

# Nontraded REIT Industry Review: Second Quarter 2011



## Apple REIT Seven, Inc.

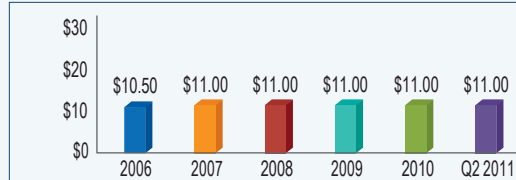
Total Assets.....	\$883.4 Million
Real Estate Assets .....	\$858.4 Million
Cash .....	\$0.0 Million
Securities .....	\$0.0 Million
Other .....	\$25.0 Million



Initial Offering Date: ..... March 15, 2006  
 Offering Close Date: ..... July 16, 2007  
 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: ..... 6,426 rooms  
 Percent Leased: ..... 76%  
 LifeStage: ..... Maturing

### Historical Price



### Redemptions

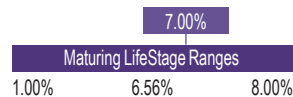
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: ..... 1.57%

Program Open

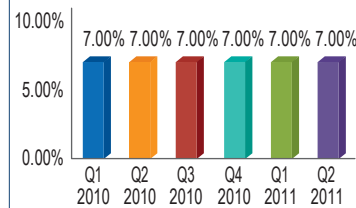
Redemptions Year to Date: 1,457,018  
 Wtd. Avg. Shares Outstanding as of 12/31/10: ..... 92,627,000

### Current Distribution

Current Distribution Yield: ... 7.00%



### Historical Distribution

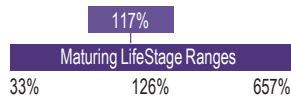


### Contact Information

[www.AppleREITCompanies.com](http://www.AppleREITCompanies.com)  
 814 E. Main Street  
 Richmond, VA 23219  
 804-727-6321

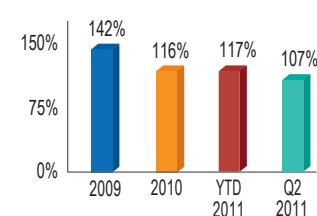
### Year to Date FFO Payout Ratio

FFO Payout Ratio:  
 YTD Distributions/YTD FFO: ..... 117%



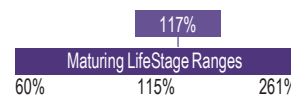
YTD Distributions Paid: \$35,283,000  
 YTD FFO: ..... \$30,084,000

### Historical FFO Payout Ratio



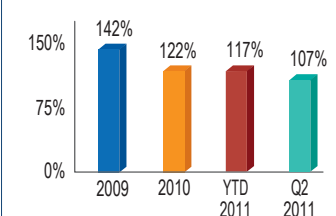
### Year to Date MFFO Payout Ratio

MFFO Payout Ratio:  
 YTD Distributions/YTD MFFO: .. 117%

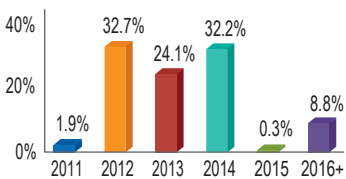


YTD Distributions Paid: \$35,283,000  
 YTD MFFO: ..... \$30,084,000  
 \*Blue Vault estimated MFFO – see notes

### Historical MFFO Payout Ratio



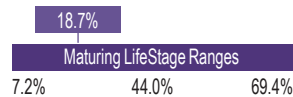
### Debt Maturity



\*As of 12/31/10

### Current Debt Ratio

Debt to Total Assets Ratio: ... 18.7%

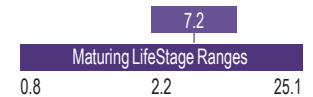


### Debt Breakdown

Total: ..... \$164.9 Million  
 Fixed: ..... \$111.9 Million  
 Variable: ..... \$53.0 Million  
 Rate: ..... 5 – 6.95%  
 Term: ..... 1 – 6 yrs

### Interest Coverage Ratio

YTD Interest Coverage Ratio: ..... 7.2



Adjusted EBITDA: ..... \$34,912,000  
 Interest Expense: ..... \$4,828,000

### Lease Expirations

Not Reported

### Notes

- The Debt to Total Assets Ratio increased to 18.7% for the period ending June 30, 2011 compared to 14.6% for the period ending June 30, 2010.
- On August 19, 2011, the Company announced that its board of directors has authorized the evaluation of a potential consolidation transaction in which Apple REIT Six, Inc., Apple REIT Seven, Inc., Apple REIT Eight, Inc. Apple REIT Nine, Inc. would be combined, which consolidation transaction could also include a listing of the stock of the combined enterprise for trading on a national exchange at the time of such combination or at a future date.
- The Company did not report YTD 2011 MFFO. The YTD 2011 MFFO figure is a Blue Vault Partners' estimate.
- See additional notes on page 81 for information regarding the source of distributions.