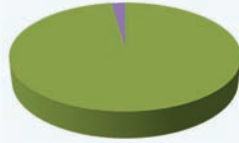


# Nontraded REIT Industry Review: First Quarter 2011



## Apple REIT Eight, Inc.

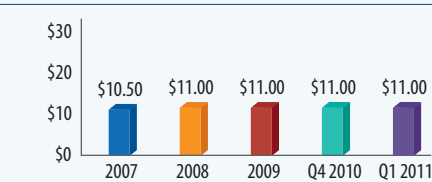
Total Assets.....	\$959.2 Million
Real Estate Assets .....	\$937.1 Million
Cash .....	\$0.0 Million
Securities .....	\$0.0 Million
Other .....	\$22.0 Million



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: ..... 5,909 rooms  
 Percent Leased: ..... 66%

### Historical Price



### Redemptions

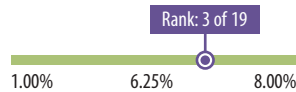
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding:..... 0.78%

Program Open

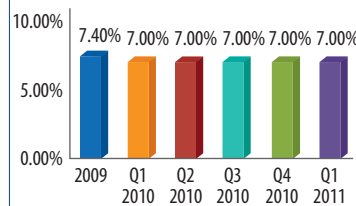
Redemptions Year to Date: ... 732,647  
 Wtd. Avg. Shares Outstanding as of 12/31/10: .....94,170,000

### Current Distribution

Current Distribution Yield: ... 7.00%



### Historical Distribution

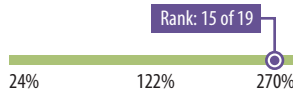


### Contact Information

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

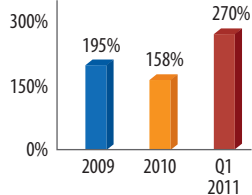
### Year to Date FFO Payout Ratio

FFO Payout Ratio:  
 YTD Distributions/YTD FFO: ..... 270%



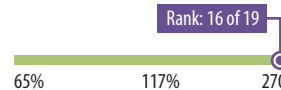
YTD Distributions Paid: \$18,157,000  
 YTD FFO: ..... \$6,724,000

### Historical FFO Payout Ratio



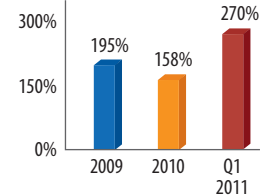
### Year to Date MFFO Payout Ratio

MFFO Payout Ratio:  
 YTD Distributions/YTD MFFO: ...270%

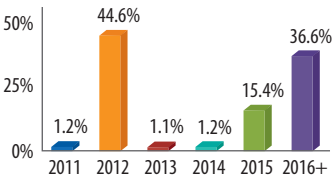


YTD Distributions Paid: \$18,157,000  
 YTD MFFO: ..... \$6,724,000  
 \*Blue Vault calculated MFFO – see notes

### Historical MFFO Payout Ratio



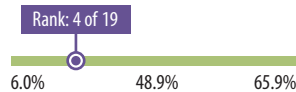
### Debt Maturity



\*As of 12/31/10

### Current Debt Ratio

Debt to Total Assets Ratio: ... 22.6%

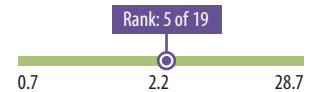


### Debt Breakdown

Total: .....\$216.7 Million  
 Fixed: .....\$148.0 Million  
 Variable: .....\$68.7 Million  
 Rate: ..... 3.5 – 6.29%  
 Term: ..... 1 – 7 yrs

### Interest Coverage Ratio

YTD Interest Coverage Ratio: ..... 3.5



EBITDA: ..... \$9,419,000  
 Interest Expense: ..... \$2,695,000

### Lease Expirations

Not Reported

### Notes

The Company did not report 1Q 2011 MFFO. The 1Q 2011 MFFO figure is a Blue Vault Partners estimate. Distributions in the first three months of 2011 totaled \$18.2 million. For the same three month period, the Company's cash generated from operations was approximately \$4.7 million. This shortfall includes a return of capital and was funded primarily by additional borrowings under the Company's credit facility. In March 2011, the Company requested the loans secured by the Winston-Salem, North Carolina Courtyard, Tampa, Florida TownePlace Suites, Greenville, South Carolina Residence Inn and Suffolk, Virginia TownePlace Suites and Courtyard to be placed with a special servicer to negotiate the terms of the loans. To have the loans placed with the special servicer the Company suspended making its scheduled monthly debt payments beginning in March 2011. The Company has received default notices from the lenders and does not know the timing and resolution of the anticipated negotiations. The total outstanding balance including unpaid interest of the five loans at March 31, 2011 was approximately \$37.0 million. The net book value of the properties securing these loans at March 31, 2011 was approximately \$52.8 million. If the Company is unable to renegotiate the loans, it may be more cost beneficial to pursue a deed in lieu of foreclosure with the lender(s). On April 19, 2011, the Company entered into a Loan Agreement with Bank of America, N.A. The Loan Agreement provides for a revolving credit facility of \$20 million and a maturity date of April 19, 2012. The Loan Agreement is guaranteed by Glade M. Knight, the Company's Chairman and Chief Executive Officer and is secured by assets of Mr. Knight. Mr. Knight will not receive any consideration in exchange for providing this guaranty and security. Proceeds of the loan will be used by the Company for general working capital purposes, including the payment of redemptions and distributions. The independent directors of the Company's Board of Directors approved Mr. Knight providing a guaranty under the Loan Agreement.