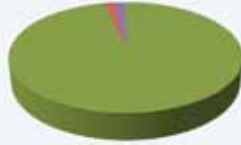


Nontraded REIT Industry Review: Second Quarter 2012



Apple REIT Nine Inc.

Total Assets.....	\$1,552.3 Million
Real Estate Assets ..	\$1,482.2 Million
Cash.....	\$7.4 Million
Securities	\$0.0 Million
Other.....	\$62.7 Million



Initial Offering Date:April 25, 2008
 Offering Close Date: December 9, 2010
 Current Price per Share:\$10.25
 Reinvestment Price per Share:\$10.25

Cash to Total Assets Ratio:0.5%
 Asset Type:Hospitality
 Number of Properties:89
 Square Feet / Units / Rooms / Acres: 11,371 Rooms
 Percent Leased:77%
 LifeStage..... Liquidating
 Investment Style Core

Historical Price



Redemptions

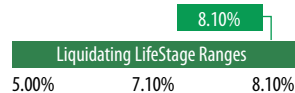
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding:.....1.66%

Program Open

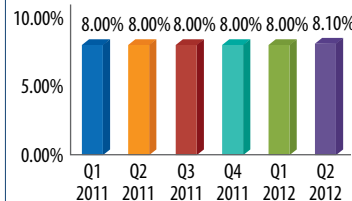
Redemptions Year to Date: 3,017,109
 Wtd. Avg. Shares Outstanding: 182,110,000

Current Distribution

Current Distribution Yield: ... 8.10%



Historical Distribution

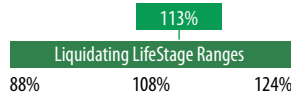


Contact Information

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

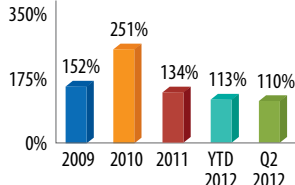
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 113%



YTD Distributions Paid: . \$79,400,000
 YTD FFO: \$70,426,000

Historical FFO Payout Ratio



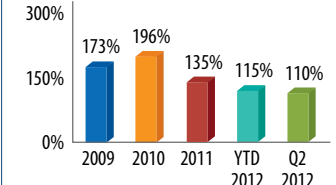
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...115%

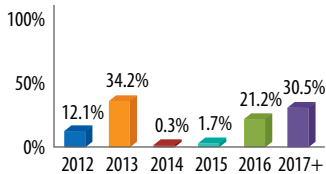


YTD Distributions Paid: \$79,400,000
 YTD MFFO: \$68,912,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio



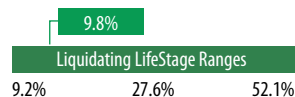
Debt Maturity



*As of 12/31/2011

Current Debt Ratio

Debt to Total Assets Ratio: 9.8%



Debt Breakdown

Total: \$152.6 Million
 Fixed: \$122.6 Million
 Variable: \$30.0 Million
 Rate: 3.00% – 6.50%
 Term: 1 – 21 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: ... 20.7



Adjusted EBITDA: \$67,350,000
 Interest Expense: \$3,255,000

Lease Expirations

Not Reported

Trends and Items of Note

- On April 18, 2012, the Company, and the other Apple REIT Companies, served a motion to dismiss the consolidated complaint in the In re Apple REITs Litigation. The Company and the other Apple REIT Companies accompanied their motion to dismiss the consolidated complaint with a memorandum of law in support of their motion to dismiss the consolidated complaint. The briefing period for any motion to dismiss was completed on July 13, 2012.
- On April 27, 2012, the Company completed the sale of 110 parcels of land in the Ft. Worth, Texas area. The sale price for the land was \$198.4 million. The Company will not use all cash proceeds from the sale of the land for operating purposes. The Company's board of directors approved a special distribution of \$0.75 per unit for a total of approximately \$136.1 million.
- In view of the special distribution, the Company's board of directors changed the annualized distribution rate from \$0.88 per unit (or 8.0% annually based on a liquidation preference of \$11.00) to \$0.83 per unit (or 8.1% annually based on a liquidation preference of \$10.25). The purchase price per unit under the Company's dividend reinvestment plan has been adjusted to \$10.25.
- This REIT's debt to total assets ratio at 9.8% is the lowest among covered nontraded REITs. The interest coverage ratio is high at 20.7, up from 19.6 in 1Q 2012.
- The REIT redeemed approximately 9% of the 10.7 million requested units in July, 2012.
- The Company reported MFFO for 2Q 2012 was adjusted to exclude interest earned on a note receivable of \$1,120,000.
- See additional notes on page 74 for information regarding the source of distributions.