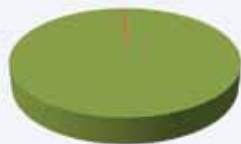


Nontraded REIT Industry Review: Third Quarter 2011



Cornerstone Core Properties REIT, Inc.

| | |
|--------------------------|----------------|
| Total Assets..... | \$83.9 Million |
| Real Estate Assets | \$81.9 Million |
| Cash | \$0.4 Million |
| Securities | \$0.0 Million |
| Other | \$1.7 Million |



Initial Offering Date: January 6, 2006
 Offering Close Date: June 10, 2011
 Current Price per Share: \$8.00
 Reinvestment Price per Share: \$7.60

Cash to Total Assets Ratio: 0.4%
 Asset Type: Diversified
 Number of Properties: 12
 Square Feet / Units / Rooms / Acres: 1.1 Million
 Percent Leased: 67.5%
 LifeStage: Maturing
 Investment Style Core

Historical Price



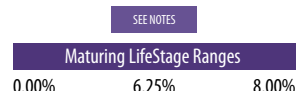
Redemptions

Suspended

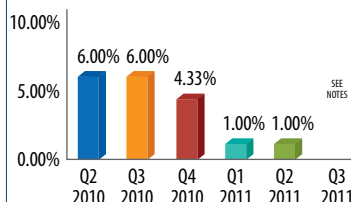
Wtd. Avg. Shares Outstanding
 as of 12/31/10: 22,921,142

Current Distribution

Current Distribution Yield: SEE NOTES



Historical Distribution



Contact Information

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

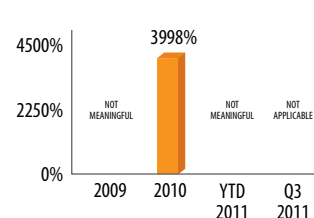
Year to Date FFO Payout Ratio

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



YTD Distributions Paid:..... \$611,000
 YTD FFO: (\$45,152,000)

Historical FFO Payout Ratio



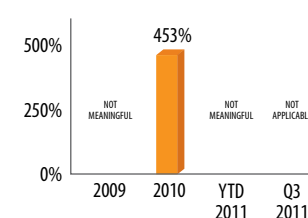
Year to Date MFFO Payout Ratio

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

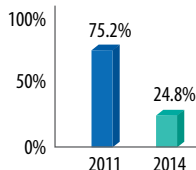


YTD Distributions Paid:..... \$611,000
 YTD MFFO: (\$203,000)
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

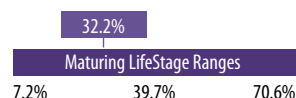


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 32.2%



Debt Breakdown

Total: \$27.0 Million
 Fixed: \$6.7 Million
 Variable: \$20.3 Million
 Rate: 1.63 – 5.89%
 Term: <1 – 3 yrs

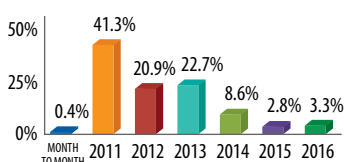
Interest Coverage Ratio

YTD Interest Coverage Ratio: NOT MEANINGFUL



Adjusted EBITDA: (\$894,000)
 Interest Expense: \$1,063,000

Lease Expirations*



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

Trends and Items of Note

- Effective November 23, 2010, the REIT discontinued making or accepting offers to purchase shares of stock in its public offering while the board of directors evaluates strategic alternatives to maximize value.
- As of September 30, 2011, the board of directors continues to evaluate such alternatives and has engaged consultants to assist in identifying such alternatives.
- The board of directors had suspended the stock redemption program effective December 31, 2010, and have not resumed it during 2011. The Company received requests to redeem 61,123 shares during this period, however, due to the suspension of the stock repurchase program was not able to fulfill any of these requests.
- During the second quarter of 2011, management committed to a plan to sell the Mack Deer Valley, Pinnacle Park Business Center, and 2111 South Industrial Park properties to third parties and they have classified the properties as held for sale. These properties have not been sold as of September 30, 2011. These properties had a combined purchase price of \$45.2 million and impairment charges recorded in the nine months ended September 30, 2011, of \$17.2 million.
- MFFO is company reported and Blue Vault did not identify additional adjustments.
- Commencing with the April 2011 distributions, the board elected to pay distributions on a quarterly basis. However, due to cash constraints, the board has elected to defer the second quarter 2011 distribution payment until the Company's cash position improves.
- See additional notes on page 68 for information regarding the source of distributions.