



Nontraded REIT Industry Review: First Quarter 2011

Hines Real Estate Investment Trust, Inc.

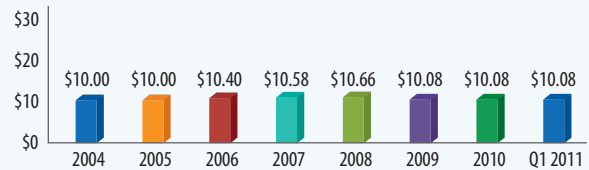
Total Assets.....	\$3,133.6 Million
Real Estate Assets ...	\$2,785.9 Million
Cash.....	\$58.7 Million
Securities	\$0.0 Million
Other.....	\$289.0 Million



Initial Offering Date: June 18, 2004
 Offering Close Date: December 31, 2009
 Current Price per Share: \$10.08
 Reinvestment Price per Share: \$9.58

Cash to Total Assets Ratio: 1.9%
 Asset Type: Office
 Number of Properties: 59
 Square Feet / Units / Rooms / Acres: 29,240,123 sq. ft.
 Percent Leased: 89.0%

Historical Price



Redemptions

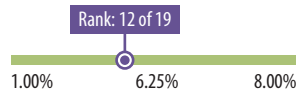
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.14%

Suspended – death and disability redemptions only

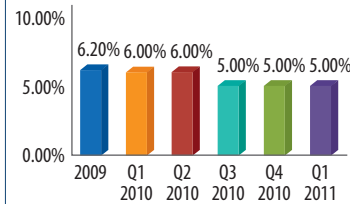
Redemptions Year to Date: ...320,159
 Wtd. Avg. Shares Outstanding as of 12/31/10:220,896,000

Current Distribution

Current Distribution Yield: ... 5.00%



Historical Distribution

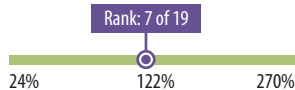


Contact Information

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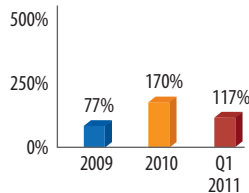
Year to Date FFO Payout Ratio

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



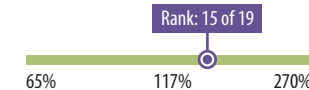
YTD Distributions Paid: .. \$28,303,000
 YTD FFO: \$24,258,000

Historical FFO Payout Ratio



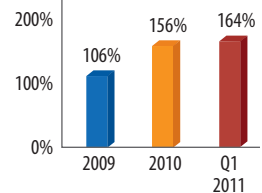
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...164%

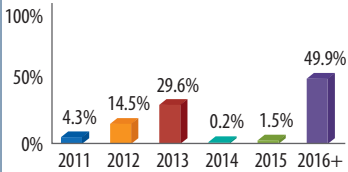


YTD Distributions Paid: .. \$28,303,000
 YTD MFFO: \$17,265,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

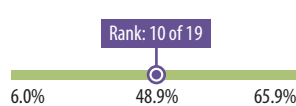


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 49.3%

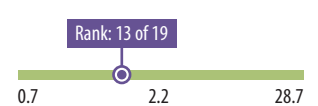


Debt Breakdown

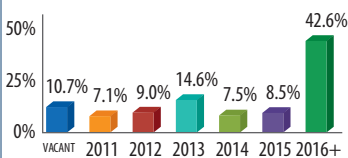
Total: \$1,544.1 Million
 Fixed: \$1,462.3 Million
 Variable: \$81.8 Million
 Rate: 3.50 – 7.39%
 Term: <1 – 6 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.7



Lease Expirations*



*As a percent of expiring square footage as of 12/31/10.

Notes

The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA"). Distribution yield based on \$10.08 share price. For the three months ended March 31, 2011, the Company funded cash distributions with distributions received from its unconsolidated investments, proceeds from the sales of real estate investments and cash generated during prior periods, which included cash flows from operating activities and distributions received from its unconsolidated investments in excess of distributions. On May 24, 2011, the board of directors established an estimated per-share value of the Company's common stock of \$7.78. Effective for the distributions scheduled to be paid for the second quarter of 2011, participants in the Company's dividend reinvestment plan will acquire shares at a fixed price of \$7.78 per share rather than at the current price of \$9.58. On November 30, 2009, the Board determined that it was in the Company's best interest to suspend its share redemption program, except with respect to redemption requests made in connection with the death or disability of a shareholder, i.e., "Special Redemption Requests." Any Special Redemption Requests to be redeemed on June 30, 2011 will be redeemed at a price of \$7.78 per share, rather than at the Company's current redemption price of \$9.15 per share. The board has declared the distribution rate beginning July 1, 2011 of 5% based on the prior offering price of \$10.08, and will represent an annual distribution rate of 6.5% on the new estimated share value of \$7.78. The distribution will be paid from two sources. Approximately 70% will be paid from funds generated by operations and approximately 30% will be a special distribution from the profits on sales of certain properties. This special distribution represents a return of invested capital. The portfolio was 58% leveraged as of March 31, 2011, with 92% of debt in the form of fixed-rate mortgage loans (some of which are effectively fixed through the use of interest rate swaps) which expire in more than one year.