

## Nontraded REIT Industry Review: Third Quarter 2014



## Lightstone Value Plus Real Estate Investment Trust, Inc.

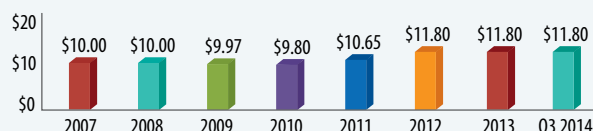
Total Assets.....	\$655.8 Million
Real Estate Assets .....	\$399.2 Million
Cash .....	\$59.0 Million
Securities .....	\$167.1 Million
Other .....	\$30.4 Million



Cash to Total Assets Ratio: ..... 9.0%  
 Asset Type: ..... Diversified  
 Number of Properties: ..... 39  
 Square Feet / Units / Rooms / Acres: ..... 2.9 Million Sq. Ft.;  
 1,216 Units; 1,557 Rooms  
 Percent Leased: ..... See Notes\*  
 Weighted Average Lease Term Remaining: ..... Not Available  
 LifeStage: ..... Maturing  
 Investment Style ..... Value Add  
 Weighted Average Shares Outstanding: ..... 25,785,000

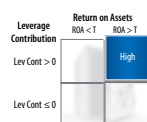
Initial Offering Date: ..... May 23, 2005  
 Offering Close Date: ..... October 10, 2008  
 Current NAV per Share: ..... \$11.80  
 Reinvestment Price per Share: ..... \$11.21  
 Cumulative Capital Raised during  
 Offering (including DRP): ..... \$307.0 Million

## Historical Price



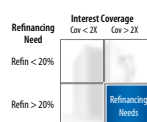
## Performance Profiles

## 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 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.

## 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.

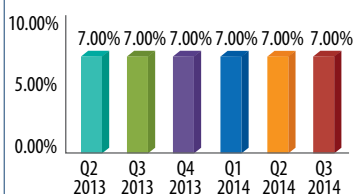
## Summary

The REIT's average return on assets for the last four quarters was 7.05%, above the yield on 10-Year Treasuries of 2.64%, providing additional returns to shareholders. It had a small leverage contribution with its average cost of debt at 5.45% and a 46.4% debt ratio. Over 30% of the REIT's debt matures within two years and 41% is at unhedged variable rates, indicating a significant refinancing need with interest rate risk. Its interest coverage ratio for the last four quarters was 2.9X, above the 2.0X benchmark. Since inception the REIT has paid out 67% of MFFO in cash distributions excluding DRP, and this rate was 44% for the last four quarters, a sustainable payout ratio.

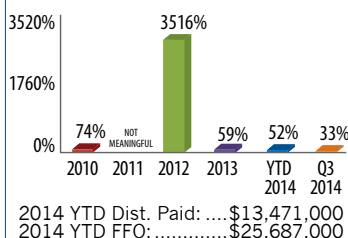
## Contact Information

**www.LightstoneGroup.com**  
**The Lightstone Group**  
**1985 Cedar Bridge Avenue**  
**Lakewood, NJ 08701**  
**212-616-9969**

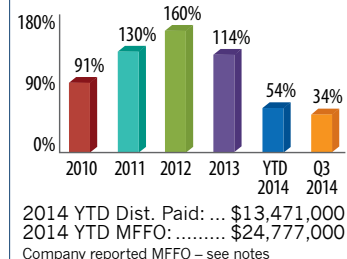
## Historical Distribution



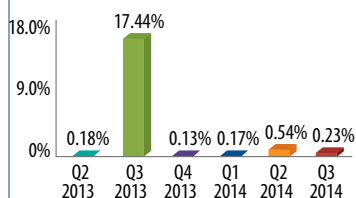
## Historical FFO Payout Ratio



## Historical MFFO Payout Ratio



## Redemptions

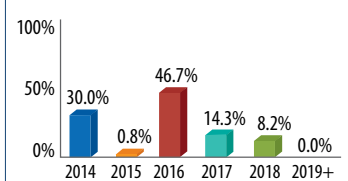


## Debt Breakdown

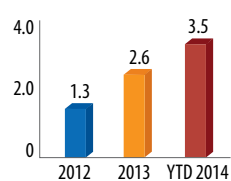


Debt to Total Assets Ratio: ..... 46.4%  
 Total: ..... \$304.1 Million  
 Fixed: ..... \$186.4 Million  
 Variable: ..... \$117.7 Million  
 Avg. Wtd. Rate: ..... 5.45%  
 Loan Term: ..... < 1 – 4 yrs

## Debt Repayment Schedule



## Interest Coverage Ratio



## Source of Distributions, Trends and Items of Note

- During 3Q 2014 the Company did not acquire any properties.
- During the third quarter of 2014 the REIT recognized a gain on disposition of real estate of approximately \$11.5 million related to the disposition of the Camden Multi-Family Properties for approximately \$32.4 million.
- As of September 30, 2014, the retail properties, the industrial properties, the multi-family residential properties and the office property were 81.5%, 82.5%, 95.1% and 83.3% occupied based on a weighted-average basis, respectively. Its hotel hospitality properties' average revenue per available room ("Rev PAR") was \$77.33 and occupancy was 67.6%, respectively for the nine months ended September 30, 2014.
- The REIT's Cash to Total Assets ratio increased to 9.0% as of 3Q 2014 compared to 5.5% as of 3Q 2013.
- The REIT's Debt to Total Assets ratio decreased to 46.4% as of 3Q 2014 compared to 48.6% as of 3Q 2013.
- The Company had hedged \$11.8 million of its variable rate debt as of September 30, 2014.
- The Company used Modified Funds from Operations ("MFFO") as defined by the Investment Program Association ("IPA").
- The distribution for the three-month period ending September 30, 2014 of approximately \$13.498 million was paid using a combination of cash flows provided by operations of \$9.208 million (68%) and proceeds from issuance of common stock through DRIP of \$4.290 million (32%).