



# Nontraded REIT Industry Review: Fourth Quarter 2010

## Cornerstone Core Properties REIT, Inc.

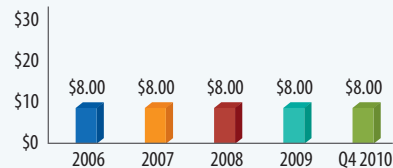
Total Assets.....	\$139.0 Million
Real Estate Assets .....	\$123.3 Million
Cash .....	\$2.0 Million
Securities .....	\$0.0 Million
Other .....	\$13.7 Million



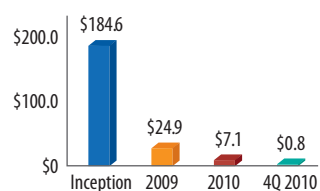
Cash to Total Assets Ratio: .....	1.4%
Asset Type: .....	Diversified
Number of Properties: .....	13
Square Feet / Units / Rooms / Acres: .....	1.2 Million
Percent Leased: .....	70.26%

Initial Offering Date: .....	January 6, 2006
Number of Months Fundraising: .....	58
Anticipated Offering Close Date: .....	June 10, 2011
Current Price per Share: .....	\$8.00
Reinvestment Price per Share: .....	\$7.60

### Historical Price



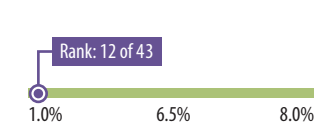
### Gross Dollars Raised\*



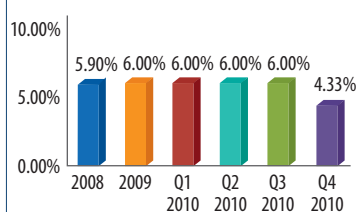
\*Includes reinvested distributions (in millions)

### Current Distribution

Current Distribution Yield: ... 1.00%



### Historical Distribution



### Contact Information

[www.CRE Funds.com](http://www.CRE Funds.com)  
**Pacific Cornerstone Capital**  
 1920 Main Street, Suite 400  
 Irvine, CA 92614  
 877-805-3333

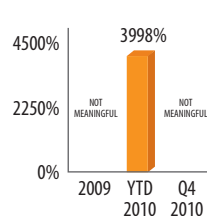
### Year to Date FFO Payout Ratio

FFO Payout Ratio:  
YTD Distributions/YTD FFO: .... 3998%



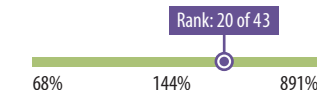
YTD Distributions Paid:.. \$10,994,000  
YTD FFO: .....

### Historical FFO Payout Ratio



### Year to Date MFFO Payout Ratio

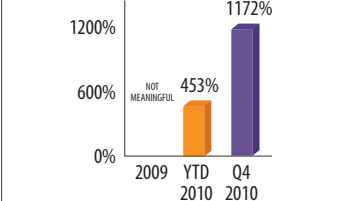
MFFO Payout Ratio:  
YTD Distributions/YTD MFFO: .. 453%



YTD Distributions Paid: \$10,994,000  
YTD MFFO: .....

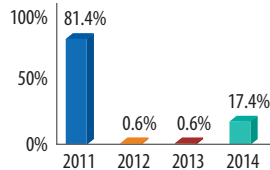
\*Company reported MFFO – see notes

### Historical MFFO Payout Ratio



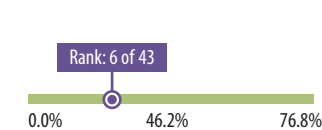
Figures prior to YTD 2010 and Q4 2010 are as previously defined.

### Debt Maturity



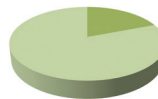
### Current Debt Ratio

Debt to Total Assets Ratio: ... 25.8%



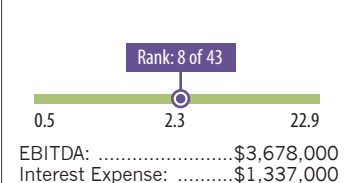
### Debt Breakdown

Total: ..... \$35.9 Million  
 Fixed: ..... \$6.9 Million  
 Variable: ..... \$29.0 Million  
 Rate: ..... 1.4 – 5.89%  
 Term: ..... <1 – 4 yrs



### Interest Coverage Ratio

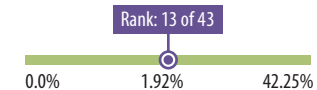
YTD Interest Coverage Ratio: ..... 2.8



EBITDA: ..... \$3,678,000  
Interest Expense: ..... \$1,337,000

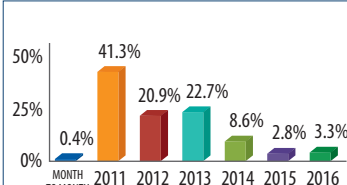
### Redemptions

Ratio of Shares Redeemed to Wtd.  
Avg. Shares Outstanding:..... 4.10%



Redemptions Year to Date: .. 894,915  
Wtd. Avg. Shares Outstanding  
as of 12/31/09: .....

### Lease Expirations\*



\*As a percent of expiring base rent.

### Notes

The Company computed MFFO in accordance with the definition suggested by the Investment Program Association (the "IPA"), the trade association for direct investment programs (including non-listed REITs). However, certain adjustments included in the IPA's definition are not applicable and are therefore not included in the foregoing definition. Effective November 23, 2010, the Company stopped making and accepting offers to purchase shares of the stock while the board of directors evaluates strategic alternatives to maximize value. The Company also suspended the distribution reinvestment plan effective on December 14, 2010. All distributions paid after December 14, 2010 have been and will be made in cash. The Company lowered distributions to a current annualized rate of \$0.08 per share (1% based on a share price of \$8.00) from the current annualized rate of \$0.48 per share (6% based on a share price of \$8.00), effective December 1, 2010. The Company noted that it does not have sufficient funds available to promptly fund any redemptions during 2011. Accordingly, the board of directors approved an amendment to the stock repurchase program to suspend redemptions under the program, effective December 31, 2010. For the twelve months ended December 31, 2010, cash distributions to stockholders were paid from a combination of cash flow from operations and net proceeds raised from the offerings.