

Nontraded REIT Industry Review: Fourth Quarter 2010



Wells Timberland REIT, Inc.

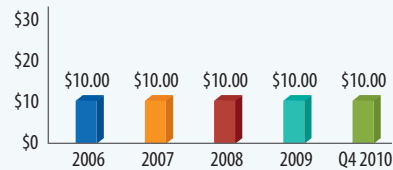
Total Assets.....	\$360.5 Million
Real Estate Assets	\$340.0 Million
Cash	\$8.8 Million
Securities	\$0.0 Million
Other	\$11.7 Million



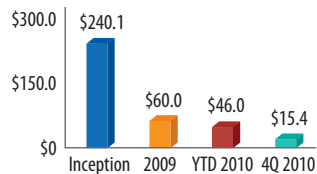
Initial Offering Date:	August 11, 2006
Number of Months Fundraising:	52
Anticipated Offering Close Date:	August 6, 2011
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.55

Cash to Total Assets Ratio:	2.4%
Asset Type:	Timberland
Number of Properties:	1
Square Feet / Units / Rooms / Acres:	304,500 acres
Percent Leased:	Not Applicable

Historical Price



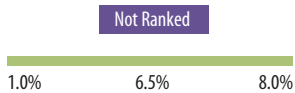
Gross Dollars Raised*



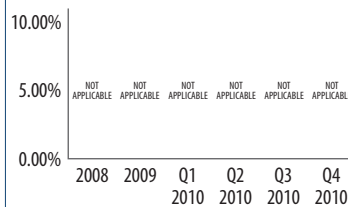
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... NOT APPLICABLE



Historical Distribution



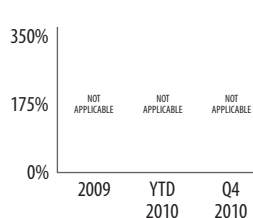
Contact Information

Wells Timberland REIT, Inc.
Wells Real Estate Funds, Inc.
 P.O. Box 926040
 Norcross, GA 30010-6040
 800-557-4830

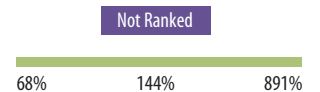
Year to Date FFO Payout Ratio

FFO Payout Ratio:
YTD Distributions/YTD FFO: NOT APPLICABLEYTD Distributions Paid:..... \$0
YTD FFO:..... \$0

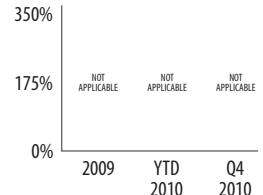
Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

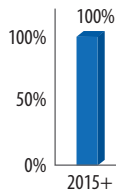
MFFO Payout Ratio:
YTD Distributions/YTD MFFO: NOT APPLICABLEYTD Distributions Paid:..... \$0
YTD MFFO:..... \$0
Not Applicable

Historical MFFO Payout Ratio



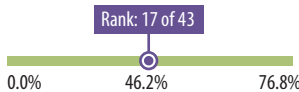
Figures prior to YTD 2010 and Q4 2010 are as previously defined.

Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 46.8%

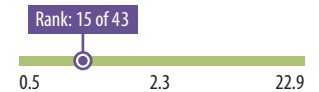


Debt Breakdown

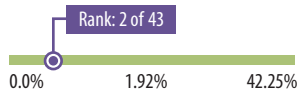
Total:\$168.8 Million
 Fixed:\$49.5 Million
 Variable:\$119.3 Million
 Rate: 3.77% - 5.59%
 Term: 1 - 5+ yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: 1.2

EBITDA:\$10,509,644
Interest Expense:\$8,560,293

Redemptions

Ratio of Shares Redeemed to Wtd.
Avg. Shares Outstanding:.....0.53%Redemptions Year to Date: ... 86,888
Wtd. Avg. Shares Outstanding
as of 12/31/09: 16,495,708

Lease Expirations

Not Applicable

Notes

On August 9, 2010, the board of directors authorized and declared (1) a 2% common stock dividend to stockholders of record as of August 9, 2010; (2) a common stock dividend in an amount that annualizes to a 2% rate to stockholders of record during the period commencing on August 10, 2010 and continuing through and including September 15, 2010 and (3) a common stock dividend in an amount that annualizes to a 2% rate to stockholders of record during the period commencing on September 16, 2010 and continuing through and including December 15, 2010. On December 14, 2010, the board of directors declared a common stock dividend in an amount that annualizes to a 2% rate to stockholders of record during the period commencing on December 16, 2010 and continuing through and including March 15, 2011. As of December 31, 2010, the debt-to-net assets ratio, defined as the total debt as a percentage of the total gross assets (other than intangibles) less total liabilities, was approximately 78%, and the leverage ratio, or the ratio of total debt to total purchase price of timber assets plus cash and cash equivalents, was approximately 41%.