

Nontraded REIT Industry Review: Second Quarter 2011



Hines Real Estate Investment Trust, Inc.

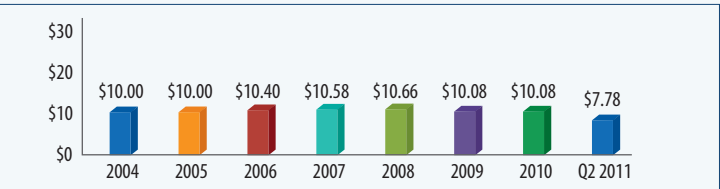
Total Assets.....	\$2,943.3 Million
Real Estate Assets ...	\$2,496.7 Million
Cash.....	\$147.1 Million
Securities	\$0.0 Million
Other.....	\$299.5 Million



Initial Offering Date: June 18, 2004
 Offering Close Date: December 31, 2009
 Current Price per Share: \$7.78
 Reinvestment Price per Share: \$7.78

Cash to Total Assets Ratio: 5.0%
 Asset Type: Office
 Number of Properties: 58
 Square Feet / Units / Rooms / Acres: 28,180,905 sq. ft.
 Percent Leased: 89%
 LifeStage: Maturing

Historical Price



Redemptions

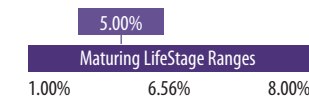
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding: 0.30%

Suspended – Death and Disability Redemptions Only

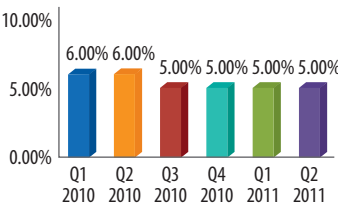
Redemptions Year to Date: ...657,442
 Wtd. Avg. Shares Outstanding as of 12/31/10: 220,896,000

Current Distribution

Current Distribution Yield: ... 5.00%



Historical Distribution

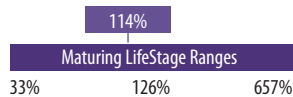


Contact Information

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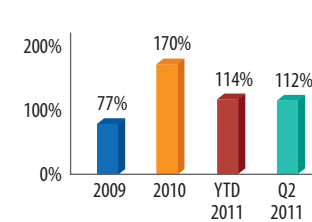
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 114%



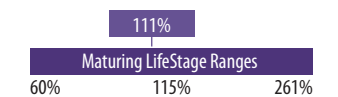
YTD Distributions Paid: ..\$56,118,000
 YTD FFO: \$49,086,000

Historical FFO Payout Ratio



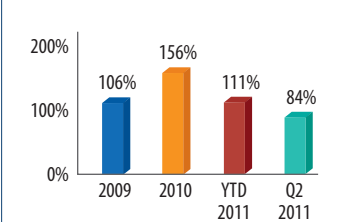
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...111%

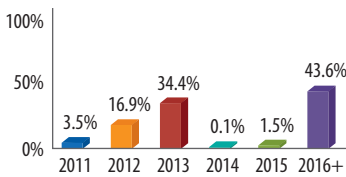


YTD Distributions Paid: ..\$56,118,000
 YTD MFFO: \$50,362,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

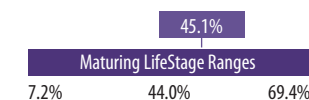


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 45.1%



Debt Breakdown

Total: \$1,328.0 Million
 Fixed: \$1,263.9 Million
 Variable: \$64.1 Million
 Rate: 3.25 – 7.39%
 Term: <1 – 6 yrs

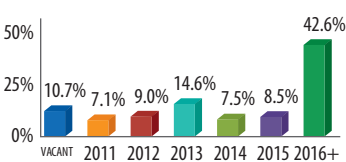
Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.3



Adjusted EBITDA: \$51,302,000
 Interest Expense: \$40,285,000

Lease Expirations*



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

Notes

- Effective May 24, 2011, the board of directors established the new estimated value per share of \$7.78.
- The distribution yield is based on a \$10.08 share price.
- On June 1, 2011, the Company sold Atrium on Bay for \$353 million. The property was located in Toronto, Canada and was originally acquired in February 2007.
- The Debt to Total Asset Ratio declined to 45.1% for the period ending June 30, 2011 compared to 49.3% for the previous quarter.
- 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.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 83 for information regarding the source of distributions.