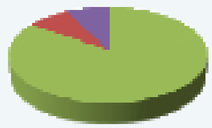
CLOSED REIT

BLUE VAULT™

Nontraded REIT Industry Review: First Quarter 2015

Carey Watermark Investors Incorporated

Total Assets	$2,047.5 Million
Real Estate Assets	$1,733.0 Million
Cash	$159.0 Million
Securities	$0.0 Million
Other	$155.5 Million



Cash to Total Assets Ratio:	7.8%
Asset Type:	Hospitality
Number of Properties:	29
Square Feet / Units / Rooms / Acres:	6,617 Rooms
Occupancy:	69.7%*
Weighted Average Lease Term Remaining:	Not Applicable
LifeStage:	Maturing
Investment Style:	Value Add
Weighted Average Shares Outstanding:	129,842,946

*Consolidated hotels only

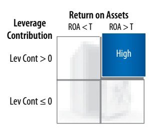
Initial Offering Date:	September 15, 2010
Offering Close Date:	December 31, 2014
Current Price per Share:	$10.00*
Reinvestment Price per Share:	$9.50
Cumulative Capital Raised during Offering (including DRP)	$1,188.4 Million

* See Notes

Historical Price

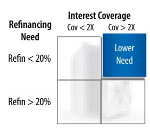
Performance Profiles

Operating Performance



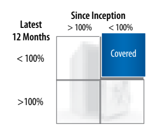
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

Financing Outlook



Interest coverage ratio exceeds the 2.0X benchmark and the REIT does not have over 20% of debt maturing within 2 years or at unhedged variable rates. The REIT does not face an immediate need to refinance a significant portion of its debt, and has sufficient earnings to cover interest expense.

Cumulative MFFO Payout



Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

Summary

The REIT's return on assets was 6.99% over the last 12 months, above the yield on 10-Year Treasuries, and its leverage contribution was therefore positive, due to its 49.6% debt ratio and 4.45% average cost of debt. The 12-month interest coverage ratio of 2.3X is just above the 2.0X benchmark, but with 13.3% variable-rate debt and only 10.6% of debt maturing within two years, there is no significant need for refinancing and little interest rate risk. The REIT has paid out a cumulative 53% of MFFO in cash distributions exclusive of DRIP since inception, and over the last 12 months has a cash payout ratio of 38% of MFFO. These cash payout ratios are clearly sustainable.

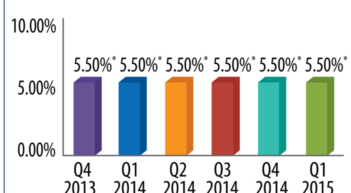
Contact Information

www.CareyWatermark.com

W. P. Carey Inc.
50 Rockefeller Plaza
New York, NY 10020

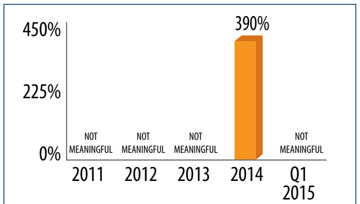
800-WP CAREY

Historical Distribution



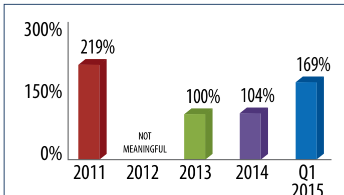
*See notes.

Historical FFO Payout Ratio



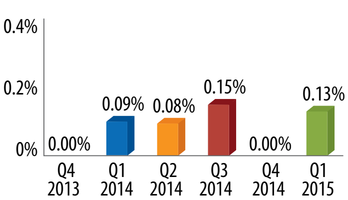
2015 YTD Dist. Paid:... $14,859,000
2015 YTD FFO:.................. $831,000

Historical MFFO Payout Ratio

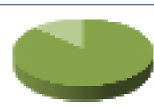


2015 YTD Dist. Paid:..... $14,859,000
2015 YTD MFFO:............ $8,815,000
Company Reported MFFO – see notes

Redemptions

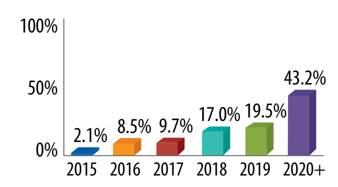


Debt Breakdown

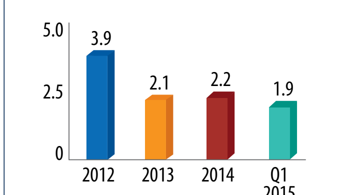


Debt to Total Assets Ratio:	49.6%
Total:	$1,014.7 Million
Fixed:	$880.0 Million
Variable:	$134.7 Million
Avg. Wtd. Rate:	4.45%
Loan Term:	<1 – 23 yrs

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- On January 13, 2015 the Company announced the estimated gross net asset value for its common shares at $10.30 per share. Starting January 2015, the NAV of $10.30 will be used for purposes of redemptions of common stock and issuing shares pursuant to the distribution reinvestment plan.
- For the quarter ended March 31, 2015 as compared to the same period in 2014, hotel revenues increased by $50.1 million. Recently acquired hotels contributed revenue of $35.3 million for the three months ended March 31, 2015.
- During the three months ended March 31, 2015, the Company acquired two Westin branded hotel properties for a total purchase price of $207.9 million.
- The REIT's Cash to Total Assets ratio decreased to 7.8% as of 1Q 2015 compared to 9.9% as of 1Q 2014.
- The REIT's Debt to Total Assets ratio decreased to 49.6% as of 1Q 2015 compared to 51.9% as of 1Q 2014.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- For the three months ended March 31, 2015, the Company paid distributions to stockholders of $14.9 million, which were comprised of cash distributions of $5.7 million and distributions that were reinvested in shares of common stock by stockholders through DRIP of $9.2 million. From inception through March 31, 2015, the Company declared distributions, excluding distributions paid in shares of our common stock, to stockholders totaling $91.6 million, which were comprised of cash distributions of $36.2 million and $55.4 million of distributions that were reinvested by stockholders in shares of common stock pursuant to our DRIP.

© 2015 Blue Vault Reports. All rights reserved. The information contained herein is not represented to be guaranteed, complete or timely. Past performance is not indicative of future results. The reproduction and distribution of the Blue Vault Partners Nontraded REIT Industry Review is strictly prohibited. Information contained in the Blue Vault Partners Nontraded REIT Industry Review should not be considered investment advice. For additional information please call 877-256-2304.