

Nontraded REIT Industry Review: First Quarter 2015

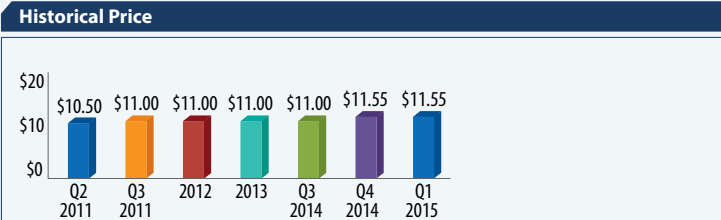
Apple REIT Ten, Inc.

Total Assets.....	\$938.2 Million
Real Estate Assets	\$909.7 Million
Cash	\$0.0 Million
Securities	\$0.0 Million
Other	\$28.5 Million



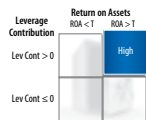
Initial Offering Date: January 19, 2011
 Offering Close Date: July 31, 2014
 Current Price per Share: \$11.55
 Reinvestment Price per Share: Not Applicable
 Cumulative Capital Raised during Offering (including DRP)..... \$1,052.1 Million

Cash to Total Assets Ratio: 0.0%
 Asset Type: Hospitality
 Number of Properties:..... 53
 Square Feet / Units / Rooms / Acres:..... 6,762 Rooms
 Occupancy:..... 72.4%
 Weighted Average Lease Term Remaining:..... Not Applicable
 LifeStage:..... Maturing
 Investment Style:..... Core
 Weighted Average Shares Outstanding:..... 90,702,000



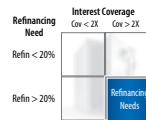
Performance Profiles

Operating Performance



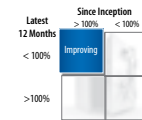
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

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



The REIT has not yet reached full coverage of cash distributions with an MFFO payout ratio below 100% since inception, but the last 12 months shows full coverage of distributions, a positive trend. If the 12-month trend continues, the distribution rate can be maintained.

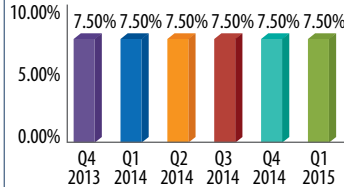
Summary

The REIT's 12-month return on assets of 9.35% greatly exceeds the 10-Year Treasury Yield, and it also provides positive leverage contribution given the 17.6% debt ratio and the estimated 5.08% average cost of debt. The REIT's trailing 12-month interest coverage ratio is a high 11.7X, and 49% of the REIT's debt matures within two years, suggesting significant need for refinancing. The REIT has made total cash distributions, excluding DRIP proceeds, equal to 110% of MFFO since inception, and 93% of MFFO over the past 12 months, trending toward sustainability.

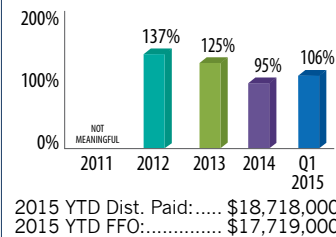
Contact Information

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

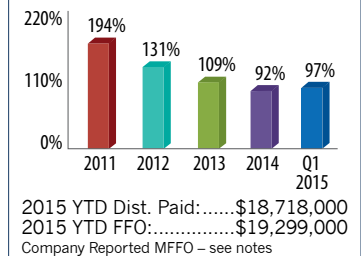
Historical Distribution



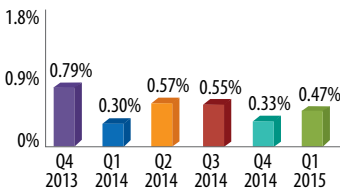
Historical FFO Payout Ratio



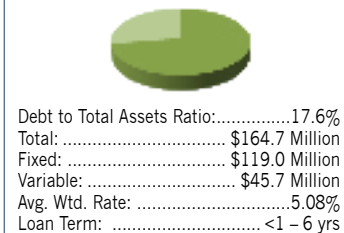
Historical MFFO Payout Ratio



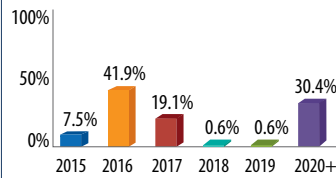
Redemptions



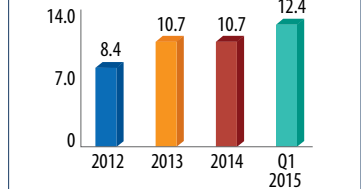
Debt Breakdown



Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- On July 31, 2014, the Company concluded its best-efforts offering of Units by David Lerner Associates, Inc., which received a selling commission and a marketing allowance based on proceeds. As of March 31, 2015, the Company had sold 96.1 million units or gross proceeds of approximately \$1.1 billion and proceeds net of offering costs of approximately \$943.0 million.
- As of March 31, 2015, the Company had outstanding contracts for the potential purchase of three additional hotels for a total purchase price of \$79.8 million. Of these three hotels, two are under construction and are planned to be completed over the next nine months from March 31, 2015. Closing on these two hotels is expected upon completion of construction. Closing on the remaining hotel, which is already in operation, is expected within the next three months from March 31, 2015.
- During the three months ended March 31, 2015 the Company acquired two hotel properties with 294 rooms for a gross purchase price of \$73.8 million.
- The REIT's Cash to Total Assets ratio was 0.0% as of 1Q 2015 compared to 0.0% as of 1Q 2014.
- The REIT's Debt to Total Assets ratio decreased to 17.6% as of 1Q 2015 compared to 23.1% as of 1Q 2014.
- The Company's calculated and reported MFFO appears to be consistent with the IPA Guidelines and as such, Blue Vault Partners did not make any adjustments.
- At March 31, 2015, the outstanding balance on the Company's \$100 million revolving credit facility was \$45.7 million, increasing from no amounts outstanding at December 31, 2014 due to the hotel acquisitions discussed above. The interest rate at March 31, 2015 was 2.43%.
- The Company has issued 480,000 Series B convertible preferred shares to Glade M. Knight, Chairman and CEO of the Company, in exchange for payment of \$0.10 per share, or \$48,000. The Series B convertible preferred shares are convertible into common shares at the rate of 12.11423 common shares per Series B convertible shares, and upon the company's liquidation will receive a priority liquidation payment before any distribution of liquidation proceeds to common shareholders of \$11.00 per share. The conversion of the Series B convertible preferred shares will result in dilution of the shareholders' interest.
- The Company's annual distribution rate as of March 31, 2015 was \$0.825 per common share, payable monthly. For the three months ended March 31, 2015 and 2014, the Company made distributions of \$0.20625 per common share for a total of \$18.7 million and \$16.5 million, respectively. For the same periods, cash generated from operations was approximately \$11.006 million and \$12.539 million respectively. Therefore, a portion of cash distributions was funded by net proceeds from the credit facility in 1Q 2015.