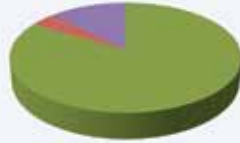


# Nontraded REIT Industry Review: Second Quarter 2012



## Hines Real Estate Investment Trust, Inc.

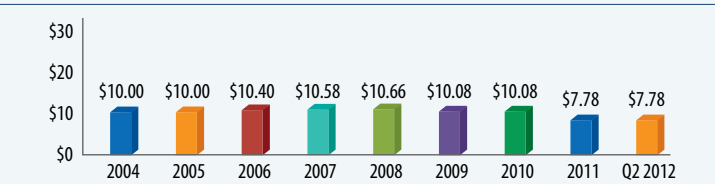
Total Assets.....	\$2,826.2 Million
Real Estate Assets ..	\$2,360.8 Million
Cash.....	\$109.8 Million
Securities .....	\$0.0 Million
Other.....	\$355.6 Million



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: ..... 3.9%  
 Asset Type: ..... Office  
 Number of Properties: ..... 57  
 Square Feet / Units / Rooms / Acres: ..... 26.8 Million Sq. Ft.  
 Percent Leased: ..... 87%  
 LifeStage..... Maturing  
 Investment Style ..... Core

### Historical Price



### Redemptions

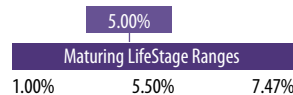
Ratio of Shares Redeemed to Wtd. Avg. Shares Outstanding:..... 0.34%

Suspended – Death and Disability Redemptions Only

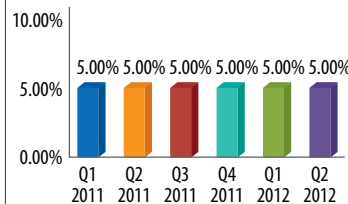
Redemptions Year to Date: .. 771,132  
 Wtd. Avg. Shares Outstanding: ..... 228,950,000

### Current Distribution

Current Distribution Yield: ... 5.00%



### Historical Distribution

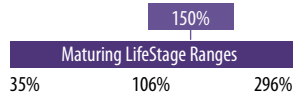


### Contact Information

[www.HinesSecurities.com](http://www.HinesSecurities.com)  
**Hines REIT**  
 P.O. Box 219010  
 Kansas City, MO 64121-9010  
 888-220-6121

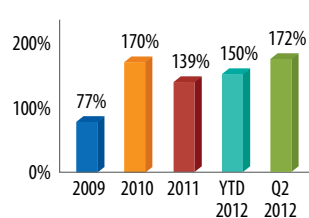
### Year to Date FFO Payout Ratio

FFO Payout Ratio:  
 YTD Distributions/YTD FFO: ..... 150%



YTD Distributions Paid: . \$57,561,000  
 YTD FFO: ..... \$38,300,000

### Historical FFO Payout Ratio



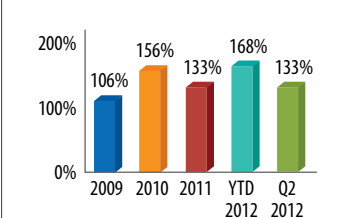
### Year to Date MFFO Payout Ratio

MFFO Payout Ratio:  
 YTD Distributions/YTD MFFO: ... 168%

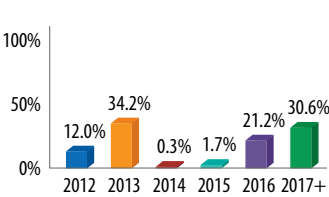


YTD Distributions Paid: \$57,561,000  
 YTD MFFO: ..... \$34,364,000  
 \*Company reported MFFO – see notes

### Historical MFFO Payout Ratio

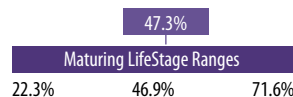


### Debt Maturity



### Current Debt Ratio

Debt to Total Assets Ratio: ... 47.3%

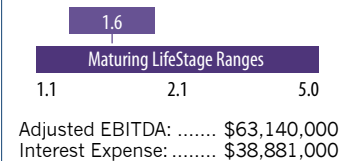


### Debt Breakdown

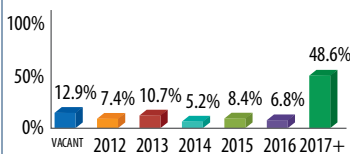
Total: ..... \$1,337.4 Million  
 Fixed: ..... \$1,337.4 Million  
 Variable: ..... \$0.0 Million  
 Avg. Wtd. Rate: ..... 5.64%  
 Term: ..... <1 – 9 yrs

### Interest Coverage Ratio

YTD Interest Coverage Ratio: ..... 1.6



### Lease Expirations\*



\*As of 12/31/11 as a percent of space.

### Trends and Items of Note

- A portion of the distributions were designated as special distributions and funded using proceeds from sales of investment property, which represents a return of a portion of the shareholder's invested capital. For the quarters ended June 30, 2012, March 31, 2012, December 31, 2011 and September 30, 2011, respectively, \$8.7 million, \$8.6 million, \$8.7 million and \$8.6 million of the total distributions declared to shareholders were paid using such sales proceeds.
- For the period from July 1, 2011 through December 31, 2012, REIT's Advisor has agreed to waive a portion of its monthly cash asset management fee such that the fee will be reduced from 0.75% to 0.50% on an annual basis of the net equity capital invested in real estate investments as of the end of each month.
- Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company hedged \$520,000,000 of its variable rate debt as of June 30, 2012.
- The interest coverage ratio has increased from 1.4x as of year-end 2011 to 1.6x as of June 30, 2012.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- See additional notes on page 76 for information regarding the source of distributions.