loss) Income	31,988	(1,452)	45,331	18,457	(5,866)
Net loss (income) attributable to noncontrolling interests	(4,550)	85	(3,257)	(1,329)	499
NET (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 27,438	$ (1,367)	$ 42,074	$ 17,128	$ (5,367)
NET (LOSS) INCOME PER BASIC AND DILUTED COMMON SHARE	$ 0.15	$ (0.02)	$ 0.24	$ 0.10	$ (0.03)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING					
Basic	176,873	177,548	178,201	178,176	178,792
Diluted	189,993	190,942	191,783	192,019	192,927
Weighted average distributions declared per common share	$ 0.0874	$ 0.0874	$ 0.0875	$ 0.0875	$ 0.0875

FUNDS FROM OPERATIONS

The following tables present NAREIT-Defined Funds From Operations (“FFO”), Company-defined FFO, and certain other supplemental information for each of the five quarters ended March 31, 2014. Operating data in these tables are presented inclusive of amounts relating to real properties that have been disposed or classified as held for sale at the end of the period and reclassified as discontinued operations in our GAAP financial statements (amounts in thousands except for per share amounts and percentages):

	Three Months Ended				
	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
Reconciliation of net earnings to FFO:					
Net (loss) income attributable to common stockholders	$ 27,438	$ (1,367)	$ 42,074	$ 17,128	$ (5,367)
Add (deduct) NAREIT-defined adjustments:					
Depreciation and amortization expense	22,350	25,093	24,285	28,290	30,523
Gain on disposition of real property	(33,155)	(5,580)	(45,496)	(22,017)	(1,213)
Impairment of real property	-	2,600	-	-	-
Noncontrolling interests’ share of net income (loss)	4,550	(85)	3,257	1,329	(499)
Noncontrolling interests’ share of FFO	(1,561)	(1,687)	(1,976)	(2,076)	(2,001)
FFO attributable to common shares-basic	19,622	18,974	22,144	22,654	21,443
FFO attributable to dilutive OP units	1,456	1,431	1,688	1,760	1,695
FFO attributable to common shares-diluted	$ 21,078	$ 20,405	$ 23,832	$ 24,414	$ 23,138
FFO per share-basic and diluted	$ 0.11	$ 0.11	$ 0.12	$ 0.13	$ 0.12
FFO payout ratio	**79%**	**82%**	**70%**	**69%**	**73%**

	Three Months Ended				
	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
Reconciliation of FFO to Company-Defined FFO:					
FFO attributable to common shares-basic	$ 19,622	$ 18,974	$ 22,144	$ 22,654	$ 21,443
Add (deduct) our adjustments:					
Acquisition-related expenses	-	337	-	-	-
Loss on extinguishment of debt, financing commitments and derivatives	63	1,808	4	425	270
Noncontrolling interests’ share of FFO	1,561	1,687	1,976	2,076	2,001
Noncontrolling interests’ share of Company-Defined FFO	(1,565)	(1,837)	(1,976)	(2,106)	(2,020)
Company-Defined FFO attributable to common shares-basic	19,681	20,969	22,148	23,049	21,694
Company-Defined FFO attributable to dilutive OP units	1,460	1,582	1,688	1,791	1,715
Company-Defined FFO attributable to common shares-diluted	$ 21,141	$ 22,551	$ 23,836	$ 24,840	$ 23,409
Company-Defined FFO per share-basic and diluted	$ 0.11	$ 0.12	$ 0.12	$ 0.13	$ 0.12
Weighted average number of shares outstanding					
Basic	176,873	177,548	178,201	178,176	178,792
Diluted	189,993	190,942	191,783	192,019	192,927

FUNDS FROM OPERATIONS (continued)

The following table presents certain other supplemental information for each of the five quarters ended March 31, 2014. (Amounts in thousands):

	Three Months Ended				
	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
Other Supplemental Information					
Capital Expenditures Summary					
Recurring capital expenditures	$ 3,789	$ 6,980	$ 4,416	$ 4,752	$ 5,024
Non-recurring capital improvements	210	1,177	964	1,320	598
Total Capital Expenditures	3,999	8,157	5,380	6,072	5,622
Other non-cash adjustments					
Straight-line rent (increase) to rental revenue	(1,305)	(1,497)	(1,640)	(2,759)	(2,968)
Amortization of above- and below- market rent (increase) decrease to rental revenue	(108)	(21)	37	(84)	(176)
Amortization of loan costs and hedges - increase to interest expense	1,208	1,202	1,233	1,390	1,428
Amortization of mark-to-market adjustments on borrowings - increase to interest expense	100	338	343	337	330
Total other non-cash adjustments	$ (105)	$ 22	$ (27)	$ (1,116)	$ (1,386)

DIVIDEND CAPITAL
DIVERSIFIED PROPERTY FUND™

NET ASSET VALUE

The following table sets forth the components of NAV for the Company as of the end of each of the five quarters ending March 31, 2014, as determined in accordance with our Valuation Procedures, filed as Exhibit 99.1 to our 2013 Annual Report on Form 10-K. See a discussion of some of the differences between the definition of "fair value" of our real estate assets as used in our Valuation Procedures and in this document versus GAAP values in the section titled "Definitions" beginning on page 25. For a description of key assumptions used in calculating the value of our real properties as of March 31, 2014, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2 of our Quarterly Report on Form 10-Q. As used below, "Fund Interests" means our Class E shares, Class A shares, Class W shares, and Class I shares, along with the Class E OP Units held by third parties, and "Aggregate Fund NAV" means the NAV of all of the Fund Interests (amounts in thousands except per share information).

	As of				
	March 31, 2014	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
Real properties:					
Office	$ 1,355,230	$ 1,378,080	$ 1,278,930	$ 1,392,025	$ 1,534,832
Industrial	261,900	430,770	421,700	419,000	500,400
Retail	715,225	716,525	713,315	709,725	706,475
Total Real Properties	2,332,355	2,525,375	2,413,945	2,520,750	2,741,707
Debt related investments	94,180	123,935	127,055	123,017	165,469
Cash and other assets, net of other liabilities	77,452	3,904	21,132	(2,767)	14,636
Debt obligations	(1,182,210)	(1,325,286)	(1,240,881)	(1,331,401)	(1,604,181)
Outside investor's interests	(10,512)	(16,004)	(15,751)	(15,497)	(18,657)
Aggregate Fund NAV	**$ 1,311,265**	**$ 1,311,924**	**$ 1,305,500**	**$ 1,294,102**	**$ 1,298,974**
Total Fund Interests outstanding	188,318	189,280	190,163	189,338	191,260
NAV per Fund Interest	**$ 6.96**	**$ 6.93**	**$ 6.87**	**$ 6.83**	**$ 6.79**

When the fair value of our real estate assets is calculated for the purposes of determining our NAV per share, the calculation is done using the fair value methodologies detailed within the FASB Accounting Standards Codification under Topic 820, Fair Value Measurements and Disclosures ("ASC Topic 820"). However, our valuation procedures and our NAV are not subject to GAAP and will not be subject to independent audit. In the determination of our NAV, the value of certain of our assets and liabilities are generally determined based on their carrying amounts under GAAP; however, those principles are generally based upon historic cost and therefore may not be determined in accordance with ASC Topic 820. Readers should refer to our audited financial statements for our net book value determined in accordance with GAAP from which one can derive our net book value per share by dividing our stockholders' equity by shares of our common stock outstanding as of the date of measurement.

Our valuation procedures, which address specifically each category of our assets and liabilities and are applied separately from the preparation of our financial statements in accordance with GAAP, involve adjustments from historical cost. There are certain factors which cause NAV to be different from net book value on a GAAP basis. Most significantly, the valuation of our real estate assets, which is the largest component of our NAV calculation, will be provided to us by the Independent Valuation Firm on a daily basis. For GAAP purposes, these assets are generally recorded at depreciated or amortized cost. Other examples that will cause our NAV to differ from our GAAP net book value include the straight-lining of rent, which results in a receivable for GAAP purposes that is not included in the determination of our NAV, and, for purposes of determining our NAV, the assumption of a value of zero in certain instances where the balance of a loan exceeds the value of the underlying real estate properties, where GAAP net book value would reflect a negative equity value for such real estate properties, even if such loans are non-recourse. Third party appraisers may value our individual real estate assets using appraisal standards that deviate from market value standards under GAAP. The use of such appraisal standards may cause our NAV to deviate from GAAP fair value principles. We did not develop our valuation procedures with the intention of complying with fair value concepts under GAAP and, therefore, there could be differences between our fair values and the fair values derived from the principal market or most advantageous market concepts of establishing fair value under GAAP.

NET ASSET VALUE (continued)

We include no discounts to our NAV for the illiquid nature of our shares, including the limitations on your ability to redeem shares under our share redemption programs and our ability to suspend or terminate our share redemption programs at any time. Our NAV does not consider exit costs (e.g. selling costs and commissions related to the sale of a property) that would likely be incurred if our assets and liabilities were liquidated or sold. While we may use market pricing concepts to value individual components of our NAV, our per share NAV is not derived from the market pricing information of open-end real estate funds listed on stock exchanges.

Please note that our NAV is not a representation, warranty or guarantee that: (1) we would fully realize our NAV upon a sale of our assets; (2) shares of our common stock would trade at our per share NAV on a national securities exchange; or (3) a stockholder would be able to realize the per share NAV if such stockholder attempted to sell his or her shares to a third party.

The following table sets forth the quarterly changes to the components of NAV for the company, for each of the most recent four quarters and the twelve month period ended March 31, 2014 (amounts in thousands, except per share information):

	Three Months Ended				Previous Four
	June 30, 2013	September 30, 2013	December 31, 2013	March 31, 2014	Quarters
NAV as of beginning of period	**$ 1,298,973**	**$ 1,294,102**	**$ 1,305,500**	**$ 1,311,924**	**$ 1,298,973**
Fund level changes to NAV					
Realized/unrealized gains (losses) on net assets	6,849	4,146	9,615	2,821	23,431
Income accrual	22,067	22,310	23,564	23,612	91,553
Net dividend accrual	(16,796)	(16,771)	(16,697)	(16,607)	(66,871)
Advisory fee	(3,724)	(3,813)	(3,806)	(3,743)	(15,086)
Performance based fee	(4)	(35)	(52)	(19)	(110)
Class specific changes to NAV					
Dealer Manager fee	(1)	(6)	(9)	(14)	(30)
Distribution fee	*	*	(1)	(3)	(4)
NAV as of end of period					
before share sale/redemption activity	**$ 1,307,364**	**$ 1,299,933**	**$ 1,318,114**	**$ 1,317,971**	**$ 1,331,856**
Share sale/redemption activity					
Shares sold	16,036	22,450	8,782	9,249	56,517
Shares redeemed	(29,298)	(16,883)	(14,972)	(15,955)	(77,108)
NAV as of end of period	**$ 1,294,102**	**$ 1,305,500**	**$ 1,311,924**	**$ 1,311,265**	**$ 1,311,265**
Shares outstanding beginning of period	**191,261**	**189,338**	**190,163**	**189,280**	**191,261**
Shares sold	2,365	3,284	1,278	1,332	8,259
Shares redeemed	(4,288)	(2,459)	(2,161)	(2,294)	(11,202)
Shares outstanding end of period	**189,338**	**190,163**	**189,280**	**188,318**	**188,318**
NAV per share as of beginning of period	**$ 6.79**	**$ 6.83**	**$ 6.87**	**$ 6.93**	**$ 6.79**
Change in NAV per share	0.04	0.04	0.06	0.03	0.17
NAV per share as of end of period	**$ 6.83**	**$ 6.87**	**$ 6.93**	**$ 6.96**	**$ 6.96**

FINANCE & CAPITAL

Capital Structure

The following table describes certain information about our capital structure. Amounts reported as financing capital are presented on a GAAP basis. Amounts reported as equity capital are presented based on the NAV as of March 31, 2014. Certain liability amounts in the tables in this section are presented inclusive of amounts relating to real properties that have been classified as held for sale in our GAAP financial statements. In the following table, financing is presented on a GAAP basis while equity is presented on a fair value[(1)] basis (shares and dollar amounts other than price per share / unit in thousands).

FINANCING:	**As of March 31, 2014**
Mortgage notes and other secured borrowings	$ 918,716
Unsecured borrowings	270,000
Financing obligations	18,014
Total Financing	**$ 1,206,730**

EQUITY:	**Shares / Units**	**Percentage of aggregate Shares and Units outstanding**	**NAV Per Share / Unit (1)**	**Value**
Class E Common Stock	170,145	90.3%	$ 6.96	$ 1,184,725
Class A Common Stock	564	0.3%	6.96	3,926
Class W Common Stock	407	0.2%	6.96	2,836
Class I Common Stock	4,345	2.3%	6.96	30,254
Class E OP Units	12,857	6.8%	6.96	89,524
Total/Weighted Average	**188,318**	**100.0%**	**6.96**	**$ 1,311,265**
Joint venture partners' noncontrolling interests				2,415
Total Equity				**1,313,680**
TOTAL CAPITALIZATION				**$ 2,520,410**

(1) As determined in accordance with our Valuation Procedures, filed as Exhibit 99.1 to our 2013 Annual Report on Form 10-K. See a discussion of some of the differences between the definition of "fair value" of our real estate assets as used in our Valuation Procedures and in this document versus GAAP values in the section titled "Definitions" beginning on page 25 For a description of key assumptions used in calculating the value of our real properties as of March 31, 2014, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2 of our Quarterly Report on Form 10-Q.

Borrowings Summary

	Weighted Average Stated Interest Rate	Outstanding Balance	Gross Investment Amount Securing Borrowings [1]
Fixed rate mortgages	5.8%	$ 872,354	$ 1,709,338
Floating rate mortgages	3.9%	8,520	15,673
Total mortgage notes	**5.7%**	**880,874**	**1,725,011**
Repurchase facilities [2]	2.8%	37,842	52,454
Total secured borrowings	**5.6%**	**918,716**	**1,777,465**
Line of credit	N/A	-	N/A
Term loan [2]	2.2%	270,000	N/A
Total unsecured borrowings	**2.2%**	**270,000**	**N/A**
Total borrowings	**4.8%**	**$ 1,188,716**	**$ 1,777,465**

(1) "Gross Investment Amount" as used here and throughout this document represents the allocated gross basis of real property, calculated in accordance with GAAP, inclusive of the effect of gross intangible lease liabilities totaling approximately $105.8 million and before accumulated depreciation and amortization of approximately $469.5 million as of March 31, 2014.

(2) 100% of our repurchase facility ("Repo") borrowings and $200.0 million of our term loan borrowings are effectively fixed by the use of a fixed-for-floating rate swap instrument as of March 31, 2014. The stated interest rates disclosed above include the impact of these swaps.

Covenants

Company-Level Covenants:	**Covenant**	**Actual as of March 31, 2014**
Leverage	< 60%	47.6%
Fixed Charge Coverage	> 1.50	1.91
Secured Indebtedness	< 55%	36.3%
Unencumbered Pool Covenants:		
Unencumbered Debt Yield	> 11%	17.6%
Leverage	< 60%	38.7%

FINANCE & CAPITAL (continued)

Detailed Borrowings Analysis

(Dollar amounts in thousands).

	As of March 31, 2014						
Borrowings	Principal Balance	Secured / Unsecured	Maturity Date	Extension Options	% of Total Borrowings	Fixed or Floating Interest Rate	Current Interest Rate
40 Boulevard	$ 8,520	Secured	4/24/2014 [1]	None	0.7%	Floating	3.9%
Repurchase Facility	37,842	Secured	5/30/2014	3 - 1 Year	3.2%	Floating [2]	2.8%
Greater DC Retail Center [3]	38,731	Secured	7/1/2014	1 - 1 Year	3.3%	Fixed	4.8%
Total 2014	**85,093**				**7.2%**		**3.8%**
Orleans & Whitman	21,433	Secured	7/1/2015	None	1.8%	Fixed	6.0%
Campus Road Office Center	34,085	Secured	7/10/2015	None	2.9%	Fixed	4.8%
Preston Sherry Plaza	22,725	Secured	9/1/2015	None	1.9%	Fixed	5.9%
Mansfield	8,543	Secured	10/1/2015	None	0.7%	Fixed	6.0%
Total 2015	**86,786**				**7.3%**		**5.5%**
Abington	4,799	Secured	1/1/2016	None	0.4%	Fixed	6.8%
Hyannis	4,752	Secured	1/1/2016	None	0.4%	Fixed	6.8%
Austin-Mueller Health Center (Seton)	19,433	Secured	1/1/2016	None	1.6%	Fixed	7.5%
Line of Credit	-	Unsecured	1/31/2016	2 - 1 Year	0.0%	Floating	N/A
DeGuigne	7,412	Secured	2/1/2016	None	0.6%	Fixed	7.8%
Washington Commons	21,300	Secured	2/1/2016	None	1.8%	Fixed	5.9%
1300 Connecticut	34,489	Secured	4/10/2016	None	2.9%	Fixed	7.3%
1300 Connecticut B Note	11,770	Secured	4/10/2016	None	1.0%	Fixed	5.5%
Riverport Industrial Portfolio	8,265	Secured	4/1/2016	None	0.7%	Fixed	7.4%
655 Montgomery	57,614	Secured	6/11/2016	None	4.9%	Fixed	6.0%
Jay Street	23,500	Secured	7/11/2016	None	2.0%	Fixed	6.1%
Bala Pointe	24,000	Secured	9/1/2016	None	2.0%	Fixed	5.9%
Lundy Avenue	14,250	Secured	11/8/2016	None	1.2%	Fixed	5.6%
Harborside	113,569	Secured	12/10/2016	2 - 1 Year	9.6%	Fixed	5.5%
Total 2016	**345,153**				**29.1%**		**6.1%**
Shiloh Road	22,700	Secured	1/8/2017	None	1.9%	Fixed	5.6%
Bandera Road	21,500	Secured	2/8/2017	None	1.8%	Fixed	5.5%
Eastern Retail Portfolio	110,000	Secured	6/11/2017	None	9.3%	Fixed	5.5%
Wareham	24,400	Secured	8/8/2017	None	2.1%	Fixed	6.1%
Kingston	10,574	Secured	11/1/2017	None	0.9%	Fixed	6.3%
Sandwich	15,825	Secured	11/1/2017	None	1.3%	Fixed	6.3%
Total 2017	**204,999**				**17.3%**		**5.7%**
Term Loan	270,000	Unsecured	1/31/2018	None	22.7%	Floating [1]	2.2%
NOIP Fixed	175,660	Secured	7/1/2020	None	14.8%	Fixed	5.5%
Norwell	5,935	Secured	10/1/2022	None	0.5%	Fixed	6.8%
Harwich	5,829	Secured	9/1/2028	None	0.5%	Fixed	5.2%
New Bedford	8,159	Secured	12/1/2029	None	0.7%	Fixed	5.9%
Total 2018 - 2029	**465,583**				**39.2%**		**3.6%**
Total borrowings	**1,187,614**				**100.0%**		**4.8%**
Less: mark-to-market adjustment on assumed debt	2,796						
Less: GAAP principal amortization on restructured debt	(1,694)						
Total Borrowings (GAAP basis)	**$ 1,188,716**						

(1) As of March 31, 2014, we were in negotiations to extend our 40 Boulevard mortgage note, and as of that date, had agreed with the lender to a short term extension with a maturity date of April 24, 2014. Subsequent to March 31, 2014, we agreed to final extension terms with the lender and as a result, the current maturity date of the 40 Boulevard mortgage note is January 24, 2016.

(2) 100% of our repurchase facility ("Repo") borrowings and $200.0 million of our term loan borrowings are effectively fixed by the use of a fixed-for-floating rate swap instrument as of March 31, 2014. The stated interest rates disclosed above include the impact of these swaps.

(3) We repaid our Greater DC Retail Center mortgage note subsequent to March 31, 2014, prior to its scheduled maturity, using cash.

REAL PROPERTIES

The following table describes our operating property portfolio as of March 31, 2014, inclusive of amounts relating to real properties that have been classified as held for sale in our GAAP financial statements (dollar and square feet amounts in thousands):

Market	Number of Properties	Gross Investment Amount	Net Rentable Square Feet	Secured Indebtedness [2]	% of Gross Investment Amount	% of Total Net Rentable Square Feet	% Leased [1]
Office Properties:							
Washington, DC	3	283,142	878	60,201	11.9%	7.5%	99.5%
Northern New Jersey	2	249,724	807	129,865	10.6%	6.9%	100.0%
East Bay, CA	2	151,337	465	-	6.4%	4.0%	87.1%
Dallas, TX	3	117,119	618	46,525	5.0%	5.3%	93.0%
San Francisco, CA	1	116,479	269	57,614	5.0%	2.3%	90.7%
Los Angeles, CA	3	77,146	450	31,526	3.3%	3.9%	75.3%
Silicon Valley, CA	2	61,865	196	30,912	2.6%	1.7%	84.4%
Princeton, NJ	1	51,163	167	34,085	2.2%	1.4%	100.0%
Miami, FL	1	48,298	240	19,315	2.1%	2.1%	100.0%
Chicago, IL	2	45,963	303	29,820	2.0%	2.6%	80.6%
Austin, TX	1	44,978	156	19,433	1.9%	1.3%	100.0%
Philadelphia, PA	1	41,262	173	24,000	1.8%	1.5%	95.9%
Minneapolis/St Paul, MN	1	29,447	107	-	1.3%	0.9%	100.0%
Denver, CO	1	17,985	138	-	0.8%	1.2%	100.0%
Fayetteville, AR	1	11,695	63	-	0.5%	0.5%	100.0%
Total Office: 25 properties, 15 markets with average annual rent of $25.22 per sq. ft.	**25**	**1,347,603**	**5,030**	**483,296**	**57.4%**	**43.1%**	**93.2%**
Industrial Properties:							
Los Angeles, CA	1	78,160	107	16,873	3.3%	0.9%	100.0%
Dallas, TX	2	43,929	558	26,252	1.9%	4.8%	48.8%
Houston, TX	1	41,338	465	18,483	1.8%	4.0%	100.0%
Louisville, KY	4	26,202	736	8,265	1.1%	6.3%	100.0%
Central Kentucky	1	25,822	727	11,545	1.1%	6.2%	100.0%
Cleveland, OH	1	23,805	230	8,659	1.0%	2.0%	100.0%
Chicago, IL	1	20,660	575	8,881	0.9%	4.9%	100.0%
Silicon Valley, CA	1	18,998	177	14,250	0.8%	1.5%	41.3%
Denver, CO	1	6,232	85	2,786	0.3%	0.7%	100.0%
Total Industrial: 13 properties, 9 markets with average annual rent of $5.79 per sq. ft.	**13**	**285,146**	**3,660**	**115,994**	**12.2%**	**31.3%**	**89.4%**
Retail Properties:							
Boston, MA	24	431,547	1,824	110,249	18.2%	15.8%	93.4%
Philadelphia, PA	1	104,270	426	67,800	4.4%	3.7%	100.0%
Washington, DC	1	62,516	233	38,731	2.7%	2.0%	98.4%
Raleigh, NC	1	45,257	142	26,200	1.9%	1.2%	100.0%
San Antonio, TX	1	32,063	161	21,500	1.4%	1.4%	89.6%
Pittsburgh, PA	1	24,500	103	16,000	1.0%	0.9%	91.3%
Jacksonville, FL	1	19,499	73	-	0.8%	0.6%	54.4%
Total Retail: 30 properties, seven markets with average annual rent of $16.16 per sq. ft.	**30**	**719,652**	**2,962**	**280,480**	**30.4%**	**25.6%**	**93.8%**
Grand Total/Weighted Average	**68**	**$ 2,352,401**	**11,652**	**$ 879,770**	**100.0%**	**100.0%**	**92.2%**

---

(1) Based on executed leases as of March 31, 2014.

(2) Secured indebtedness represents the principal balance outstanding and does not include our mark-to-market adjustment on debt or GAAP principal amortization on our troubled debt restructuring.

RESULTS OF OPERATIONS

The following tables present revenue and net operating income ("NOI") of our four operating segments, as adjusted, for each of the five quarters ending March 31, 2014. Our same store portfolio includes all operating properties owned for the entirety of all periods presented, and includes 67 properties acquired prior to January 1, 2013, and owned through March 31, 2014, comprising approximately 11.4 million square feet. We include properties classified as held for sale that we disposed of subsequent to March 31, 2014 in our same store portfolio (amounts in thousands):

	Three Months Ended				
Revenue:	**March 31, 2014**	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
Same store real property:					
Office	$ 30,979	$ 30,452	$ 30,688	$ 29,632	$ 29,416
Industrial	5,814	6,222	6,512	6,755	6,619
Retail	15,006	14,509	14,274	14,236	13,973
Total same store real property revenue	**51,799**	**51,183**	**51,474**	**50,623**	**50,008**
2013/2014 Acquistions/Dispositions	4,256	6,315	6,707	13,377	16,665
Debt related investments	2,013	2,790	2,309	2,615	2,735
Total	**$ 58,068**	**$ 60,288**	**$ 60,490**	**$ 66,615**	**$ 69,408**

	Three Months Ended				
NOI:	**March 31, 2014**	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
Same store real property:					
Office	$ 23,415	$ 23,533	$ 23,828	$ 23,294	$ 22,766
Industrial	4,986	5,590	5,875	6,298	6,131
Retail	11,429	11,056	11,207	11,237	10,431
Total same store real property NOI	**39,830**	**40,179**	**40,910**	**40,829**	**39,328**
2013/2014 Acquistions/Dispositions	2,511	4,271	4,908	8,217	10,018
Debt related investments	2,013	2,790	2,309	2,615	2,735
Total	**$ 44,354**	**$ 47,240**	**$ 48,127**	**$ 51,661**	**$ 52,081**

	Three Months Ended				
NOI - cash basis:	**March 31, 2014**	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
Same store real property:					
Office	$ 23,851	$ 23,364	$ 23,810	$ 22,887	$ 22,362
Industrial	4,238	4,971	5,620	5,750	5,576
Retail	10,805	10,473	10,524	10,760	9,779
Total same store real property NOI - cash basis	**38,894**	**38,808**	**39,954**	**39,397**	**37,717**
2013/2014 Acquistions/Dispositions	1,945	4,038	4,181	6,764	8,496
Debt related investments	2,013	2,790	2,309	2,615	2,735
Total	**$ 42,852**	**$ 45,636**	**$ 46,444**	**$ 48,776**	**$ 48,948**

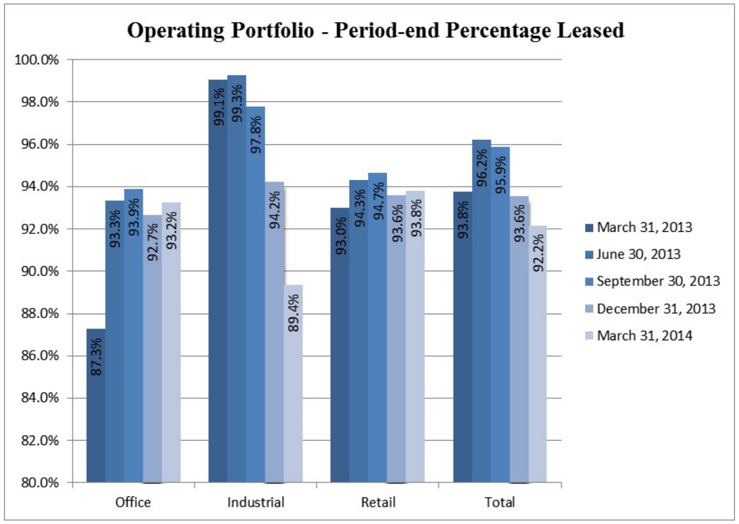
RESULTS OF OPERATIONS (continued)

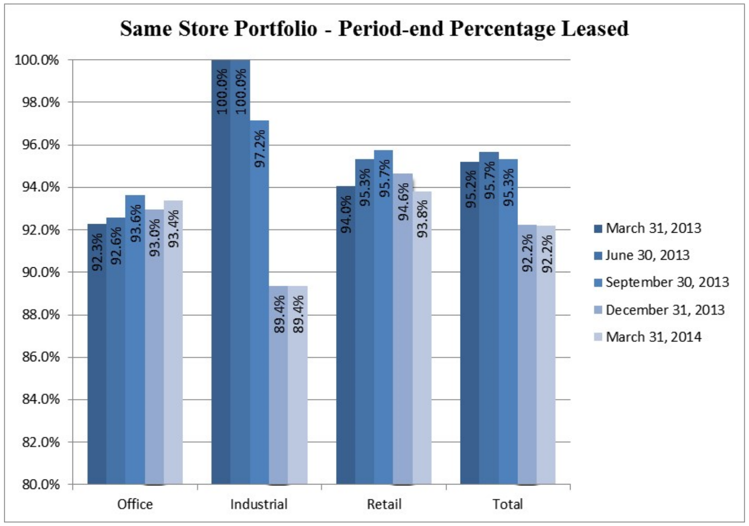
The following tables present a reconciliation of NOI – Cash Basis and NOI of our four operating segments, as adjusted, to GAAP net income attributable to common stockholders for each of the five quarters ending March 31, 2014 (amounts in thousands):

	Three Months Ended				
	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
NOI - cash basis	$ 42,852	$ 45,636	$ 46,444	$ 48,776	$ 48,948
Straight line rent	1,305	1,497	1,640	2,759	2,968
Net amortization of above- and below-market lease assets and liabilities, and other non-cash adjustments to rental revenue	197	107	43	126	165
NOI	$ 44,354	$ 47,240	$ 48,127	$ 51,661	$ 52,081
Real estate depreciation and amortization expense	(22,350)	(25,093)	(24,285)	(28,290)	(30,523)
General and administrative expenses	(2,819)	(2,886)	(2,211)	(2,515)	(2,361)
Advisory fees, related party	(3,743)	(3,898)	(3,813)	(3,725)	(3,684)
Acquisition-related expenses	-	(337)	-	-	-
Impairment of real estate property	-	(2,600)	-	-	-
Interest and other income	(81)	111	(376)	207	(171)
Interest expense	(16,465)	(17,761)	(17,603)	(20,473)	(22,151)
Loss on extinguishment of debt and financing commitments	(63)	(1,808)	(4)	(425)	(270)
Gain on sale of real property	33,155	5,580	45,496	22,017	1,213
Net (income) loss attributable to noncontrolling interests	(4,550)	85	(3,257)	(1,329)	499
Net (loss) income attributable to common stockholders	**$ 27,438**	**$ (1,367)**	**$ 42,074**	**$ 17,128**	**$ (5,367)**

LEASING ACTIVITY

The following charts highlight our operating portfolio and same store portfolio percentage leased at the end of each of the five quarters ended March 31, 2014, by segment and in total:





The following table presents our lease expirations, by segment and in total, as of March 31, 2014 (dollar and square feet in thousands):

	Total				Office			Industrial			Retail		
Year	Number of Leases Expiring	Annualized Base Rent	% of Total Annualized Base Rent	Square Feet	Number of Leases Expiring	Annualized Base Rent	Square Feet	Number of Leases Expiring	Annualized Base Rent	Square Feet	Number of Leases Expiring	Annualized Base Rent	Square Feet
2014 (1) ………………...	88	$ 7,529	4.1%	1,244	45	$ 1,854	86	7	$ 3,860	1,061	36	$ 1,815	97
2015 ………………...	89	13,402	7.2%	871	44	7,292	386	1	640	122	44	5,470	363
2016 ………………...	60	21,499	11.6%	991	31	17,182	654	1	726	121	28	3,591	216
2017 ………………...	51	44,224	23.9%	1,842	28	36,529	1,053	2	4,490	550	21	3,205	239
2018 ………………...	66	8,116	4.4%	355	43	6,449	264	1	39	3	22	1,628	88
2019 ………………...	68	26,966	14.6%	1,423	40	19,980	899	2	1,143	207	26	5,843	317
2020 ………………...	34	10,649	5.8%	506	17	4,042	172	-	-	-	17	6,607	334
2021 ………………...	20	13,956	7.5%	1,019	13	9,449	416	3	2,686	524	4	1,821	79
2022 ………………...	15	8,491	4.6%	497	7	4,177	186	-	-	-	8	4,314	311
2023 ………………...	19	17,246	9.3%	832	11	13,251	552	-	-	-	8	3,995	280
Thereafter ………………...	24	13,004	7.0%	1,157	2	637	18	2	5,364	683	20	7,003	456
Total	**534**	**$ 185,082**	**100.0%**	**10,737**	**281**	**$ 120,842**	**4,686**	**19**	**$ 18,948**	**3,271**	**234**	**$ 45,292**	**2,780**

(1) Includes leases that are on a month-to-month basis.

LEASING ACTIVITY (continued)

The following table presents our top 10 tenants by annualized base rent and their related industry sector (dollar and square feet amounts in thousands):

	Tenant	Locations	Industry Sector	Annualized Base Rent (1)	% of Total Annualized Base Rent	Square Feet	% of Occupied Square Feet
1	Charles Schwab & Co, Inc	1	Securities, Commodities, Fin. Inv./Rel. Activites	$ 22,761	12.3%	594	5.5%
2	Northrop Grumman	2	Professional, Scientific and Technical Services	17,532	9.5%	699	6.5%
3	Sybase	1	Publishing Information (except Internet)	17,283	9.3%	405	3.8%
4	Stop & Shop	15	Food and Beverage Stores	13,828	7.5%	872	8.1%
5	CEVA Freight/Logistics	2	Truck Transportation	4,490	2.4%	550	5.1%
6	Novo Nordisk	1	Chemical Manufacturing	4,353	2.4%	167	1.6%
7	Seton Health Care	1	Hospitals	4,339	2.2%	156	1.5%
8	Crawford and Company	1	Insurance Carriers and Related Activities	3,894	2.1%	240	2.2%
9	Nokia Siemens Networks US LLC	1	Telecommunications	3,821	2.1%	294	2.7%
10	Equinix Operating Co Inc	1	Information	3,673	2.0%	107	1.0%
	Total	**26**		**$ 95,974**	**51.8%**	**4,084**	**38.0%**

The following table presents our top 10 tenant industries by annualized base rent (dollars and square feet amounts in thousands):

	Industry Sector	Number of Leases	Annualized Base Rent (1)	% of Annualized Base Rent	Occupied Square Feet	% of Occupied Square Feet
1	Professional, Scientific and Technical Services	71	$ 27,401	14.8%	1,207	11.1%
2	Securities, Commodities, Fin. Inv./Rel. Activites	22	25,350	13.7%	683	6.3%
3	Food and Beverage Stores	34	22,506	12.2%	1,499	13.8%
4	Publishing Information (except Internet)	3	17,484	9.4%	410	3.8%
5	Insurance Carriers and Related Activities	11	6,536	3.5%	397	3.7%
6	Administrative and Support Services	23	6,482	3.5%	332	3.1%
7	Computer and Electronic Product Manufacturing	8	5,833	3.2%	424	3.9%
8	Miscellaneous Store Retailers	17	5,683	3.1%	952	8.8%
9	Chemical Manufacturing	4	5,301	2.9%	464	4.3%
10	Data Processing, Hosting, and Related Services	3	5,227	2.8%	251	2.3%
	All Others (2)	338	57,279	30.9%	4,118	38.9%
	Total	**534**	**$ 185,082**	**100.0%**	**10,737**	**100.0%**

(1) Annualized base rent represents the annualized monthly base rent of executed leases as of March 31, 2014.
(2) Other industry sectors include 44 additional sectors.

LEASING ACTIVITY (continued)

The following series of tables details leasing activity during the four quarters ended March 31, 2014:

	Quarter	Number of Leases Signed	Gross Leaseable Area ("GLA") Signed	Average Rent Per Sq. Ft.	Average Growth / Sraight Line Rent	Weighted Average Lease term (mos)	Tenant Improvements & Incentives Per Sq. Ft.	Average Free Rent (mos)
Office	**New & Renewal lease summary - Office Comparable [(1)]**							
	Q1 2014	13	164,869	$ 13.67	-3.3%	40	$ 6.32	0.4
	Q4 2013	8	135,245	19.78	13.2%	59	13.45	0.2
	Q3 2013	8	32,991	27.15	-2.5%	61	15.07	4.0
	Q2 2013	11	115,631	13.39	-2.4%	114	22.01	6.9
	Total - twelve months	40	448,736	$ 16.09	2.6%	66	$ 13.16	2.3
Industrial	**New & Renewal lease summary - Industrial Comparable [(1)]**							
	Q1 2014	2	177,965	$ 4.10	25.7%	28	$ 0.46	0.6
	Q4 2013	2	576,648	3.34	4.5%	173	1.56	0.0
	Q3 2013	1	150,100	3.85	-0.2%	36	1.69	0.0
	Q2 2013	4	297,000	2.92	-2.2%	90	1.36	5.9
	Total - twelve months	9	1,201,713	$ 3.31	5.9%	114	$ 1.36	1.6
Retail	**New & Renewal lease summary - Retail Comparable [(1)]**							
	Q1 2014	13	155,852	$ 18.39	8.8%	61	$ 0.67	0.0
	Q4 2013	11	146,537	13.41	13.1%	59	2.93	0.0
	Q3 2013	16	47,625	25.79	13.3%	60	1.36	0.0
	Q2 2013	16	82,766	24.44	14.4%	70	7.80	0.3
	Total - twelve months	56	432,780	$ 18.87	11.7%	62	$ 2.88	0.1
Total	**Total Comparable Leasing [(1)]**							
	Q1 2014	28	498,686	$ 13.57	6.3%	42	$ 2.46	0.3
	Q4 2013	21	858,430	5.22	10.5%	135	3.67	0.0
	Q3 2013	25	230,716	14.53	4.3%	45	3.54	0.6
	Q2 2013	31	495,397	8.69	3.6%	92	7.25	5.2
	Total - twelve months	105	2,083,229	$ 7.45	6.8%	93	$ 4.22	1.4
	Total Leasing							
	Q1 2014	39	623,432	$ 15.89		40	$ 5.63	0.4
	Q4 2013	31	1,071,350	5.98		123	5.25	0.5
	Q3 2013	43	406,187	17.23		45	7.75	0.8
	Q2 2013	41	574,969	8.98		82	7.48	4.6
	Total - twelve months	154	2,675,938	$ 8.65		83	$ 6.20	1.4

(1) Comparable leases comprise leases for which prior leases were in place for the same suite within 12 months of executing a new lease. Comparable leases must have terms of at least six months and the square footage of the suit occupied by the prior tenant cannot be more or less than 50% different from the size of the new lease's suite.

INVESTMENT ACTIVITY

Dollar and square footage amounts in thousands.

Buildings and Square Feet Activity	Number of Buildings	Square Feet: Total	Office	Industrial	Retail
(square feet in thousands)					
Properties owned as of					
March 31, 2013 [1]	93	19,025	6,993	8,965	3,067
Dispositions	(9)	(3,561)	(1,642)	(1,919)	-
June 30, 2013	84	15,464	5,351	7,046	3,067
Dispositions	(2)	(390)	(390)	-	-
Building remeasurement and other [2]	-	3	-	1	2
September 30, 2013	82	15,077	4,961	7,047	3,069
Acquisitions	1	269	269	-	-
Dispositions	(1)	(100)	(100)	-	-
Building remeasurement and other [2]	-	4	2	(1)	3
December 31, 2013	82	15,250	5,132	7,046	3,072
Dispositions	(14)	(3,598)	(102)	(3,386)	(110)
March 31, 2014	**68**	**11,652**	**5,030**	**3,660**	**2,962**

(1) During Q3 2013 we reclassified four properties from our office segment to our industrial segment. For purposes of this table, we have retrospectively presented this reclassification as of March 31, 2013.
(2) Building remeasurements reflect changes in gross leasable area due to renovations or expansions of existing properties.

Acquisitions

Property	Location	Acquisition Date	Number of Buildings	Purchase Price	Square Feet
During the fourth quarter of 2013					
655 Montgomery [1]	San Francisco, CA	11/7/2013	1	109,710	269
Total for the year ended December 31, 2013			**1**	**$ 109,710**	**269**

(1) Related to this acquisition, we assumed a mortgage note with an outstanding principal balance of $57.9 million and an estimated fair value of $61.7 million as of the acquisition date.

INVESTMENT ACTIVITY (continued)

Property dispositions	Segment	Location	Disposition Date	Number of Buildings	Sales Price	Square Feet
(dollar and square footage amounts in thousands)						
During 2013						
Waterview Parkway	Office	Dallas, TX	1/13/2013	1	$ 8,500	62
Column Loan Portfolio	Industrial	Various (1)	5/10/2013	7	85,935	1,918
Comerica Bank Tower (2)	Office	Dallas, TX	5/31/2013	1	122,231	1,509
Crown Colony Drive	Office	Boston, MA	6/6/2013	1	25,500	132
Inverness Drive West	Office	Denver, CO	7/31/2013	1	71,000	257
Millennium Drive	Office	Denver, CO	9/13/2013	1	58,100	133
North Fairway Drive	Office	Chicago, IL	10/15/2013	1	18,000	100
Total for the year ended December 31, 2013				**13**	**$ 389,266**	**4,111**
During the first quarter of 2014						
Industrial Portfolio	Industrial	Various (3)	1/22/2014	12	$ 175,000	3,387
Cranston	Retail	Boston, MA	2/18/2014	1	6,750	110
Shackleford	Office	Little Rock, AR	2/25/2014	1	19,550	102
Total for the first quarter of 2014				**14**	**201,300**	**3,599**

(1) The Column Loan Portfolio comprised seven industrial buildings located in the Atlanta, GA, Central Pennsylvania, Charlotte, NC, Chicago, IL, Philadelphia, PA, and Sacramento, CA markets.

(2) Sales price for the Comerica Bank Tower property represents our carrying value of the mortgage note on the property. Due to the contractual balance of the mortgage note, we did not receive any proceeds from the sale of Comerica Bank Tower.

(3) The Industrial Portfolio comprised 12 industrial buildings located in the Atlanta, GA, Cincinnati, OH, Central Pennsylvania, Columbus, OH, Dallas, TX, Indianapolis, IN, and Minneapolis, MN markets.

INVESTMENT ACTIVITY (continued)

The following tables present our recurring capital expenditures by category (amounts in thousands).

	For the Three Months Ended:				
Recurring Capital Expenditures:	**March 31, 2014**	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
(in thousands)					
Land and building improvements	$ 1,056	$ 1,140	$ 2,385	$ 894	$ 409
Tenant improvements	1,770	3,828	1,215	1,032	1,732
Leasing costs	963	2,012	816	2,826	2,883
Total recurring capital expenditures	**$ 3,789**	**$ 6,980**	**$ 4,416**	**$ 4,752**	**$ 5,024**

	For the Three Months Ended:				
Non-recurring Capital Expenditures:	**March 31, 2014**	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
(in thousands)					
Land and building improvements	$ 22	$ 201	$ 418	$ 564	$ 371
Tenant improvements	9	872	145	609	77
Leasing costs	179	104	401	147	150
Total non-recurring capital expenditures	**$ 210**	**$ 1,177**	**$ 964**	**$ 1,320**	**$ 598**

DEFINITIONS

This section contains an explanation of certain non-GAAP financial measures we provide in other sections of this document, as well as the reasons why management believes these measures provide useful information to investors about the Company's financial condition or results of operations. Additional detail can be found in the Company's most recent annual report on Form 10-K and quarterly report on Form 10-Q, as well as other documents filed with or furnished to the Securities and Exchange Commission from time to time.

2013 Annual report on Form 10-K

We refer to our Annual Report on Form 10-K for the period ended December 31, 2013, filed with the Securities and Exchange Commission on March 10, 2014, as our "2013 Annual Report on Form 10-K."

Annualized Base Rent

Annualized base rent represents the annualized monthly base rent of leases executed as of March 31, 2014.

Comparable leases

Comparable leases comprise leases for which prior leases were in place for the same suite within 12 months of executing a new lease. Comparable leases must have terms of at least six months and the square footage of the suit occupied by the prior tenant cannot be more or less than 50% different from the size of the new lease's suite.

Fair value as determined by our NAV Valuation Procedures

When the fair value of our real estate assets is calculated for the purposes of determining our NAV per share, the calculation is done using the fair value methodologies detailed within the FASB Accounting Standards Codification under Topic 820, Fair Value Measurements and Disclosures ("ASC Topic 820"). However, our valuation procedures and our NAV are not subject to GAAP and will not be subject to independent audit. In the determination of our NAV, the value of certain of our assets and liabilities are generally determined based on their carrying amounts under GAAP; however, those principles are generally based upon historic cost and therefore may not be determined in accordance with ASC Topic 820. Readers should refer to our audited financial statements for our net book value determined in accordance with GAAP from which one can derive our net book value per share by dividing our stockholders' equity by shares of our common stock outstanding as of the date of measurement.

Our valuation procedures, which address specifically each category of our assets and liabilities and are applied separately from the preparation of our financial statements in accordance with GAAP, involve adjustments from historical cost. There are certain factors which cause NAV to be different from net book value on a GAAP basis. Most significantly, the valuation of our real estate assets, which is the largest component of our NAV calculation, will be provided to us by the Independent Valuation Firm on a daily basis. For GAAP purposes, these assets are generally recorded at depreciated or amortized cost. Other examples that will cause our NAV to differ from our GAAP net book value include the straight-lining of rent, which results in a receivable for GAAP purposes that is not included in the determination of our NAV, and, for purposes of determining our NAV, the assumption of a value of zero in certain instances where the balance of a loan exceeds the value of the underlying real estate properties, where GAAP net book value would reflect a negative equity value for such real estate properties, even if such loans are non-recourse. Third party appraisers may value our individual real estate assets using appraisal standards that deviate from market value standards under GAAP. The use of such appraisal standards may cause our NAV to deviate from GAAP fair value principles. We did not develop our valuation procedures with the intention of complying with fair value concepts under GAAP and, therefore, there could be differences between our fair values and the fair values derived from the principal market or most advantageous market concepts of establishing fair value under GAAP.

We include no discounts to our NAV for the illiquid nature of our shares, including the limitations on your ability to redeem shares under our share redemption programs and our ability to suspend or terminate our share redemption programs at any time. Our NAV does not consider exit costs (e.g. selling costs and commissions related to the sale of a property) that would likely be incurred if our assets and liabilities were liquidated or sold. While we may use market pricing concepts to value individual components of our NAV, our per share NAV is not derived from the market pricing information of open-end real estate funds listed on stock exchanges.

Please note that our NAV is not a representation, warranty or guarantee that: (1) we would fully realize our NAV upon a sale of our assets; (2) shares of our common stock would trade at our per share NAV on a national securities exchange; or (3) a stockholder would be able to realize the per share NAV if such stockholder attempted to sell his or her shares to a third party.

DEFINITIONS (continued)

Funds from Operations ("FFO")

We believe that FFO, as defined by the National Association of Real Estate Investment Trusts ("NAREIT"), is a meaningful supplemental measure of our operating performance because historical cost accounting for real estate assets in accordance with U.S. Generally Accepted Accounting Principles ("GAAP") implicitly assumes that the value of real estate assets diminishes predictably over time, as reflected through depreciation and amortization expense. However, since real estate values have historically risen or fallen with market and other conditions, many industry investors and analysts have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient. Thus, NAREIT created FFO as a supplemental measure of operating performance for real estate investment trusts that consists of net income (loss), calculated in accordance with GAAP, plus real estate-related depreciation and amortization and impairment of depreciable real estate, less gains (or losses) from dispositions of real estate held for investment purposes.

Company-Defined FFO

As part of its guidance concerning FFO, NAREIT has stated that the "management of each of its member companies has the responsibility and authority to publish financial information that it regards as useful to the financial community." As a result, modifications to FFO are common among REITs as companies seek to provide financial measures that meaningfully reflect the specific characteristics of their businesses. In addition to the NAREIT definition of FFO and other GAAP measures, we provide a Company-Defined FFO measure that we believe is helpful in assisting management and investors assess the sustainability of our operating performance. As described further below, our Company-Defined FFO presents a performance metric that adjusts for items that we do not believe to be related to our ongoing operations. In addition, these adjustments are made in connection with calculating certain of the Company's financial covenants including its interest coverage ratio and fixed charge coverage ratio and therefore we believe this metric will help our investors better understand how certain of our lenders view and measure the financial performance of the Company and ultimately its compliance with these financial covenants. **However, no single measure can provide users of financial information with sufficient information and only our disclosures read as a whole can be relied upon to adequately portray our financial position, liquidity and results of operations.**

Our Company-Defined FFO is derived by adjusting FFO for the following items: acquisition-related expenses and gains and losses associated with extinguishment of debt and financing commitments. Historically, Management has also adjusted FFO for certain other adjustments that did not occur in any of the periods presented, and are further described in Item 7 of Part 1 of our Annual Report on Form 10-K, "Management's Discussion and Analysis of Financial Condition and Results of Operations—How We Measure Our Performance." Management's evaluation of our future operating performance excludes these items based on the following economic considerations:

Acquisition-related expenses — For GAAP purposes, expenses associated with the acquisition of real property, including acquisition fees paid to our Advisor and gains or losses related to the change in fair value of contingent consideration related to the acquisition of real property, are recorded to earnings. We believe by excluding acquisition-related expenses, Company-Defined FFO provides useful supplemental information for management and investors when evaluating the sustainability of our operating performance, because these types of expenses are directly correlated to our investment activity rather than our ongoing operating activity.

Gains and losses on derivatives and on the extinguishment of debt and financing commitments —— Gains and losses on derivatives represent the gains or losses on the fair value of derivative instruments that are not accounted for as hedges of the underlying financing transactions. Such gains and losses may be due to the nonoccurrence of forecasted financings or ineffectiveness due to changes in the expected terms of financing transactions. As these gains or losses relate to underlying long-term assets and liabilities, where we are not speculating or trading assets, our management believes that any such gains or losses are not reflective of our ongoing operations. Losses on extinguishment of debt and financing commitments represent losses incurred as a result of the early retirement of debt obligations and breakage costs and fees incurred related to rate lock agreements with prospective lenders. Such losses may be due to dispositions of assets, the repayment of debt prior to its contractual maturity or the nonoccurrence of forecasted financings. Our management believes that any such losses are not related to our ongoing operations. Accordingly, we believe by excluding anticipated gains or losses on derivatives and losses on extinguishment of debt and financing commitments, Company-Defined FFO provides useful supplemental information for management and investors when evaluating the sustainability of our operating performance.

We also believe that Company-Defined FFO allows investors and analysts to compare the performance of our portfolio with other REITs that are not currently affected by the adjusted items. In addition, as many other REITs adjust FFO to exclude the items described above, we believe that our calculation and reporting of Company-Defined FFO may assist investors and analysts in comparing our performance with that of other REITs. However, because Company-Defined FFO excludes items that are an important component in an analysis of our historical performance, such supplemental measure should not be construed as a complete historical performance measure and may exclude items that have a material effect on the value of our common stock.

Limitations of FFO and Company-Defined FFO

FFO (both NAREIT-defined and Company-Defined) is presented herein as a supplemental financial measure and has inherent limitations. We do not use FFO or Company-Defined FFO as, nor should they be considered to be, an alternative to net income (loss) computed under GAAP as an indicator of our operating performance, or as an alternative to cash from operating activities computed under GAAP, or as an indicator of liquidity or our ability to fund our short or long-term cash requirements, including distributions to stockholders. Management uses FFO and Company-Defined FFO as indications of our future operating performance and as a guide to making decisions about future investments. Our FFO and Company-Defined FFO calculations do not present, nor do we intend them to present, a complete picture of our financial condition and operating performance. In addition, other REITs may define FFO and an adjusted FFO metric differently and choose to treat impairment charges, acquisition-related expenses and potentially other accounting line items in a manner different from us due to specific differences in investment strategy or for other reasons; therefore, comparisons with other REITs may not be meaningful. Our Company-Defined FFO calculation is limited by its exclusion of certain items previously discussed, but we continuously evaluate our investment portfolio and the usefulness of our Company-Defined FFO measure in relation thereto. We believe that net income (loss) computed under GAAP remains the primary measure of performance and that FFO or Company-Defined FFO are only meaningful when they are used in conjunction with net income (loss) computed under GAAP. Further, we believe that our consolidated financial statements, prepared in accordance with GAAP, provide the most meaningful picture of our financial condition and operating performance.

Specifically with respect to fees and expenses associated with the acquisition of real property, which are excluded from Company-Defined FFO, such fees and expenses are characterized as operational expenses under GAAP and included in the determination of net income (loss) and income (loss) from operations, both of which are performance measures under GAAP. The purchase of operating properties is a key strategic objective of our business plan focused on generating operating income and cash flow in order to fund our obligations and to make distributions to investors. However, as the corresponding acquisition-related costs are paid in cash, these acquisition-related costs negatively impact our GAAP operating performance and our GAAP cash flows from operating activities during the period in which properties are acquired. In addition, if we acquire a property after all offering proceeds from our public offerings have been invested, there will not be any offering proceeds to pay the corresponding acquisition-related costs. Accordingly, such costs will then be paid from other sources of cash such as additional debt proceeds, operational earnings or cash flow, net proceeds from the sale of properties, or other ancillary cash flows. Among other reasons as previously discussed, the treatment of acquisition-related costs is a reason why Company-Defined FFO is not a complete indicator of our overall financial performance, especially during periods in which properties are being acquired. Note that, pursuant to our valuation policies, acquisition expenses result in an immediate decrease to our NAV.

FFO and Company-Defined FFO may not be useful performance measures as a result of the various adjustments made to net income for the charges described above to derive such performance measures. Specifically, we intend to operate as a perpetual-life vehicle and, as such, it is likely for our operating results to be negatively affected by certain of these charges in the future, specifically acquisition-related expenses, as it is currently contemplated as part of our business plan to acquire additional investment properties which would result in additional acquisition-related expenses. Any change in our operational structure would cause the non-GAAP measure to be re-evaluated as to the relevance of any adjustments included in the non-GAAP measure. As a result, we caution investors against using FFO or Company-Defined FFO to determine a price to earnings ratio or yield relative to our NAV.

Further, FFO or Company-Defined FFO is not comparable to the performance measure established by the Investment Program Association (the “IPA”), referred to as “modified funds from operations,” or “MFFO,” as MFFO makes further adjustments including certain mark-to-market items and adjustments for the effects of straight-line rent. As such, FFO and Company-Defined FFO may not be comparable to the MFFO of non-listed REITs that disclose MFFO in accordance with the IPA standard. More specifically, Company-Defined FFO has limited comparability to the MFFO and other adjusted FFO metrics of those REITs that do not intend to operate as perpetual-life vehicles as such REITs have a defined acquisition stage. Because we do not have a defined acquisition stage, we may continue to acquire real estate and real estate-related investments for an indefinite period of time. Therefore, Company-Defined FFO may not reflect our future operating performance in the same manner that the MFFO or other adjusted FFO metrics of a REIT with a defined acquisition stage may reflect its operating performance after the REIT had completed its acquisition stage.

Neither the Securities and Exchange Commission nor any other regulatory body, nor NAREIT, has adopted a set of standardized adjustments that includes the adjustments that we use to calculate Company-Defined FFO. In the future, the Securities and Exchange Commission or another regulatory body, or NAREIT, may decide to standardize the allowable adjustments across the non-listed REIT industry at which point we may adjust our calculation and characterization of Company-Defined FFO.

Gross Investment Amount

The allocated gross basis of real property and debt related investments, after certain adjustments. Gross Investment Amount for real property (i) includes the effect of intangible lease liabilities, (ii) excludes accumulated depreciation and amortization on, and (iii) includes the impact of impairments. Amounts reported for debt related investments represent our net accounting basis of the debt investments, which includes (i) unpaid principal balances, (ii) unamortized discounts, premiums, and deferred charges, and (iii) allowances for loan loss.

Net Operating Income ("NOI") and NOI – Cash Basis

We also use NOI as a supplemental financial performance measure because NOI reflects the specific operating performance of our real properties and debt related investments and excludes certain items that are not considered to be controllable in connection with the management of each property, such as other-than-temporary impairment, gains and losses related to provisions for losses on debt related investments, gains or losses on derivatives, acquisition-related expenses, losses on extinguishment of debt and financing commitments, interest income, depreciation and amortization, general and administrative expenses, asset management fees, interest expense and noncontrolling interests. However, NOI should not be viewed as an alternative measure of our financial performance as a whole, since it does exclude such items that could materially impact our results of operations. Further, our NOI may not be comparable to that of other real estate companies, as they may use different methodologies for calculating NOI. Therefore, we believe net income, as defined by GAAP, to be the most appropriate measure to evaluate our overall financial performance. "NOI – Cash Basis" is NOI after eliminating the effects of straight-lining of rent and the impact of above- and below-market lease amortization and other non-cash amortization adjustments to rental revenue.

Non-Recurring Capital Expenditures

We classify capital expenditures that significantly increase a property's ability to generate additional revenues relative to our initial underwriting as non-recurring capital expenditures. Examples of such capital expenditures may include property expansions, renovations or other significant strategic upgrades. Conversely, we classify capital expenditures incurred to maintain a property's ability to generate expected revenues as "recurring." In addition, we also classify the following capital expenditures as non-recurring:

- First Generation Leasing Costs: We classify capital expenditures incurred to lease spaces for which we have either (i) never had a tenant or (ii) we expected a vacancy of the leasable space within two years of acquisition as non-recurring capital expenditures.
- Value-Add Acquisitions: We define a Value-Add Acquisition as a property that we acquire with one or more of the following characteristics: (i) existing vacancy equal to or in excess of 20%, (ii) short-term lease roll-over, typically during the first two years of ownership, that results in vacancy in excess of 20% when combined with the existing vacancy at the time of acquisition or (iii) significant capital improvement requirements in excess of 20% of the purchase price within the first two years of ownership. We classify any capital expenditures in Value-Add Acquisitions as non-recurring until the property reaches the earlier of (i) stabilization, which we define as 90% leased or (ii) five years after the date we acquire the property.
- Other Acquisitions: For property acquisitions that do not meet the criteria to qualify as Value-Add Acquisitions, we classify all anticipated capital expenditures within the first year of ownership as non-recurring.

Quarterly Report on Form 10-Q

We refer to our Quarterly Report on Form 10-Q for the period ended March 31, 2014, filed with the Securities and Exchange Commission on May 13, 2014, as our "Quarterly Report on Form 10-Q."

Same Store Properties

In our analysis of NOI, particularly to make comparisons of NOI between periods meaningful, it is important to provide information for properties that were in-service and owned by us throughout each period presented. We refer to properties acquired or placed in-service prior to the beginning of the earliest period presented and owned by us through the end of the latest period presented as "Same Store Properties." "Same Store Properties" therefore exclude properties placed in-service, acquired, repositioned, or in development or redevelopment after the beginning of the earliest period presented or disposed of prior to the end of the latest period presented. Accordingly, it takes at least one year and one quarter after a property is acquired or treated as "in-service" for that property to be included in "Same Store Properties." For the purposes of this supplement, our "Same Store Properties" include properties classified as held for sale in our annual financial statements at the end of the most recently completed period.

Valuation Procedures

We refer to our Valuation Procedures filed as Exhibit 99.1 to our Annual Report on Form 10-K as our "Valuation Procedures.