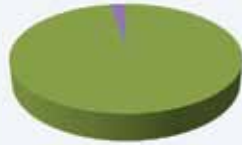


Nontraded REIT Industry Review: Second Quarter 2012



Apple REIT Seven, Inc.

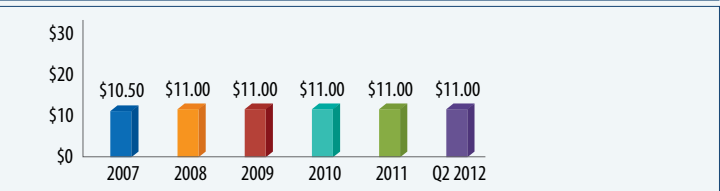
Total Assets.....	\$856.8 Million
Real Estate Assets	\$835.0 Million
Cash	\$0.0 Million
Securities	\$0.0 Million
Other	\$21.9 Million



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: 77.0%
 LifeStage: Liquidating
 Investment Style Core

Historical Price



Redemptions

Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding:..... 0.99%

Program Open

Redemptions Year to Date: ... 896,551
 Wtd. Avg. Shares Outstanding: 90,886,000

Current Distribution

Current Distribution Yield: ... 7.00%

Historical Distribution

Contact Information

www.AppleREITSeven.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: \$34,997,000
 YTD FFO: \$30,862,000

Historical FFO Payout Ratio

Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...113%

YTD Distributions Paid: \$34,997,000
 YTD MFFO: \$30,862,000
 *Blue Vault estimated MFFO – see notes

Historical MFFO Payout Ratio

Debt Maturity

*As of 12/31/11

Current Debt Ratio

Debt to Total Assets Ratio: ... 22.1%

Debt Breakdown

Total: \$189.3 Million
 Fixed: \$108.3 Million
 Variable: \$81.0 Million
 Rate: 5.00% – 6.95%
 Term: 2 – 5 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 6.8

Adjusted EBITDA: \$36,166,000
 Interest Expense: \$5,304,000

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.
- The REIT's occupancy rate was 77% for the 3-month period ending June 30, 2012 compared to 76% for Q2 2011.
- On August 24, 2012, as part of its process to refinance its existing unsecured line of credit facility, the Company entered into three secured loan agreements with Keybank. Each loan is secured by one of the Company's hotels. Interest will be payable monthly on the outstanding balance of each loan at an annual rate 5.0%. The loans mature in September, 2022. The Company used the total proceeds of the loans (\$33.9 million) to reduce the outstanding balance on its \$85 million unsecured line of credit facility.
- The Company did not report MFFO for 2Q 2012. As a result, Blue Vault Partners estimated these figures based upon public information.
- See additional notes on page 74 for information regarding the source of distributions.