

## Nontraded REIT Industry Review: Second Quarter 2014



## Cole Office &amp; Industrial REIT (CCIT II), Inc.

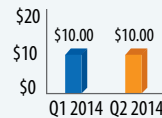
Total Assets	\$224.9 Million
Real Estate Assets	\$214.9 Million
Cash	\$8.4 Million
Securities	\$0.0 Million
Other	\$1.6 Million



Cash to Total Assets Ratio	3.7%
Asset Type	Office & Industrial
Number of Properties	10
Square Feet / Units / Rooms / Acres	2.5 Million Sq. Ft.
Percent Leased	100.0%
Weighted Average Lease Term Remaining	12.0 Years
LifeStage	Emerging
Investment Style	Core
Weighted Average Shares Outstanding	3,746,241

Initial Offering Date	September 17, 2013
Offering Status	Initial
Number of Months Fundraising	9
Anticipated Offering Close Date	September 17, 2015
Current Price per Share	\$10.00
Reinvestment Price per Share	\$9.50

## Historical Price

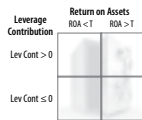


## Contact Information

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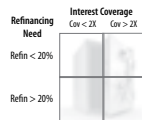
## Performance Profiles

## Operating Performance



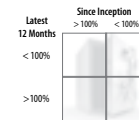
As an Emerging LifeStage REIT, there are less than five quarters of data to calculate meaningful return on assets and leverage contribution metrics.

## Financing Outlook



As an Emerging LifeStage REIT, there are less than five quarters of data to calculate meaningful interest coverage ratios. REITs in the Emerging LifeStage often rely on short-term financing with variable rates which will later be refinanced with longer maturity debt.

## Cumulative MFFO Payout

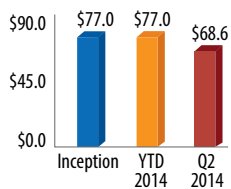


For this Emerging LifeStage REIT there are less than five quarters of data to calculate meaningful MFFO Payout ratios. REITs in the Emerging LifeStage may fund a portion of cash distributions in the first year of operations from offering proceeds until MFFO is sufficient to fund them.

## Summary

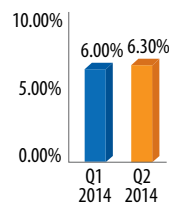
As an Emerging LifeStage REIT with less than five quarters of operating data, metrics for Operating Performance, Financing Outlook and Cumulative MFFO Payout are not yet meaningful. After 4Q 2014, the profile will begin to show meaningful results.

## Gross Dollars Raised\*

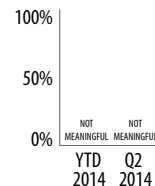


\*Includes reinvested distributions (in millions)

## Historical Distribution

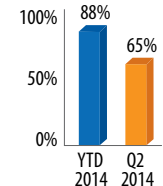


## Historical FFO Payout Ratio



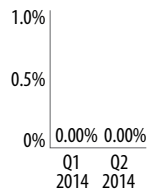
2014 YTD Dist. Paid: .....\$330,250  
 2014 YTD FFO: .....(\$4,354,000)

## Historical MFFO Payout Ratio



2014 YTD Dist. Paid: .....\$330,250  
 2014 YTD MFFO: .....\$376,000  
 BVP Adjusted MFFO - see notes

## Redemptions

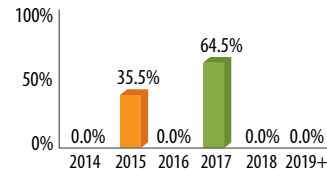


## Debt Breakdown

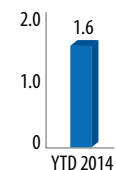


Debt to Total Assets Ratio: .....68.9%  
 Total: .....\$155.0 Million  
 Fixed: .....\$0.0 Million  
 Variable: .....\$155.0 Million  
 Avg. Wtd. Rate: .....3.07%  
 Loan Term: .....1.2 yrs

## Debt Repayment Schedule



## Interest Coverage Ratio



## Source of Distributions, Trends and Items of Note

- The Company commenced principal operations on January 13, 2014 and purchased 9 properties during 2Q 2014 for \$191.7 million.
- As of August 12, 2014, the Company had received \$126.7 million in gross offering proceeds through the issuance of approximately 12.7 million shares of its common stock in the Offering (including shares issued pursuant to the DRIP).
- Subsequent to June 30, 2014 through August 12, 2014, the Company acquired two properties for an aggregate purchase price of \$36.1 million. The acquisitions were funded through the use of net proceeds from the Offering and available borrowings.
- Subsequent to June 30, 2014, the Company modified its Credit Facility with JPMorgan Chase to increase its maximum principal amount to \$150 million in revolving loans.

The unsecured Credit Facility may be converted to an unsecured credit facility under the agreement under certain terms and conditions. As of August 12, 2014, the Company had \$150 million outstanding under the Amended Credit Facility.

- This REIT has limited trend data due to the fact that it began operations in 3Q 2013.
- The Company did not report MFFO for 2Q 2014 in the 10-Q. The MFFO Payout Ratios reported above were estimated by Blue Vault Partners based on IPA Guidelines.
- During the six months ended June 30, 2014, company paid distributions of \$330,000, including \$165,000 through the issuance of shares pursuant to the DRIP. Net cash used in operating activities for the six months ended June 30, 2014 was \$3.2 million. Through June 30, 2014, distributions were funded by proceeds from the offering of \$330,000, or 100%.