American Realty Capital Healthcare Trust, Inc.

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

Key Highlights

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

Capital Stack Review

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

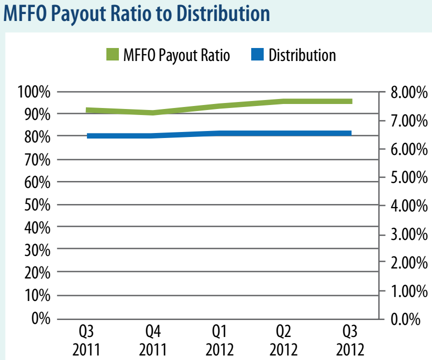
Metrics

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

Real Estate

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

MFFO Payout Ratio to Distribution



Debt Ratio to YTD Interest Coverage Ratio