

# Nontraded REIT Industry Review: Third Quarter 2011



## Apple REIT Eight, Inc.

Total Assets.....	\$944.7 Million
Real Estate Assets .....	\$922.0 Million
Cash .....	\$0.0 Million
Securities .....	\$0.0 Million
Other.....	\$22.7 Million



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

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

### Historical Price



### Redemptions

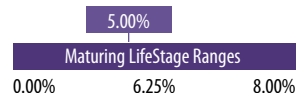
Ratio of Shares Redeemed to Wtd.  
 Avg. Shares Outstanding:..... 2.33%

Program Open

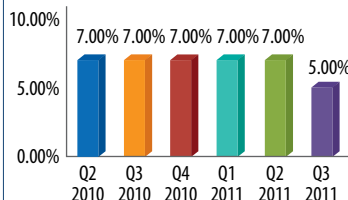
Redemptions Year to Date: 2,198,623  
 Wtd. Avg. Shares Outstanding  
 as of 12/31/10: ..... 94,170,000

### Current Distribution

Current Distribution Yield: ... 5.00%



### Historical Distribution

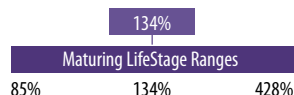


### Contact Information

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

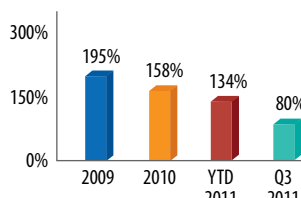
### Year to Date FFO Payout Ratio

FFO Payout Ratio:  
 YTD Distributions/YTD FFO: ..... 134%



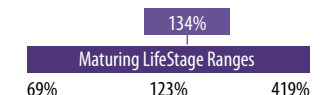
YTD Distributions Paid: \$49,207,000  
 YTD FFO: ..... \$36,792,000

### Historical FFO Payout Ratio



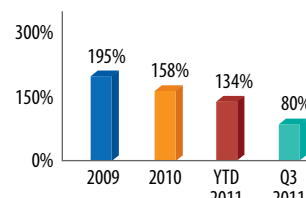
### Year to Date MFFO Payout Ratio

MFFO Payout Ratio:  
 YTD Distributions/YTD MFFO: ...134%

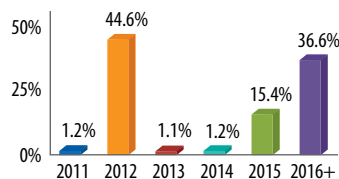


YTD Distributions Paid: \$49,207,000  
 YTD MFFO: ..... \$36,792,000  
 \*Blue Vault estimated MFFO – see notes

### Historical MFFO Payout Ratio



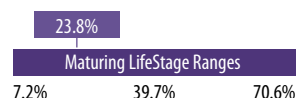
### Debt Maturity



\*As of 12/31/10

### Current Debt Ratio

Debt to Total Assets Ratio: ... 23.8%

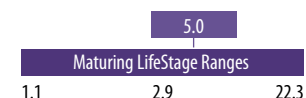


### Debt Breakdown

Total: ..... \$225.2 Million  
 Fixed: ..... \$139.1 Million  
 Variable: ..... \$86.1 Million  
 Rate: ..... 3.5 – 6.29%  
 Term: ..... 1 – 6 yrs

### Interest Coverage Ratio

YTD Interest Coverage Ratio: ..... 5.0



Adjusted EBITDA: ..... \$44,535,000  
 Interest Expense: ..... \$8,836,000

### Lease Expirations

Not Reported

### Trends and Items of Note

- The Debt to Total Assets Ratio increased to 23.8% for the period ending September 30, 2011 compared to 19.8% for the period ending September 30, 2010.
- On November 21, 2011, the Company announced that its board of directors had designated a committee consisting of all of its non-management directors to continue the previously announced evaluation of a potential consolidation transaction in which the Company, Apple REIT Six, Inc., Apple REIT Eight, Inc. and Apple REIT Nine, Inc. would be combined. The review will include, among other things, an evaluation of potential exchange ratios to effectuate such a combination. It is likely that the ratios will vary by company and may include ratios of less than one to one. Any such consolidation transaction could also include a listing of the stock of the combined enterprise for trading on a national exchange at the time of such combination or at a future date.
- On June 20, 2011, two shareholders of the Apple REIT Companies filed a putative class action captioned Kronberg et al. v. David Lerner Associates Inc., et al, Case No. 2:11-cv-03558, in the United States District Court for the District of New Jersey against David Lerner Associates, Inc. and certain of its officers, and the Apple REIT Companies and Glade M. Knight. The complaint was amended on October 10, 2011. The amended complaint did not name the Company.
- The Company reported YTD 2011 MFFO and Blue Vault Partners did not identify additional adjustments.
- See additional notes on page 67 for information regarding the source of distributions.