



# Nontraded REIT Industry Review: First Quarter 2014

## Industrial Income Trust, Inc.

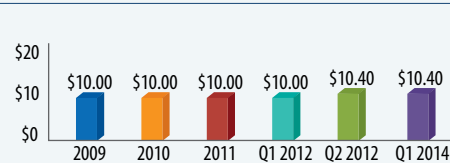
Total Assets.....	\$3,615.5 Million
Real Estate Assets .....	\$3,272.0 Million
Cash .....	\$15.8 Million
Securities .....	\$0.0 Million
Other .....	\$327.7 Million



Cash to Total Assets Ratio: .....	0.4%
Asset Type: .....	Industrial
Number of Properties: .....	297
Square Feet / Units / Rooms / Acres: .....	57.6 Million Sq. Ft.
Percent Leased: .....	94.0%
Weighted Average Lease Term Remaining: .....	5.2 Years
LifeStage: .....	Maturing
Investment Style: .....	Core
Weighted Average Shares Outstanding: .....	208,135,000

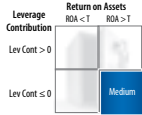
Initial Offering Date: .....	December 18, 2009
Offering Close Date: .....	July 18, 2013
Current Price per Share: .....	\$10.40
Reinvestment Price per Share: .....	\$9.88
Cumulative Capital Raised during Offering (including DRP): .....	\$2,094.8 Million

### Historical Price



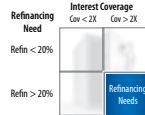
### Performance Profiles

#### Operating Performance



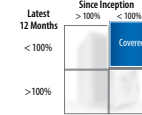
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is not increasing returns to shareholders.

#### Financing Outlook



Interest coverage ratio is above the 2.0X benchmark but more than 20% of the REIT's debt matures within two years or is at unhedged variable rates. The REIT may face difficulties in refinancing its borrowings or interest rate risk from increasing rates, but earnings currently provide coverage of interest expense.

#### Cumulative MFFO Payout



Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

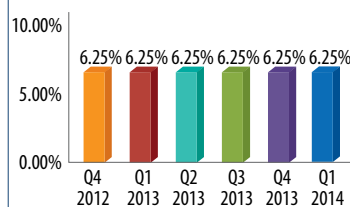
#### Summary

The REIT's return on assets for the last four quarters was 3.24%, above the yield on 10-Year Treasuries of 1.87%, and it had a slightly negative leverage contribution due to its 3.35% average cost of debt and 53% debt ratio. Roughly 14% of the REIT's debt matures within two years and 31% is at unhedged variable rates, indicating little refinancing need but significant interest rate risk. Its interest coverage ratio for the last four quarters at 3.4X was well above the 2.0X benchmark. Since inception the REIT has paid out 57% of MFFO in cash distributions, and this rate was 55% for the last four quarters, a very sustainable cash payout rate.

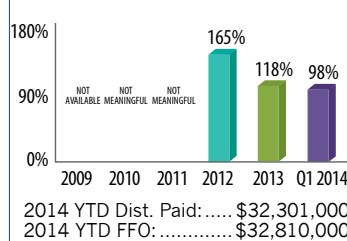
### Contact Information

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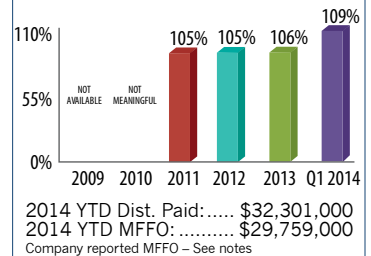
### Historical Distribution



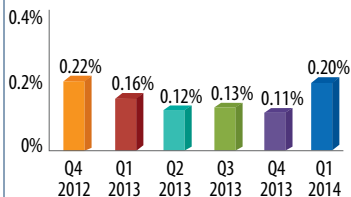
### Historical FFO Payout Ratio



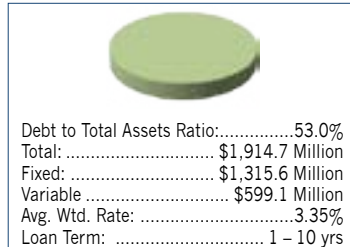
### Historical MFFO Payout Ratio



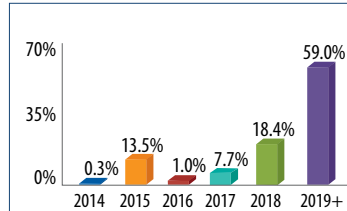
### Redemptions



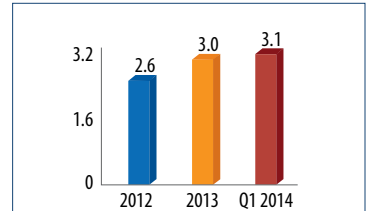
### Debt Breakdown



### Debt Repayment Schedule



### Interest Coverage Ratio



### Source of Distributions, Trends and Items of Note

- During 1Q 2014 the Company acquired one property for a purchase price of approximately \$18.7 million.
- The Real Estate Assets total above includes \$100.4 million of net real estate investment related to assets held for sale. The held for sale properties included 20 buildings that were sold in April, 2014, consisting of one in Atlanta, five in Dallas, 13 in Portland and one in the Tampa markets respectively.
- The REIT's Cash to Total Assets ratio decreased to 0.4% as of 1Q 2014 compared to 1.4% as of 1Q 2013.
- The REIT's Debt to Total Assets ratio increased to 53% as of 1Q 2014 compared to 47.9% as of 1Q 2013.
- Fixed rate debt includes variable rate debt that has been swapped for fixed rate payments. The Company hedged \$407.5 million of its variable rate debt as of March 31, 2014.
- Total rental revenues increased significantly for the quarter ended March 31, 2014 as compared to the same period in 2013, primarily due to the increase in non-same store rental revenues, which was attributable to the growth in the portfolio.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- For the quarter ended March 31, 2014, 50% of total distributions were paid from cash flows from operating activities, as determined on a GAAP basis, and 50% of the total distributions were funded from sources other than cash flows from operating activities, specifically with proceeds from the issuance of shares under the distribution reinvestment plan, or DRIP shares.