FORM POS AM

Post-Effective amendments for registration statement

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FILER

COLE CREDIT PROPERTY TRUST IV, INC.

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SIC: **6798** Real estate investment trusts

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As filed with the Securities and Exchange Commission on January 10, 2013

Registration No. 333-169533

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 4

to

Form S-11

FOR REGISTRATION UNDER THE SECURITIES ACT OF 1933
OF SECURITIES OF CERTAIN REAL ESTATE COMPANIES

Cole Credit Property Trust IV, Inc.

(Exact Name of Registrant as Specified in Its Governing Instruments)

2325 East Camelback Road, Suite 1100
Phoenix, Arizona 85016
(602) 778-8700

(Address, Including Zip Code and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

D. Kirk McAllaster, Jr.
Executive Vice President, Chief Financial Officer and Treasurer
Cole Credit Property Trust IV, Inc.
2325 East Camelback Road, Suite 1100
Phoenix, Arizona 85016
(602) 778-8700

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable following effectiveness of this Registration Statement.

If any of the securities registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box: ☑

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☑ (Do not check if a smaller reporting company)	Smaller reporting company ☐

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant files a further amendment which specifically states that this Registration Statement will thereafter become effective in accordance with Section 8(c) of the Securities Act of 1933 or until the Registration Statement becomes effective on such date as the Commission, acting pursuant to said Section 8(c), may determine.

This Post-Effective Amendment No. 4 consists of the following:

1. The Registrant' s prospectus dated October 24, 2012.
2. Supplement No. 5 dated January 10, 2013 to the Registrant' s prospectus dated October 24, 2012, included herewith, which supersedes and replaces all prior supplements to the prospectus dated October 24, 2012, and which will be delivered as an unattached document along with the prospectus dated October 24, 2012.
3. Part II, included herewith.
4. Signatures, included herewith.

PROSPECTUS

Cole Credit Property Trust IV, Inc.

Maximum Offering of 300,000,000 Shares of Common Stock

Cole Credit Property Trust IV, Inc. is a Maryland corporation that intends to invest primarily in income-producing necessity retail properties that are single-tenant or multi-tenant "power centers" subject to long-term triple net or double net leases with national or regional creditworthy tenants. We intend to qualify as a real estate investment trust (REIT) for federal income tax purposes, and we are externally managed by our advisor, Cole REIT Advisors IV, LLC, an affiliate of our sponsor, Cole Real Estate Investments.

We are offering up to 250,000,000 shares of our common stock in our primary offering for $10.00 per share, with discounts available for certain categories of purchasers. We also are offering under this prospectus up to 50,000,000 shares of our common stock pursuant to our distribution reinvestment plan at a purchase price during this offering of $9.50 per share. We will offer these shares until January 26, 2014, which is two years after the effective date of this offering, unless the offering is extended. We may need to renew the registration of this offering annually with certain states in which we expect to offer and sell shares. In no event will we extend this offering beyond 180 days after the third anniversary of the initial effective date, and we may terminate this offering at any time. We reserve the right to reallocate the shares we are offering between our primary offering and our distribution reinvestment plan.

See "Risk Factors" beginning on page 22 for a description of the principal risks you should consider before buying shares of our common stock. These risks include the following:

- The amount of distributions we may pay, if any, is uncertain. Due to the risks involved in the ownership of real estate, there is no guarantee of any return on your investment in our common stock, and you may lose your investment.
- We are a "blind pool," as we have not identified all of the properties we intend to purchase, and we have a limited operating history.
- This investment has limited liquidity. No public market currently exists, and one may never exist, for shares of our common stock. If you are able to sell your shares, you would likely have to sell them at a substantial discount to their market value.
- You should consider an investment in our common stock a long-term investment. If we do not successfully implement our exit strategy, you may suffer losses on your investment, or your shares may continue to have limited liquidity.
- The offering price for our shares is not intended to reflect the book value or net asset value of our investments, or our expected cash flow. Until such time as our shares are valued by our board of directors, the price of our shares is not intended to reflect the net asset value of our shares.
- We have paid, and may continue to pay, distributions from sources other than cash flow from operations, including borrowings and proceeds from the sale of our securities or asset sales, and we have no limits on the amounts we may pay from such other sources. Payments of distributions from sources other than cash flows from operations may reduce the amount of capital we ultimately invest in real estate and may negatively impact the value of your investment. As a result, the amount of distributions paid at any time may not reflect the current performance of our properties or our current operating cash flows.
- This is a "best efforts" offering. If we are not able to raise a substantial amount of capital in the near term, we may have difficulties investing in properties and our ability to achieve our investment objectives could be adversely affected.
- There are substantial conflicts of interest between us and our advisor and its affiliates. Key persons associated with our advisor perform similar duties for other Cole-sponsored programs that may use investment strategies similar to ours creating potential conflicts of interest when allocating investment opportunities. In addition, our advisor and its affiliates have substantial discretion in managing our operations, and we pay them substantial fees.
- Although you will be provided with information about our investments after the investments have been made, you will be unable to evaluate the economic merit of future investments, including how the proceeds from this offering will be invested. This makes an investment in our shares speculative.
- Our board of directors may change our investment objectives and certain investment policies without stockholder approval.
- We expect to incur debt, which could adversely impact your investment if the value of the property securing the debt falls or if we are forced to refinance the debt during adverse economic conditions.
- We may suffer from delays in our advisor locating suitable investments, which could adversely affect our ability to pay distributions and the value of your investment.
- If we fail to qualify as a REIT, cash available for distributions to be paid to you could decrease materially.
- For qualified accounts, if an investment in our shares constitutes a prohibited transaction under the Employee Retirement Income Security Act of 1974, as amended (ERISA), you may be subject to the imposition of significant excise taxes and penalties with respect to the amount invested.

This investment involves a high degree of risk. You should purchase these securities only if you can afford a complete loss of your investment.

Neither the Securities and Exchange Commission, the Attorney General of the State of New York, nor any other state securities regulator, has approved or disapproved of our common stock, nor determined if this prospectus is truthful or complete or passed on or endorsed the merits or demerits of this offering. Any representation to the contrary is a criminal offense.

The use of projections in this offering is prohibited. Any representation to the contrary, and any predictions, written or oral, as to the amount or certainty of any future benefit or tax consequence that may flow from an investment in this program is not permitted. All proceeds from this offering are held in trust until subscriptions are accepted and funds are released.

	Price to Public	Selling Commissions	Dealer Manager Fee	Net Proceeds (Before Expenses)
Primary Offering Per Share	$10.00	$0.70	$0.20	$9.10
Total Maximum	$2,500,000,000	$175,000,000	$50,000,000	$2,275,000,000
Distribution Reinvestment Plan Per Share	$9.50	$–	$–	$9.50
Total Maximum	$475,000,000	$–	$–	$475,000,000

The dealer manager of this offering, Cole Capital Corporation, a member firm of the Financial Industry Regulatory Authority, Inc. (FINRA), is an affiliate of our advisor and will offer the shares on a "best efforts" basis. The minimum investment generally is 250 shares. See the "Plan of Distribution" section of this prospectus for a description of such compensation. We expect that up to 10% of our gross offering proceeds, excluding proceeds from our distribution reinvestment plan, will be used to pay selling commissions, dealer manager fees and other expenses considered to be underwriting compensation.

The date of this prospectus is October 24, 2012

SUITABILITY STANDARDS

An investment in our common stock is only suitable for persons who have adequate financial means and desire a long-term investment (generally, an investment horizon in excess of seven years). The value of your investment may decline significantly. In addition, the investment will have limited liquidity, which means that it may be difficult for you to sell your shares. Persons who may require liquidity within several years from the date of their investment or seek a guaranteed stream of income should not invest in our common stock.

In consideration of these factors, we have established minimum suitability standards for initial stockholders and subsequent purchasers of shares from our stockholders. These minimum suitability standards require that a purchaser of shares have, excluding the value of a purchaser' s home, furnishings and automobiles, either:

a net worth of at least $250,000; or

a gross annual income of at least $70,000 and a net worth of at least $70,000.

Certain states have established suitability requirements in addition to the minimum standards described above. Shares will be sold to investors in these states only if they meet the additional suitability standards set forth below:

Alabama − Investors must have a liquid net worth of at least ten times their investment in us and similar programs.

California − Investors must have either (i) a net worth of at least $250,000, or (ii) a gross annual income of at least $75,000 and a net worth of at least $75,000. In addition, the investment must not exceed ten percent (10%) of the net worth of the investor.

Iowa and New Mexico − Investors may not invest, in the aggregate, more than 10% of their liquid net worth in us and all of our affiliates.

Kansas and Massachusetts − It is recommended by the office of the Kansas Securities Commissioner and the Massachusetts Securities Division that investors in Kansas and Massachusetts not invest, in the aggregate, more than 10% of their liquid net worth in this and similar direct participation investments. For purposes of this recommendation, "liquid net worth" is defined as that portion of net worth that consists of cash, cash equivalents and readily marketable securities.

Kentucky, Michigan, Oregon, Pennsylvania and Tennessee − Investors must have a liquid net worth of at least 10 times their investment in us.

Maine − The investment in us (plus any investments in our affiliates) by an investor must not exceed 10% of the net worth of the investor.

Nebraska − Investors must have (excluding the value of their home, furnishings and automobiles) either (i) a minimum net worth of $100,000 and an annual income of $70,000, or (ii) a minimum net worth of $350,000. In addition, the investment in us must not exceed 10% of the investor' s net worth.

North Dakota − Investors must have a liquid net worth of at least ten times their investment in us and our affiliates.

Ohio − Investors may not invest, in the aggregate, more than 10% of their liquid net worth in us, our affiliates and other non-traded real estate investment programs. For purposes of this limitation, "liquid net worth" is defined as that portion of net worth (total assets exclusive of home, home furnishings and automobiles minus total liabilities) that is comprised of cash, cash equivalents and readily marketable securities.

Because the minimum offering of our common stock was less than $297,500,000 Pennsylvania investors are cautioned to evaluate carefully our ability to accomplish fully our stated objectives and to inquire as to the current dollar volume of our subscription proceeds.

In the case of sales to fiduciary accounts, the minimum suitability standards must be met by either the fiduciary account, by the person who directly or indirectly supplied the funds for the purchase of the shares, or by the beneficiary of the account.

Our sponsor and affiliated dealer manager are responsible for determining if investors meet our minimum suitability standards and state specific suitability standards for investing in our common stock. In making this determination, our sponsor and affiliated dealer manager will rely on the participating broker-dealers and/or information provided by investors. In addition to the minimum suitability standards described above, each

participating broker-dealer, authorized representative or any other person selling shares on our behalf, and our sponsor, is required to make every reasonable effort to determine that the purchase of shares is a suitable and appropriate investment for each investor.

It shall be the responsibility of your participating broker-dealer, authorized representative or other person selling shares on our behalf to make this determination, based on a review of the information provided by you, including your age, investment objectives, income, net worth, financial situation and other investments held by you, and consider whether you:

- meet the minimum income and net worth standards established in your state;
- can reasonably benefit from an investment in our common stock based on your overall investment objectives and portfolio structure;
- are able to bear the economic risk of the investment based on your overall financial situation; and
- have an apparent understanding of:
  - the fundamental risks of an investment in our common stock;
  - the risk that you may lose your entire investment;
  - the lack of liquidity of our common stock;
  - the restrictions on transferability of our common stock;
  - the background and qualifications of our advisor; and
  - the tax, including ERISA, consequences of an investment in our common stock.

Such persons must maintain records for at least six years of the information used to determine that an investment in the shares is suitable and appropriate for each investor.

Restrictions Imposed by the USA PATRIOT Act and Related Acts

In accordance with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the USA PATRIOT Act), the shares offered hereby may not be offered, sold, transferred or delivered, directly or indirectly, to any "Unacceptable Investor," which means anyone who is:

- a "designated national," "specially designated national," "specially designated terrorist," "specially designated global terrorist," "foreign terrorist organization," or "blocked person" within the definitions set forth in the Foreign Assets Control Regulations of the U.S. Treasury Department;
- acting on behalf of, or an entity owned or controlled by, any government against whom the United States maintains economic sanctions or embargoes under the Regulations of the U.S. Treasury Department;
- within the scope of Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism, effective September 24, 2001;
- a person or entity subject to additional restrictions imposed by any of the following statutes or regulations and executive orders issued thereunder: the Trading with the Enemy Act, the National Emergencies Act, the Antiterrorism and Effective Death Penalty Act of 1996, the International Emergency Economic Powers Act, the United Nations Participation Act, the International Security and Development Cooperation Act, the Nuclear Proliferation Prevention Act of 1994, the Foreign Narcotics Kingpin Designation Act, the Iran and Libya Sanctions Act of 1996, the Cuban Democracy Act, the Cuban Liberty and Democratic Solidarity Act and the Foreign Operations, Export Financing and Related Programs Appropriations Act or any other law of similar import as to any non-U.S. country, as each such act or law has been or may be amended, adjusted, modified or reviewed from time to time; or

designated or blocked, associated or involved in terrorism, or subject to restrictions under laws, regulations, or executive orders as may apply in the future similar to those set forth above.

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QUESTIONS AND ANSWERS ABOUT THIS OFFERING

Below we have provided some of the more frequently asked questions and answers relating to an offering of this type. Please see "Prospectus Summary" and the remainder of this prospectus for more detailed information about this offering.

Q: What is a REIT?

A: In general, a REIT is a company that:

pays distributions to investors of at least 90% of its taxable income;

avoids the "double taxation" treatment of income that generally results from investments in a corporation because a REIT generally is not subject to federal corporate income taxes on its net income, provided certain income tax requirements are satisfied; and

combines the capital of many investors to acquire a large-scale diversified real estate portfolio under professional management.

Q: How are you different from your competitors who offer non-listed finite-life public REIT shares or real estate limited partnership units?

A: We believe that our sponsor' s disciplined investment focus on core commercial real estate and experience in managing such properties will distinguish us from other non-listed REITs. We use the term "core" to describe existing properties currently operating and generating income, that are leased to national and regional creditworthy tenants under long-term net leases and are strategically located. In addition, core properties typically have high occupancy rates (greater than 90%) and low to moderate leverage (0% to 50% loan to value).

We invest primarily in income-producing necessity retail properties that are single-tenant or multi-tenant "power centers," which are leased to national and regional creditworthy tenants under long-term leases, and are strategically located throughout the United States and U.S. protectorates. Necessity retail properties are properties leased to retail tenants that attract consumers for everyday needs, such as pharmacies, home improvement stores, national superstores, restaurants and regional retailers. We expect that most of our properties will be subject to triple net and double net leases, whereby the tenant is obligated to pay for most of the expenses of maintaining the property. Through our investments in core commercial real estate, we expect to achieve a relatively predictable and stable stream of income, which will provide a principal source of return for investors in our common stock, and the potential for capital appreciation in the value of our real estate assets.

For over three decades, our sponsor, Cole Real Estate Investments, has developed and utilized this investment approach in acquiring and managing core commercial real estate assets in the retail sector. We believe that our sponsor' s experience in assembling real estate portfolios, which principally focus on national and regional creditworthy tenants subject to long-term net leases, will provide us with a competitive advantage. In addition, our sponsor has built a business of over 325 employees, who are experienced in the various aspects of acquiring, financing and managing commercial real estate, and that our access to these resources also will provide us with an advantage.

Q: Will you invest in anything other than retail commercial properties?

A: Yes. We also may invest in other income-producing properties, such as office and industrial properties, which may share certain core characteristics with our retail investments, such as a principal creditworthy tenant, a long-term net lease, and a strategic location. Our sponsor' s disciplined investment focus on core commercial real estate historically has included office and industrial properties. To the extent that we invest in office and industrial properties, we will focus on core properties that are essential to the business

operations of the tenant. We believe investments in these properties are consistent with our goal of providing investors with a relatively stable stream of current income and an opportunity for capital appreciation. Our portfolio also may include other income-producing real estate, as well as real estate-related investments such as mortgage, mezzanine, bridge and other loans and securities related to real estate assets, provided that such investments do not cause us to lose our REIT status or cause us to be an investment company under the Investment Company Act of 1940, as amended (Investment Company Act). Although this is our current target portfolio, we may make adjustments to our target portfolio based on real estate market conditions and investment opportunities. We will not forgo a high quality investment because it does not precisely fit our expected portfolio composition. Our goal is to assemble a portfolio that is diversified by investment type, investment size and investment risk, which will provide attractive and reasonably stable returns to our investors. See the section of this prospectus captioned "Investment Objectives and Policies − Acquisition and Investment Policies" for a more detailed discussion of all of the types of investments we may make.

Q: Generally, what are the terms of your leases?

A: We will seek to secure leases from creditworthy tenants before or at the time we acquire a property. We expect that many of our leases will be what is known as triple net or double net leases. Triple net leases typically require the tenant to pay all costs associated with a property in addition to the base rent and percentage rent, if any, including capital expenditures for the roof and the building structure. Double net leases typically hold the landlord responsible for the capital expenditures for the roof and structure, while the tenant is responsible for all lease payments and remaining operating expenses associated with the property. This helps ensure the predictability and stability of our expenses, which we believe will result in greater predictability and stability of our cash distributions to stockholders. Our leases generally have terms of ten or more years and include renewal options. We may, however, enter into leases that have a shorter term.

Q: How will you determine whether tenants are creditworthy?

A: Our advisor and its affiliates have a well-established underwriting process to determine the creditworthiness of our potential tenants. The underwriting process includes analyzing the financial data and other information about the tenant, such as income statements, balance sheets, net worth, cash flow, business plans, data provided by industry credit rating services, and/or other information our advisor may deem relevant. In addition, we may obtain guarantees of leases by the corporate parent of the tenant, in which case our advisor will analyze the creditworthiness of the guarantor. In many instances, especially in sale-leaseback situations, where we are acquiring a property from a company and simultaneously leasing it back to such company under a long-term lease, we will meet with the senior management to discuss the company' s business plan and strategy. We may use an industry credit rating service to determine the creditworthiness of potential tenants and any personal guarantor or corporate guarantor of the tenant. We consider the reports produced by these services along with the relevant financial and other data relating to the proposed tenant before acquiring a property subject to an existing lease or entering into a new lease.

Q: What is the experience of your sponsor and your advisor?

A: Our sponsor, Cole Real Estate Investments, is a group of affiliated entities directly or indirectly controlled by Christopher H. Cole, including Cole Capital Advisors, Inc. (Cole Capital Advisors), Cole Capital Partners, LLC (Cole Capital Partners) and other affiliates of our advisor. From January 1, 2002 to December 31, 2011, Cole Real Estate Investments sponsored 67 prior programs, including 63 privately offered programs and four publicly offered REITs, which are comprised of Cole Credit Property Trust II, Inc. (CCPT II), Cole Credit Property Trust III, Inc. (CCPT III), Cole Corporate Income Trust, Inc. (CCIT) and Cole Real Estate Income Strategy (Daily NAV), Inc. (Cole Income NAV Strategy). These prior programs had raised approximately $6.8 billion from over 134,000 investors and had purchased 1,639 properties located in 47 states and the U.S. Virgin Islands at an acquisition cost of $9.7 billion as of

December 31, 2011. CCIT and Cole Income NAV Strategy are each currently raising capital pursuant to their respective initial public offerings of shares of their common stock.

For over three decades, our sponsor, Cole Real Estate Investments, has developed and utilized a conservative investment approach that focuses on single-tenant commercial properties, which are leased to name-brand creditworthy tenants, subject to long-term "net" leases. While our sponsor has used this investment strategy primarily in the retail sector, our sponsor has also used the same investment strategy (single-tenant commercial properties subject to long-term net leases with creditworthy tenants) in the office and industrial sector. We expect that our sponsor' s prior experience in applying this conservative and disciplined investment strategy in both the retail and corporate sectors will provide us with a competitive advantage, as our advisor, an affiliate of our sponsor, acquires and manages, on our behalf, a portfolio of necessity retail properties. In addition, our sponsor has built an organization of over 325 employees, who are experienced in the various aspects of acquiring, financing and managing commercial real estate, and we believe that our access to these resources will also provide us with a competitive advantage. A summary of the real estate programs managed over the last ten years by our sponsor, including adverse business and other developments, is set forth in the section of this prospectus captioned "Prior Performance Summary."

Our advisor is Cole REIT Advisors IV, LLC (CR IV Advisors), an affiliate of our sponsor that was formed solely for the purpose of managing our company. The chief executive officer and president of our advisor, and other key personnel of our advisor, have been associated with Cole Real Estate Investments for several years. For additional information about the key personnel of our advisor, see the section of this prospectus captioned "Management − The Advisor."

Q: What will be the source of your distributions?

We have paid, and may continue to pay, distributions from sources other than cash flow from operations, including from the proceeds of this offering, from borrowings or from the sale of properties or other investments, among others, and we have no limit on the amounts we may pay from such sources. We expect that our cash flow from operations available for distribution will be lower in the initial stages of this offering until we have raised significant capital and made substantial investments. As a result, we expect that during the early stages of our operations, and from time to time thereafter, we may declare distributions from sources other than cash flows from operations. Our distributions will constitute a return of capital for federal income tax purposes to the extent that they exceed our earnings and profits as determined for tax purposes.

Q: Do you expect to acquire properties in transactions with affiliates of your advisor?

A: Other than as set forth below, our board of directors has adopted a policy to prohibit acquisitions and loans from or to affiliates of our advisor. First, from time to time, our advisor may direct certain of its affiliates to acquire properties that would be suitable investments for us or our advisor may create special purpose entities to acquire properties that would be suitable investments for us. Subsequently, we may acquire such properties from such affiliates of our advisor. Any and all acquisitions from affiliates of our advisor must be approved by a majority of our directors, including a majority of our independent directors, not otherwise interested in such transaction as being fair and reasonable to us and at a price to us that is no greater than the cost of the property to the affiliate of our advisor (including acquisition fees and expenses), unless a majority of the independent directors determines that there is substantial justification for any amount that exceeds such cost and that the difference is reasonable. In no event will we acquire a property from an affiliate of our advisor if the cost to us would exceed the property' s current appraised value as determined by an independent appraiser. In no event will our advisor or any of its affiliates be paid more than one acquisition fee in connection with any such transaction.

Second, from time to time, we may borrow funds from affiliates of our advisor, including our sponsor, as bridge financing to enable us to acquire a property when offering proceeds alone are insufficient to do so and third party financing has not been arranged. Any and all such transactions must be approved by a

majority of our directors, including a majority of our independent directors, not otherwise interested in such transaction as fair, competitive and commercially reasonable, and no less favorable to us than comparable loans between unaffiliated parties.

Finally, our advisor or its affiliates may pay costs on our behalf, pending our reimbursement, or we may defer payment of fees to our advisor or its affiliates, neither of which would be considered a loan.

Notwithstanding any of the foregoing, none of these restrictions would preclude us from paying our advisor or its affiliates fees or other compensation in connection with internalizing our advisor if our board of directors determines an internalization transaction is in the best interests of our stockholders. See the section of this prospectus captioned "Management Compensation − Becoming Self-Administered."

Q: Will you acquire properties in joint ventures, including joint ventures with affiliates?

A: It is possible that we may acquire properties through one or more joint ventures in order to increase our purchasing power and diversify our portfolio of properties in terms of geographic region, property type and tenant industry group. Increased portfolio diversification reduces the risk to investors as compared to a program with less diversified investments. Our joint ventures may be with affiliates of our advisor or with non-affiliated third parties. Any joint venture with an affiliate of our advisor must be approved by a majority of our independent directors and the cost of our investment must be supported by a current appraisal of the asset. Generally, we will only enter into a joint venture in which we will approve major decisions of the joint venture. If we do enter into joint ventures, we may assume liabilities related to a joint venture that exceed the percentage of our investment in the joint venture.

Q: Will the distributions I receive be taxable as ordinary income?

A: Generally, unless your investment is held in a qualified tax-exempt account, distributions that you receive, including distributions that are reinvested pursuant to our distribution reinvestment plan, will be taxed as ordinary income to the extent they are from current or accumulated earnings and profits. We expect that some portion of your distributions in any given year may not be subject to tax because depreciation and other non-cash expenses reduce taxable income but do not reduce cash available for distribution. In addition, distributions may be made from other sources, such as borrowings in anticipation of future operating cash flows or proceeds of this offering, which would not be currently taxed. The portion of your distribution that is not currently taxable is considered a return of capital for tax purposes and will reduce the tax basis of your investment. This, in effect, defers a portion of your tax until your investment is sold or we are liquidated, at which time you likely will be taxed at capital gains rates. However, because each investor' s tax considerations are different, we recommend that you consult with your tax advisor. You also should review the section of this prospectus entitled "Federal Income Tax Considerations."

Q: What will you do with the money raised in this offering before you invest the proceeds in real estate?

A: Until we invest the proceeds of this offering in real estate, we may invest in short-term, highly liquid or other authorized investments. We may not be able to invest the proceeds from this offering in real estate promptly and such short-term investments will not earn as high of a return as we expect to earn on our real estate investments.

Q: How does a "best efforts" offering work?

A: When shares are offered to the public on a "best efforts" basis, the dealer manager and the broker-dealers participating in the offering are only required to use their best efforts to sell the shares and have no firm commitment or obligation to purchase any of the shares. Therefore, we may not sell all of the shares that we are offering.

Q: Who can buy shares?

A: In order to buy shares of our common stock, you must meet our minimum suitability standards, which generally require that you have either (1) a net worth of at least $70,000 and a gross annual income of at least $70,000, or (2) a net worth of at least $250,000. For this purpose, net worth does not include your home, home furnishings and automobiles. You may be required to meet certain state suitability standards. In addition, all investors must meet suitability standards determined by his or her broker or financial advisor. You should carefully read the more detailed description under "Suitability Standards" immediately following the cover page of this prospectus.

Q: For whom might an investment in our shares be appropriate?

A: An investment in our shares may be appropriate for you if, in addition to meeting the suitability standards described above, you seek to diversify your personal portfolio with a real estate-based investment, seek to receive current income, and seek the opportunity to achieve capital appreciation over an investment horizon of more than seven years. An investment in our shares has limited liquidity and therefore is not appropriate if you may require liquidity within several years from the date of your investment or seek a guaranteed stream of income.

Q: May I make an investment through my IRA or other tax-deferred account?

A: Yes. You may make an investment through your individual retirement account (IRA) or other tax-deferred account. In making these investment decisions, you should consider, at a minimum, (1) whether the investment is in accordance with the documents and instruments governing your IRA, plan or other account, (2) whether the investment would constitute a prohibited transaction under applicable law, (3) whether the investment satisfies the fiduciary requirements associated with your IRA, plan or other account, (4) whether the investment will generate unrelated business taxable income (UBTI) to your IRA, plan or other account, (5) whether there is sufficient liquidity for such investment under your IRA, plan or other account, and (6) the need to value the assets of your IRA, plan or other account annually or more frequently. You should note that an investment in shares of our common stock will not, in itself, create a retirement plan and that, in order to create a retirement plan, you must comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (Internal Revenue Code).

Q: Is there any minimum investment required?

A: The minimum investment generally is 250 shares. You may not transfer any of your shares if such transfer would result in your owning less than the minimum investment amount, unless you transfer all of your shares. In addition, you may not transfer or subdivide your shares so as to retain less than the number of shares required for the minimum purchase. In order to satisfy the minimum purchase requirements for retirement plans, unless otherwise prohibited by state law, a husband and wife may jointly contribute funds from their separate IRAs, provided that each such contribution is made in increments of $1,000.

After you have purchased the minimum investment amount in this offering or have satisfied the minimum purchase requirement of any other Cole-sponsored public real estate program, any additional purchase must be in increments of at least 100 shares or made pursuant to our distribution reinvestment plan, which may be in lesser amounts.

Q: How do I subscribe for shares?

A: If you choose to purchase shares in this offering, in addition to reading this prospectus, you will need to complete and sign a subscription agreement, similar to the one contained in this prospectus as Appendix B (Appendix E for investors in Alabama), for a specific number of shares and pay for the shares at the time you subscribe. After you become a stockholder, you may purchase additional shares by completing and signing an additional investment subscription agreement, similar to the one contained in this prospectus as Appendix C (Appendix F for investors in Alabama).

Q: Who is the transfer agent?

A: The name, address and telephone number of our transfer agent is as follows:

DST Systems, Inc.
P.O. Box 219312
Kansas City, Missouri 64121-9312
(866) 907-2653

To ensure that any account changes are made promptly and accurately, all changes, including your address, ownership type and distribution mailing address, should be directed to the transfer agent.

Q: Will I be notified of how my investment is doing?

A: Yes. We will provide you with periodic updates on the performance of your investment with us, including:

three quarterly financial reports;

an annual report;

a annual Form 1099;

supplements to the prospectus during the offering period; and

notification to Maryland residents regarding the sources of their distributions if such distributions are not entirely from our funds from operations, which will be sent via U.S. mail in connection with every third monthly distribution statement and/or check, as applicable.

Except as set forth above, we will provide this information to you via one or more of the following methods, in our discretion and with your consent, if necessary:

U.S. mail or other courier;

facsimile;

electronic delivery, including email and/or CD-ROM; or

posting, or providing a link, on our affiliated website, which is *www.colecapital.com*.

Q: When will I get my detailed tax information?

A: Your Form 1099 tax information will be placed in the mail by January 31 of each year.

Q: Who can help answer my questions?

A: If you have more questions about the offering or if you would like additional copies of this prospectus, you should contact your registered representative or contact:

Cole Capital Corporation
2325 E. Camelback Road, Suite 1100
Phoenix, Arizona 85016
(866) 907-2653
Attn: Investor Services
www.colecapital.com

PROSPECTUS SUMMARY

This prospectus summary highlights some of the material information contained elsewhere in this prospectus. Because it is a summary, it may not contain all of the information that is important to you. To understand this offering fully, you should read the entire prospectus carefully, including the "Risk Factors" section and the financial statements, before making a decision to invest in our common stock.

Cole Credit Property Trust IV, Inc.

Cole Credit Property Trust IV, Inc. is a Maryland corporation, formed on July 27, 2010, which intends to qualify as a REIT for federal income tax purposes beginning with the taxable year ending December 31, 2012. We intend to use substantially all of the net proceeds from this offering to acquire and operate a diversified portfolio of core commercial real estate investments primarily consisting of necessity retail properties located throughout the United States, including U.S. protectorates. Our retail properties primarily have been and will be single-tenant properties and multi-tenant "power centers" anchored by large, creditworthy national or regional retailers. Our retail properties typically are and we expect that they will continue to be subject to long-term triple net or double net leases, which means the tenant will be obligated to pay for most of the expenses of maintaining the property. Frequently, our leases will be guaranteed by the tenant' s corporate parent. Through our investments in core commercial real estate, we expect to achieve a relatively predictable and stable stream of income, which will provide a principal source of return for our investors in our common stock, and the potential for capital appreciation in the value of our real estate assets.

We also may invest in other income-producing properties, such as office and industrial properties which may share certain core characteristics with our retail investments, such as a principal creditworthy tenant, a long-term net lease, and a strategic location. We believe investments in these types of office and industrial properties are consistent with our goal of providing investors with a relatively stable stream of current income and an opportunity for capital appreciation.

In addition, we may further diversify our portfolio by making and investing in mortgage, mezzanine, bridge and other loans secured, directly or indirectly, by the same types of properties that we may acquire directly. We also may acquire majority or minority interests in other entities (or business units of such entities) with investment objectives similar to ours or with management, investment or development capabilities that our advisor deems desirable or advantageous to acquire. See the section of this prospectus captioned "Investment Objectives and Policies − Acquisition and Investment Policies" for a more detailed discussion of all of the types of investments we may make.

We believe that our sponsor' s experience in assembling real estate portfolios, which principally focus on national and regional creditworthy tenants subject to long-term leases, will provide us with a competitive advantage. We believe that another competitive advantage is our ability to purchase properties for cash and to close transactions quickly. Cole Capital Corporation, the broker-dealer affiliate of our sponsor, raised approximately $4.8 billion on behalf of CCPT III in CCPT III' s public offerings, and we expect that, through its well-developed distribution capabilities and relationships with other broker-dealers, Cole Capital Corporation will be successful in raising capital on our behalf in this offering.

Our offices are located at 2325 East Camelback Road, Suite 1100, Phoenix, Arizona 85016. Our telephone number is 866-907-2653. Our fax number is 877-616-1118, and the e-mail address of our investor relations department is *investorservices@colecapital.com.*

Additional information about us and our affiliates may be obtained at *www.colecapital.com*, but the contents of that site are not incorporated by reference in or otherwise a part of this prospectus.

Our Sponsor and our Advisor

Our sponsor is Cole Real Estate Investments, a trade name we use to refer to a group of affiliated entities directly or indirectly controlled by Christopher H. Cole, including Cole Capital Advisors, Cole Capital Partners and other affiliates of our advisor. Our advisor, CR IV Advisors, a Delaware limited liability company, is responsible for managing our affairs on a day-to-day basis, identifying and making acquisitions and investments on our behalf, and recommending to our board of directors an approach for providing our investors with liquidity. Our chairman, chief executive officer and president, Christopher H. Cole, is the indirect sole owner of our advisor. See "− Summary of Prior Offerings" below. Our advisor will use its best efforts, subject to the oversight of our board of directors, to, among other things, manage our portfolio. Management of our portfolio will include making decisions about the active management of our portfolio, including decisions to acquire or dispose of real estate assets. Our advisor is responsible for identifying and acquiring potential real estate investments of our behalf. All acquisitions of commercial properties will be evaluated for the reliability and stability of their future income, as well as for their potential for capital appreciation. We expect that our advisor will consider the risk profile, credit quality and reputation of potential tenants and the impact of each particular acquisition as it relates to the portfolio as a whole. Our board of directors has delegated to our advisor broad authority to manage our business in accordance with our investment objectives, strategy, guidelines, policies and limitations; provided, however, that our board of directors will exercise its fiduciary duties to our stockholders by overseeing our advisor' s investment process.

Our Dealer Manager

Cole Capital Corporation, which we refer to as our dealer manager, is an affiliate of our sponsor and a member of FINRA. Our dealer manager has distributed shares of many of our sponsor' s prior real estate programs, and has built relationships with a large number of broker-dealers throughout the country, which participated in some or all of those prior offerings. Our dealer manager will distribute the shares of our common stock on a "best efforts" basis, and will advise us regarding this offering, manage our relationships with participating broker-dealers and financial advisors and provide assistance in connection with compliance matters relating to the offering, including compliance regarding any sales literature that we may prepare.

Our Board of Directors

We operate under the direction of our board of directors, the members of which are accountable to us and our stockholders as fiduciaries. We have five directors, Christopher H. Cole, Lawrence S. Jones, J. Marc Myers, Marc T. Nemer and Scott P. Sealy, Sr. Three of our directors, Messrs. Jones, Myers and Sealy, are each independent directors. Our charter requires that a majority of our directors be independent of our advisor. Our charter also provides that our independent directors will be responsible for reviewing the performance of our advisor and determining the compensation paid to our advisor and its affiliates is reasonable. See the "Conflicts of Interest − Certain Conflict Resolution Procedures" section of this prospectus. Our directors will be elected annually by our stockholders.

Investment Objectives

Our primary investment objectives are:

- to acquire quality commercial real estate properties, net leased under long-term leases to creditworthy tenants, which provide current operating cash flows;
- to provide reasonably stable, current income for you through the payment of cash distributions; and
- to provide the opportunity to participate in capital appreciation in the value of our investments.

See the "Investment Objectives and Policies" section of this prospectus for a more complete description of our investment objectives and policies, and investment restrictions. We may not achieve our investment objectives. See "− Summary Risk Factors" below.

Summary Risk Factors

Following are some of the risks relating to your investment:

The amount of distributions we may pay is uncertain. Due to the risks involved in the ownership of real estate, there is no guarantee of any return on your investment in our common stock, and you may lose your investment.

We are a "blind pool," as we have not identified all of the properties we intend to purchase with the proceeds of this offering, and we have a limited operating history.

This investment has limited liquidity. No public market currently exists, and one may never exist, for shares of our common stock. If you are able to sell your shares, you would likely have to sell them at a substantial discount to their market value.

You should consider an investment in our common stock a long-term investment. If we do not successfully implement our exit strategy, you may suffer losses on your investment, or your shares may continue to have limited liquidity.

The offering price for our shares is not intended to reflect the book value or net asset value of our investments, or our expected cash flow. Until such time as our shares are valued by our board of directors, the price of our shares is not intended to reflect the net asset value of our shares.

We have paid, and may continue to pay, distributions from sources other than cash flow from operations, including borrowings and proceeds from the sale of our securities or asset sales, and we have no limits on the amounts we may pay from such other sources. Payments of distributions from sources other than cash flows from operations may reduce the amount of capital we ultimately invest in real estate and may negatively impact the value of your investment. As a result, the amount of distributions paid at any time may not reflect the current performance of our properties or our current operating cash flows.

This is a "best efforts" offering. If we are not able to raise a substantial amount of capital in the near term, we may have difficulties investing in properties and our ability to achieve our investment objectives could be adversely affected.

There are substantial conflicts of interest between us and our advisor and its affiliates. Key persons associated with our advisor perform similar duties for other Cole-sponsored programs that may use investment strategies similar to ours creating potential conflicts of interest when allocating investment opportunities. In addition, our advisor and its affiliates have substantial discretion in managing our operations, and we pay them substantial fees.

Although you will be provided with information about our investments after the investments have been made, you will be unable to evaluate the economic merit of future investments, including how the proceeds from this offering will be invested. This makes an investment in our shares speculative.

Our board of directors may change our investment objectives and certain investment policies without stockholder approval.

We have incurred, and expect to continue to incur debt, which could adversely impact your investment if the value of the property securing the debt falls or if we are forced to refinance the debt during adverse economic conditions.

We may suffer from delays in our advisor locating suitable investments, which could adversely affect our ability to pay distributions and the value of your investment.

If we fail to qualify as a REIT, cash available for distributions to be paid to you could decrease materially.

For qualified accounts, if an investment in our shares constitutes a prohibited transaction under ERISA, you may be subject to the imposition of significant excise taxes and penalties with respect to the amount invested.

Before you invest in us, you should carefully read and consider the more detailed "Risk Factors" section of this prospectus.

Description of Real Estate Investments

As of October 3, 2012, our investment portfolio consisted of 32 properties located in 15 states, consisting of approximately 582,000 gross rentable square feet of commercial space. Our properties as of October 3, 2012 are listed below in order of their date of acquisition.

Property Description	Type	Number of Tenants	Tenant(s)	Rentable Square Feet	Purchase Price
Advance Auto Parts - North Ridgeville, OH(1)	Automotive Parts	1	Advance Stores Company, Inc.	6,000	$1,673,000
PetSmart - Wilkesboro, NC(1)	Specialty Retail	1	PetSmart Inc.	12,259	2,650,000
Nordstrom Rack - Tampa, FL	Department Store	1	Nordstrom, Inc.	44,925	11,998,039
Walgreens - Blair, NE	Drugstore	1	Walgreens Co.	14,820	4,242,424
CVS - Corpus Christi, TX	Drugstore	1	CVS EGL South Alameda TX, LP	11,306	3,400,000
CVS - Charleston, SC	Drugstore	1	South Carolina CVS Pharmacy, LLC	10,125	2,137,778
CVS - Asheville, NC	Drugstore	1	North Carolina CVS Pharmacy, LLC	10,125	2,365,249
O' Reilly Auto Parts - Brownfield, TX	Automotive	1	O' Reilly Automotive Stores, Inc.	6,365	965,447
O' Reilly Auto Parts - Columbus, TX	Automotive	1	O' Reilly Automotive Stores, Inc.	6,047	1,130,213
Walgreens - Suffolk, VA	Drugstore	1	Walgreen, Co.	14,820	4,925,000
Walgreens - Springfield, IL	Drugstore	1	Walgreen, Co.	14,820	5,223,000
Walgreens - Montgomery, AL	Drugstore	1	Walgreen, Co.	14,820	4,477,000
Tractor Supply - Cambridge, MN	Home Improvement	1	Tractor Supply Company	18,000	2,245,000
HEB Center - Waxahachie, TX	Shopping Center	6	Various	82,458	13,000,000
CVS - Bainbridge, GA	Drugstore	1	Georgia CVS Pharmacy, LLC	10,125	2,650,000
Advance Auto - Starkville, MS	Automotive	1	Advance Stores Company, Inc.	6,129	1,344,964
AutoZone - Philipsburg, PA	Automotive	1	AutoZone Northeast, Inc.	7,380	1,620,000
Benihana Portfolio - Various(2)	Restaurant	4	Various	36,911	17,335,757
Wawa - Cape May, NJ	Convenience Store	1	Wawa, Inc.	5,594	7,639,896
Wawa - Galloway, NJ	Convenience Store	1	Wawa, Inc.	5,605	8,123,926

Stripes Portfolio I – Various(3)	Convenience Store	3	Stripes LLC	14,216	8,228,130
Stripes Portfolio II – Various(4)	Convenience Store	3	Town & Country Food Stores, Inc.	11,433	16,936,887
Pick' n Save – Sheboygan, WI	Grocery	1	Roundy' s Supermarkets, Inc.	70,072	14,122,000
The Marquis – Williamsburg, VA	Shopping Center	2	Kohl' s Department Stores, Inc./ Dick' s Sporting Goods, Inc.	134,911	14,260,000
Golden Corral – Garland, TX	Restaurant	1	Golden Corral Corporation	12,763	3,903,000
				582,029	$156,596,710

(1) These properties were acquired by purchasing 100% of the membership interests in Cole AA North Ridgeville OH, LLC (AA North Ridgeville) and Cole PM Wilkesboro NC, LLC (PM Wilkesboro), respectively, each a Delaware limited liability company, from Series C, LLC (Series C), an affiliate of our advisor. AA North Ridgeville and PM Wilkesboro owned, as their only asset, single tenant retail buildings located in North Ridgeville, OH and Wilkesboro, NC, respectively. Series C had acquired these properties for the purpose of holding them temporarily until we were able to raise sufficient proceeds in our public offering to acquire them from Series C at its acquisition cost (including acquisition related expenses). A majority of our board of directors (including a majority of our independent directors) not otherwise interested in the transactions approved the acquisitions as being fair and reasonable to us and determined that the cost to us of each property was equal to the cost of the respective property to Series C (including acquisition related expenses). In addition, the purchase price of each property, exclusive of closing costs, was less than the current appraised value of the respective property as determined by an independent third party appraiser.

(2) The Benihana Portfolio consists of four single-tenant commercial properties located in Florida, Illinois, Minnesota and Texas, which were purchased under individual sale-leaseback agreements with Benihana National of Florida Corp., Benihana Lombard Corp., The Samurai, Inc. and Benihana Woodlands Corp., respectively, as tenants. The properties are subject to individual lease agreements with identical terms.

(3) The Stripes Portfolio I consists of three single-tenant commercial properties located in Texas, which are subject to individual lease agreements with identical terms.

(4) The Stripes Portfolio II consists of three single-tenant commercial properties located in Texas, which are subject to individual lease agreements with identical terms.

Borrowing Policy

Our charter limits our aggregate borrowings to 75% of the cost (before deducting depreciation or other non-cash reserves) of our gross assets, unless excess borrowing is approved by a majority of the independent directors and disclosed to our stockholders in the next quarterly report along with the justification for such excess borrowing. Our board of directors has adopted a policy to further limit our borrowings to 60% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our gross assets, unless excess borrowing is approved by a majority of the independent directors and disclosed to our stockholders in the next quarterly report along with the justification for such excess borrowing. There is no limitation on the amount we may borrow against any single improved property.

Estimated Use of Proceeds of This Offering

Depending primarily on the number of shares we sell in this offering and assuming all shares sold under our distribution reinvestment plan are sold at $9.50 per share, we estimate for each share sold in this offering that between approximately 88.1% (assuming all shares available under our distribution reinvestment plan are sold) and approximately 86.7% (assuming no shares available under our distribution reinvestment plan are sold) of gross offering proceeds will be available for the purchase of real estate and other real estate-related investments, including repayment of any indebtedness incurred in respect of such purchases. We will use the remainder of the offering proceeds to pay the costs of the offering, including selling commissions and the dealer manager fee, and fees and expenses of our advisor in connection with acquiring properties. We have paid, and may continue to pay, distributions from proceeds raised in this offering in anticipation of future cash flows, and we have not placed a limit on the amount of net proceeds we may use to pay distributions. We will not pay selling commissions or a dealer manager fee on shares sold under our distribution reinvestment plan. The table below sets forth our estimated use of proceeds from this offering:

	Maximum Offering (Including Distribution Reinvestment Plan)		Maximum Offering (Not Including Distribution Reinvestment Plan)	
	Amount	Percent	Amount	Percent
Gross Offering Proceeds	$2,975,000,000	100 %	$2,500,000,000	100 %
Less Public Offering Expenses:				
Selling Commissions and Dealer Manager Fee	225,000,000	7.6 %	225,000,000	9.0 %
Other Organization and Offering Expenses	59,500,000	2.0 %	50,000,000	2.0 %
Amount Available for Investment	2,690,500,000	90.4 %	2,225,000,000	89.0 %
Acquisition and Development:				
Acquisition Fee	52,446,394	1.8 %	43,372,320	1.8 %
Acquisition Expenses	13,111,598	0.4 %	10,843,080	0.4 %
Initial Working Capital Reserve	2,622,320	0.1 %	2,168,616	0.1 %
Amount Invested in Assets	$2,622,319,688	88.1 %	$2,168,615,984	86.7 %

Conflicts of Interest

Our advisor will experience potential conflicts of interest in connection with the management of our business affairs, including the following:

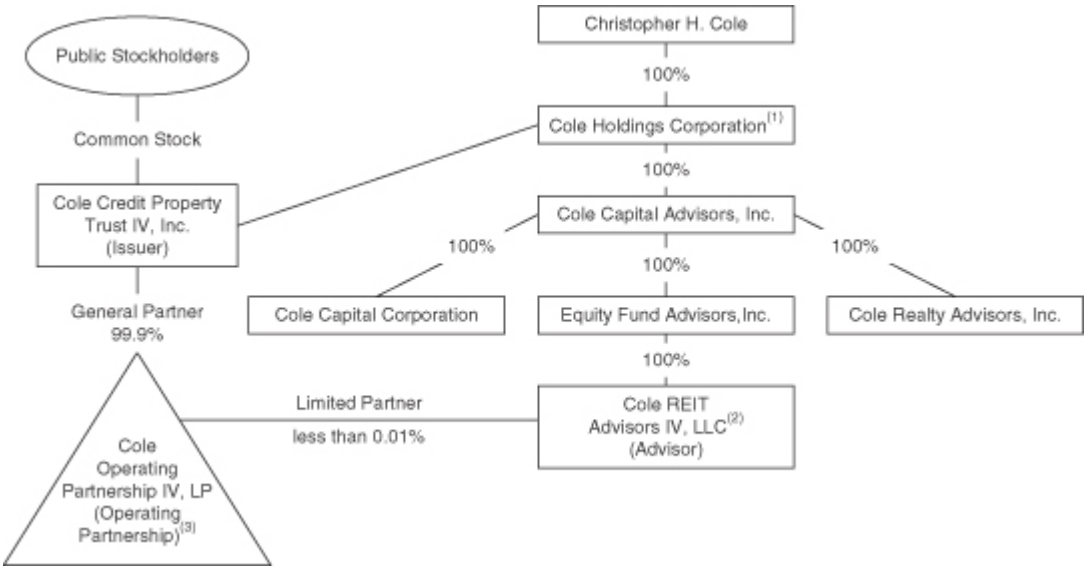
Our advisor and its affiliates will receive substantial fees in connection with the services provided to us, and, while those fees are approved on an annual basis by our independent directors, the approval process may be impacted by the fact that our stockholders invested with the understanding and expectation that an affiliate of Cole Real Estate Investments would act as our advisor;

The management personnel of our advisor, each of whom also makes investment decisions for other Cole-sponsored programs, must determine which investment opportunities to recommend to us or another Cole-sponsored program or joint venture, many of which have investment objectives similar to ours, and such persons must determine how to allocate their time and other resources among us and the other Cole-sponsored programs; and

We have retained Cole Realty Advisors, Inc. (Cole Realty Advisors), an affiliate of our advisor, to manage and lease some or all of our properties.

Our executive officers and the chairman of our board of directors also will face conflicts similar to those described above because of their affiliation with our advisor and other Cole-sponsored programs. See the "Conflicts of Interest" section of this prospectus for a detailed discussion of the various conflicts of interest relating to your investment, as well as the procedures that we have established to mitigate a number of these potential conflicts.

The following chart shows the ownership structure of the various Cole entities that are affiliated with our advisor immediately prior to this offering.



(1) Cole Holdings Corporation, an affiliate of our sponsor, currently owns 20,000 shares of our common stock, which represents less than 0.2% of the outstanding shares of common stock, as of October 3, 2012. As we continue to admit investors in this offering, this percentage will be reduced. Pursuant to our charter, Cole Holdings Corporation is prohibited from selling the 20,000 shares of our common stock for so long as Cole Real Estate Investments remains our sponsor; provided, however, that Cole Holdings Corporation may transfer ownership of all or a portion of the 20,000 shares of our common stock to other affiliates of our sponsor.

(2) CR IV Advisors currently owns less than 0.01% limited partner interest in our operating partnership. As we continue to admit investors in this offering, that limited partner interest will be reduced. CR IV Advisors is a disregarded entity for federal tax purposes, and its activity will be reported on the federal tax return of Cole Holdings Corporation.

(3) Our operating partnership will file its own federal tax return, separate from our federal tax return.

Summary of Prior Offerings

The "Prior Performance Summary" section of this prospectus contains a discussion of the programs sponsored by Cole Real Estate Investments from January 1, 2002 through December 31, 2011. Certain financial results and other information relating to such programs with investment objectives similar to ours are also provided in the "Prior Performance Tables" included as Appendix A to this prospectus. The prior performance of the programs previously sponsored by Cole Real Estate Investments is not necessarily indicative of the results that we will achieve. For example, most of the prior programs were privately offered and did not bear the additional costs associated with being a publicly held entity. Therefore, you should not assume that you will experience returns comparable to those experienced by investors in prior real estate programs sponsored by Cole Real Estate Investments.

Concurrent Offerings

Our sponsor, Cole Real Estate Investments, is sponsoring CCIT and Cole Income NAV Strategy, both of which are currently raising capital pursuant to initial public offerings of shares of their common stock. For additional information regarding concurrent offerings sponsored by Cole Real Estate Investments, see the section of this prospectus captioned "Conflicts of Interest − Interests in Other Real Estate Programs and Other Concurrent Offerings."

The Offering

We are offering up to 250,000,000 shares of common stock in our primary offering on a "best efforts" basis at $10.00 per share. Discounts are available for certain categories of purchasers, as described in the "Plan of Distribution" section of this prospectus. We also are offering under this prospectus up to 50,000,000 additional shares of common stock under our distribution reinvestment plan at a purchase price of $9.50 per share during this offering, and until such time as our board of directors determines a reasonable estimate of the value of our shares. Thereafter, the purchase price per share under our distribution reinvestment plan will be the most recent estimated value per share as determined by our board of directors as described in the "Summary of Distribution Reinvestment Plan" section of this prospectus. We reserve the right to reallocate the shares of common stock we are offering between our primary offering and our distribution reinvestment plan. We will offer shares of common stock in our primary offering until the earlier of January 26, 2014, which is two years from the effective date of this offering, or the date we sell 300,000,000 shares; provided, however, that our board of directors may terminate this offering at any time or extend the offering. If we decide to extend the primary offering beyond two years from the date of this prospectus, we will provide that information in a prospectus supplement; however, in no event will we extend this offering beyond 180 days after the third anniversary of the initial effective date. Nothing in our organizational documents prohibits us from engaging in additional subsequent public offerings of our stock. We may sell shares under the distribution reinvestment plan beyond the termination of our primary offering until we have sold 50,000,000 shares through the reinvestment of distributions, but only if there is an effective registration statement with respect to the shares. Pursuant to the Securities Act, and in some states, we may not be able to continue the offering for these periods without filing a new registration statement, or in the case of shares sold under the distribution reinvestment plan, renew or extend the registration statement in such state.

The registration statement for our initial public offering of 300,000,000 shares of common stock was declared effective by the Securities and Exchange Commission on January 26, 2012. On April 13, 2012, we satisfied the general conditions of our escrow agreement and issued 308,206 shares of our common stock in the offering, resulting in gross proceeds of approximately $3.1 million. As of October 3, 2012, we had accepted investors' subscriptions for, and issued, approximately 16.1 million shares of our common stock in the offering, resulting in gross proceeds to us of approximately $160.3 million.

Compensation to Our Advisor and its Affiliates

Our advisor and its affiliates will receive compensation and reimbursement for services relating to this offering and the investment, management and disposition of our assets. All of the items of compensation are summarized in the table below. We will not pay a separate fee for financing, leasing or property management, although we may rely on our advisor or its affiliates to provide such services to us. See the "Management Compensation" section of this prospectus for a more detailed description of the compensation we will pay to our advisor and its affiliates. The selling commissions and dealer manager fee may vary for different categories of purchasers. See the "Plan of Distribution" section of this prospectus for a more detailed discussion of the selling commissions and dealer manager fees we will pay. The table below assumes the shares are sold through distribution channels associated with the highest possible selling commissions and dealer manager fees, and accounts for the fact that shares are sold through our distribution reinvestment plan at $9.50 per share with no selling commissions and no dealer manager fee.

Type of Compensation	Determination of Amount	Estimated Amount for Maximum Offering
	Offering Stage	
Selling Commissions	We generally will pay to our affiliated dealer manager, Cole Capital Corporation, 7% of the gross proceeds of our primary offering. Cole Capital Corporation will reallow 100% of the selling commissions to participating broker-dealers. We will not pay any selling commissions with respect to sales of shares under our distribution reinvestment plan.	$175,000,000
Dealer Manager Fee	We generally will pay to Cole Capital Corporation 2% of the gross proceeds of our primary offering. Cole Capital Corporation may reallow all or a portion of its dealer manager fee to participating broker-dealers. We will not pay a dealer manager fee with respect to sales of shares under our distribution reinvestment plan.	$50,000,000
Reimbursement of Other Organization and Offering Expenses	Our advisor, CR IV Advisors, will incur or pay our organization and offering expenses (excluding selling commissions and the dealer manager fee). We will then reimburse our advisor for these amounts up to 2.0% of aggregate gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan.	$59,500,000 Of the $59,500,000, we expect to reimburse our advisor up to $25,000,000 (1.0% of the gross offering proceeds of our primary offering, or 0.8% of aggregate gross offering proceeds, including proceeds from shares issued under our distribution reinvestment plan) to cover offering expenses that are deemed to be underwriting expenses, and we expect to reimburse our advisor up to $34,500,000 (1.2% of aggregate gross offering proceeds, including

proceeds from sales of shares under our distribution reinvestment plan) to cover non-underwriting organization and offering expenses.

<table>
<tr><th>Type of Compensation</th><th>Determination of Amount</th><th>Estimated Amount for Maximum Offering</th></tr>
<tr><td colspan="3">Acquisition and Operations Stage</td></tr>
<tr><td>Acquisition Fee</td><td>We will pay to our advisor 2% of: (i) the contract purchase price of each property or asset; (ii) the amount paid in respect of the development, construction or improvement of each asset we acquire; (iii) the purchase price of any loan we acquire; and (iv) the principal amount of any loan we originate.</td><td>$52,446,394 assuming no debt or $209,785,575 assuming leverage of 75% of the contract purchase price.</td></tr>
<tr><td>Advisory Fee</td><td>We will pay to our advisor a monthly advisory fee based upon our monthly average invested assets. Monthly average invested assets will equal the average book value of our assets invested, directly or indirectly, in equity interests in and loans secured by our real estate, before reserves for depreciation and amortization or bad debts or other similar non-cash reserves, other than impairment charges, computed by taking the average of such values at the end of each business day, over the course of the month. After our board of directors begins to determine the estimated per share value of our common stock, the monthly advisory fee will be based upon the value of our assets invested, directly or indirectly, in equity interests in and loans secured by our real estate as determined by our board of directors.

The advisory fee will be calculated according to the following fee schedule:

Monthly Average Invested Assets Range | Annualized Fee Rate for Each Range
$0 − $2 billion | 0.75%
over $2 billion − $4 billion | 0.70%
over $4 billion | 0.65%</td><td>The annualized advisory fee rate, and the actual dollar amounts, are dependent upon the amount of our monthly average invested assets and, therefore, cannot be determined at the present time. Based on the following assumed levels of monthly average invested assets, our annualized advisory fee will be as follows:

Monthly Average Invested Assets | Annualized Effective Fee Rate | Annualized Advisory Fee
$1 billion | 0.75% | $ 7,500,000
$2 billion | 0.75% | $15,000,000
$3 billion | 0.7333% | $22,000,000
$4 billion | 0.7250% | $29,000,000
$5 billion | 0.7100% | $35,500,000</td></tr>
</table>

Type of Compensation	Determination of Amount	Estimated Amount for Maximum Offering
Operating Expenses	We will reimburse our advisor for acquisition expenses incurred in acquiring each property or in the origination or acquisition of a loan. We expect these expenses to be approximately 0.5% of the purchase price of each property or the amount of each loan; provided, however, that acquisition expenses are not included in the contract purchase price of a property. We will also reimburse our advisor for the expenses incurred in connection with its provision of advisory and administrative services, including related personnel costs and payments to third party service providers; provided, however, that we will not reimburse our advisor for the salaries and benefits paid to our personnel in connection with services for which our advisor receives acquisition fees, and we will not reimburse our advisor for salaries and benefits paid to our executive officers.	$13,111,598 estimated for reimbursement of acquisition expenses assuming no debt or $43,048,000 estimated for reimbursement of acquisition expenses assuming leverage of 75% of the contract purchase price. For all other reimbursements, actual amounts are dependent upon the expenses incurred and, therefore, cannot be determined at the present time.
	Liquidation/Listing Stage	
Disposition Fee	For substantial assistance in connection with the sale of properties, we will pay our advisor or its affiliates an amount equal to up to one-half of the brokerage commission paid on the sale of property, not to exceed 1% of the contract price of the property sold; provided, however, in no event may the disposition fee paid to our advisor or its affiliates, when added to the real estate commissions paid to unaffiliated third parties, exceed the lesser of the customary competitive real estate commission or an amount equal to 6% of the contract sales price.	Actual amounts are dependent upon the contract price of properties sold and, therefore, cannot be determined at the present time. Because the disposition fee is based on a fixed percentage of the contract price for sold properties the actual amount of the disposition fees cannot be determined at the present time.
Subordinated Performance Fee	After investors have received a return of their net capital invested and an 8% annual cumulative, non-compounded return, then our advisor will be entitled to receive 15% of the remaining net sale proceeds. We cannot assure you that we will provide this 8% return, which we have disclosed solely as a measure for our advisor' s incentive compensation. We will pay a subordinated fee under only one of the following events: (i) if our shares are listed on a national securities exchange; (ii) if our company is sold or our assets are liquidated; or (iii) upon termination of the advisory agreement.	Actual amounts are dependent upon results of operations and, therefore, cannot be determined at the present time. There is no limit on the aggregate amount of these payments.

Distributions

To qualify as a REIT for federal income tax purposes, we are required to, among other things, make aggregate annual distributions to our stockholders of at least 90% of our annual taxable income (which does not necessarily equal net income as calculated in accordance with accounting principles generally accepted in the United States (GAAP)). Our board of directors may

authorize distributions in excess of those required for us to maintain REIT status, depending on our present and reasonably projected future cash flow from operations and such other factors as our board of directors deems relevant. We have not established a minimum distribution level. Distributions are paid to our stockholders as of the record date or dates selected by our board of directors. We expect that our board of directors will continue to declare distributions with a daily record date, and pay distributions monthly in arrears. In the event we do not have sufficient cash flow from operations to make distributions, we may borrow, use proceeds from this offering, issue additional securities or sell assets in order to

fund distributions, and we have no limits on the amounts we may pay from such other sources. Payments of distributions from sources other than cash flows from operations may reduce the amount of capital we ultimately invest in properties, and negatively impact the value of your investment. As a result, the amount of distributions paid at any time may not reflect the performance of our properties or our current operating cash flow.

Liquidity Opportunities

Our board of directors will consider future liquidity opportunities, which may include the sale of our company, the sale of all or substantially all of our assets, a merger or similar transaction, the listing of our shares of common stock for trading on a national securities exchange or an alternative strategy that will result in a significant increase in the opportunities for stockholders to dispose of their shares. We expect to engage in a strategy to provide our investors with liquidity at a time and in a method recommended by our advisor and determined by our independent directors to be in the best interests of our stockholders. As we are unable to determine what macro- or micro-economic factors may affect the decisions our board of directors make in the future with respect to any potential liquidity opportunity, we have not selected a fixed time period or determined criteria for any such decisions. As a result, while our board of directors will consider a variety of options to provide stockholders with liquidity throughout the life of this program, there is no requirement that we commence any such action on or before a specified date. Stockholder approval would be required for the sale of all or substantially all of our assets, or the sale or merger of our company.

Distribution Reinvestment Plan

Our board of directors has approved a distribution reinvestment plan, pursuant to which you may have the distributions you receive from us reinvested in additional shares of our common stock. The purchase price per share under our distribution reinvestment plan will be $9.50 per share during this offering and until such time as our board of directors determines a reasonable estimate of the value of our shares. Thereafter, the purchase price per share under our distribution reinvestment plan will be the most recent estimated value per share as determined by our board of directors. No sales commissions or dealer manager fees are paid with respect to shares sold under our distribution reinvestment plan.

If you participate in the distribution reinvestment plan, you will not receive the cash from your distributions, other than special distributions that are designated by our board of directors. As a result, you may have a tax liability with respect to your share of our taxable income, but you will not receive cash distributions to pay such liability.

Share Redemption Program

Our board of directors has adopted a share redemption program to enable you to sell your shares to us in limited circumstances. Our share redemption program would permit you to sell your shares back to us after you have held them for at least one year, subject to the significant conditions and limitations summarized below and described in more detail in the section captioned “Description of Shares − Share Redemption Program.”

Our share redemption program includes numerous restrictions that limit your ability to sell your shares. Generally, you must have held your shares for at least one year in order to participate in our share redemption program. Subject to funds being available, we will further limit the number of shares redeemed pursuant to our share redemption program as follows: (1) we will not redeem in excess of 5% of the weighted average number of shares outstanding during the trailing 12 months prior to the end of the fiscal quarter for which the redemptions are being paid (provided, however, that while shares subject to a redemption requested upon the death of a stockholder will be included in calculating the maximum number of shares that may be redeemed, shares subject to a redemption requested upon the death of a stockholder will not be subject to the percentage cap); and (2) funding for the redemption of shares will be limited to the net proceeds we receive from the sale of shares

under our distribution reinvestment plan. In an effort to accommodate redemption requests throughout the calendar year, we intend to limit quarterly redemptions to approximately 1.25% of the weighted average number of shares outstanding during the trailing 12-month period ending on the last day of the fiscal quarter (provided, however, that while shares subject to a redemption requested upon the death of a stockholder will be included in calculating the maximum number of shares that may be redeemed, shares subject to a redemption requested upon the death of a stockholder will not be subject to the percentage cap), and funding for redemptions for each quarter generally will be limited to the net proceeds we receive from the sale of shares in the respective quarter under our distribution reinvestment plan; however, our board of directors may waive these quarterly limitations in its sole discretion, subject to the 5% cap on the number of shares we may redeem during the respective trailing 12 month period. Any of the foregoing limits might prevent us from accommodating all redemption requests made in any quarter, in which case we will give priority to the redemption of deceased stockholders' shares, then to requests for full redemption of accounts with a balance of 250 shares or less, and then the remaining redemption requests will be honored on a pro rata basis. Following such redemption period, if you would like to resubmit the unsatisfied portion of the prior redemption request for redemption, you must submit a new request for redemption of such shares prior to the last day of the new quarter. Unfulfilled requests for redemption will not be carried over automatically to subsequent redemption periods.

During the term of this offering, and until such time as our board of directors determines a reasonable estimate of the value of our shares, the redemption price per share (other than for shares purchased pursuant to our distribution reinvestment plan) will depend on the price you paid for your shares and the length of time you have held such shares as follows: after one year from the purchase date, 95% of the amount you paid for each share; after two years from the purchase date, 97.5% of the amount you paid for each share; and after three years from the purchase date, 100% of the amount you paid for each share. During this time period, the redemption price for shares purchased pursuant to our distribution reinvestment plan will be 100% of the amount you paid for each share. After such time as our board of directors has determined a reasonable estimate of the value of our shares, the per share redemption price (other than for shares purchased pursuant to our distribution reinvestment plan) will depend on the length of time you have held such shares as follows: after one year from the purchase date, 95% of the most recent estimated value of each share; after two years from the purchase date, 97.5% of the most recent estimated value of each share; and after three years from the purchase date, 100% of the most recent estimated value of each share. During this time period, the redemption price for shares purchased pursuant to our distribution reinvestment plan will be 100% of the most recent estimated value of each share.

Upon receipt of a request for redemption, we may conduct a Uniform Commercial Code search to ensure that no liens are held against the shares. We will bear any costs in conducting the Uniform Commercial Code search. We will not redeem any shares that are subject to a lien.

Our board of directors may amend, suspend or terminate the share redemption program at any time upon 30 days notice to our stockholders.

Cole Operating Partnership IV, LP

We are structured as an "umbrella partnership real estate investment trust" (UPREIT). As such, we expect to own substantially all of our assets through Cole Operating Partnership IV, LP (CCPT IV OP), our operating partnership. We may, however, own assets directly, through subsidiaries of CCPT IV OP or through other entities. We are the sole general partner of CCPT IV OP, and our advisor is the initial limited partner of CCPT IV OP.

ERISA Considerations

You may make an investment in our shares through your IRA or other tax-deferred retirement account. However, any retirement plan trustee or individual considering purchasing shares for a retirement plan or an individual retirement account should read the "Investment by Tax-Exempt Entities and ERISA Considerations" section of this prospectus very carefully.

Description of Shares

Uncertificated Shares

Under our charter, we are authorized to issue shares of our common stock without certificates unless our board of directors determines otherwise. Therefore, we do not intend to issue shares of common stock in certificated form. Our transfer agent will maintain a stock ledger that contains the name and address of each stockholder and the number of shares that the stockholder holds. Stockholders wishing to transfer shares of our stock may request an application for transfer by contacting us. See the section of this prospectus captioned "Where You Can Find More Information." With respect to transfers of uncertificated stock, we will continue to treat the stockholder registered on our stock ledger as the owner of the shares until the record owner and the new owner deliver a properly executed application for transfer to our transfer agent at the address set forth in the application for transfer. Any questions regarding the transferability of shares should be directed to our transfer agent, whose contact information is set forth on page 6 of this prospectus and in the application for transfer.

Stockholder Voting Rights and Limitations

We will hold annual meetings of our stockholders for the purpose of electing our directors and conducting other business matters that may be properly presented at such meetings. We may also call special meetings of stockholders from time to time. You are entitled to one vote for each share of common stock you own.

Restriction on Share Ownership

Our charter contains restrictions on ownership of the shares that prevent any one person from owning more than 9.8% in value of the aggregate of our outstanding shares or more than 9.8% (in value or number of shares, whichever is more restrictive), of the aggregate of our outstanding shares of common stock, unless exempted by our board of directors. These restrictions are designed, among other purposes, to enable us to comply with ownership restrictions imposed on REITs by the Internal Revenue Code. These restrictions may discourage a takeover that could otherwise result in a premium price to our stockholders. For a more complete description of the restrictions on the ownership of our shares, see the "Description of Shares" section of this prospectus. Our charter also limits your ability to transfer your shares unless the transferee meets the minimum suitability standards regarding income and/or net worth and the transfer complies with our minimum purchase requirements, which are described in the "Suitability Standards" section of this prospectus.

Investment Company Act Considerations

We intend to conduct our operations, and the operations of our operating partnership, and any other subsidiaries, so that no such entity meets the definition of an "investment company" under Section 3(a)(1) of the Investment Company Act. Under the Investment Company Act, in relevant part, a company is an "investment company" if:

pursuant to Section 3(a)(1)(A), it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or

pursuant to Section 3(a)(1)(C), it is engaged, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire "investment securities" having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. "Investment securities" excludes U.S. Government securities and securities of majority owned subsidiaries that are not themselves investment companies and are not relying on the exception from the definition of investment company under Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.

We intend to acquire a diversified portfolio of income-producing real estate assets; however, our portfolio may include, to a much lesser extent, other real estate-related investments. We also may acquire real estate assets

through investments in joint venture entities, including joint venture entities in which we may not own a controlling interest. We anticipate that our assets generally will be held in wholly and majority-owned subsidiaries of the company, each formed to hold a particular asset. We intend to monitor our operations and our assets on an ongoing basis in order to ensure that neither we, nor any of our subsidiaries, meet the definition of "investment company" under Section 3(a)(1) of the Investment Company Act.

RISK FACTORS

An investment in our common stock involves various risks and uncertainties. You should carefully consider the following risk factors in conjunction with the other information contained in this prospectus before purchasing our common stock. The risks discussed in this prospectus can adversely affect our business, operating results, prospects and financial condition, and cause the value of your investment to decline. The risks and uncertainties discussed below are not the only ones we face but do represent those risks and uncertainties that we believe are most significant to our business, operating results, prospects and financial condition. You should carefully consider these risks together with all of the other information included in this prospectus before you decide to purchase any shares of our common stock.

Risks Related to an Investment in Cole Credit Property Trust IV, Inc.

We have a limited operating history. Further, we are considered to be a "blind pool," as we currently have not identified all of the properties we intend to purchase. For this and other reasons, an investment in our shares is speculative.

We are a newly formed entity with limited operating history. Since we currently have not identified all of the properties we intend to purchase with future offering proceeds, we are considered to be a "blind pool." You will not be able to evaluate the economic merit of our future investments until after such investments have been made. As a result, an investment in our shares is speculative.

You should consider our prospects in light of the risks, uncertainties and difficulties frequently encountered by companies that are, like us, in their early stages of development. To be successful in this market, we and our advisor must, among other things:

identify and acquire investments that further our investment objectives;

increase awareness of the Cole Credit Property Trust IV, Inc. name within the investment products market;

expand and maintain our network of licensed broker-dealers and others who sell shares on our behalf and other agents;

rely on our advisor and its affiliates to attract, integrate, motivate and retain qualified personnel to manage our day-to-day operations;

respond to competition for our targeted real estate and other investments as well as for potential investors;

rely on our advisor and its affiliates to continue to build and expand our operations structure to support our business; and

be continuously aware of, and interpret, marketing trends and conditions.

We may not succeed in achieving these goals, and our failure to do so could cause you to lose all or a portion of your investment.

An investment in our shares will have limited liquidity. There is no public trading market for our shares and there may never be one; therefore, it will be difficult for you to sell your shares. You should purchase our shares only as a long-term investment.

There currently is no public market for our common stock and there may never be one. In addition, we do not have a fixed date or method for providing stockholders with liquidity. If you are able to find a buyer for your

shares, you will likely have to sell them at a substantial discount to your purchase price. It also is likely that your shares would not be accepted as the primary collateral for a loan. You should purchase our shares only as a long-term investment (more than seven years) because of the generally illiquid nature of the shares. See the sections captioned "Suitability Standards," "Description of Shares − Restrictions on Ownership and Transfer" and "Description of Shares − Share Redemption Program" elsewhere in this prospectus for a more complete discussion on the restrictions on your ability to transfer your shares.

You are limited in your ability to sell your shares pursuant to our share redemption program and may have to hold your shares for an indefinite period of time.

Our share redemption program includes numerous restrictions that limit your ability to sell your shares. Generally, you must have held your shares for at least one year in order to participate in our share redemption program. Subject to funds being available, we will further limit the number of shares redeemed pursuant to our share redemption program as follows: (1) we will not redeem in excess of 5% of the weighted average number of shares outstanding during the trailing 12 months prior to the end of the fiscal quarter for which the redemption is being paid (provided, however, that while shares subject to a redemption requested upon the death of a stockholder will be included in calculating the maximum number of shares that may be redeemed, shares subject to a redemption requested upon the death of a stockholder will not be subject to the percentage cap); and (2) funding for the redemption of shares will be limited to the net proceeds we receive from the sale of shares under our distribution reinvestment plan. In an effort to accommodate redemption requests throughout the calendar year, we intend to limit quarterly redemptions to approximately 1.25% of the weighted average number of shares outstanding during the trailing 12-month period ending on the last day of the fiscal quarter (provided, however, that while shares subject to a redemption requested upon the death of a stockholder will be included in calculating the maximum number of shares that may be redeemed, shares subject to a redemption requested upon the death of a stockholder will not be subject to the percentage cap), and funding for redemptions for each quarter generally will be limited to the net proceeds we receive from the sale of shares in the respective quarter under our distribution reinvestment plan; however, our board of directors may waive these quarterly limitations in its sole discretion, subject to the 5% cap on the number of shares we may redeem during the respective trailing 12 month period. Any of the foregoing limits might prevent us from accommodating all redemption requests made in any fiscal quarter or in any 12-month period. Our board of directors may amend the terms of, suspend, or terminate our share redemption program without stockholder approval upon 30 days prior written notice or reject any request for redemption. See the "Description of Shares − Share Redemption Program" section of this prospectus for more information about the share redemption program. These restrictions severely limit your ability to sell your shares should you require liquidity, and limit your ability to recover the value you invested or the fair market value of your shares.

Two prior real estate programs sponsored by Cole Real Estate Investments have suspended redemptions under their respective share redemption programs, although one of the programs subsequently resumed its share redemption program. The board of directors of Cole Credit Property Trust, Inc. (CCPT I) determined that there was an insufficient amount of cash available for CCPT I to fulfill redemption requests during the years ended December 31, 2008, 2009, 2010, 2011 and 2012. CCPT I continues to accept redemption requests which are considered for redemption if and when sufficient cash is available for CCPT I to fund redemptions. The board of directors of CCPT I will determine, at the beginning of each fiscal year, the maximum amount of shares that CCPT I may redeem during that year. Requests relating to approximately 284,000 shares remained unfulfilled as of December 31, 2011, representing approximately $2.3 million in unfulfilled requests, based on the most recent estimated value of CCPT I' s common stock of $7.95 per share. On November 10, 2009, the board of directors of CCPT II voted to temporarily suspend CCPT II' s share redemption program other than for requests made upon the death of a stockholder, which it continued to accept. CCPT II' s board of directors considered many factors in making this decision, including the expected announcement of an estimated value of CCPT II' s common stock in June 2010 and continued uncertainty in the economic environment and credit markets. One June 22, 2010, CCPT II' s board of directors reinstated the share redemption program, with certain amendments, effective August 1, 2010. During the year ended December 31, 2011 CCPT II received valid redemption requests relating to

approximately 20.4 million shares, including requests that were unfulfilled and resubmitted from a previous period, and requests relating to approximately 6.2 million shares were redeemed for $55.2 million at an average price of $8.90 per share, of which approximately 1.6 million shares were redeemed subsequent to December 31, 2011. The remaining redemption requests relating to approximately 14.2 million shares went unfulfilled including those requests unfulfilled and resubmitted from a previous period.

The offering price for our shares is not based on the book value or net asset value of our investments or our expected cash flow.

The offering price for our shares is not based on the book value or net asset value of our investments or our expected cash flow. Our board of directors does not intend to provide a reasonable estimate of the value of our shares until 18 months after the end of the offering period, which could include a possible follow-on offering. Until such time as our board of directors determines a reasonable estimate of the value of our shares, the price of our shares is not intended to reflect our per share net asset value.

We may be unable to pay or maintain cash distributions or increase distributions over time.

There are many factors that can affect the availability and timing of cash distributions to our stockholders. The amount of cash available for distributions is affected by many factors, such as the performance of our advisor in selecting investments for us to make, selecting tenants for our properties and securing financing arrangements, our ability to buy properties as offering proceeds become available, rental income from our properties, and our operating expense levels, as well as many other variables. We may not always be in a position to pay distributions to you and any distributions we do make may not increase over time. In addition, our actual results may differ significantly from the assumptions used by our board of directors in establishing the distribution rate to our stockholders. There also is a risk that we may not have sufficient cash from operations to make a distribution required to maintain our REIT status.

We have paid, and may continue to pay, distributions from sources other than cash flow from operations, which may reduce the amount of capital we ultimately invest in real estate and may negatively impact the value of your investment.

To the extent that cash flow from operations is insufficient to fully cover our distributions to you, we have paid, and may continue to pay, distributions from sources other than cash flow from operations. Such sources may include borrowings, proceeds from asset sales or the sale of our securities in this or future offerings. We have no limits on the amounts we may pay from sources other than cash flows from operations.

We commenced principal operations on April 13, 2012. As of June 30, 2012, cumulative since inception, we have paid $83,803 in distributions, all of which was paid using proceeds from the issuance of common stock. As of June 30, 2012, cumulative since inception, net cash used in operating activities of approximately $1.4 million, reflects a reduction for real estate acquisition fees and related costs incurred and expensed of approximately $1.9 million, in accordance with Accounting Standards Codification 805, Business Combinations. As set forth in the “Estimated Use of Proceeds” section, we treat our real estate acquisition related expenses as funded by the proceeds from the offering of our shares. Therefore, for consistency, real estate acquisition related expenses are treated in the same manner (i.e., as funded by the proceeds of the offering of our shares) in describing the sources of distributions above, to the extent that acquisition expenses have reduced net cash flows from operating activities. The payment of distributions from sources other than cash provided by operating activities may reduce the amount of proceeds available for investment and operations or cause us to incur additional interest expense as a result of borrowed funds, and may cause subsequent investors to experience dilution.

Because we have paid, and may continue to pay, distributions from sources other than our cash flows from operations, distributions at any point in time may not reflect the current performance of our properties or our current operating cash flows.

Our organizational documents permit us to make distributions from any source, including the sources described in the risk factor above. Because the amount we pay out in distributions may exceed our cash flow from operations, distributions may not reflect the current performance of our properties or our current operating cash flows. To the extent distributions exceed cash flow from operations, distributions may be treated as a return of your investment and could reduce your basis in our stock. A reduction in a stockholder' s basis in our stock could result in the stockholder recognizing more gain upon the disposition of his or her shares, which in turn could result in greater taxable income to such stockholder.

We may suffer from delays in locating suitable investments, which could adversely affect our ability to pay distributions to you and the value of your investment.

We could suffer from delays in locating suitable investments, particularly if the capital we raise in this offering outpaces our advisor' s ability to identify potential investments and/or close on acquisitions. Delays we encounter in the selection and/or acquisition of income-producing properties likely would adversely affect our ability to pay distributions to you and the value of your overall returns. The large size of our offering, coupled with competition from other real estate investors, increase the risk of delays in investing our net offering proceeds. Our stockholders should expect to wait at least several months after the closing of a property acquisition before receiving cash distributions attributable to that property. If our advisor is unable to identify suitable investments, we will hold the proceeds we raise in this offering in an interest-bearing account or invest the proceeds in short-term, investment-grade investments, which would provide a significantly lower return to us than the return we expect from our investments in real estate.

In the event we are not able to raise a substantial amount of capital in the near term, we may have difficulty investing the proceeds of this offering in properties, and our ability to achieve our investment objectives, including diversification of our portfolio by property type and location, could be adversely affected.

This offering is being made on a "best efforts" basis, which means that the dealer manager and the broker-dealers participating in this offering are only required to use their best efforts to sell the shares and have no firm commitment or obligation to purchase any of the shares. As a result, we may not be able to raise a substantial amount of capital in the near term. If we are not able to accomplish this goal, we may have difficulty in identifying and purchasing suitable properties on attractive terms in order to meet our investment objectives. Therefore, there could be a delay between the time we receive net proceeds from the sale of shares of our common stock in this offering and the time we invest the net proceeds. This could cause a substantial delay in the time it takes for your investment to realize its full potential return and could adversely affect our ability to pay regular distributions of cash flow from operations to you. If we fail to timely invest the net proceeds of this offering, our ability to achieve our investment objectives, including diversification of our portfolio by property type and location, could be adversely affected. In addition, subject to our investment policies, we are not limited in the number or size of our investments or the percentage of net proceeds that we may dedicate to a single investment. If we use all or substantially all of the proceeds from this offering to acquire one or a few investments, the likelihood of our profitability being affected by the performance of any one of our investments will increase, and an investment in our shares will be subject to greater risk.

You will not have the opportunity to evaluate our future investments before we make them, which makes an investment in our common stock more speculative.

While we will provide you with information on a regular basis regarding our real estate investments after they are acquired, we will not provide you with a significant amount of information, if any, for you to evaluate our future investments prior to our making them. Since we have not identified all of the properties that we intend

to purchase with the proceeds from this offering, we are considered a "blind pool," which makes your investment in our common stock speculative. We have established policies relating to the types of investments we will make and the creditworthiness of tenants of our properties, but our advisor will have wide discretion in implementing these policies, subject to the oversight of our board of directors. Additionally, our advisor has discretion to determine the location, number and size of our investments and the percentage of net proceeds we may dedicate to a single investment. For a more detailed discussion of our investment policies, see the "Investment Objectives and Policies − Acquisition and Investment Policies" section of this prospectus.

We are dependent upon the net proceeds of this offering to conduct our proposed business activities. If we are unable to raise substantial proceeds from this offering, we may not be able to invest in a diverse portfolio of real estate and real estate-related investments and an investment in our shares will be subject to greater risk.

We are dependent upon the net proceeds of this offering to conduct our proposed activities. As such, our ability to implement our business strategy is dependent, in part, upon our dealer manager and participating broker-dealers to successfully conduct this offering and you, rather than us, will incur the bulk of the risk if we are unable to raise substantial funds. This offering is being made on a "best efforts" basis, whereby our dealer manager and the broker-dealers participating in this offering are only required to use their best efforts to sell shares of our common stock and have no firm commitment or obligation to purchase any of the shares of our common stock. In addition, the broker-dealers participating in this offering also may be participating in the offerings of competing REIT products, some of which may have a focus that is nearly identical to our focus, and the participating broker-dealers could emphasize such competing products to their retail clients. As a result, we do not know the amount of proceeds that will be raised in this offering, which may be substantially less than the amount we would need to achieve a broadly diversified portfolio of real estate and real estate-related investments.

If we are unable to raise substantial proceeds from this offering, we will make fewer investments, resulting in less diversification in terms of the number of investments owned, the geographic regions in which our investments are located and the types of investments that we make. In addition, our fixed operating expenses, as a percentage of gross income, would be higher, and our financial condition and ability to pay distributions could be adversely affected if we are unable to raise substantial funds in this offering and invest in a diverse portfolio of real estate and real estate-related investments.

The purchase price you pay for shares of our common stock may be higher than the value of our assets per share of common stock at the time of your purchase.

This is a fixed price offering, which means that the offering price for shares of our common stock is fixed and will not vary based on the underlying value of our assets at any time. The offering price for our shares is not based on the book value or net asset value of our current or expected investments or our current or expected operating cash flows. Therefore, the fixed offering price established for shares of our common stock may not accurately represent the current value of our assets per share of our common stock at any particular time and may be higher or lower than the actual value of our assets per share at such time. See the section of this prospectus captioned "Investment Objectives and Policies − Dilution of the Net Tangible Book Value of Our Shares" for further discussion.

There is no fixed date or method for providing our stockholders with liquidity, and your shares may have limited liquidity for an indefinite period of time.

Due to the unpredictable nature of future macro- and micro- economic and market conditions, we have not set a fixed time period or method for providing our stockholders with liquidity. We expect that our board of directors will make that determination in the future based, in part, upon advice from our advisor. As a result, your shares may continue to have limited liquidity for an indefinite period of time and should be purchased only as a long-term investment.

If our advisor loses or is unable to obtain key personnel, including in the event another Cole-sponsored program internalizes its advisor, our ability to achieve our investment objectives could be delayed or hindered, which could adversely affect our ability to pay distributions to you and the value of your investment.

Our success depends to a significant degree upon the contributions of certain executive officers and other key personnel of our advisor, as listed on page 69 of this prospectus, each of whom would be difficult to replace. Our advisor does not have an employment agreement with any of these key personnel and we cannot guarantee that all, or any particular one, will remain affiliated with us and/or our advisor. If any of our key personnel were to cease their affiliation with our advisor, our operating results could suffer. This could occur, among other ways, if another Cole-sponsored program internalizes its advisor. If that occurs, key personnel of our advisor, who also are key personnel of the internalized advisors, would become employees of the other program and would no longer be available to our advisor. Further, we do not intend to separately maintain key person life insurance on Mr. Cole or any other person. We believe that our future success depends, in large part, upon our advisor' s ability to hire and retain highly skilled managerial, operational and marketing personnel. Competition for such personnel is intense, and we cannot assure you that our advisor will be successful in attracting and retaining such skilled personnel. If our advisor loses or is unable to obtain the services of key personnel, our ability to implement our investment strategies could be delayed or hindered, and the value of your investment may decline.

If our board of directors elects to internalize our management functions in connection with a listing of our shares of common stock on an exchange or other liquidity event, your interest in us could be diluted, and we could incur other significant costs associated with being self-managed.

In the future, we may undertake a listing of our common stock on an exchange or other liquidity event that may involve internalizing our management functions. If our board of directors elects to internalize our management functions, we may negotiate to acquire our advisor' s assets and personnel. At this time, we cannot be sure of the form or amount of consideration or other terms relating to any such acquisition. Such consideration could take many forms, including cash payments, promissory notes and shares of our stock. The payment of such consideration could result in dilution of your interests as a stockholder and could reduce the net income per share and funds from operations per share attributable to your investment. Internalization transactions involving the acquisition of advisors affiliated with entity sponsors have also, in some cases, been the subject of litigation. Even if these claims are without merit, we could be forced to spend significant amounts of money defending claims, which would reduce the amount of funds available to operate our business and to pay distributions.

In addition, while we would no longer bear the costs of the various fees and expenses we expect to pay to our advisor under the advisory agreement, our direct expenses would include general and administrative costs, including legal, accounting, and other expenses related to corporate governance, including Securities and Exchange Commission reporting and compliance. We would also incur the compensation and benefits costs of our officers and other employees and consultants that we now expect will be paid by our advisor or its affiliates. In addition, we may issue equity awards to officers, employees and consultants, which awards would decrease net income and funds from operations and may further dilute your investment. If the expenses we assume as a result of an internalization are higher than the expenses we avoid paying to our advisor, our net income per share and funds from operations per share would be lower as a result of the internalization than it otherwise would have been, potentially decreasing the amount of funds available to distribute to you and the value of our shares.

As currently organized, we do not directly have any employees. If we elect to internalize our operations, we would employ personnel and would be subject to potential liabilities commonly faced by employers, such as workers disability and compensation claims, potential labor disputes and other employee-related liabilities and grievances. Upon any internalization of our advisor, certain key personnel may not remain with our advisor, but instead will remain employees of our sponsor or its affiliates.

If we internalize our management functions, we could have difficulty integrating these functions as a stand-alone entity. Currently, our advisor and its affiliates perform asset management and general and administrative

functions, including accounting and financial reporting, for multiple entities. They have a great deal of know-how and can experience economies of scale. We may fail to properly identify the appropriate mix of personnel and capital needs to operate as a stand-alone entity. An inability to manage an internalization transaction effectively could thus result in our incurring excess costs and/or have a negative effect on our results of operations.

Our participation in a co-ownership arrangement would subject us to risks that otherwise may not be present in other real estate investments.

We may enter in co-ownership arrangements with respect to a portion of the properties we acquire. Co-ownership arrangements involve risks generally not otherwise present with an investment in real estate, such as the following:

- the risk that a co-owner may at any time have economic or business interests or goals that are or become inconsistent with our business interests or goals;
- the risk that a co-owner may be in a position to take action contrary to our instructions or requests or our policies or objectives;
- the possibility that an individual co-owner might become insolvent or bankrupt, or otherwise default under the applicable mortgage loan financing documents, which may constitute an event of default under all of the applicable mortgage loan financing documents or allow the bankruptcy court to reject the agreements entered into by the co-owners owning interests in the property;
- the possibility that a co-owner might not have adequate liquid assets to make cash advances that may be required in order to fund operations, maintenance and other expenses related to the property, which could result in the loss of current or prospective tenants and otherwise adversely affect the operation and maintenance of the property, could cause a default under the mortgage loan financing documents applicable to the property and result in late charges, penalties and interest, and could lead to the exercise of foreclosure and other remedies by the lender;
- the risk that a co-owner could breach agreements related to the property, which may cause a default under, and possibly result in personal liability in connection with, the applicable mortgage loan financing documents, violate applicable securities law, result in a foreclosure or otherwise adversely affect the property and the co-ownership arrangement;
- the risk that a default by any co-owner would constitute a default under the applicable mortgage loan financing documents that could result in a foreclosure and the loss of all or a substantial portion of the investment made by the co-owner;
- the risk that we could have limited control and rights, with management decisions made entirely by a third-party; and
- the possibility that we will not have the right to sell the property at a time that otherwise could result in the property being sold for its maximum value.

In the event that our interests become adverse to those of the other co-owners, we may not have the contractual right to purchase the co-ownership interests from the other co-owners. Even if we are given the opportunity to purchase such co-ownership interests in the future, we cannot guarantee that we will have sufficient funds available at the time to purchase co-ownership interests from the co-owners.

We might want to sell our co-ownership interests in a given property at a time when the other co-owners in such property do not desire to sell their interests. Therefore, because we anticipate that it will be much more difficult to find a willing buyer for our co-ownership interests in a property than it would be to find a buyer for a property we owned outright, we may not be able to sell our interest in a property at the time we would like to sell.

Risks Related to Conflicts of Interest

We are subject to conflicts of interest arising out of our relationships with our advisor and its affiliates, including the material conflicts discussed below. The "Conflicts of Interest" section of this prospectus provides a more detailed discussion of the conflicts of interest between us and our advisor and its affiliates, and our policies to reduce or eliminate certain potential conflicts.

Our advisor and its affiliates, including our dealer manager, face conflicts of interest caused by their compensation arrangements with us, which could result in actions that are not in the long-term best interests of our stockholders.

Our advisor and its affiliates, including our dealer manager, receive substantial fees from us under the terms of the advisory agreement and dealer manager agreement. These fees could influence the judgment of our advisor and its affiliates in performing services for us. Among other matters, these compensation arrangements could affect their judgment with respect to:

- the continuation, renewal or enforcement of our agreements with our advisor and its affiliates, including the advisory agreement and the dealer manager agreement;
- public offerings of equity by us, which entitle our dealer manager to fees and will likely entitle our advisor to increased acquisition and asset management fees;
- property acquisitions from other Cole-sponsored real estate programs, which might entitle affiliates of our advisor to real estate commissions and possible success-based sale fees in connection with its services for the seller;
- property acquisitions from third parties, which entitle our advisor to acquisition fees and advisory fees;
- property dispositions, which may entitle our advisor or its affiliates to disposition fees;
- borrowings to acquire properties, which borrowings will increase the acquisition and asset management fees payable to our advisor;
- whether and when we seek to sell our company, liquidate our assets or list our common stock on a national securities exchange, which liquidation or listing could entitle our advisor to the payment of fees; and
- how and when to recommend to our board of directors a proposed strategy to provide our investors with liquidity, which proposed strategy, if implemented, could entitle our advisor to the payment of fees.

Our advisor's fee structure is principally based on the cost or book value of investments and not on performance, which could result in our advisor taking actions that are not necessarily in the long-term best interests of our stockholders.

The acquisition fee and the advisory fee we pay to our advisor are both based on the cost or book value of such investments. As a result, our advisor receives these fees regardless of the quality of such investments, the performance of such investments or the quality of our advisor' s services rendered to us in connection with such investments. This creates a potential conflict of interest between us and our advisor, as the interests of our advisor in receiving the acquisition fee and the advisory fee is not well aligned with our interest of acquiring real estate that is likely to produce the maximum risk adjusted returns.

Our advisor faces conflicts of interest relating to the incentive fee structure under our advisory agreement, which could result in actions that are not necessarily in the long-term best interests of our stockholders.

Pursuant to the terms of our advisory agreement, our advisor is entitled to a subordinated performance fee that is structured in a manner intended to provide incentives to our advisor to perform in our best interests and in

the best interests of our stockholders. However, because our advisor does not maintain a significant equity interest in us and is entitled to receive certain fees regardless of performance, our advisor' s interests are not wholly aligned with those of our stockholders. Furthermore, our advisor could be motivated to recommend riskier or more speculative investments in order for us to generate the specified levels of performance or sales proceeds that would entitle our advisor to performance-based fees. In addition, our advisor will have substantial influence with respect to how and when our board of directors elects to provide liquidity to our investors, and these performance-based fees could influence our advisor' s recommendations to us in this regard. Our advisor also has the right to terminate the advisory agreement under certain circumstances that could result in our advisor earning a performance fee, which could have the effect of delaying, deferring or preventing a change of control.

A number of other Cole-sponsored real estate programs use investment strategies that are similar to ours, therefore our executive officers and the officers and key personnel of our advisor and its affiliates may face conflicts of interest relating to the purchase and leasing of properties, and such conflicts may not be resolved in our favor.

Our sponsor currently has simultaneous offerings of funds that have a substantially similar mix of fund characteristics, including targeted investment types, investment objectives and criteria, and anticipated fund terms. As a result, we may be seeking to acquire properties and other real estate-related investments at the same time as one or more of the other Cole-sponsored programs managed by officers and key personnel of our advisor and/or its affiliates, and these other Cole-sponsored programs may use investment strategies and have investment objectives that are similar to ours. Our executive officers and the executive officers of our advisor also are the executive officers of other Cole-sponsored REITs and/or their advisors, the general partners of Cole-sponsored partnerships and/or the advisors or fiduciaries of other Cole-sponsored programs. There is a risk that our advisor' s allocation of investment properties may result in our acquiring a property that provides lower returns to us than a property purchased by another Cole-sponsored program. In addition, we have acquired, and may continue to acquire, properties in geographic areas where other Cole-sponsored programs own properties. If one of the other Cole-sponsored programs attracts a tenant that we are competing for, we could suffer a loss of revenue due to delays in locating another suitable tenant. Similar conflicts of interest may arise if our advisor recommends that we make or purchase mortgage loans or participations in mortgage loans, since other Cole-sponsored programs may be competing with us for these investments. You will not have the opportunity to evaluate the manner in which these conflicts of interest are resolved before or after making your investment.

Our officers face conflicts of interest related to the positions they hold with affiliated entities, which could hinder our ability to successfully implement our business strategy and to generate returns to you.

Each of our executive officers, including Mr. Cole, who also serves as the chairman of our board of directors, also is an officer of other Cole-sponsored real estate programs and of one or more entities affiliated with our advisor. As a result, these individuals have fiduciary duties to us and our stockholders, as well as to these other entities and their stockholders, members and limited partners. These fiduciary duties to such other entities and persons may create conflicts with the fiduciary duties that they owe to us and our stockholders. There is a risk that their loyalties to these other entities could result in actions or inactions that are detrimental to our business and violate their fiduciary duties to us and our stockholders, which could harm the implementation of our investment strategy and our investment and leasing opportunities. Conflicts with our business and interests are most likely to arise from involvement in activities related to (i) allocation of new investments and management time and services between us and the other entities, (ii) our purchase of properties from, or sale of properties to, affiliated entities, (iii) the timing and terms of the investment in or sale of an asset, (iv) development of our properties by affiliates, (v) investments with affiliates of our advisor, (vi) compensation to our advisor and its affiliates, and (vii) our relationship with, and compensation to, our dealer manager. If we do not successfully implement our investment strategy, we may be unable to maintain or increase the value of our assets and our operating cash flows and ability to pay distributions could be adversely affected.

Our advisor and its officers and key personnel face conflicts of interest related to the positions they hold with affiliated entities, which could hinder our ability to successfully implement our business strategy and to pay distributions.

Our advisor and its officers and key personnel are officers, key personnel and partners of other real estate programs that have investment objectives, targeted assets, and legal and financial obligations similar to ours and/or the advisors to such programs, and they may have other business interests as well. In addition, we have only two executive officers, each of whom also is an officer, director and/or key person of other real estate programs that have investment objectives, targeted assets and legal and financial obligations similar to ours, and may also have other business interests. As a result, these individuals have fiduciary duties to both us and our stockholders and these other entities and their stockholders, members and limited partners. These fiduciary duties to such other entities and persons may create conflicts with the fiduciary duties that they owe to us and our stockholders. There is a risk that their loyalties to these other entities could result in actions or inactions that are detrimental to our business and violate their fiduciary duties to us and our stockholders, which could harm the implementation of our investment strategy and our investment and leasing opportunities.

Conflicts with our business and interests are most likely to arise from involvement in activities related to (i) allocation of new investments and management time and services between us and the other entities, (ii) our purchase of properties from, or sale of properties to, affiliated entities, (iii) the timing and terms of the investment in or sale of an asset, (iv) development of our properties by affiliates, (v) investments with affiliates of our advisor, (vi) compensation to our advisor and its affiliates, and (vii) our relationship with, and compensation to, our dealer manager. If we do not successfully implement our investment strategy, we may be unable to maintain or increase the value of our assets and our operating cash flows and ability to pay distributions could be adversely affected. Even if these persons do not violate their fiduciary duties to us and our stockholders, they will have competing demands on their time and resources and may have conflicts of interest in allocating their time and resources between our business and these other entities. Should such persons devote insufficient time or resources to our business, returns on our investments may suffer.

Our charter permits us to acquire assets and borrow funds from affiliates of our advisor and sell or lease our assets to affiliates of our advisor, and any such transaction could result in conflicts of interest.

Under our charter, we are permitted to acquire properties from affiliates of our advisor, provided, that any and all acquisitions from affiliates of our advisor must be approved by a majority of our directors, including a majority of our independent directors, not otherwise interested in such transaction as being fair and reasonable to us and at a price to us that is no greater than the cost of the property to the affiliate of our advisor, unless a majority of the independent directors determines that there is substantial justification for any amount that exceeds such cost and that the difference is reasonable. In no event will we acquire a property from an affiliate of our advisor if the cost to us would exceed the property' s current appraised value as determined by an independent appraiser. In the event that we acquire a property from an affiliate of our advisor, we may be foregoing an opportunity to acquire a different property that might be more advantageous to us. In addition, under our charter, we are permitted to borrow funds from affiliates of our advisor, including our sponsor, provided, that any such loans from affiliates of our advisor must be approved by a majority of our directors, including a majority of our independent directors, not otherwise interested in such transaction as fair, competitive and commercially reasonable, and no less favorable to us than comparable loans between unaffiliated parties. Under our charter, we are also permitted to sell and lease our assets to affiliates of our advisor, and we have not established a policy that specifically addresses how we will determine the sale or lease price in any such transaction. Any such sale or lease transaction would be subject to our general policy that governs all transactions with entities affiliated with our advisor. To the extent that we acquire any properties from affiliates of our advisor, borrow funds from affiliates of our advisor or sell or lease our assets to affiliates of our advisor, such transactions could result in a conflict of interest.

Our advisor faces conflicts of interest relating to joint ventures or other co-ownership arrangements that we enter into with other Cole-sponsored programs, which could result in a disproportionate benefit to another Cole-sponsored program.

We may enter into joint ventures with other Cole-sponsored programs for the acquisition, development or improvement of properties as well as the acquisition of real-estate related investments. Officers and key persons of our advisor also are officers and key persons of other Cole-sponsored REITs and/or their advisors, the general partners of other Cole-sponsored partnerships and/or the advisors or fiduciaries of other Cole-sponsored programs. These officers and key persons may face conflicts of interest in determining which Cole-sponsored program should enter into any particular joint venture or co-ownership arrangement. These persons also may have a conflict in structuring the terms of the relationship between us and the Cole-affiliated co-venturer or co-owner, as well as conflicts of interests in managing the joint venture.

In the event we enter into joint venture or other co-ownership arrangements with another Cole-sponsored program, our advisor and its affiliates may have a conflict of interest when determining when and whether to buy or sell a particular property, or to make or dispose of another real estate-related investment. In addition, if we become listed for trading on a national securities exchange, we may develop more divergent goals and objectives from a Cole-affiliated co-venturer or co-owner that is not listed for trading. In the event we enter into a joint venture or other co-ownership arrangement with a Cole-sponsored program that has a term shorter than ours, the joint venture may be required to sell its properties earlier than we may desire to sell the properties. Even if the terms of any joint venture or other co-ownership agreement between us and another Cole-sponsored program grant us the right of first refusal to buy such properties, we may not have sufficient funds or borrowing capacity to exercise our right of first refusal under these circumstances.

Since Mr. Cole and his affiliates control our advisor and the advisors to other Cole-sponsored programs, agreements and transactions between or among the parties with respect to any joint venture or other co-ownership arrangement will not have the benefit of arm' s-length negotiation of the type normally conducted between unrelated co-venturers or co-owners, which may result in the co-venturer or co-owner receiving benefits greater than the benefits that we receive. We have adopted certain procedures for dealing with potential conflicts of interest as described in the section of this prospectus captioned "Conflicts of Interest − Certain Conflict Resolution Procedures."

Risks Related to This Offering and Our Corporate Structure

The dealer manager is an affiliate of our advisor, therefore you will not have the benefit of an independent review of the prospectus or of us that customarily is performed in underwritten offerings.

The dealer manager, Cole Capital Corporation, is an affiliate of our advisor and, as a result, is not in a position to make an independent review of us or this offering. Accordingly, you will have to rely on your own broker-dealer to make an independent review of the terms of this offering. If your broker-dealer conducts an independent review of this offering, and/or engages an independent due diligence reviewer to do so on its behalf, we expect that we will pay or reimburse the expenses associated with such review, which may create conflicts of interest. If your broker-dealer does not conduct such a review, you will not have the benefit of an independent review of the terms of this offering.

Payment of fees and reimbursements to our dealer manager, and our advisor and its affiliates, reduces cash available for investment.

We pay Cole Capital Corporation, our dealer manager, up to 9% of the gross proceeds of our primary offering in the form of selling commissions and a dealer manager fee, most of which is reallowed to participating broker-dealers. We also reimburse our advisor and its affiliates for up to 2.0% of our gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan, for other organization and offering expenses. Such payments will reduce the amount of cash we have available to invest in properties and

result in a lower total return to you than if we were able to invest 100% of the gross proceeds from this offering in properties. Moreover, dealer manager fees and selling commissions are included in the $10 per share offering price, therefore our offering price does not, and is not intended to, reflect our net asset value. In addition, we intend to pay substantial fees to our advisor and its affiliates for the services they perform for us. The payment of these fees reduces the amount of cash available for investment in properties. For a more detailed discussion of the fees payable to such entities in respect of this offering, see the "Management Compensation" section of this prospectus.

The limit on the number of shares a person may own may discourage a takeover that could otherwise result in a premium price to our stockholders.

Our charter, with certain exceptions, authorizes our directors to take such actions as are necessary and desirable to preserve our qualification as a REIT. Unless exempted by our board of directors, no person may own more than 9.8% in value of the aggregate of our outstanding shares or more than 9.8% (in value or number of shares, whichever is more restrictive) of the aggregate of our outstanding shares of common stock. These restrictions may have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium to the purchase price of our common stock for our stockholders. See the "Description of Shares − Restrictions on Ownership and Transfer" section of this prospectus.

Our charter permits our board of directors to issue stock with terms that may subordinate the rights of common stockholders or discourage a third party from acquiring us in a manner that might result in a premium price to our stockholders.

Our charter permits our board of directors to issue up to 500,000,000 shares of stock, including 10,000,000 shares of preferred stock. In addition, our board of directors, without any action by our stockholders, may amend our charter from time to time to increase or decrease the aggregate number of shares or the number of shares of any class or series of stock that we have authority to issue. Our board of directors may classify or reclassify any unissued common stock or preferred stock and establish the preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption of any such stock. Shares of our common stock shall be subject to the express terms of any series of our preferred stock. Thus, if also approved by a majority of our independent directors not otherwise interested in the transaction, our board of directors could authorize the issuance of preferred stock with terms and conditions that could have a priority as to distributions and amounts payable upon liquidation over the rights of the holders of our common stock. Preferred stock could also have the effect of delaying, deferring or preventing the removal of incumbent management or a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium to the purchase price of our common stock for our stockholders. See the "Description of Shares − Preferred Stock" section of this prospectus.

Maryland law prohibits certain business combinations, which may make it more difficult for us to be acquired and may limit your ability to dispose of your shares.

Under Maryland law, "business combinations" between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. These business combinations include a merger, consolidation, share exchange or, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as:

any person who beneficially owns 10% or more of the voting power of the corporation' s shares; or

an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of the then outstanding voting stock of the corporation.

A person is not an interested stockholder under the statute if the board of directors approved in advance the transaction by which he or she otherwise would have become an interested stockholder. However, in approving a transaction, the board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by our board of directors.

After the five-year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least:

80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and

two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder.

These super-majority vote requirements do not apply if the corporation' s stockholders receive a minimum price, as defined under Maryland law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares. The business combination statute permits various exemptions from its provisions, including business combinations that are exempted by the board of directors prior to the time that the interested stockholder becomes an interested stockholder. Pursuant to the statute, our board of directors has exempted any business combination involving our advisor or any affiliate of our advisor. Consequently, the five-year prohibition and the super-majority vote requirements will not apply to business combinations between us and our advisor or any affiliate of our advisor. As a result, our advisor and any affiliate of our advisor may be able to enter into business combinations with us that may not be in the best interest of our stockholders, without compliance with the super-majority vote requirements and the other provisions of the statute. The business combination statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer. For a more detailed discussion of the Maryland laws governing us and the ownership of our shares of common stock, see the section of this prospectus captioned "Description of Shares − Business Combinations."

Maryland law also limits the ability of a third party to buy a large percentage of our outstanding shares and exercise voting control in electing directors.

Under its Control Share Acquisition Act, Maryland law also provides that "control shares" of a Maryland corporation acquired in a "control share acquisition" have no voting rights except to the extent approved by the corporation' s disinterested stockholders by a vote of two-thirds of the votes entitled to be cast on the matter. Shares of stock owned by interested stockholders, that is, by the acquirer, or officers of the corporation or employees of the corporation who are directors of the corporation, are excluded from shares entitled to vote on the matter. "Control shares" are voting shares of stock that would entitle the acquirer, except solely by virtue of a revocable proxy, to exercise voting control in electing directors within specified ranges of voting control. Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval. A "control share acquisition" means the acquisition of control shares. The control share acquisition statute does not apply (a) to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction or (b) to acquisitions approved or exempted by the charter or bylaws of the corporation. Our bylaws contain a provision exempting from the Control Share Acquisition Act any and all acquisitions of our stock by Cole Capital Advisors or any affiliate of Cole Capital Advisors. This statute could have the effect of discouraging offers from third parties to acquire us and increasing the difficulty of successfully completing this type of offer by anyone other than our advisor or any of its affiliates. For a more detailed discussion on the Maryland laws governing control share acquisitions, see the section of this prospectus captioned "Description of Shares − Control Share Acquisitions."

Our charter includes an anti-takeover provision that may discourage a stockholder from launching a tender offer for our shares.

Our charter requires that any tender offer, including any "mini-tender" offer, must comply with Regulation 14D of the Securities Exchange Act of 1934, as amended (the Exchange Act). The offering person must provide our company notice of the tender offer at least ten business days before initiating the tender offer. If the offering person does not comply with these requirements, we will have the right to redeem that person' s shares and any shares acquired in such tender offer. In addition, the non-complying person shall be responsible for all of our expenses in connection with that person' s noncompliance. This provision of our charter may discourage a person from initiating a tender offer for our shares and prevent you from receiving a premium to your purchase price for your shares in such a transaction.

If we are required to register as an investment company under the Investment Company Act, we could not continue our current business plan, which may significantly reduce the value of your investment.

We intend to conduct our operations, and the operations of our operating partnership and any other subsidiaries, so that no such entity meets the definition of an "investment company" under Section 3(a)(1) of the Investment Company Act. Under the Investment Company Act, in relevant part, a company is an "investment company" if:

pursuant to Section 3(a)(1)(A), it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or

pursuant to Section 3(a)(1)(C), it is engaged, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire "investment securities" having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis (the 40% test). "Investment securities" excludes U.S. Government securities and securities of majority-owned subsidiaries that are not themselves investment companies and are not relying on the exception from the definition of investment company under Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.

We intend to monitor our operations and our assets on an ongoing basis in order to ensure that neither we, nor any of our subsidiaries, meet the definition of "investment company" under Section 3(a)(1) of the Investment Company Act. If we were obligated to register as an investment company, we would have to comply with a variety of substantive requirements under the Investment Company Act imposing, among other things:

limitations on capital structure;

restrictions on specified investments;

restrictions on specified investments;

prohibitions on transactions with affiliates;

compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would significantly change our operations; and

potentially, compliance with daily valuation requirements.

In order for us to not meet the definition of an "investment company" and avoid regulation under the Investment Company Act, we must engage primarily in the business of buying real estate, and these investments must be made within a year after the offering ends. If we are unable to invest a significant portion of the proceeds of this offering in properties within one year of the termination of the offering, we may avoid being required to register as an investment company by temporarily investing any unused proceeds in certificates of deposit or other cash items with low returns. This would reduce the cash available for distribution to investors and possibly lower your returns.

To avoid meeting the definition of an "investment company" under Section 3(a)(1) of the Investment Company Act, we may be unable to sell assets we would otherwise want to sell and may need to sell assets we

would otherwise wish to retain. Similarly, we may have to acquire additional income or loss generating assets that we might not otherwise have acquired or may have to forgo opportunities to acquire interests in companies that we would otherwise want to acquire and would be important to our investment strategy. Accordingly, our board of directors may not be able to change our investment policies as our board of directors may deem appropriate if such change would cause us to meet the definition of an "investment company." In addition, a change in the value of any of our assets could negatively affect our ability to avoid being required to register as an investment company. If we were required to register as an investment company but failed to do so, we would be prohibited from engaging in our business, and criminal and civil actions could be brought against us. In addition, our contracts would be unenforceable unless a court were to require enforcement, and a court could appoint a receiver to take control of us and liquidate our business.

If you do not agree with the decisions of our board of directors, you only have limited control over changes in our policies and operations and may not be able to change such policies and operations.

Our board of directors determines our major policies, including our policies regarding investments, financing, growth, debt capitalization, REIT qualification and distributions. Our board of directors may amend or revise these and other policies without a vote of the stockholders. Under the Maryland General Corporation Law and our charter, our stockholders generally have a right to vote only on the following:

the election or removal of directors;

any amendment of our charter, except that our board of directors may amend our charter without stockholder approval to increase or decrease the aggregate number of our shares, to increase or decrease the number of our shares of any class or series that we have the authority to issue, to change our name, to classify or reclassify any unissued shares of common stock or preferred stock into one or more classes or series of shares and to establish the terms of such shares, and to change the name or other designation or the par value of any class or series of our stock and the aggregate par value of our stock or to effect certain reverse stock splits; provided, however, that any amendment that would materially and adversely affect the rights, preferences and privileges of the stockholders must be approved by the stockholders;

our dissolution; and

a merger or consolidation of the sale or other disposition of all or substantially all of our assets.

All other matters are subject to the discretion of our board of directors.

Our board of directors may change certain of our investment policies without stockholder approval, which could alter the nature of your investment.

Our charter requires that our independent directors review our investment policies at least annually to determine that the policies we are following are in the best interest of the stockholders. These policies may change over time. The methods of implementing our investment policies also may vary, as new real estate development trends emerge and new investment techniques are developed. Subject to certain limits set forth in our charter and as may be required to avoid meeting the definition of an "investment company" under the Investment Company Act, our investment policies, the methods for their implementation, and our other objectives, policies and procedures may be altered by our board of directors without the approval of our stockholders, unless otherwise provided in our organizational documents. As a result, the nature of your investment could change without your consent.

Our rights and the rights of our stockholders to recover claims against our officers, directors and our advisor are limited, which could reduce your and our recovery against them if they cause us to incur losses.

Maryland law provides that a director has no liability in that capacity if he or she performs his or her duties in good faith, in a manner he or she reasonably believes to be in the corporation' s best interests and with the care

that an ordinarily prudent person in a like position would use under similar circumstances. Our charter, in the case of our directors and officers, and our charter and the advisory agreement, in the case of our advisor and its affiliates, require us, subject to certain exceptions, to indemnify and advance expenses to our directors, our officers, and our advisor and its affiliates. Our charter permits us to provide such indemnification and advance for expenses to our employees and agents. Additionally, our charter limits, subject to certain exceptions, the liability of our directors and officers to us and our stockholders for monetary damages. Although our charter does not allow us to indemnify our directors or our advisor and its affiliates for any liability or loss suffered by them or hold harmless our directors or our advisor and its affiliates for any loss or liability suffered by us to a greater extent than permitted under Maryland law or the Statement of Policy Regarding Real Estate Investment Trusts published by the North American Securities Administrators Association, also known as the NASAA REIT Guidelines, we and our stockholders may have more limited rights against our directors, officers, employees and agents, and our advisor and its affiliates, than might otherwise exist under common law, which could reduce your and our recovery against them. In addition, our advisor is not required to retain cash to pay potential liabilities and it may not have sufficient cash available to pay liabilities if they arise. If our advisor is held liable for a breach of its fiduciary duty to us, or a breach of its contractual obligations to us, we may not be able to collect the full amount of any claims we may have against our advisor. In addition, we may be obligated to fund the defense costs incurred by our directors, officers, employees and agents or our advisor in some cases, which would decrease the cash otherwise available for distribution to you. See the section captioned "Management − Limited Liability and Indemnification of Our Directors, Officers, Advisor and Other Agents" elsewhere in this prospectus.

Your interest in us will be diluted if we issue additional shares.

Existing stockholders and potential investors in this offering do not have preemptive rights to any shares issued by us in the future. Our charter currently has authorized 500,000,000 shares of stock, of which 490,000,000 shares are designated as common stock and 10,000,000 are designated as preferred stock. Subject to any limitations set forth under Maryland law, our board of directors may increase the number of authorized shares of stock, increase or decrease the number of shares of any class or series of stock designated, or classify or reclassify any unissued shares without the necessity of obtaining stockholder approval. All of such shares may be issued in the discretion of our board of directors, except that the issuance of preferred stock must also be approved by a majority of our independent directors not otherwise interested in the transaction. Investors purchasing shares in this offering likely will suffer dilution of their equity investment in us, in the event that we (1) sell shares in this offering or sell additional shares in the future, including those issued pursuant to our distribution reinvestment plan, (2) sell securities that are convertible into shares of our common stock, (3) issue shares of our common stock in a private offering of securities to institutional investors, (4) issue shares of our common stock to our advisor, its successors or assigns, in payment of an outstanding fee obligation as set forth under our advisory agreement or (5) issue shares of our common stock to sellers of properties acquired by us in connection with an exchange of limited partnership interests of our operating partnership. In addition, the partnership agreement for our operating partnership contains provisions that would allow, under certain circumstances, other entities, including other Cole-sponsored programs, to merge into or cause the exchange or conversion of their interest in that entity for interests of our operating partnership. Because the limited partnership interests of our operating partnership may, in the discretion of our board of directors, be exchanged for shares of our common stock, any merger, exchange or conversion between our operating partnership and another entity ultimately could result in the issuance of a substantial number of shares of our common stock, thereby diluting the percentage ownership interest of other stockholders. Because of these and other reasons described in this "Risk Factors" section, you should not expect to be able to own a significant percentage of our shares.

General Risks Related to Investments in Real Estate

Our operating results will be affected by economic and regulatory changes that have an adverse impact on the real estate market in general, which may prevent us from being profitable or from realizing growth in the value of our real estate properties.

Our operating results will be subject to risks generally incident to the ownership of real estate, including:

changes in general economic or local conditions;

changes in supply of or demand for similar or competing properties in an area;

changes in interest rates and availability of permanent mortgage funds that may render the sale of a property difficult or unattractive;

the illiquidity of real estate investments generally;

changes in tax, real estate, environmental and zoning laws; and

periods of high interest rates and tight money supply.

These risk and other factors may prevent us from being profitable, or from maintaining or growing the value of our real estate properties.

Many of our properties may depend upon a single tenant, or a limited number of major tenants, for all or a majority of its rental income; therefore, our financial condition and ability to make distributions to you may be adversely affected by the bankruptcy or insolvency, a downturn in the business, or a lease termination of a single tenant.

Many of our properties may be occupied by only one tenant or derive a majority of its rental income from a limited number of major tenants and, therefore, the success of those properties will be materially dependent on the financial stability of such tenants. Such tenants face competition within their industries and other factors that could reduce their ability to make rent payments. For example, our retail tenants face competition from other retailers, as well as competition from other retail channels, such as factory outlet centers, wholesale clubs, mail order catalogs, television shopping networks and various developing forms of e-commerce. In addition, our retail properties will be located in public places, where crimes, violence and other incidents may occur. Such incidents could reduce the amount of business conducted by the tenants at our properties, thus reducing the tenants' abilities to pay rent, and such incidents could also expose us to civil liability, as the property owner. Furthermore, if we invest in industrial properties, a general reduction in U.S. manufacturing activity could reduce our manufacturing tenants' abilities to pay rent. Lease payment defaults by tenants could cause us to reduce the amount of distributions we pay. A default of a tenant on its lease payments to us would cause us to lose revenue from the property and force us to find an alternative source of revenue to meet any expenses associated with the property and prevent a foreclosure if the property is subject to a mortgage. In the event of a default by a single or major tenant, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment and re-letting the property. If a lease is terminated, we may not be able to lease the property for the rent previously received or sell the property without incurring a loss. A default by a tenant, the failure of a guarantor to fulfill its obligations or other premature termination of a lease, or a tenant' s election not to extend a lease upon its expiration, could have an adverse effect on our financial condition and our ability to pay distributions to you.

A high concentration of our properties in a particular geographic area, or with tenants in a similar industry, would magnify the effects of downturns in that geographic area or industry.

In the event that we have a concentration of properties in any particular geographic area, any adverse situation that disproportionately affects that geographic area would have a magnified adverse effect on our portfolio. Similarly, if tenants of our properties become concentrated in a certain industry or industries, any adverse effect to that industry generally would have a disproportionately adverse effect on our portfolio.

If a major tenant declares bankruptcy, we may be unable to collect balances due under relevant leases, which could have a material adverse effect on our financial condition and ability to pay distributions to you.

We may experience concentration in one or more tenants. Any of our tenants, or any guarantor of one of our tenant' s lease obligations, could be subject to a bankruptcy proceeding pursuant to Title 11 of the bankruptcy laws of the United States. Such a bankruptcy filing would bar us from attempting to collect pre-bankruptcy debts from the bankrupt tenant or its properties unless we receive an enabling order from the bankruptcy court. Post-bankruptcy debts would be paid currently. If we assume a lease, all pre-bankruptcy balances owing under it must be paid in full. If a lease is rejected by a tenant in bankruptcy, we would have a general unsecured claim for damages. If a lease is rejected, it is unlikely we would receive any payments from the tenant because our claim would be capped at the rent reserved under the lease, without acceleration, for the greater of one year or 15% of the remaining term of the lease, but not greater than three years, plus rent already due but unpaid. This claim could be paid only in the event funds were available, and then only in the same percentage as that realized on other unsecured claims.

The bankruptcy of a tenant or lease guarantor could delay our efforts to collect past due balances under the relevant lease, and could ultimately preclude full collection of these sums. Such an event also could cause a decrease or cessation of current rental payments, reducing our operating cash flows and the amount available for distributions to you. In the event a tenant or lease guarantor declares bankruptcy, the tenant or its trustee may not assume our lease or its guaranty. If a given lease or guaranty is not assumed, our operating cash flows and the amounts available for distributions to you may be adversely affected. The bankruptcy of a major tenant could have a material adverse effect on our ability to pay distributions to you.

If a sale-leaseback transaction is re-characterized in a tenant's bankruptcy proceeding, our financial condition could be adversely affected.

We may enter into sale-leaseback transactions, whereby we would purchase a property and then lease the same property back to the person from whom we purchased it. In the event of the bankruptcy of a tenant, a transaction structured as a sale-leaseback may be re-characterized as either a financing or a joint venture, either of which outcomes could adversely affect our financial condition, cash flow and the amount available for distributions to you.

If the sale-leaseback were re-characterized as a financing, we might not be considered the owner of the property, and as a result would have the status of a creditor in relation to the tenant. In that event, we would no longer have the right to sell or encumber our ownership interest in the property. Instead, we would have a claim against the tenant for the amounts owed under the lease, with the claim arguably secured by the property. The tenant/debtor might have the ability to propose a plan restructuring the term, interest rate and amortization schedule of its outstanding balance. If confirmed by the bankruptcy court, we could be bound by the new terms, and prevented from foreclosing our lien on the property. If the sale-leaseback were re-characterized as a joint venture, our lessee and we could be treated as co-venturers with regard to the property. As a result, we could be held liable, under some circumstances, for debts incurred by the lessee relating to the property.

Challenging economic conditions could adversely affect vacancy rates, which could have an adverse impact on our ability to make distributions and the value of an investment in our shares.

Challenging economic conditions, the availability and cost of credit, turmoil in the mortgage market, and declining real estate markets have contributed to increased vacancy rates in the commercial real estate sector. If we experience vacancy rates that are higher than historical vacancy rates, we may have to offer lower rental rates and greater tenant improvements or concessions than expected. Increased vacancies may have a greater impact on us, as compared to REITs with other investment strategies, as our investment approach relies on long-term leases in order to provide a relatively stable stream of income for our stockholders. As a result, increased vacancy rates could have the following negative effects on us:

the values of our potential investments in commercial properties could decrease below the amount paid for such investments;

revenues from such properties could decrease due to low or no rental income during vacant periods, lower future rental rates and/or increased tenant improvement expenses or concessions; and/or

revenues from such properties that secure loans could decrease, making it more difficult for us to meet our payment obligations.

All of these factors could impair our ability to make distributions and decrease the value of an investment in our shares.

Properties that have vacancies for a significant period of time could be difficult to sell, which could diminish the return on your investment.

A property may incur vacancies either by the continued default of a tenant under its leases, the expiration of a tenant lease or early termination of a lease by a tenant. If vacancies continue for a long period of time, we may suffer reduced revenues resulting in less cash to be distributed to you. In addition, because a property' s market value depends principally upon the value of the property' s leases, the resale value of a property with prolonged vacancies could decline, which could further reduce your return.

We may be unable to secure funds for future tenant improvements or capital needs, which could adversely impact our ability to pay cash distributions to you.

When tenants do not renew their leases or otherwise vacate their space, it is usual that, in order to attract replacement tenants, we will be required to expend substantial funds for tenant improvements and tenant refurbishments to the vacated space. In addition, although we expect that our leases with tenants will require tenants to pay routine property maintenance costs, we will likely be responsible for any major structural repairs, such as repairs to the foundation, exterior walls and rooftops. We will use substantially all of the gross proceeds from this offering to buy real estate and real estate-related investments and to pay various fees and expenses. We intend to reserve only approximately 0.1% of the gross proceeds from this offering for future capital needs. Accordingly, if we need additional capital in the future to improve or maintain our properties or for any other reason, we will have to obtain funds from other sources, such as cash flow from operations, borrowings, property sales or future equity offerings. These sources of funding may not be available on attractive terms or at all. If we cannot procure additional funding for capital improvements, our investments may generate lower cash flows or decline in value, or both.

We may obtain only limited warranties when we purchase a property and would have only limited recourse in the event our due diligence did not identify any issues that lower the value of our property.

The seller of a property often sells such property in its "as is" condition on a "where is" basis and "with all faults," without any warranties of merchantability or fitness for a particular use or purpose. In addition, purchase agreements may contain only limited warranties, representations and indemnifications that will only survive for a limited period after the closing. The purchase of properties with limited warranties increases the risk that we may lose some or all of our invested capital in the property, as well as the loss of rental income from that property.

Our inability to sell a property when we desire to do so could adversely impact our ability to pay cash distributions to you.

The real estate market is affected by many factors, such as general economic conditions, availability of financing, interest rates, supply and demand, and other factors that are beyond our control. We cannot predict whether we will be able to sell any property for the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We may be required to expend funds to correct defects or to make improvements before a property can be sold. We may not have adequate funds available to correct such defects or to make such improvements. Moreover, in acquiring a property, we may

agree to restrictions that prohibit the sale of that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed or repaid on that property. We cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. Our inability to sell a property when we desire to do so may cause us to reduce our selling price for the property. Any delay in our receipt of proceeds, or diminishment of proceeds, from the sale of a property could adversely impact our ability to pay distributions to you.

We are exposed to risks related to increases in market lease rates and inflation, as income from long-term leases will be the primary source of our cash flows from operations.

We are exposed to risks related to increases in market lease rates and inflation, as income from long-term leases will be the primary source of our cash flows from operations. Leases of long-term duration or which include renewal options that specify a maximum rate increase may result in below-market lease rates over time if we do not accurately estimate inflation or market lease rates. Provisions of our leases designed to mitigate the risk of inflation and unexpected increases in market lease rates, such as periodic rental increases, may not adequately protect us from the impact of inflation or unexpected increases in market lease rates. If we are subject to below-market lease rates on a significant number of our properties pursuant to long-term leases, our cash flow from operations and financial position may be adversely affected.

We may not be able to sell our properties at a price equal to, or greater than, the price for which we purchased such property, which may lead to a decrease in the value of our assets.

Some of our leases will not contain rental increases over time. When that is the case, the value of the leased property to a potential purchaser may not increase over time, which may restrict our ability to sell that property, or if we are able to sell that property, may result in a sale price less than the price that we paid to purchase the property.

We may acquire or finance properties with lock-out provisions, which may prohibit us from selling a property, or may require us to maintain specified debt levels for a period of years on some properties.

A lock-out provision is a provision that prohibits the prepayment of a loan during a specified period of time. Lock-out provisions may include terms that provide strong financial disincentives for borrowers to prepay their outstanding loan balance and exist in order to protect the yield expectations of investors. We expect that many of our properties will be subject to lock-out provisions. Lock-out provisions could materially restrict us from selling or otherwise disposing of or refinancing properties when we may desire to do so. Lock-out provisions may prohibit us from reducing the outstanding indebtedness with respect to any properties, refinancing such indebtedness on a non-recourse basis at maturity, or increasing the amount of indebtedness with respect to such properties. Lock-out provisions could impair our ability to take other actions during the lock-out period that could be in the best interests of our stockholders and, therefore, may have an adverse impact on the value of our shares relative to the value that would result if the lock-out provisions did not exist. In particular, lock-out provisions could preclude us from participating in major transactions that could result in a disposition of our assets or a change in control even though that disposition or change in control might be in the best interests of our stockholders.

Increased operating expenses could reduce cash flow from operations and funds available to acquire investments or make distributions.

Our properties will be subject to operating risks common to real estate in general, any or all of which may negatively affect us. If any property is not fully occupied or if rents are being paid in an amount that is insufficient to cover operating expenses, we could be required to expend funds with respect to that property for operating expenses. The properties will be subject to increases in tax rates, utility costs, insurance costs, repairs and maintenance costs, administrative costs and other operating expenses. Some of our property leases may not

require the tenants to pay all or a portion of these expenses, in which event we may have to pay these costs. If we are unable to lease properties on terms that require the tenants to pay all or some of the properties' operating expenses, if our tenants fail to pay these expenses as required or if expenses we are required to pay exceed our expectations, we could have less funds available for future acquisitions or cash available for distributions to you.

Adverse economic and geopolitical conditions may negatively affect our returns and profitability.

Our operating results may be affected by market and economic challenges, which may result from a continued or exacerbated general economic downturn experienced by the nation as a whole, by the local economies where our properties may be located, or by the real estate industry including the following:

poor economic conditions may result in tenant defaults under leases;

poor economic conditions may result in lower revenue to us from retailers who pay us a percentage of their revenues under percentage rent leases;

re-leasing may require concessions or reduced rental rates under the new leases;

changes in interest rates and availability of permanent mortgage funds that may render the sale of a property difficult or unattractive;

constricted access to credit may result in tenant defaults or non-renewals under leases; and

increased insurance premiums may reduce funds available for distribution or, to the extent such increases are passed through to tenants, may lead to tenant defaults. Increased insurance premiums may make it difficult to increase rents to tenants on turnover, which may adversely affect our ability to increase our returns.

The length and severity of any economic slow down or downturn cannot be predicted. Our operations could be negatively affected to the extent that an economic slow down or downturn is prolonged or becomes more severe.

The United States' armed conflicts in various parts of the world could have a further impact on our tenants. The consequences of any armed conflict are unpredictable, and we may not be able to foresee events that could have an adverse effect on our tenants, our business or your investment. More generally, any of these events could result in increased volatility in or damage to the United States and worldwide financial markets and economy. They also could result in higher energy costs and increased economic uncertainty in the United States or abroad. Our revenues will be dependent upon payment of rent by retailers, which may be particularly vulnerable to uncertainty in the local economy. Adverse economic conditions could affect the ability of our tenants to pay rent, which could have a material adverse effect on our operating results and financial condition, as well as our ability to pay distributions to you.

The current market environment may adversely affect our operating results, financial condition and ability to pay distributions.

The global financial markets have undergone pervasive and fundamental disruptions since mid-2007. The disruptions in the global financial markets had an adverse impact on the availability of credit to businesses generally. The continuing impact of the recent global economic recession has the potential to materially affect the value of our properties and other investments we make, the availability or the terms of financing that we may anticipate utilizing, and our ability to make principal and interest payments on, or refinance, any outstanding debt when due, and/or, for our leased properties, the ability of our tenants to enter into new leasing transactions or satisfy rental payments under existing leases. The current market environment also could affect our operating results and financial condition as follows:

Debt Markets − Since 2010, the volume of mortgage lending for commercial real estate has been increasing and lending terms have improved and continue to improve; however the real estate debt

markets could begin experiencing increasing volatility as a result of certain factors, including the tightening of underwriting standards by lenders and credit rating agencies. Should overall borrowing costs increase, either by increases in the index rates or by increases in lender spreads, our operations may generate lower returns. In addition, dislocations in the debt markets could reduce the amount of capital that is available to finance real estate, which, in turn: (1) limits the ability of real estate investors to make new acquisitions and to potentially benefit from reduced real estate values or to realize enhanced returns on real estate investments; (2) could slow real estate transaction activity; and (3) may result in an inability to refinance debt as it becomes due. In addition, deterioration in the state of the debt markets could have a material adverse impact on the overall amount of capital being invested in real estate, which may result in price or value decreases of real estate assets and impact our ability to raise equity capital. In addition, the failure of any lending source with which we entered, or enter, into a credit facility or line of credit would adversely affect our ability to meet our obligations if we were unable to replace the funding source.

Real Estate Markets − The global economic recession caused commercial real estate values to decline substantially. The U.S. commercial real estate markets began a recovery in 2010 which has continued through 2011 and into 2012. However, if the global recession were to persist or worsen, or it were to affect the U.S. financial markets, there may be uncertainty in the valuation, or in the stability of the value, of the properties we own or may acquire that could result in a substantial decrease in the value of our properties. Consequently, we may not be able to recover the carrying amount of our properties, which may require us to recognize an impairment charge in earnings.

Government Intervention − The disruptions in the global financial markets have led to extensive and unprecedented government intervention. Although the government intervention is intended to stimulate the flow of capital and to strengthen the U.S. economy in the short term, it is impossible to predict the actual effect of the government intervention and what effect, if any, additional interim or permanent governmental intervention may have on the financial markets and/or the effect of such intervention on us.

The failure of any bank in which we deposit our funds could reduce the amount of cash we have available to pay distributions and make additional investments.

We have diversified, and expect to continue to diversify, our cash and cash equivalents among several banking institutions in an attempt to minimize exposure to any one of these entities. However, the Federal Deposit Insurance Corporation only insures amounts up to $250,000 per depositor per insured bank. We likely will have cash and cash equivalents and restricted cash deposited in certain financial institutions in excess of federally insured levels. If any of the banking institutions in which we deposit funds ultimately fails, we may lose our deposits over $250,000. The loss of our deposits could reduce the amount of cash we have available to distribute or invest and could result in a decline in the value of your investment.

If we suffer losses that are not covered by insurance or that are in excess of insurance coverage, we could lose invested capital and anticipated profits.

Generally, our tenants are responsible for insuring its goods and premises and, in some circumstances, may be required to reimburse us for a share of the cost of acquiring comprehensive insurance for the property, including casualty, liability, fire and extended coverage customarily obtained for similar properties in amounts that our advisor determines are sufficient to cover reasonably foreseeable losses. Tenants of single-user properties leased on a triple net basis typically are required to pay all insurance costs associated with those properties. Material losses may occur in excess of insurance proceeds with respect to any property, as insurance may not be sufficient to fund the losses. However, there are types of losses, generally of a catastrophic nature, such as losses due to wars, acts of terrorism, earthquakes, floods, hurricanes, pollution or environmental matters, which are either uninsurable or not economically insurable, or may be insured subject to limitations, such as large deductibles or co-payments. Insurance risks associated with potential terrorist acts could sharply increase the premiums we pay for coverage against property and casualty claims. Additionally, mortgage lenders in some

cases insist that commercial property owners purchase specific coverage against terrorism as a condition for providing mortgage loans. It is uncertain whether such insurance policies will be available, or available at reasonable cost, which could inhibit our ability to finance or refinance our potential properties. In these instances, we may be required to provide other financial support, either through financial assurances or self-insurance, to cover potential losses. We may not have adequate, or any, coverage for such losses. The Terrorism Risk Insurance Act of 2002 is designed for a sharing of terrorism losses between insurance companies and the federal government. We cannot be certain how this act will impact us or what additional cost to us, if any, could result. If such an event damaged or destroyed one or more of our properties, we could lose both our invested capital and anticipated profits from such property.

Real estate related taxes may increase, and if these increases are not passed on to tenants, our income will be reduced.

Local real property tax assessors may reassess our properties, which may result in increased taxes. Generally, property taxes increase as property values or assessment rates change, or for other reasons deemed relevant by property tax assessors. An increase in the assessed valuation of a property for real estate tax purposes will result in an increase in the related real estate taxes on that property. Although some tenant leases may permit us to pass through such tax increases to the tenants for payment, renewal leases or future leases may not be negotiated on the same basis. Tax increases not passed through to tenants may adversely affect our income, cash available for distributions, and the amount of distributions to you.

CC&Rs may restrict our ability to operate a property.

Some of our properties will be contiguous to other parcels of real property, comprising part of the same retail center. In connection with such properties, we will be subject to significant covenants, conditions and restrictions, known as "CC&Rs," restricting the operation of such properties and any improvements on such properties, and related to granting easements on such properties. Moreover, the operation and management of the contiguous properties may impact such properties. Compliance with CC&Rs may adversely affect our operating costs and reduce the amount of funds that we have available to pay distributions to you.

Our operating results may be negatively affected by potential development and construction delays and resultant increased costs and risks.

We may use proceeds from this offering to acquire properties upon which we will construct improvements. If we engage in development or construction projects, we will be subject to uncertainties associated with re-zoning for development, environmental concerns of governmental entities and/or community groups, and our builder' s ability to build in conformity with plans, specifications, budgeted costs, and timetables. If a builder fails to perform, we may resort to legal action to rescind the purchase or the construction contract or to compel performance. A builder' s performance may also be affected or delayed by conditions beyond the builder' s control. Delays in completion of construction could also give tenants the right to terminate preconstruction leases. We may incur additional risks if we make periodic progress payments or other advances to builders before they complete construction. These and other such factors can result in increased costs of a project or loss of our investment. In addition, we will be subject to normal lease-up risks relating to newly constructed projects. We also must rely on rental income and expense projections and estimates of the fair market value of property upon completion of construction when agreeing upon a price at the time we acquire the property. If our projections are inaccurate, we may pay too much for a property, and our return on our investment could suffer.

We may invest in unimproved real property. Returns from development of unimproved properties are also subject to risks associated with re-zoning the land for development and environmental concerns of governmental entities and/or community groups.

If we contract with a development company for newly developed property, our earnest money deposit made to the development company may not be fully refunded.

We may enter into one or more contracts, either directly or indirectly through joint ventures with other Cole-sponsored programs or others, to acquire real property from a development company that is engaged in construction and development of commercial real properties. Properties acquired from a development company may be either existing income-producing properties, properties to be developed or properties under development. We anticipate that we will be obligated to pay a substantial earnest money deposit at the time of contracting to acquire such properties. In the case of properties to be developed by a development company, we anticipate that we will be required to close the purchase of the property upon completion of the development of the property. At the time of contracting and the payment of the earnest money deposit by us, the development company typically will not have acquired title to any real property. Typically, the development company will only have a contract to acquire land, a development agreement to develop a building on the land and an agreement with one or more tenants to lease all or part of the property upon its completion. We may enter into such a contract with the development company even if at the time we enter into the contract, we have not yet raised sufficient proceeds in our offering to enable us to close the purchase of such property. However, we may not be required to close a purchase from the development company, and may be entitled to a refund of our earnest money, in the following circumstances:

the development company fails to develop the property;

all or a specified portion of the pre-leased tenants fail to take possession under their leases for any reason; or

we are unable to raise sufficient proceeds from our offering to pay the purchase price at closing.

The obligation of the development company to refund our earnest money will be unsecured, and we may not be able to obtain a refund of such earnest money deposit from it under these circumstances since the development company may be an entity without substantial assets or operations.

If we purchase an option to acquire a property but do not exercise the option, we likely would forfeit the amount we paid for such option, which would reduce the amount of cash we have available to make other investments.

In determining whether to purchase a particular property, we may obtain an option to purchase such property. The amount paid for an option, if any, normally is forfeited if the property is not purchased and normally is credited against the purchase price if the property is purchased. If we purchase an option to acquire a property but do not exercise the option, we likely would forfeit the amount we paid for such option, which would reduce the amount of cash we have available to make other investments.

Competition with third parties in acquiring properties and other investments may reduce our profitability and the return on your investment.

We will compete with many other entities engaged in real estate investment activities, including individuals, corporations, bank and insurance company investment accounts, other REITs, real estate limited partnerships, and other entities engaged in real estate investment activities, many of which have greater resources than we do. Larger competitors may enjoy significant advantages that result from, among other things, a lower cost of capital and enhanced operating efficiencies. In addition, the number of entities and the amount of funds competing for suitable investments may increase. Any such increase would result in increased demand for these assets and therefore increased prices paid for them. If we pay higher prices for properties and other investments as a result of competition with third parties without a corresponding increase in tenant lease rates, our profitability will be reduced, and you may experience a lower return on your investment.

Our properties face competition that may affect tenants' ability to pay rent and the amount of rent paid to us may affect the cash available for distributions to you and the amount of distributions.

We typically will acquire properties located in developed areas. Therefore, there likely will be numerous other retail properties within the market area of each of our properties that will compete with us for tenants. The number of competitive properties could have a material effect on our ability to rent space at our properties and the amount of rents charged. We could be adversely affected if additional competitive properties are built in close proximity to our properties, causing increased competition for customer traffic and creditworthy tenants. This could result in decreased cash flow from tenants and may require us to make capital improvements to properties that we would not have otherwise made, thus affecting cash available for distributions to you and the amount of distributions we pay.

Acquiring or attempting to acquire multiple properties in a single transaction may adversely affect our operations.

From time to time, we may acquire multiple properties in a single transaction. Portfolio acquisitions are more complex and expensive than single property acquisitions, and the risk that a multiple-property acquisition does not close may be greater than in a single-property acquisition. Portfolio acquisitions may also result in us owning investments in geographically dispersed markets, placing additional demands on our ability to manage the properties in the portfolio. In addition, a seller may require that a group of properties be purchased as a package even though we may not want to purchase one or more properties in the portfolio. In these situations, if we are unable to identify another person or entity to acquire the unwanted properties, we may be required to operate or attempt to dispose of these properties. To acquire multiple properties in a single transaction we may be required to accumulate a large amount of cash. We would expect the returns that we earn on such cash to be less than the ultimate returns on real property, therefore accumulating such cash could reduce our funds available for distributions to you. Any of the foregoing events may have an adverse effect on our operations.

If we set aside insufficient capital reserves, we may be required to defer necessary capital improvements.

If we do not have enough reserves for capital to supply needed funds for capital improvements throughout the life of the investment in a property and there is insufficient cash flow from operations, we may be required to defer necessary improvements to a property, which may cause that property to suffer from a greater risk of obsolescence or a decline in value, or a greater risk of decreased operating cash flows as a result of fewer potential tenants being attracted to the property. If this happens, we may not be able to maintain projected rental rates for affected properties, and our results of operations may be negatively impacted.

Costs of complying with environmental laws and regulations may adversely affect our income and the cash available for any distributions.

All real property and the operations conducted on real property are subject to federal, state and local laws and regulations relating to environmental protection and human health and safety. These laws and regulations generally govern wastewater discharges, air emissions, the operation and removal of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid hazardous materials, and the remediation of contamination associated with disposals. Some of these laws and regulations may impose joint and several liability on tenants, owners or operators for the costs of investigation or remediation of contaminated properties, regardless of fault or whether the acts causing the contamination were legal. This liability could be substantial. In addition, the presence of hazardous substances, or the failure to properly remediate these substances, may adversely affect our ability to sell or rent such property or to use such property as collateral for future borrowing.

Compliance with new or more stringent laws or regulations or stricter interpretation of existing laws may require material expenditures by us. Future laws, ordinances or regulations may impose material environmental

liability. Additionally, our properties may be affected by our tenants' operations, the existing condition of land when we buy it, operations in the vicinity of our properties, such as the presence of underground storage tanks, or activities of unrelated third parties. In addition, there are various local, state and federal fire, health, life-safety and similar regulations that we may be required to comply with, and that may subject us to liability in the form of fines or damages for noncompliance. Any material expenditures, fines, or damages we must pay will reduce our ability to make distributions to you and may reduce the value of your investment.

From time to time, we may acquire properties, or interests in properties, with known adverse environmental conditions where we believe that the environmental liabilities associated with these conditions are quantifiable and that the acquisition will yield a superior risk-adjusted return. In such an instance, we will estimate the costs of environmental investigation, clean-up and monitoring in determining the purchase price. Further, in connection with property dispositions, we may agree to remain responsible for, and to bear the cost of, remediating or monitoring certain environmental conditions on the properties.

We may not obtain an independent third-party environmental assessment for every property we acquire. In addition, any such assessment that we do obtain may not reveal all environmental liabilities. The cost of defending against claims of liability, of compliance with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury claims would materially adversely affect our business, assets or results of operations and, consequently, amounts available for distribution to you.

Discovery of previously undetected environmentally hazardous conditions may adversely affect our operating results.

Under various federal, state and local environmental laws, ordinances and regulations, a current or previous owner or operator of real property may be liable for the cost of removal or remediation of hazardous or toxic substances on, under or in such property. The costs of removal or remediation could be substantial. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. Environmental laws also may impose restrictions on the manner in which property may be used or businesses may be operated, and these restrictions may require substantial expenditures. Environmental laws provide for sanctions in the event of noncompliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Certain environmental laws and common law principles could be used to impose liability for release of and exposure to hazardous substances, including asbestos-containing materials into the air, and third parties may seek recovery from owners or operators of real properties for personal injury or property damage associated with exposure to released hazardous substances. The cost of defending against claims of liability, of compliance with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury claims could materially adversely affect our business, assets or results of operations and, consequently, amounts available for distribution to you.

If we sell properties by providing financing to purchasers, defaults by the purchasers would adversely affect our cash flow from operations.

In some instances we may sell our properties by providing financing to purchasers. When we provide financing to purchasers, we will bear the risk that the purchaser may default on its obligations under the financing, which could negatively impact cash flow from operations. Even in the absence of a purchaser default, the distribution of sale proceeds, or their reinvestment in other assets, will be delayed until the promissory notes or other property we may accept upon the sale are actually paid, sold, refinanced or otherwise disposed of. In some cases, we may receive initial down payments in cash and other property in the year of sale in an amount less than the selling price, and subsequent payments will be spread over a number of years. If any purchaser defaults under a financing arrangement with us, it could negatively impact our ability to pay cash distributions to you.

Our costs associated with complying with the Americans with Disabilities Act of 1990, as amended, may affect cash available for distributions.

Our properties generally will be subject to the Americans with Disabilities Act of 1990, as amended (Disabilities Act). Under the Disabilities Act, all places of public accommodation are required to comply with federal requirements related to access and use by disabled persons. The Disabilities Act has separate compliance requirements for "public accommodations" and "commercial facilities" that generally require that buildings and services be made accessible and available to people with disabilities. The Disabilities Act' s requirements could require removal of access barriers and could result in the imposition of injunctive relief, monetary penalties, or, in some cases, an award of damages. We will attempt to acquire properties that comply with the Disabilities Act or place the burden on the seller or other third party, such as a tenant, to ensure compliance with the Disabilities Act. However, we may not be able to acquire properties or allocate responsibilities in this manner. If we cannot, our funds used for Disabilities Act compliance may affect cash available for distributions and the amount of distributions to you.

A proposed change in U.S. accounting standards for leases could reduce the overall demand to lease our properties.

The existing accounting standards for leases require lessees to classify their leases as either capital or operating leases. Under a capital lease, both the leased asset, which represents the tenant' s right to use the property, and the contractual lease obligation are recorded on the tenant' s balance sheet if one of the following criteria are met: (i) the lease transfers ownership of the property to the lessee by the end of the lease term; (ii) the lease contains a bargain purchase option; (iii) the non-cancellable lease term is more than 75% of the useful life of the asset; or (iv) if the present value of the minimum lease payments equals 90% or more of the leased property' s fair value. If the terms of the lease do not meet these criteria, the lease is considered an operating lease, and no leased asset or contractual lease obligation is recorded by the tenant.

In order to address concerns raised by the SEC regarding the transparency of contractual lease obligations of lessees under the existing accounting standards for operating leases, the U.S. Financial Accounting Standards Board (the FASB) and the International Accounting Standards Board (the IASB) initiated a joint project to develop new guidelines to lease accounting. The FASB and IASB (collectively, the Boards) issued exposure drafts on August 17, 2010 (the Exposure Drafts), which propose substantial changes to the current lease accounting standards, primarily by eliminating the concept of operating lease accounting. As a result, a lease asset and obligation would be recorded on the tenant' s balance sheet for all lease arrangements. In addition, the Exposure Drafts will impact the method in which contractual lease payments will be recorded. In order to mitigate the effect of the proposed lease accounting, tenants may seek to negotiate certain terms within new lease arrangements or modify terms in existing lease arrangements, such as shorter lease terms or fewer extension options, which would generally have less impact on tenant balance sheets. Also, tenants may reassess their lease-versus-buy strategies. This could result in a greater renewal risk, a delay in investing our offering proceeds, or shorter lease terms, all of which may negatively impact our operations and our ability to pay distributions to you.

The Exposure Drafts do not include a proposed effective date, are still being deliberated, and are subject to change. The Boards intend to complete their deliberations and publish revised exposure drafts by the end of 2012; however, final standards are not expected to be issued until 2013.

Risks Associated with Debt Financing

We may incur mortgage indebtedness and other borrowings, which may increase our business risks, hinder our ability to make distributions, and decrease the value of your investment.

We likely will acquire real estate and other real estate-related investments by borrowing new funds. In addition, we may incur mortgage debt and pledge all or some of our real properties as security for that debt to obtain funds to acquire additional real properties and other investments and to pay distributions to stockholders.

We may borrow additional funds if we need funds to satisfy the REIT tax qualification requirement that we distribute at least 90% of our annual REIT taxable income to our stockholders. We may also borrow additional funds if we otherwise deem it necessary or advisable to assure that we maintain our qualification as a REIT for federal income tax purposes.

Our advisor believes that utilizing borrowing is consistent with our investment objective of maximizing the return to investors. There is no limitation on the amount we may borrow against any individual property or other investment. However, under our charter, we are required to limit our borrowings to 75% of the cost (before deducting depreciation or other non-cash reserves) of our gross assets, unless excess borrowing is approved by a majority of the independent directors and disclosed to our stockholders in our next quarterly report along with a justification for such excess borrowing. Moreover, our board of directors has adopted a policy to further limit our borrowings to 60% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our gross assets, unless such borrowing is approved by a majority of the independent directors and disclosed to our stockholders in the next quarterly report along with a justification for such excess borrowing. Our borrowings will not exceed 300% of our net assets as of the date of any borrowing, which is the maximum level of indebtedness permitted under the NASAA REIT Guidelines; however, we may exceed that limit if approved by a majority of our independent directors. We expect that from time to time during the period of this offering we will request that our independent directors approve borrowings in excess of these limitations since we will then be in the process of raising our equity capital to acquire our portfolio. We expect that during
the period of this offering, high debt levels would cause us to incur higher interest charges, would result in higher debt service payments, and could be accompanied by restrictive covenants. These factors could limit the amount of cash we have available to distribute to you and could result in a decline in the value of your investment.

We do not intend to incur mortgage debt on a particular property unless we believe the property' s projected operating cash flow is sufficient to service the mortgage debt. However, if there is a shortfall between the cash flow from a property and the cash flow needed to service mortgage debt on a property, the amount available for distributions to you may be reduced. In addition, incurring mortgage debt increases the risk of loss since defaults on indebtedness secured by a property may result in lenders initiating foreclosure actions. In that case, we could lose the property securing the loan that is in default, thus reducing the value of your investment. For tax purposes, a foreclosure of any of our properties would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure, but would not receive any cash proceeds from the foreclosure. In such event, we may be unable to pay the amount of distributions required in order to maintain our REIT status. We may give full or partial guarantees to lenders of mortgage debt to the entities that own our properties. If we provide a guaranty on behalf of an entity that owns one of our properties, we will be responsible to the lender for satisfaction of the debt if it is not paid by such entity. If any mortgages contain cross-collateralization or cross-default provisions, a default on a single property could affect multiple properties. If any of our properties are foreclosed upon due to a default, our ability to pay cash distributions to you will be adversely affected, which could result in our losing our REIT status and would result in a decrease in the value of your investment.

High interest rates may make it difficult for us to finance or refinance properties, which could reduce the number of properties we can acquire and the amount of cash distributions we can make to you.

We run the risk of being unable to finance or refinance our properties on favorable terms or at all. If interest rates are higher when we desire to mortgage our properties or when existing loans come due and the properties need to be refinanced, we may not be able to finance the properties and we would be required to use cash to purchase or repay outstanding obligations. Our inability to use debt to finance or refinance our properties could reduce the number of properties we can acquire, which could reduce our operating cash flows and the amount of cash distributions we can make to you. Higher costs of capital also could negatively impact operating cash flows and returns on our investments.

Increases in interest rates could increase the amount of our debt payments and adversely affect our ability to pay distributions to you.

We may incur indebtedness that bears interest at a variable rate. To the extent that we incur variable rate debt, increases in interest rates would increase our interest costs, which could reduce our operating cash flows and our ability to pay distributions to you. In addition, if we need to repay existing debt during periods of rising interest rates, we could be required to liquidate one or more of our investments at times that may not permit realization of the maximum return on such investments.

Lenders may require us to enter into restrictive covenants relating to our operations, which could limit our ability to make distributions to you.

In connection with providing us financing, a lender could impose restrictions on us that affect our distribution and operating policies and our ability to incur additional debt. In general, our loan agreements restrict our ability to encumber or otherwise transfer our interest in the respective property without the prior consent of the lender. Loan documents we enter into may contain covenants that limit our ability to further mortgage the property, discontinue insurance coverage or replace CR IV Advisors as our advisor. These or other limitations imposed by a lender may adversely affect our flexibility and our ability to achieve our investment and operating objectives, which could limit our ability to make distributions to you.

Interest-only indebtedness may increase our risk of default and ultimately may reduce our funds available for distribution to you.

We may finance our property acquisitions using interest-only mortgage indebtedness. During the interest-only period, the amount of each scheduled payment will be less than that of a traditional amortizing mortgage loan. The principal balance of the mortgage loan will not be reduced (except in the case of prepayments) because there are no scheduled monthly payments of principal during this period. After the interest-only period, we will be required either to make scheduled payments of amortized principal and interest or to make a lump-sum or "balloon" payment at maturity. These required principal or balloon payments will increase the amount of our scheduled payments and may increase our risk of default under the related mortgage loan. If the mortgage loan has an adjustable interest rate, the amount of our scheduled payments also may increase at a time of rising interest rates. Increased payments and substantial principal or balloon maturity payments will reduce the funds available for distribution to our stockholders because cash otherwise available for distribution will be required to pay principal and interest associated with these mortgage loans.

Our ability to make a balloon payment at maturity is uncertain and may depend upon our ability to obtain additional financing or our ability to sell the property. At the time the balloon payment is due, we may or may not be able to refinance the loan on terms as favorable as the original loan or sell the property at a price sufficient to make the balloon payment. The effect of a refinancing or sale could affect the rate of return to stockholders and the projected time of disposition of our assets. In addition, payments of principal and interest made to service our debts may leave us with insufficient cash to pay the distributions that we are required to pay to maintain our qualification as a REIT. Any of these results would have a significant, negative impact on your investment.

To hedge against exchange rate and interest rate fluctuations, we may use derivative financial instruments that may be costly and ineffective and may reduce the overall returns on your investment.

We may use derivative financial instruments to hedge our exposure to changes in exchange rates and interest rates on loans secured by our assets and investments in commercial mortgage backed securities (CMBS). Derivative instruments may include interest rate swap contracts, interest rate cap or floor contracts, futures or forward contracts, options or repurchase agreements. Our actual hedging decisions will be determined in light of the facts and circumstances existing at the time of the hedge and may differ from time to time.

To the extent that we use derivative financial instruments to hedge against exchange rate and interest rate fluctuations, we will be exposed to credit risk, basis risk and legal enforceability risks. In this context, credit risk

is the failure of the counterparty to perform under the terms of the derivative contract. If the fair value of a derivative contract is positive, the counterparty owes us, which creates credit risk for us. Basis risk occurs when the index upon which the contract is based is more or less variable than the index upon which the hedged asset or liability is based, thereby making the hedge less effective. Finally, legal enforceability risks encompass general contractual risks, including the risk that the counterparty will breach the terms of, or fail to perform its obligations under, the derivative contract. If we are unable to manage these risks effectively, our results of operations, financial condition and ability to pay distributions to you will be adversely affected.

Risks Associated with Investments in Mortgage, Bridge and Mezzanine Loans and Real Estate-Related Securities

Investing in mortgage, bridge or mezzanine loans could adversely affect our return on our loan investments.

We may make or acquire mortgage, bridge or mezzanine loans, or participations in such loans, to the extent our advisor determines that it is advantageous for us to do so. However, if we make or invest in mortgage, bridge or mezzanine loans, we will be at risk of defaults on those loans caused by many conditions beyond our control, including local and other economic conditions affecting real estate values, interest rate changes, rezoning, and failure by the borrower to maintain the property. If there are defaults under these loans, we may not be able to repossess and sell quickly any properties securing such loans. An action to foreclose on a property securing a loan is regulated by state statutes and regulations and is subject to many of the delays and expenses of any lawsuit brought in connection with the foreclosure if the defendant raises defenses or counterclaims. In the event of default by a mortgagor, these restrictions, among other things, may impede our ability to foreclose on or sell the mortgaged property or to obtain proceeds sufficient to repay all amounts due to us on the loan, which could reduce the value of our investment in the defaulted loan. In addition, investments in mezzanine loans involve a higher degree of risk than long-term senior mortgage loans secured by income-producing real property because the investment may become unsecured as a result of foreclosure on the underlying real property by the senior lender.

We may invest in various types of real estate-related securities.

Aside from investments in real estate, we are permitted to invest in real estate-related securities, including securities issued by other real estate companies, CMBS, mortgage, bridge, mezzanine or other loans and Section 1031 tenant-in-common interests, and we may invest in real estate-related securities of both publicly traded and private real estate companies. We are focused, however, on acquiring interests in retail and other income-producing properties. We may not have the expertise necessary to maximize the return on our investment in real estate-related securities. If our advisor determines that it is advantageous to us to make the types of investments in which our advisor or its affiliates do not have experience, our advisor intends to employ persons, engage consultants or partner with third parties that have, in our advisor' s opinion, the relevant expertise necessary to assist our advisor in evaluating, making and administering such investments.

Investments in real estate-related securities will be subject to specific risks relating to the particular issuer of the securities and may be subject to the general risks of investing in subordinated real estate securities, which may result in losses to us.

Our investments in real estate-related securities will involve special risks relating to the particular issuer of the securities, including the financial condition and business outlook of the issuer. Issuers of real estate-related equity securities generally invest in real estate or real estate-related assets and are subject to the inherent risks associated with real estate-related investments discussed in this prospectus, including risks relating to rising interest rates.

Real estate-related securities are often unsecured and also may be subordinated to other obligations of the issuer. As a result, investments in real estate-related securities are subject to risks of (1) limited liquidity in the

secondary trading market in the case of unlisted or thinly traded securities, (2) substantial market price volatility resulting from changes in prevailing interest rates in the case of traded equity securities, (3) subordination to the prior claims of banks and other senior lenders to the issuer, (4) the operation of mandatory sinking fund or call/redemption provisions during periods of declining interest rates that could cause the issuer to reinvest redemption proceeds in lower yielding assets, (5) the possibility that earnings of the issuer may be insufficient to meet its debt service and distribution obligations and (6) the declining creditworthiness and potential for insolvency of the issuer during periods of rising interest rates and economic slow down or downturn. These risks may adversely affect the value of outstanding real estate-related securities and the ability of the issuers thereof to repay principal and interest or make distribution payments.

The CMBS in which we may invest are subject to all of the risks of the underlying mortgage loans, the risks of the securitization process and dislocations in the mortgage-backed securities market in general.

CMBS are securities that evidence interests in, or are secured by, a single commercial mortgage loan or a pool of commercial mortgage loans. Accordingly, these securities are subject to all of the risks of the underlying mortgage loans. In a rising interest rate environment, the value of CMBS may be adversely affected when payments on underlying mortgages do not occur as anticipated, resulting in the extension of the security' s effective maturity and the related increase in interest rate sensitivity of a longer-term instrument. The value of CMBS may also change due to shifts in the market' s perception of issuers and regulatory or tax changes adversely affecting the mortgage securities market as a whole. In addition, CMBS are subject to the credit risk associated with the performance of the underlying mortgage properties. CMBS are issued by investment banks, not financial institutions, and are not insured or guaranteed by the U.S. government.

CMBS are also subject to several risks created through the securitization process. Subordinate CMBS are paid interest only to the extent that there are funds available to make payments. To the extent the collateral pool includes delinquent loans, there is a risk that interest payments on subordinate CMBS will not be fully paid. Subordinate CMBS are also subject to greater credit risk than those CMBS that are more highly rated. In certain instances, third-party guarantees or other forms of credit support can reduce the credit risk.

The value of any CMBS in which we invest may be negatively impacted by any dislocation in the mortgage-backed securities market in general. Currently, the mortgage-backed securities market is suffering from a severe dislocation created by mortgage pools that include sub-prime mortgages secured by residential real estate. Sub-prime loans often have high interest rates and are often made to borrowers with credit scores that would not qualify them for prime conventional loans. In recent years, banks made a great number of the sub-prime residential mortgage loans with high interest rates, floating interest rates, interest rates that reset from time to time, and/or interest-only payment features that expire over time. These terms, coupled with rising interest rates, have caused an increasing number of homeowners to default on their mortgages. Purchasers of mortgage-backed securities collateralized by mortgage pools that include risky sub-prime residential mortgages have experienced severe losses as a result of the defaults and such losses have had a negative impact on the CMBS market.

Federal Income Tax Risks

Failure to qualify as a REIT would adversely affect our operations and our ability to make distributions.

Morris, Manning & Martin, LLP, our legal counsel, has rendered an opinion to us that we will be organized in conformity with the requirements for qualification and taxation as a REIT under the Internal Revenue Code for our taxable year ending December 31, 2012 and that our proposed method of operations will enable us to meet the requirements for qualification and taxation as a REIT beginning with our taxable year ending December 31, 2012. This opinion is based upon our representations as to the manner in which we are and will be owned, invest in assets and operate, among other things. However, our qualification as a REIT will depend upon our ability to meet requirements regarding our organization and ownership, distributions of our income, the nature and diversification of our income and assets and other tests imposed by the Internal Revenue Code. Morris,

Manning & Martin, LLP will not review our operations or compliance with the REIT qualification standards on an ongoing basis, and we may fail to satisfy the REIT requirements in the future. Also, the legal opinion represents Morris, Manning & Martin, LLP' s legal judgment based on the law in effect as of the commencement of this offering. Morris, Manning & Martin, LLP' s opinion is not binding on the Internal Revenue Service or the courts and we will not apply for a ruling from the Internal Revenue Service regarding our status as a REIT. Future legislative, judicial or administrative changes to the federal income tax laws could be applied retroactively, which could result in our disqualification as a REIT.

If we fail to qualify as a REIT for any taxable year, we will be subject to federal income tax on our taxable income at corporate rates. In addition, we would generally be disqualified from treatment as a REIT for the four taxable years following the year of losing our REIT status. Losing our REIT status would reduce our net earnings available for investment or distribution to you because of the additional tax liability. In addition, distributions to you would no longer qualify for the dividends paid deduction, and we would no longer be required to make distributions. If this occurs, we might be required to borrow funds or liquidate some investments in order to pay the applicable tax. Our failure to qualify as a REIT would adversely affect the return on your investment.

Re-characterization of sale-leaseback transactions may cause us to lose our REIT status.

We may purchase properties and lease them back to the sellers of such properties. The Internal Revenue Service could challenge our characterization of certain leases in any such sale-leaseback transactions as "true leases," which allows us to be treated as the owner of the property for federal income tax purposes. In the event that any sale-leaseback transaction is challenged and re-characterized as a financing transaction or loan for federal income tax purposes, deductions for depreciation and cost recovery relating to such property would be disallowed. If a sale-leaseback transaction were so re-characterized, we might fail to satisfy the REIT qualification "asset tests" or the "income tests" and, consequently, lose our REIT status effective with the year of re-characterization. Alternatively, the amount of our REIT taxable income could be recalculated, which might also cause us to fail to meet the distribution requirement for a taxable year.

You may have current tax liability on distributions you elect to reinvest in our common stock.

If you participate in our distribution reinvestment plan, you will be deemed to have received, and for income tax purposes will be taxed on, the amount reinvested in shares of our common stock to the extent the amount reinvested was not a tax free return of capital. In addition, you will be treated, for tax purposes, as having received an additional distribution to the extent the shares are purchased at a discount to fair market value. As a result, unless you are a tax-exempt entity, you may have to use funds from other sources to pay your tax liability on the value of the common stock received.

Distributions payable by REITs do not qualify for the reduced tax rates that apply to other corporate distributions.

Tax legislation enacted in 2003, amended in 2005 and extended by the Tax Relief Unemployment Insurance Reauthorization, and Job Creation Act of 2010, generally reduces the maximum U.S. federal income tax rate for distributions payable by corporations to domestic stockholders that are individuals, trusts or estates to 15% prior to 2013. Distributions payable by REITs, however, generally continue to be taxed at the normal rate applicable to the individual recipient, rather than the 15% preferential rate. Our distributions will be taxed as ordinary income at the non-preferential rate, to the extent they are from our current or accumulated earnings and profits. To the extent distributions exceed our current or accumulated earnings and profits, they will be treated first as a tax free return of capital, reducing the tax basis in each U.S. stockholder' s shares (but not below zero), then the distributions will be taxed as gain from the sale of shares. You should discuss the difference in treatment of REIT distributions and regular corporate distributions with your tax advisor.

If our operating partnership fails to maintain its status as a partnership, its income may be subject to taxation, which would reduce the cash available to us for distribution to you.

We intend to maintain the status of CCPT IV OP, our operating partnership, as a partnership for federal income tax purposes. However, if the Internal Revenue Service were to successfully challenge the status of our operating partnership as an entity taxable as a partnership, CCPT IV OP would be taxable as a corporation. In such event, this would reduce the amount of distributions that the operating partnership could make to us. This could also result in our losing REIT status, and becoming subject to a corporate level tax on our income. This would substantially reduce the cash available to us to make distributions to you and the return on your investment. In addition, if any of the partnerships or limited liability companies through which CCPT IV OP owns its properties, in whole or in part, loses its characterization as a partnership for federal income tax purposes, it would be subject to taxation as a corporation, thereby reducing distributions to our operating partnership. Such a re-characterization of an underlying property owner also could threaten our ability to maintain REIT status.

In certain circumstances, we may be subject to federal and state income taxes as a REIT, which would reduce our cash available for distribution to you.

Even if we qualify and maintain our status as a REIT, we may be subject to federal income taxes or state taxes. For example, net income from the sale of properties that are "dealer" properties sold by a REIT (a "prohibited transaction" under the Internal Revenue Code) will be subject to a 100% tax. We may not be able to make sufficient distributions to avoid excise taxes applicable to REITs. We may also decide to retain income we earn from the sale or other disposition of our property and pay income tax directly on such income. In that event, our stockholders would be treated as if they earned that income and paid the tax on it directly. However, stockholders that are tax-exempt, such as charities or qualified pension plans, would have no benefit from their deemed payment of such tax liability. We may also be subject to state and local taxes on our income or property, either directly or at the level of our operating partnership or at the level of the other entities through which we indirectly own our assets. Any federal or state taxes we pay will reduce our cash available for distribution to you.

Legislative or regulatory action could adversely affect the returns to our investors.

Changes to the tax laws are likely to occur, and such changes may adversely affect the taxation of a stockholder. Any such changes could have an adverse effect on an investment in our shares or on the market value or the resale potential of our assets. You are urged to consult with your own tax advisor with respect to the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in our shares. You also should note that our counsel' s tax opinion is based upon existing law and treasury regulations, applicable as of the date of its opinion, all of which are subject to change, either prospectively or retroactively.

Congress passed major federal tax legislation in 2003, with modifications to that legislation in 2005 and in 2010. One of the changes affected by that legislation generally reduced the tax rate on dividends paid by corporations to individuals to a maximum of 15% prior to 2013. REIT distributions generally do not qualify for this reduced rate. The tax changes did not, however, reduce the corporate tax rates. Therefore, the maximum corporate tax rate of 35% has not been affected. However, as a REIT, we generally would not be subject to federal or state corporate income taxes on that portion of our ordinary income or capital gain that we distribute currently to our stockholders, and we thus expect to avoid the "double taxation" that other corporations are typically subject to.

The tax rate changes contained in the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 are currently scheduled to expire at the end of 2012. It is widely anticipated that this expiration will provoke a legislative response from Congress for tax years beginning after December 31, 2012; however, it is impossible to anticipate the effects of any such legislation at this time.

Although REITs continue to receive substantially better tax treatment than entities taxed as corporations, it is possible that future legislation would result in a REIT having fewer tax advantages, and it could become more advantageous for a company that invests in real estate to elect to be taxed, for federal income tax purposes, as a

corporation. As a result, our charter provides our board of directors with the power, under certain circumstances, to revoke or otherwise terminate our REIT election and cause us to be taxed as a corporation, without the vote of our stockholders. Our board of directors has fiduciary duties to us and our stockholders and could only cause such changes in our tax treatment if it determines in good faith that such changes are in the best interests of our stockholders.

Complying with the REIT requirements may cause us to forego otherwise attractive opportunities.

To maintain our qualification as a REIT for federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders and the ownership of shares of our common stock. We may be required to pay distributions to our stockholders at disadvantageous times or when we do not have funds readily available for distribution. Complying with the REIT requirements may cause us to forego otherwise attractive opportunities. In addition, we may be required to liquidate otherwise attractive investments in order to comply with the REIT requirements. Thus, compliance with the REIT requirements may hinder our ability to operate solely on the basis of maximizing profits.

Foreign purchasers of our common stock may be subject to FIRPTA tax upon the sale of their shares.

A foreign person disposing of a U.S. real property interest, including shares of a U.S. corporation whose assets consist principally of U.S. real property interests, is generally subject to the Foreign Investment in Real Property Tax Act of 1980, as amended (FIRPTA) on the gain recognized on the disposition. Such FIRPTA tax does not apply, however, to the disposition of stock in a REIT if the REIT is "domestically controlled." A REIT is "domestically controlled" if less than 50% of the REIT' s stock, by value, has been owned directly or indirectly by persons who are not qualifying U.S. persons during a continuous five-year period ending on the date of disposition or, if shorter, during the entire period of the REIT' s existence. We cannot assure you that we will qualify as a "domestically controlled" REIT. If we were to fail to so qualify, gain realized by foreign investors on a sale of our shares would be subject to FIRPTA tax, unless our shares were traded on an established securities market and the foreign investor did not at any time during a specified testing period directly or indirectly own more than 10% of the value of our outstanding common stock. See the "Federal Income Tax Considerations − Special Tax Considerations for Non-U.S. Stockholders − Sale of Our Shares by a Non-U.S. Stockholder" section of this prospectus.

For qualified accounts, if an investment in our shares constitutes a prohibited transaction under ERISA or the Internal Revenue Code, it is possible that you may be subject to the imposition of significant excise taxes and penalties with respect to the amount invested. In order to avoid triggering additional taxes and/or penalties, if you intend to invest in our shares through pension or profit-sharing trusts or IRAs, you should consider additional factors.

If you are investing the assets of a pension, profit-sharing, 401(k), Keogh or other qualified retirement plan or the assets of an IRA in our common stock, you should satisfy yourself that, among other things:

- your investment is consistent with your fiduciary obligations under ERISA and the Internal Revenue Code;
- your investment is made in accordance with the documents and instruments governing your plan or IRA, including your plan' s investment policy;
- your investment satisfies the prudence and diversification requirements of ERISA and other applicable provisions of ERISA and the Internal Revenue Code;
- your investment will not impair the liquidity of the plan or IRA;
- your investment will not produce UBTI for the plan or IRA;
- you will be able to value the assets of the plan annually in accordance with ERISA requirements and applicable provisions of the plan or IRA; and
- your investment will not constitute a prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code.

Failure to satisfy the fiduciary standards of conduct and other applicable requirements of ERISA and the Internal Revenue Code may result in the imposition of civil and criminal penalties and could subject the fiduciary to equitable remedies. In addition, if an investment in our shares constitutes a prohibited transaction under ERISA or the Internal Revenue Code, the fiduciary who authorized or directed the investment may be subject to the imposition of excise taxes with respect to the amount invested. For a more complete discussion of the foregoing risks and other issues associated with an investment in shares by retirement plans, see the "Investment by Tax-Exempt Entities and ERISA Considerations" section of this prospectus.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. Such statements include, in particular, statements about our plans, strategies and prospects. These forward-looking statements are not historical facts but are the intent, belief or current expectations of our business and industry. You can generally identify forward-looking statements by our use of forward-looking terminology, such as "may," "anticipate," "expect," "intend," "plan," "believe," "seek," "estimate," "would," "could," "should" and variations of these words and similar expressions. You should not rely on our forward-looking statements because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond our control. Our actual results, performance and achievements may be materially different from that expressed or implied by these forward-looking statements.

You should carefully review the "Risk Factors" section of this prospectus for a discussion of the risks and uncertainties that we believe are material to our business, operating results, prospects and financial condition. Except as otherwise required by federal securities laws, we do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

ESTIMATED USE OF PROCEEDS

The following table sets forth information about how we intend to use the proceeds raised in this offering, assuming that we sell the maximum offering of 300,000,000 shares of common stock pursuant to this offering. Many of the figures set forth below represent management' s best estimate since they cannot be precisely calculated at this time. Assuming a maximum offering, we expect that approximately 88.1% of the money that stockholders invest (86.7% if no shares are sold pursuant to our distribution reinvestment plan) will be used to purchase real estate or other real estate-related investments, while the remaining approximately 11.9% (13.3% if no shares are sold pursuant to our distribution reinvestment plan) will be used for working capital, and to pay costs of the offering, including selling commissions and the dealer manager fee, and fees and expenses of our advisor in connection with acquiring properties. Proceeds used to purchase real estate or other real estate-related investments include proceeds used to repay any indebtedness incurred in respect of such purchases. We have paid, and may continue to pay, distributions from proceeds raised in this offering in anticipation of future cash flows, and we have not placed a limit on the amount of net proceeds we may use to pay distributions.

	Maximum Offering (Including Distribution Reinvestment Plan)(1)		Maximum Offering (Not Including Distribution Reinvestment Plan)(2)	
	Amount	Percent	Amount	Percent
Gross Offering Proceeds	$2,975,000,000	100 %	$2,500,000,000	100 %
Less Public Offering Expenses:				
Selling Commissions and Dealer Manager Fee(3)	225,000,000	7.6 %	225,000,000	9.0 %
Other Organization and Offering Expenses(4)	59,500,000	2.0 %	50,000,000	2.0 %
Amount Available for Investment(5)	2,690,500,000	90.4 %	2,225,000,000	89.0 %
Acquisition and Development:				
Acquisition Fee(6)	52,446,394	1.8 %	43,372,320	1.8 %
Acquisition Expenses(7)	13,111,598	0.4 %	10,843,080	0.4 %
Initial Working Capital Reserve(8)	2,622,320	0.1 %	2,168,616	0.1 %
Amount Invested in Assets(9)	$2,622,319,688	88.1 %	$2,168,615,984	86.7 %

(1) Assumes the sale to the public of 250,000,000 shares at $10.00 per share pursuant to the primary offering and 50,000,000 shares at $9.50 per share pursuant to the distribution reinvestment plan. In the event that stockholders redeem shares pursuant to our share redemption program, the redemptions will be paid using proceeds from the sale of shares pursuant to our distribution reinvestment plan. Accordingly, the amount of proceeds from the maximum offering, including the distribution reinvestment plan, that is used to purchase real estate and other real estate-related assets, and to pay acquisition-related fees and expenses, will be reduced to the extent that proceeds from our distribution reinvestment plan are used to pay redemptions.

(2) Assumes the sale to the public of 250,000,000 shares at $10.00 per share pursuant to the primary offering and no shares sold pursuant to the distribution reinvestment plan.

(3) Includes selling commissions equal to 7% of the gross proceeds of our primary offering, which commissions may be reduced under certain circumstances, and a dealer manager fee equal to 2% of the gross proceeds of our primary offering, both of which are payable to the dealer manager, an affiliate of our advisor. The dealer manager will reallow 100% of the selling commissions to participating broker-dealers. In addition, the dealer-manager, in its sole discretion, may reallow to broker-dealers participating in this offering up to all of its dealer manager fee as marketing fees and due diligence expense allowance based on such factors as the number of shares sold by the participating broker-dealer, the participating broker-dealer' s level of marketing support, and bona fide conference fees incurred, each as compared to those of the other participating broker-dealers. We will not pay a selling commission or a dealer manager fee on shares purchased pursuant to our distribution reinvestment plan. The amount of selling commissions may be reduced under certain circumstances for volume discounts and other types of sales. Furthermore, we may increase the dealer manager fee to 3% of the gross proceeds of our primary offering for purchases made through certain

selected dealers, in which event the selling commission would be reduced to 6% of the gross proceeds of our primary offering for those purchases. See the "Plan of Distribution" section of this prospectus for a description of such provisions.

(4) Assuming we raise the maximum offering amount, we expect to reimburse our advisor up to $25,000,000 (0.8% of aggregate gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan) to cover offering expenses that are deemed to be underwriting expenses, and we expect to reimburse our advisor up to $34,500,000 (1.2% of aggregate gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan) to cover non-underwriting organization and offering expenses. These organization and offering expenses consist of all expenses (other than selling commissions and the dealer manager fee) to be paid by us in connection with the offering, including (i) our legal, accounting, printing, mailing and filing fees, charges of our transfer agent for account set up fees, due diligence expenses that are included in a detailed and itemized invoice (such as expenses related to a review of this offering by one or more independent due diligence reviewers engaged by broker-dealers participating in this offering); (ii) amounts to reimburse our advisor for the portion of the salaries paid to employees of its affiliates that are attributed to services rendered to our advisor in connection with preparing supplemental sales materials for us, holding educational conferences and attending retail seminars conducted by our participating broker-dealers and (iii) reimbursements for our dealer manager' s wholesaling costs, and other marketing and organization costs, including (a) payments made to participating broker-dealers for performing these services, (b) the dealer-manager' s wholesaling commissions, salaries and expense reimbursements, (c) the dealer manager' s due diligence costs and legal fees and (d) costs associated with business entertainment, logoed items and sales incentives. Expenses to educational conferences and retail seminars described in (ii) above, expenses relating to our dealer-manager' s wholesaling costs and payments to participating broker-dealers described in (iii) above and expenses described in (iii)(b) and (iii)(c) above will constitute underwriting compensation, subject to the underwriting limit of 10% of the gross proceeds of our primary offering.

In no event will total organization and offering expenses, including selling commissions, the dealer manager fee and reimbursement of other organization and offering expenses, exceed 15% of the gross proceeds of this offering, including proceeds from sales of shares under our distribution reinvestment plan.

(5) Until required in connection with the acquisition of real estate or other real estate-related investments, substantially all of the net proceeds of this offering and, thereafter, any working capital reserves we may have, may be invested in short-term, highly-liquid investments including government obligations, bank certificates of deposit, short-term debt obligations and interest-bearing accounts.

(6) Acquisition fees are defined generally as fees and commissions paid by any party to any person in connection with identifying, reviewing, evaluating, investing in and the purchase, development or construction of properties, or the making or investing in loans or other real estate-related investments. We will pay our advisor acquisition fees up to a maximum amount of 2% of the contract purchase price of each property or asset acquired. With respect to a development or a redevelopment project, we will pay our advisor an acquisition fee of 2% of the amount expended on such project. For purposes of this table, we have assumed that the aggregate contract purchase price for our assets will be an amount equal to the estimated amount invested in assets. With respect to any loan we originate or acquire, we will pay our advisor an acquisition fee of 2% of the amount of the loan. For purposes of this table, we also have assumed that no financing is used to acquire properties or other real estate assets. We may incur additional fees, such as real estate commissions, development fees, construction fees, non-recurring management fees, loan fees or points, or any fee of a similar nature. Acquisition fees do not include acquisition expenses.

(7) Acquisition expenses include legal fees and expenses, travel expenses, costs of appraisals, nonrefundable option payments on property not acquired, accounting fees and expenses, title insurance premiums and other closing costs and miscellaneous expenses relating to the selection, acquisition and development of real estate properties. For purposes of this table, we have assumed average expenses of 0.5% of the estimated amount invested in assets; however, expenses on a particular acquisition may be higher. Acquisition expenses are not included in the contract purchase price of an asset. Notwithstanding the foregoing, the total

of all acquisition expenses and acquisition fees paid by any party to any party, including any real estate commission, selection fee, development fees paid to an affiliate of our advisor, construction fee paid to an affiliate of our advisor, non-recurring management fee, loan fees or point or any fee of a similar nature, payable with respect to a particular property or investment shall be reasonable, and shall not exceed an amount equal to 6% of the contract purchase price of the property, or in the case of a mortgage loan 6% of the funds advanced, unless a majority of our directors (including a majority of our independent directors) not otherwise interested in the transaction approve fees and expenses in excess of this limit and determine the transaction to be commercially competitive, fair and reasonable to us.

(8) Working capital reserves typically are utilized for extraordinary expenses that are not covered by revenue generated by the property, such as tenant improvements, leasing commissions and major capital expenditures. Alternatively, a lender may require its own formula for escrow of working capital reserves. Because we expect most of our leases will be triple net or double net leases, as described elsewhere herein, we do not expect to maintain significant working capital reserves.

(9) Includes amounts anticipated to be invested in properties net of organization and offering expenses, acquisition fees and expenses and initial working capital reserves.

MANAGEMENT

General

We operate under the direction of our board of directors, the members of which are accountable to us and our stockholders as fiduciaries. We have retained CR IV Advisors as our advisor to manage our day-to-day affairs and the acquisition and disposition of our investments, subject to our board of directors' supervision. Our charter has been reviewed and ratified by our board of directors, including a majority of the independent directors. This ratification by our board of directors is required by the NASAA REIT Guidelines.

Our charter and bylaws provide that the number of directors on our board of directors may be established by a majority of the entire board of directors, but may not be more than 15, nor fewer than three. Our charter provides, in general, that a majority of the directors must be independent directors. An "independent director" is a person who is not, and within the last two years has not been, directly or indirectly associated with us or any of our affiliates or with our sponsor, our advisor or any of their affiliates by virtue of (1) ownership of an interest in our sponsor, our advisor or any of their affiliates, (2) employment by us, our sponsor our advisor or any of our or their affiliates, (3) service as an officer or director of our sponsor, our advisor or any of their affiliates, (4) performance of services, (5) service as a director of more than three REITs organized by our sponsor or advised by our advisor, or (6) maintenance of a material business or professional relationship with our sponsor, our advisor or any of their affiliates. Each director deemed to be independent pursuant to our charter also will be independent in accordance with the NASAA REIT Guidelines. There are no family relationships among any of our directors or officers, or officers of our advisor. Each director who is not an independent director must have at least three years of relevant experience demonstrating the knowledge and experience required to successfully acquire and manage the type of assets being acquired by us. At least one of our independent directors must have at least three years of relevant real estate experience. We currently have a total of three directors, including a majority of independent directors.

Each director will serve until the next annual meeting of stockholders or until his or her successor is duly elected and qualifies. Although the number of directors may be increased or decreased, a decrease will not have the effect of shortening the term of any incumbent director.

Any director may resign at any time and may be removed with or without cause by the stockholders upon the affirmative vote of at least a majority of all the votes entitled to be cast at a meeting properly called for the purpose of the proposed removal. The notice of the meeting will indicate that the purpose, or one of the purposes, of the meeting is to determine if the director shall be removed. None of the members of our board of directors, nor our advisor, nor any of their affiliates, may vote or consent on matters submitted to the stockholders regarding the removal of our advisor or any director or any of their affiliates or any transaction between us and any of them. In determining the requisite percentage in interest required to approve such a matter, shares owned by members of our board of directors and their respective affiliates will not be included.

Any vacancy created by the death, resignation, removal, adjudicated incompetence or other incapacity of a director may be filled only by a vote of a majority of the remaining directors. Any vacancy created by an increase in the number of directors must be filled by an affirmative vote of the board of directors, including a majority of the independent directors. Independent directors shall nominate replacements for vacancies in the independent director positions or to fill newly-created independent director positions. If at any time there are no directors in office, successor directors shall be elected by the stockholders. Each director will be bound by our charter and bylaws.

Our directors will not be required to devote all of their time to our business and only are required to devote the time to our affairs as their duties require. Our directors meet quarterly, in person or by teleconference, or more frequently if necessary. Consequently, in the exercise of their responsibilities, the directors will rely heavily on our advisor and on information provided by our advisor. Our directors have a fiduciary duty to our stockholders to supervise the relationship between us and our advisor. Our board of directors is empowered to fix

the compensation of all officers that it selects and approve the payment of compensation to directors for services rendered to us.

Our board of directors has adopted written policies on investments and borrowing, the general terms of which are set forth in this prospectus. The directors may revise those policies or establish further written policies on investments and borrowings and monitor our administrative procedures, investment operations and performance to ensure that the policies are fulfilled and are in the best interests of our stockholders. During the discussion of a proposed transaction, independent directors may offer ideas for ways in which transactions may be structured to offer the greatest value to us, and our advisor will take these suggestions into consideration when structuring transactions.

In addition, our board of directors is responsible for reviewing our fees and expenses on at least an annual basis and with sufficient frequency to determine that the expenses incurred are in the best interests of the stockholders. In addition, a majority of the directors, including a majority of the independent directors, who are not otherwise interested in the transaction must approve all transactions with our advisor or its affiliates. The independent directors also will be responsible for reviewing the performance of our advisor and determining, from time to time and at least on an annual basis, that the compensation to be paid to our advisor is reasonable in relation to the nature and quality of services to be performed and that the provisions of the advisory agreement are being carried out. The independent directors will consider such factors as they deem relevant, including:

- the amount of the fees paid to our advisor in relation to the size, composition and performance of our investments;
- the success of our advisor in generating appropriate investment opportunities;
- rates charged to other REITs, especially REITs of similar structure, and to investors other than REITs by advisors performing similar services;
- additional revenues realized by our advisor and its affiliates through their relationship with us, including loan administration, underwriting or broker commissions, and servicing, engineering, inspection and other fees, whether such amounts are paid by us or others with whom we do business;
- the quality and extent of service and advice furnished by our advisor and the performance of our investment portfolio; and
- the quality of our portfolio relative to the investments generated by our advisor for its own account.

The advisory agreement has a one-year term and may be renewed for an unlimited number of successive one-year periods. Either party may terminate the advisory agreement upon 60 days' written notice without cause or penalty. Fees payable to our advisor pursuant to the advisory agreement, including any fees that may be paid upon termination of the advisory agreement, are described below under the caption "– The Advisory Agreement" and the section of this prospectus captioned "Management Compensation."

Neither our advisor nor any of its affiliates will vote or consent to the voting of shares of our common stock they now own or hereafter acquire on matters submitted to the stockholders regarding either (1) the removal of our advisor, any director or any of their respective affiliates, or (2) any transaction between us and our advisor, any director or any of their respective affiliates. In determining the requisite percentage in interest required to approve such a matter, shares owned by our advisor and its affiliates will not be included.

Committees of our Board of Directors

Our entire board of directors will be responsible for supervising our entire business. However, our bylaws provide that our board of directors may establish such committees as our board of directors believes appropriate and in our best interests. Our board of directors will appoint the members of the committee in our board of directors' discretion. Our charter and bylaws require that a majority of the members of each committee of our board of directors is comprised of independent directors.

Audit Committee

Our board of directors has established an audit committee consisting of Lawrence S. Jones, J. Marc Myers and Scott P. Sealy, Sr., our independent directors. Mr. Jones serves as chairman of the audit committee. The audit committee, by approval of at least a majority of its members, will select the independent registered public accounting firm to audit our annual financial statements, review with the independent registered public accounting firm the plans and results of the audit engagement, approve the audit and non-audit services provided by the independent registered public accounting firm, review the independence of the independent registered public accounting firm, consider the range of audit and non-audit fees and review the adequacy of our internal accounting controls. Our board of directors has adopted a charter for the audit committee that sets forth its specific functions and responsibilities.

Executive Officers and Directors

Our board of directors has elected Christopher H. Cole to serve as our chief executive officer and president and D. Kirk McAllaster, Jr. to serve as our executive vice president, chief financial officer and treasurer. Although most of the services Mr. McAllaster provides to our company are in his role as an executive officer of our advisor, both Messrs. Cole and McAllaster have certain duties in their capacities as executive officers of our company arising from Maryland corporate law, our charter and bylaws. We do not directly compensate Messrs. Cole or McAllaster for their services as executive officers of our company, nor do we reimburse our advisor or any affiliate of our advisor for their salaries or benefits. We have provided below certain information about our executive officers and directors.

Name	Age*	Position(s)
Christopher H. Cole	60	Chairman of the Board of Directors, Chief Executive Officer and President
D. Kirk McAllaster, Jr.	45	Executive Vice President, Chief Financial Officer and Treasurer
Marc T. Nemer	39	Director
Lawrence S. Jones	65	Independent Director
J. Marc Myers	65	Independent Director
Scott P. Sealy, Sr.	66	Independent Director

* As of October 10, 2012.

Christopher H. Cole has served as our chairman, chief executive officer and president since our formation in July 2010. He served as the chief executive officer and president of CR IV Advisors, our advisor, from its formation in July 2010 until June 2011. Mr. Cole has served as the chairman, chief executive officer and president of CCPT I since its formation in March 2004. He served as the chief executive officer of Cole REIT Advisors, LLC (CCPT I Advisors) from its formation in April 2004 until June 2011, and as its president from April 2004 until March 2007 and from October 2007 until April 2010. Mr. Cole has served as the chairman, chief executive officer and president of CCPT II since its formation in September 2004. He served as the chief executive officer of Cole REIT Advisors II, LLC (CCPT II Advisors) from its formation in September 2004 until June 2011, and as its president from September 2004 until March 2007 and from October 2007 until April 2010. Mr. Cole has served as the chairman, chief executive officer and president of CCPT III since its formation in January 2008. He served as the chief executive officer of Cole REIT Advisors III, LLC (CCPT III Advisors) from its formation in January 2008 until June 2011, and as its president from January 2008 until April 2010 and as its treasurer from January 2008 until September 2008. He has served as the chairman, chief executive officer and president of CCIT since its formation in April 2010. He served as the chief executive officer of Cole Corporate Income Advisors, LLC (Cole Corporate Income Advisors) from its formation in April 2010 until

June 2011. Mr. Cole has served as the chairman, chief executive officer and president of Cole Income NAV Strategy since its formation in July 2010. He served as the chief executive officer of Cole Real Estate Income Strategy (Daily NAV) Advisors, LLC (Cole Income NAV Strategy Advisors) from its formation in July 2010 until June 2011.

Mr. Cole has been the sole shareholder of Cole Holdings Corporation since its formation in August 2004, has served as its chairman since October 2007, and previously served as its chief executive officer from August 2004 until June 2011, as its president and treasurer from August 2004 until April 2010, and as its secretary from October 2007 to April 2010. Mr. Cole has also been engaged as a general partner in the structuring and management of real estate limited partnerships since February 1979. Mr. Cole previously served as the treasurer of Cole Realty Advisors, Inc. (Cole Realty Advisors) from its formation in November 2002 until September 2009, as its chief executive officer from December 2002 until June 2011, as its president from November 2002 until March 2007 and from October 2007 until September 2009, and as its secretary from November 2002 until December 2002. Mr. Cole previously served as the treasurer of Cole Capital Partners from January 2003 until April 2010, as its chief executive officer from January 2003 until June 2011, and as its president from January 2003 to March 2007 and from October 2007 until April 2010. Mr. Cole previously served as the treasurer of Cole Capital Advisors from its formation in November 2002 until April 2010, as its chief executive officer from December 2002 until June 2011, as its president from November 2002 until March 2007 and from October 2007 until April 2010, and as its secretary from November 2002 until December 2002.

Mr. Cole has served as the chief executive officer and treasurer of the Cole Growth Opportunity Fund I GP, LLC since its formation in March 2007. Mr. Cole served as the executive vice president and treasurer of Cole Capital Corporation from December 2002 until January 2008. Mr. Cole has been the sole director of Cole Capital Corporation since December 2002. Mr. Cole was selected to serve as a director of our company because he is the chief executive officer of our company, and Mr. Cole' s experience and relationships in the non-traded REIT and real estate industries, along with his knowledge of the Cole Real Estate Investments organization, are believed to provide significant value to the board of directors.

D. Kirk McAllaster, Jr. has served as our executive vice president, chief financial officer and treasurer since our formation in July 2010. He also has served as executive vice president and chief financial officer (REITs and real estate funds) of CR IV Advisors since January 2012 and as its executive vice president and chief financial officer from its formation in July 2010 until January 2012. Mr. McAllaster has also served as executive vice president and chief financial officer of CCPT I and CCPT II since October 2007, as the treasurer of each since May 2011, and has been a member of the board of directors of CCPT I since May 2008. He has served as executive vice president and chief financial officer (REITs and real estate funds) of CCPT I Advisors and CCPT II Advisors since January 2012, and previously served as executive vice president and chief financial officer of each from March 2007 until January 2012, and as vice president, finance of each from December 2005 until March 2007. He has served as executive vice president, chief financial officer and treasurer of CCPT III since its formation in January 2008, and served as its secretary from January 2008 to November 2010. He also has served as executive vice president and chief financial officer (REITs and real estate funds) of CCPT III Advisors since January 2012 and as its executive vice president and chief financial officer from its formation in January 2008 until January 2012. Mr. McAllaster has served as executive vice president, chief financial officer and treasurer if CCIT since its formation in April 2010 and served as its secretary from April 2010 until August 2010 and from January 2011 until March 2011. He has served as executive vice president and chief financial officer (REITs and real estate funds) of Cole Corporate Income Advisors since January 2012 and as its executive vice president and chief financial officer from its formation in April 2010 until January 2012. He has served as the executive vice president, chief financial officer and treasurer of Cole Income NAV Strategy since its formation in July 2010. He has served as executive vice president and chief financial officer (REITs and real estate funds) of Cole Income NAV Strategy Advisors since January 2012 and as its executive vice president and chief financial officer from its formation in July 2010 until January 2012. Mr. McAllaster has served as executive vice president and chief financial officer (REITs and real estate funds) of Cole Realty Advisors since January 2012 and as its treasurer since September 2009, and previously served as executive vice president and chief

financial officer from March 2007 until January 2012. Mr. McAllaster has served as executive vice president and chief financial officer (REITs and real estate funds) of Cole Capital Partners and Cole Capital Advisors since January 2012, and previously served as executive vice president and chief financial officer of each from March 2007 until January 2012 and as vice president, finance of each from December 2005 until March 2007. Prior to joining Cole Real Estate Investments in May 2003, Mr. McAllaster worked for six years with Deloitte & Touche LLP, most recently as audit senior manager. He has over 20 years of accounting and finance experience in public accounting and private industry. Mr. McAllaster received a B.S. degree from California State Polytechnic University − Pomona with a major in Accounting. He is a Certified Public Accountant licensed in the states of Arizona and Tennessee and is a member of the American Institute of CPAs and the Arizona Society of CPAs.

Marc T. Nemer has served as a director since March 2012. He has served as chief executive officer of CR IV Advisors since June 2011 and as its president since its formation in July 2010. Mr. Nemer has served as chief executive officer of Cole Holdings Corporation (d/b/a Cole Real Estate Investments), the parent company of our advisor and affiliates, since June 2011 and as its president since April 2010. He has served as president, secretary and treasurer of Cole Capital Corporation since January 2008. Mr. Nemer has served as a member of the boards of directors of CCPT I and CCPT III since May 2010, and as a member of the boards of directors of CCIT and Cole Income NAV Strategy since January 2011 and January 2012, respectively. Mr. Nemer has served as chief executive officer of CCPT I Advisors and CCPT II Advisors since June 2011 and as president of each since April 2010, and previously served as executive vice president and managing director of capital markets of each from March 2008 until April 2010, and as executive vice president, securities and regulatory affairs of each from October 2007 until March 2008. He has served as chief executive officer of CCPT III Advisors since June 2011 and its president since April 2010, and previously served as executive vice president and managing director of capital markets from September 2008 until April 2010, and as executive vice president, securities and regulatory affairs from its formation in January 2008 until September 2008. Mr. Nemer has served as chief executive officer of Cole Corporate Income Advisors since June 2011 and as its president since its formation in April 2010. Mr. Nemer has served as the chief executive officer of Cole Income NAV Strategy Advisors since June 2011 and as its president since its formation in July 2010. Mr. Nemer has served as chief executive officer for Cole Realty Advisors since June 2011, and previously served as its executive vice president and managing director of capital markets from March 2008 to June 2011, as its executive vice president, securities and regulatory affairs from October 2007 until March 2008, and as its vice president, legal services and compliance from March 2007 until October 2007. He has served as chief executive officer of Cole Capital Advisors and Cole Capital Partners since June 2011 and as president of each since April 2010, and previously served as executive vice president and managing director of capital markets of each from March 2008 to April 2010, as executive vice president, securities and regulatory affairs of each from October 2007 until March 2008 and as vice president, legal services and compliance of each from March 2007 until October 2007. Mr. Nemer also served as legal counsel to Cole Capital Advisors from February 2006 to March 2007. Prior to joining Cole Real Estate Investments, Mr. Nemer was an attorney with the international law firm Latham & Watkins LLP, where he specialized in securities offerings (public and private), corporate governance, and mergers and acquisitions from July 2000 until February 2006. Prior to that, Mr. Nemer worked at the international law firm Skadden, Arps, Slate, Meagher & Flom LLP, where he worked as an attorney in a similar capacity from August 1998 until July 2000. Mr. Nemer earned a J.D. from Harvard Law School in 1998 and a B.A. from the University of Michigan in 1995. Mr. Nemer was selected to serve as a director of the Company because of his extensive knowledge and relationships within the non-traded REIT industry, his knowledge of the Cole Real Estate Investments organization in his capacity as its chief executive officer and president, and his legal, regulatory and compliance experience, all of which are expected to bring valuable insight to the board of directors.

Lawrence S. Jones has served as an independent director and as the chairman of our audit committee since March 2012. Mr. Jones served as the managing director of Encore Enterprises, Inc. − Equity Funds, a real estate development company, from August 2008 to April 2010. Previously, he served as a senior audit partner with PricewaterhouseCoopers LLP from September 1999 to July 2007, where he was the financial services industry leader for the Dallas and Houston markets from September 1999 to July 2006, and the firm' s representative to the Board of Governors of the National Association of Real Estate Investment Trusts (NAREIT) from 1999 to

2007. Prior to joining PricewaterhouseCoopers LLP, Mr. Jones served from March 1998 to June 1999 as executive vice president and treasurer of Wyndham International, Inc., an upscale and luxury hotel operating company. Mr. Jones began his career in 1972 at Coopers & Lybrand, a predecessor of PricewaterhouseCoopers LLP, and served as the partner in charge of Coopers & Lybrand' s national REIT practice from 1992 until March 1998. From July 1982 to June 1984, Mr. Jones served as a professional accounting fellow with the Office of the Chief Accountant of the Securities and Exchange Commission in Washington, D.C. Mr. Jones has previously served as a director of the Dallas Arts District Alliance and is currently a member of the Dallas Park and Recreation Board, the National Association of Corporate Directors, NAREIT, the Urban Land Institute (ULI) and the American Institute of Certified Public Accountants. Mr. Jones is a past-president of the Haas School of Business Alumni Association (University of California at Berkeley). He served as an independent director of Moody National REIT I, Inc. from March 2010 to February 2012. Mr. Jones received a B.A. degree in Economics and Corporate Finance from the University of California at Berkeley and a Master' s Degree in Corporate Finance from the UCLA Anderson School of Management. Mr. Jones was selected to serve as a director of our company because of his extensive experience as a certified public accountant and as a real estate industry executive, with strong leadership, management and technical skills, all of which are expected to bring valuable insight to our board of directors.

J. Marc Myers has served as an independent director since January 2012. Mr. Myers co-founded Myers & Crow Company, Ltd., a real estate development company, in 1994, and is a partner of that firm. Prior to that, Mr. Myers spent 23 years with Trammell Crow Company, where he was chief executive officer of the Dallas Industrial Division and a member of its management board. Mr. Myers is active in a number of real estate organizations and is a member of the Dallas Real Estate Developer Hall of Fame. In addition, Mr. Myers serves on the board of directors for the Baylor Health Care System Foundation. He is a recent past chairman of the McCombs School of Business Advisory Council. He also has served on the boards of the Children' s Medical Center of Dallas, Special Camps for Special Kids and the University of Texas at Austin' s Commission of 125. Mr. Myers received a B.B.A and an M.B.A. from the University of Texas at Austin. After receiving his degrees, Mr. Myers served in the U.S. Army as a Second Lieutenant. Mr. Myers was selected to serve as a director of our company because of his significant leadership experience in the real estate industry, which is expected to bring valuable insight to the board of directors.

Scott P. Sealy, Sr. has served as an independent director since January 2012. Mr. Sealy also serves as a director of CCPT III, a position he has held since October 2008. Mr. Sealy has been a principal of Sealy & Company, Incorporated, a real estate and investment company, since 1968 and has served as chairman of its board of directors since February 2000. Mr. Sealy provides strategic planning and business development for the company, which is in the business of acquisitions, repositioning and ground-up development of regional distribution and industrial facilities. During his tenure, Sealy & Company, Incorporated and its affiliates have acquired or developed and sold over $1 billion of industrial real estate totaling approximately 31 million square feet. In 2008, Sealy & Company, Incorporated entered into a $200 million joint venture with California State Teachers' Retirement System (CalSTRS). The joint venture, named SeaCal, pursues the acquisition and development of value-added industrial and office properties. Mr. Sealy is a member of the Society of Industrial and Office Realtors and has served as a chapter president, a member of its national board of directors, and a member of its strategic planning committee. Mr. Sealy was selected to serve as a director of our company because of his significant real estate and leadership experience as a fiduciary to other real estate programs. Our board of directors believes that this experience will assist the board of directors in its strategic and operational initiatives.

Duties of Independent Directors

In accordance with the NASAA REIT Guidelines, a majority of our independent directors generally must approve corporate actions that directly relate to the following:

- any transfer or sale of our sponsor' s initial investment in us; provided, however, our sponsor may not sell its initial investment while it remains our sponsor, but our sponsor may transfer the shares to an affiliate;

the duties of our directors, including ratification of our charter, the written policies on investments and borrowing, the monitoring of administrative procedures, investment operations and our performance and the performance of our advisor;

the advisory agreement;

liability and indemnification of our directors, advisor and its affiliates;

fees, compensation and expenses, including organization and offering expenses, acquisition fees and acquisition expenses, total operating expenses, real estate commissions on the resale of property, incentive fees, and advisor compensation;

any change or modification of our statement of objectives;

real property appraisals;

our borrowing policies;

annual and special meetings of stockholders;

election of our directors; and

our distribution reinvestment plan.

Compensation of Directors

We pay to each of our independent directors a retainer of $50,000 per year, plus an additional retainer of $7,500 to the chairman of the audit committee. We also pay $2,000 for each meeting of our board of directors or committee thereof the director attends in person ($2,500 for the attendance in person by the chairperson of the audit committee at each meeting of the audit committee) and $250 for each meeting the director attends by telephone. In the event there is a meeting of our board of directors and one or more committees thereof in a single day, the fees paid to each director will be limited to $2,500 per day ($3,000 per day for the chairperson of the audit committee if there is a meeting of such committee). All directors will receive reimbursement of reasonable out-of-pocket expenses incurred in connection with attendance at each meeting of our board of directors. Independent directors are not reimbursed by us, our sponsor, our advisor or any of their affiliates for spouses' expenses to attend events to which spouses are invited. If a non-independent director is also an employee of our company or our advisor or their affiliates, we will not pay compensation for services rendered as a director. We will not compensate Messrs. Cole or Nemer for their service to us on the board of directors.

Limited Liability and Indemnification of Our Directors, Officers, Advisor and Other Agents

We are permitted to limit the liability of our directors and officers, and to indemnify and advance expenses to our directors, officers and other agents, only to the extent permitted by Maryland law and the NASAA REIT Guidelines. Our charter contains a provision that eliminates directors' and officers' liability for money damages, requires us to indemnify and, in certain circumstances, advance expenses to our directors, officers, our advisor and its affiliates and permits us to indemnify and advance expenses to our employees and agents, subject to the limitations of Maryland law and the NASAA REIT Guidelines. To the extent that our board of directors determines that the Maryland General Corporation Law conflicts with the provisions set forth in the NASAA REIT Guidelines, the NASAA REIT Guidelines will control, unless the provisions of the Maryland General Corporation Law are mandatory under Maryland law.

Maryland law permits us to include in our charter a provision limiting the liability of our directors and officers to our stockholders and us for money damages, except for liability resulting from (i) actual receipt of an improper benefit or profit in money, property or services or (ii) active and deliberate dishonesty established by a final judgment and that is material to the cause of action.

The Maryland General Corporation Law requires us (unless our charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful in the defense of any proceeding to

which he is made or threatened to be made a party by reason of his service in that capacity. The Maryland General Corporation Law allows directors and officers to be indemnified against judgments, penalties, fines, settlements and expenses actually incurred by them in connection with any proceeding unless it is established that:

- an act or omission of the director or officer was material to the cause of action adjudicated in the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services;
- with respect to any criminal proceeding, the director or officer had reasonable cause to believe his act or omission was unlawful; or
- in a proceeding by us or on our behalf, the director or officer was adjudged to be liable to us or for a judgment of liability on the basis that personal benefit was improperly received (although in either case a court may order indemnification solely for expenses).

In addition to the above limitations of the Maryland General Corporation Law, and as set forth in the NASAA REIT Guidelines, our charter further limits our ability to indemnify our directors, our advisor and its affiliates for losses or liability suffered by them or hold harmless our directors or our advisor and its affiliates for losses or liability suffered by us by requiring that the following additional conditions are met:

- the directors, our advisor or its affiliates have determined, in good faith, that the course of conduct that caused the loss or liability was in our best interests;
- the directors, our advisor or its affiliates were acting on our behalf or performing services for us;
- in the case of non-independent directors, our advisor or its affiliates, the liability or loss was not the result of negligence or misconduct by the party seeking indemnification;
- in the case of independent directors, the liability or loss was not the result of gross negligence or willful misconduct by the party seeking indemnification; and
- the indemnification or agreement to hold harmless is recoverable only out of our net assets and not from the stockholders.

We also will agree to indemnify and hold harmless our advisor and its affiliates performing services for us from specific claims and liabilities arising out of the performance of their obligations under the advisory agreement. As a result, our stockholders and we may be entitled to a more limited right of action than they and we would otherwise have if these indemnification rights were not included in the advisory agreement.

The general effect to our stockholders of any arrangement under which we agree to insure or indemnify any persons against liability is a potential reduction in distributions resulting from our payment of premiums associated with insurance or indemnification payments in excess of amounts covered by insurance. In addition, indemnification could reduce the legal remedies available to our stockholders and us against our officers and directors. The Maryland General Corporation Law permits us to advance reasonable expenses to a director or officer upon receipt of (1) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification and (2) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed if it is ultimately determined that the standard of conduct was not met. However, indemnification does not reduce the exposure of directors and officers to liability under federal or state securities laws, nor does it limit the stockholders' ability to obtain injunctive relief or other equitable remedies for a violation of a director' s or an officer' s duties to us, although the equitable remedies may not be an effective remedy in some circumstances.

The Securities and Exchange Commission and some state securities commissions take the position that indemnification against liabilities arising under the Securities Act is against public policy and unenforceable.

Indemnification of our directors, our advisor or its affiliates and any persons acting as a broker-dealer participating in the sale of our securities will not be allowed for liabilities arising from or out of a violation of state or federal securities laws, unless one or more of the following conditions are met:

there has been a successful adjudication on the merits in favor of the indemnitee of each count involving alleged securities law violations;

such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction; or

a court of competent jurisdiction approves a settlement of the claims against the indemnitee and finds that indemnification of the settlement and the related costs should be made, and the court considering the request for indemnification has been advised of the position of the Securities and Exchange Commission and of the published position of any state securities regulatory authority in which our securities were offered as to indemnification for violations of securities laws.

Our charter provides that the advancement of our funds to our directors, our advisor or our advisor' s affiliates for legal expenses and other costs incurred as a result of any legal action for which indemnification is being sought is permissible only if all of the following conditions are satisfied: (i) the legal action relates to acts or omissions with respect to the performance of duties or services on our behalf; (ii) our directors, our advisor or our advisor' s affiliates provide us with written affirmation of their good faith belief that they have met the standard of conduct necessary for indemnification; (iii) the legal action is initiated by a third party who is not a stockholder or, if the legal action is initiated by a stockholder acting in his or her capacity as such, a court of competent jurisdiction approves such advancement; and (iv) our directors, our advisor or our advisor' s affiliates agree in writing to repay the advanced funds to us together with the applicable legal rate of interest thereon, in cases in which such persons are found not to be entitled to indemnification.

The Advisor

Our advisor is CR IV Advisors, a Delaware limited liability company that was formed on July 27, 2010, and is an affiliate of our sponsor, Cole Real Estate Investments. Whereas CR IV Advisors was formed solely for the purpose of managing our company and has a limited operating history, certain employees within the Cole Real Estate Investments organization, which employed over 325 persons as of the date of this prospectus, perform the services required to manage our operations. These employees include the members of our advisor' s real estate management team. Our advisor has contractual and fiduciary responsibility to us and our stockholders. Our advisor is wholly-owned indirectly by Christopher H. Cole.

The officers and key personnel of our advisor or certain affiliates are as follows:

Name	Age*	Position(s)
Marc T. Nemer	39	Chief Executive Officer and President
Jeffrey C. Holland	41	Executive Vice President and Head of Capital Markets
Chong P. Huan	55	Executive Vice President and Head of Technology & Infrastructure
Indraneel Karlekar	40	Executive Vice President and Chief Investment Strategist
Stephan Keller	45	Executive Vice President and Chief Financial Officer
D. Kirk McAllaster, Jr.	45	Executive Vice President and Chief Financial Officer (REITs and Real Estate Funds)
John M. Pons	48	Executive Vice President, Secretary and General Counsel, Real Estate
Thomas W. Roberts	53	Executive Vice President and Managing Director of Real Estate
Mitchell A. Sabshon	60	Executive Vice President and Chief Operating Officer

* As of October 10, 2012.

The backgrounds of Messrs. Nemer and McAllaster are described in the "− Executive Officers and Directors" section above. Below is a brief description of the other executive officers and key employees of CR IV Advisors.

Jeffrey C. Holland has served as executive vice president and head of capital markets of CR IV Advisors since January 2011. In this role, he provides strategic direction and oversees external and internal sales, marketing, broker-dealer relations, due diligence and securities operations. He also serves as executive vice president and head of capital markets of Cole Capital Advisors, Cole Capital Partners, CCPT I Advisors, CCPT II Advisors, CCPT III Advisors, Cole Corporate Income Advisors and Cole Income NAV Strategy Advisors. Prior to joining Cole Real Estate Investments in December 2010, Mr. Holland held several roles at BlackRock, Inc.' s U.S. retail division, an asset management business focused on financial advisor-intermediated distribution channels, including chief operating officer from 2008 to 2010 and co-head of product development and management from 2006 to 2008. Prior to joining BlackRock, Mr. Holland served as vice president, consulting services, for Raymond James & Associates from 2003 to 2006. Mr. Holland served at Capital Resource Advisors from 1999 to 2003, most recently as director in the Business Strategies Group. From 1996 to 1999, he worked as an engagement manager for McKinsey & Company, Inc. Mr. Holland earned a J.D. from Harvard Law School and a B.A. from the University of Puget Sound.

Chong P. Huan has served as executive vice president and head of technology & infrastructure of CR IV Advisors since January 2012, and previously served as executive vice president and chief technology officer of CR IV Advisors from January 2011 to January 2012. In this role, he is responsible for oversight of all facilities and technology operations, including facilities management, technology infrastructure and application development, strategic planning and information management. He also serves as executive vice president and head of technology & infrastructure of Cole Capital Advisors, Cole Capital Partners, CCPT I Advisors, CCPT II Advisors, CCPT III Advisors, Cole Corporate Income Advisors and Cole Income NAV Strategy Advisors. Prior to joining Cole Real Estate Investments, Mr. Huan served as principal and founder of CIR Solutions LLC, an information technology consulting firm, from 2009 to 2010. Mr. Huan served as chief technology officer and managing director for Citi Global Investment Research from 2007 to 2009. Prior to joining Citi Global Investment Research, he served as senior information officer and vice president of AIG Investment in 2007, chief information officer and senior managing director of New York Life Investment Management from 2000 to 2006, and head of information technology in the Americas with UBS Private Banking and Asset Management from 1996 to 2000. Mr. Huan holds an Executive Masters in technology management from The Wharton School, University of Pennsylvania and an M.B.A. from Northeastern University, and received a B.S. in engineering with honors from Oxford, U.K. He is also a Moore Fellow at the University of Pennsylvania' s School of Engineering and Applied Sciences.

Indraneel Karlekar has served as executive vice president and chief investment strategist of CR IV Advisors since May 2011. In this role, he is responsible for leading our advisor' s real estate investment strategy and continually enhancing Cole Real Estate Investments' product offerings. He also works on a broad range of initiatives across the Cole Real Estate Investments organization, including serving as the firm' s economist. Mr. Karlekar also serves as executive vice president and chief investment strategist of Cole Capital Advisors, Cole Capital Partners, CCPT I Advisors, CCPT II Advisors, CCPT III Advisors, Cole Corporate Income Advisors and Cole Income NAV Strategy Advisors. Prior to joining Cole Real Estate Investments in May 2011, Mr. Karlekar was head of global research and strategy at ING Clarion Real Estate Securities/ING Clarion Partners from 2003 through April 2011, where he was a member of the firm' s investment team and head of its asset allocation committee. Mr. Karlekar served as vice president and head of research of AIG Global Real Estate in 2003, and as a senior analyst − Asia-Pacific for The Economist Intelligence Unit (Economist Group) from 1999 to 2003. Mr. Karlekar received his Ph.D. in Economic Geography and his M.Phil. in International Relations from the University of Cambridge, England; an M.A. in International History from Jawaharlal Nehru University, New Delhi, India; and a B.A. in Global History from St. Stephen' s College in New Delhi, India.

Stephan Keller has served as executive vice president and chief financial officer of our advisor since January 2012. In this role, he is responsible for leading our advisor' s accounting and reporting functions. He also focuses on corporate strategy, corporate business planning, treasury, controls and corporate financing activities.

Mr. Keller also serves as executive vice president and chief financial officer of Cole Capital Advisors, Cole Capital Partners, CCPT I Advisors, CCPT II Advisors, CCPT III Advisors, Cole Corporate Income Advisors and Cole Income NAV Strategy Advisors. Prior to joining Cole Real Estate Investments as executive vice president and chief financial officer in November 2011, Mr. Keller worked for UBS AG from 1992 to 2011, including serving as vice chairman, investment banking of the Financial Institutions Group from 2010 to 2011, group treasurer from 2006 to 2010, chief risk officer of UBS Investment Bank from 2004 to 2006 and chief risk officer for the U.S. Wealth Management business from 2002 to 2004. Mr. Keller received his M.B.A. from the University of St. Gallen, Switzerland.

John M. Pons has served as the executive vice president and general counsel, real estate of CR IV Advisors since its formation in July 2010, and as its secretary since January 2011. Mr. Pons served as secretary for CCPT I from March 2004 to January 2011, and was a member of its board of directors from March 2004 until May 2010. He has served as executive vice president, general counsel and secretary of CCPT I Advisors since September 2008, and previously served as executive vice president, chief administrative officer, general counsel and secretary from October 2007 until September 2008, as executive vice president, chief operating officer, general counsel and secretary from March 2007 until October 2007, as senior vice president and general counsel from December 2005 until March 2007, as senior vice president and counsel from August 2005 until December 2005, and as vice president, counsel and secretary from March 2004 until August 2005. Mr. Pons served as secretary of CCPT II from its formation in September 2004 until November 2010. He served as a member of CCPT II' s board of directors from September 2004 until November 2004. Mr. Pons has served as executive vice president and general counsel of CCPT II Advisors since September 2008 and as its secretary since January 2011, and previously served as executive vice president, chief administrative officer, general counsel and secretary from October 2007 until September 2008, as executive vice president, chief operating officer, general counsel and secretary from March 2007 until October 2007, as senior vice president and general counsel from December 2005 until March 2007, as senior vice president and counsel from August 2005 until December 2005, and as vice president, counsel and secretary from September 2004 until August 2005. Mr. Pons has served as executive vice president and general counsel of CCPT III Advisors since its formation in January 2008 and as its secretary since January 2011, and previously served as its chief operating officer from January 2008 until May 2008. He has served as executive vice president and general counsel, real estate of Cole Corporate Income Advisors since its formation in April 2010 and as its secretary since January 2011. Mr. Pons has served as executive vice president and general counsel, real estate of Cole Income NAV Strategy Advisors since July 2010, and as its secretary since January 2011. Mr. Pons has served as executive vice president, general counsel and secretary of Cole Realty Advisors since September 2008, and previously served as executive vice president, chief administrative officer, general counsel and secretary from October 2007 until September 2008, as executive vice president, chief operating officer and general counsel from March 2007 until October 2007, and as senior vice president from January 2006 until March 2007. He has served as executive vice president, general counsel and secretary of Cole Capital Partners and Cole Capital Advisors since September 2008, and previously served for each as executive vice president, chief administrative officer, general counsel and secretary from October 2007 until September 2008, as executive vice president, chief operating officer and general counsel from March 2007 until October 2007, as senior vice president and general counsel from December 2005 until March 2007, as senior vice president and counsel from August 2005 until December 2005, and as vice president and counsel from September 2003 until August 2005. Prior to joining Cole Real Estate Investments in September 2003, Mr. Pons was an associate general counsel and assistant secretary with GE Capital Franchise Finance Corporation from December 2001. Before attending law school, Mr. Pons was a Captain in the United States Air Force where he served from 1988 until 1992. Mr. Pons received a B.S. degree in Mathematics from Colorado State University and a M.S. degree in Administration from Central Michigan University before earning his J.D. (Order of St. Ives) in 1995 at the University of Denver.

Thomas W. Roberts has served as executive vice president and managing director of real estate of CR IV Advisors since July 2010. He has served as president of Cole Realty Advisors since September 2009. He has served as executive vice president and managing director of real estate of CCPT I Advisors, CCPT II Advisors, CCPT III Advisors, Cole Capital Partners and Cole Capital Advisors since September 2009. He has served as

executive vice president and managing director of real estate of Cole Corporate Income Advisors since its formation in April 2010, and of Cole Income NAV Strategy Advisors since July 2010. Prior to joining Cole Real Estate Investments, Mr. Roberts served as president and chief executive officer of Opus West Corporation, a Phoenix-based real estate developer, from March 1993 until May 2009. Mr. Roberts also worked as vice president, real estate development for the Koll Company from 1986 until 1990. In July 2009, Opus West Corporation filed for Chapter 11 bankruptcy protection. Mr. Roberts received a B.S. from Arizona State University. Mr. Roberts has been active in many professional and community organizations including the Greater Phoenix Economic Council, International Council of Shopping Centers, National Association of Industrial and Office Properties, Young Presidents Organization, ULI, Phoenix Boys and Girls Club, and Xavier College Preparatory Board of Trustees.

Mitchell A. Sabshon has served as executive vice president and chief operating officer of CR IV Advisors since January 2011. In this role, he is responsible for corporate finance, asset management, property management, leasing and high yield portfolio management. He also works on a broad range of initiatives across the Cole Real Estate Investments organization, including issues pertaining to corporate and portfolio strategy, product development and systems. He also serves as executive vice president and chief operating officer of Cole Capital Advisors, Cole Capital Partners, CCPT I Advisors, CCPT II Advisors, CCPT III Advisors, Cole Corporate Income Advisors and Cole Income NAV Strategy Advisors. Prior to joining Cole Real Estate Investments in November 2010, Mr. Sabshon served as managing partner and chief investment officer of EndPoint Financial LLC, an advisory firm providing acquisition and finance advisory services to equity investors, from 2008 to 2010. Mr. Sabshon served as chief investment officer and executive vice president of GFI Capital Resources Group, Inc., a national owner-operator of multifamily properties, from 2007 to 2008. Prior to joining GFI, Mr. Sabshon served with Goldman Sachs & Company from 2004 to 2007 and from 1997 to 2002 in several key strategic roles, including president and chief executive officer of Goldman Sachs Commercial Mortgage Capital and head of the Insurance Client Development Group. From 2002 to 2004, Mr. Sabshon was executive director of the U.S. Institutional Sales Group at Morgan Stanley. Mr. Sabshon held various positions at Lehman Brothers Inc. from 1991 to 1997, most recently as senior vice president in the Real Estate Investment Banking Group. Prior to joining Lehman Brothers, Mr. Sabshon was an attorney in the Real Estate Structured Finance group of Skadden, Arps, Slate, Meagher & Flom LLP. Mr. Sabshon received his J.D. from Hofstra University School of Law and a B.A. from George Washington University.

In addition to the officers and key personnel listed above, our advisor employs personnel who have extensive experience in selecting, managing and selling commercial properties similar to the properties sought to be acquired by us. As of the date of this prospectus our advisor is the sole limited partner of our operating partnership.

The Advisory Agreement

CR IV Advisors is an entity created by our sponsor for the sole purpose of managing the day-to-day operations of our company. We entered into an advisory agreement with CR IV Advisors on January 20, 2012. Many of the services performed by our advisor in managing our day-to-day activities pursuant to the advisory agreement are summarized below. We believe that our advisor currently has sufficient staff and experience so as to be capable of fulfilling the duties set forth in the advisory agreement, along with the duties owed to other real estate programs managed by affiliates of our advisor. This summary is provided to illustrate the material functions that CR IV Advisors will perform for us as our advisor, and it is not intended to include additional services that may be provided to us by third parties, for which they will be separately compensated either directly by us or by our advisor and reimbursed by us. In the event that our advisor engages a third party to perform services that we have engaged our advisor to perform pursuant to the advisory agreement, such third party will be compensated by the advisor out of its advisory fee.

Under the terms of the advisory agreement, our advisor undertakes to use its commercially reasonable best efforts to present to us investment opportunities consistent with our investment policies and objectives as adopted

by our board of directors. In its performance of this undertaking, CR IV Advisors, either directly or indirectly by engaging an affiliate or an unaffiliated third party, shall, among other duties and subject to the supervision of our board of directors:

- find, evaluate, present and recommend to us investment opportunities consistent with our investment policies and objectives;
- serve as our investment and financial advisor and provide research and economic and statistical data in connection with our assets and our investment policies;
- provide the daily management and perform and supervise the various administrative functions reasonably necessary for our management and operations;
- investigate, select, and, on our behalf, engage and conduct business with such third parties as the advisor deems necessary to the proper performance of its obligations under the advisory agreement;
- consult with, and provide information to, our officers and board of directors and assist the board of directors in formulating and implementing our financial policies;
- structure and negotiate the terms and conditions of our real estate acquisitions, sales or joint ventures;
- review and analyze each property' s operating and capital budget;
- acquire properties and make investments on our behalf in compliance with our investment objectives and policies;
- arrange, structure and negotiate financing and refinancing of properties;
- enter into leases of property and service contracts for assets and, to the extent necessary, perform all other operational functions for the maintenance and administration of such assets, including the servicing of mortgages;
- prepare and review on our behalf, with the participation of one designated principal executive officer and principal financial officer, all reports and returns required by the Securities and Exchange Commission, Internal Revenue Service and other state or federal governmental agencies; and
- dispose of properties on our behalf in compliance with our investment objectives and policies, and at the appropriate time, advise our board of directors on the timing and method of providing our investors with liquidity.

It is the duty of our board of directors to evaluate the performance of our advisor before entering into or renewing the advisory agreement, and the criteria used in such evaluation shall be reflected in the minutes of the board of directors' meeting at which such evaluation was conducted. The advisory agreement will have a one-year term ending January 20, 2013, and may be renewed for an unlimited number of successive one-year periods. Additionally, either party may terminate the advisory agreement upon 60 days' written notice without cause or penalty. After termination of the advisory agreement, our advisor will not be entitled to any further compensation, however it will be entitled to receive all unpaid reimbursements of expenses, subject to certain limitations, and all fees payable to the advisor that accrued prior to the termination of the advisory agreement. A subordinated performance fee also may be payable, as discussed below. Our charter does not permit us to enter into an advisory agreement that includes terms that would impose a penalty, such as a termination fee, on the party that elects to terminate the agreement. If we elect to terminate the agreement, we must obtain the approval of a majority of our independent directors. In the event of the termination of our advisory agreement, our advisor is required to cooperate with us and take all reasonable steps requested by us to assist our board of directors in making an orderly transition of the advisory function.

We pay our advisor a monthly advisory fee based upon our monthly average invested assets, equal to the following amounts: (i) an annualized rate of 0.75% will be paid on our average invested assets that are between $0 and $2 billion; (ii) an annualized rate of 0.70% will be paid on our average invested assets that are between

$2 billion and $4 billion; and (iii) an annualized rate of 0.65% will be paid on our average invested assets that are over $4 billion. Monthly average invested assets will equal the average book value of our assets invested, directly or indirectly, in equity interests in and loans secured by our real estate, before reserves for depreciation and amortization or bad debts or other similar non-cash reserves, other than impairment charges, computed by taking the average of such values at the end of each business day, over the course of the month. After our board of directors begins to determine the estimated per share value of our common stock, the average invested assets will be based upon the aggregate valuation of our invested assets, as reasonably estimated by our board of directors. Any portion of this fee may be deferred and paid in a subsequent period upon the mutual agreement of us and our advisor.

We also pay our advisor acquisition fees equal to 2% of: (i) the contract purchase price of each property or asset that we acquire; (ii) the amount paid in respect of the development, construction or improvement of each asset we acquire; (iii) the purchase price of any loan we acquire; and (iv) the principal amount of any loan we originate. Any portion of the acquisition fee may be deferred and paid in a subsequent period upon the mutual agreement of us and our advisor. We are prohibited from paying more than 6% of the contract price of a property, or in the case of a mortgage loan, 6% of the funds advanced, in acquisition fees, including development fees, construction fees and acquisition expenses, unless otherwise approved by a majority of our board of directors, including a majority of the independent directors, not otherwise interested in the transaction, as commercially competitive, fair and reasonable to us, although we intend to limit such payments below 6%.

If our advisor or its affiliates provides a substantial amount of services (as determined by a majority of our independent directors) in connection with the sale of properties, we will pay our advisor or its affiliate a disposition fee in an amount equal to up to one-half of the brokerage commission paid on the sale of properties, not to exceed 1% of the contract price of the properties sold; provided, however, in no event may the disposition fee paid to our advisor or its affiliates, when added to the real estate commissions paid to unaffiliated third parties, exceed the lesser of the customary competitive real estate commission or an amount equal to 6% of the contract sales price.

Additionally, we will be required to pay to our advisor, in cash, a non-interest bearing promissory note or shares of our common stock (or any combination thereof), at our election, subordinated fees based on a percentage of proceeds or stock value in the event of our sale of assets or the listing of our common stock on a national securities exchange, but only if, in the case of our sale of assets, our investors have received, from regular distributions plus special distributions paid from proceeds of such sale, a return of their net capital invested and an 8% annual cumulative, non-compounded return or, in the case of the listing of our common stock, the market value of our common stock plus the distributions paid to our investors exceeds the sum of the total amount of capital raised from investors plus the amount of distributions necessary to generate an 8% annual cumulative, non-compounded return to investors. Upon termination of the advisory agreement, we may incur an obligation to pay to our advisor a subordinated performance fee, in cash, a non-interest bearing promissory note or our shares, at our election, similar to that which our advisor would have been entitled had the portfolio been liquidated (based on an independent appraised value of the portfolio) on the date of termination.

Other than the fees described above, neither the advisor nor its affiliates will be entitled to any additional fees for managing or leasing our properties.

We reimburse our advisor for the expenses incurred in connection with its provision of advisory and administrative services, such as the portion of the salaries paid to employees of Cole Real Estate Investments who are dual employees of our advisor (including executive officers and key personnel of our advisor who are not also executive officers of our company) that are attributed to services rendered by our advisor in connection with our operations, including non-offering related legal and accounting services; provided, however, that we will not reimburse our advisor for the salaries and benefits paid to our executive officers, or for personnel costs in connection with services for which the advisor receives acquisition fees.

Officers, employees and affiliates of our advisor engage in other business ventures and, as a result, their resources will not be dedicated exclusively to our business. However, pursuant to the advisory agreement, our advisor will be required to devote sufficient resources to our administration to discharge its obligations. The Cole Real Estate Investments organization has over 325 full-time employees, many of whom may dedicate a portion of their time to providing services on behalf of our advisor. Our advisor is responsible for a pro rata portion of each employee' s compensation based upon the approximate percentage of time the employee dedicates to our advisor.

Our advisor may assign the advisory agreement to an affiliate upon approval of a majority of our board of directors, including a majority of our independent directors. We may assign or transfer the advisory agreement to a successor entity; provided that at least a majority of our independent directors determines that any such successor advisor possesses sufficient qualifications to perform the advisory function and to justify the compensation payable to the advisor. Our independent directors will base their determination on the general facts and circumstances that they deem applicable, including the overall experience and specific industry experience of the successor advisor and its management. Other factors that will be considered are the compensation to be paid to the successor advisor and any potential conflicts of interest that may occur.

The fees payable to our advisor under the advisory agreement are described in further detail in the "Management Compensation" section of this prospectus. We also describe in that section our obligation to reimburse our advisor for organization and offering expenses, advisory and administrative services, and payments made by our advisor to third parties in connection with potential acquisitions.

Our advisor' s principal assets will be its cash balances and its advisory agreement with our company, and the revenues associated with such agreement. In addition, we expect that our advisor will be covered by an errors and omissions insurance policy. If our advisor is held liable for a breach of its fiduciary duty to us, or a breach of its contractual obligations to us, we expect that the liability would be paid by our advisor from its cash balances or by the insurance policy. However, our advisor is not required to retain cash to pay potential liabilities and it may not have sufficient cash available to pay liabilities if they arise. In such event, and if insurance proceeds are insufficient, we may not be able to collect the full amount of any claims we may have against our advisor.

Affiliated Dealer Manager

Cole Capital Corporation, our dealer manager, is a member firm of FINRA. Cole Capital Corporation was organized in December 1992 for the purpose of participating in and facilitating the distribution of securities of real estate programs sponsored by Cole Holdings Corporation, its affiliates and its predecessors.

Cole Capital Corporation provides certain wholesaling, sales, promotional and marketing assistance services to us in connection with the distribution of the shares offered pursuant to this prospectus. It may also sell a limited number of shares at the retail level. The compensation we pay to Cole Capital Corporation in connection with this offering is described in the section of this prospectus captioned "Management Compensation." See also "Plan of Distribution − Compensation We Will Pay for the Sale of Our Shares."

Cole Capital Corporation is wholly-owned by Cole Capital Advisors, which is wholly-owned by Cole Holdings Corporation. Christopher H. Cole is the sole stockholder of Cole Holdings Corporation. Cole Capital Corporation is an affiliate of our advisor. The backgrounds of the officers of Cole Capital Corporation are described in the "− Executive Officers and Directors" and "− The Advisor" sections above.

Investment Decisions

The primary responsibility for the investment decisions of our advisor and its affiliates, the negotiation for the purchase and sale of these investments, and the management of our assets resides with Marc T. Nemer and the other executive officers and key personnel of our advisor. The backgrounds of the officers of our advisor are described in the "− Executive Officers and Directors" and "− The Advisor" sections above. Our board of directors is responsible for supervising and monitoring the activities of our advisor.

MANAGEMENT COMPENSATION

We have no paid employees. Our advisor and its affiliates manage our day-to-day affairs. The following table summarizes all of the compensation and fees we will pay to our advisor and its affiliates, including amounts to reimburse their costs in providing services. We will not pay a separate fee for financing, leasing or property management, although we may rely on our advisor or its affiliates to provide such services to us. The selling commissions may vary for different categories of purchasers. See the "Plan of Distribution" section of this prospectus. This table assumes the shares are sold through distribution channels associated with the highest possible selling commissions and dealer manager fee.

Type of Compensation(1)	**Determination of Amount**	**Estimated Amount for Maximum Offering**(2)
	Offering Stage	
Selling Commissions − *Cole Capital Corporation*(3)	We generally will pay to our affiliated dealer manager, Cole Capital Corporation, 7% of the gross proceeds of our primary offering. Cole Capital Corporation will reallow 100% of selling commissions to participating broker-dealers. We will not pay any selling commissions with respect to sales of shares under our distribution reinvestment plan.	$175,000,000
Dealer Manager Fee − *Cole Capital Corporation*(3)	We generally will pay to Cole Capital Corporation 2% of the gross proceeds of our primary offering. Cole Capital Corporation may reallow all or a portion of its dealer manager fee to participating broker-dealers. We will not pay a dealer manager fee with respect to sales of shares under our distribution reinvestment plan.	$50,000,000
Reimbursement of Other Organization and Offering Expenses − *CR IV Advisors*(4)	Our advisor will incur or pay our organization and offering expenses (excluding selling commissions and the dealer manager fee). We will then reimburse our advisor for these amounts up to 2.0% of gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan.	$59,500,000 Of the $59,500,000, we expect to reimburse our advisor up to $25,000,000 (1.0% of the gross offering proceeds of our primary offering, or 0.8% of aggregate gross offering proceeds, including proceeds from shares issued under our distribution reinvestment plan) to cover offering expenses that are deemed to be underwriting expenses, and we expect to reimburse our advisor up to $34,500,000 (1.2% of aggregate gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan) to cover non-underwriting organization and offering expenses.
	Acquisition and Operations Stage	
Acquisition Fee − *CR IV Advisors*(5)	In consideration for finding, evaluating, structuring and negotiating our real estate acquisitions, we will pay to our advisor up to 2% of: (i) the contract purchase price of each property or asset; (ii) the amount paid in respect of the development, construction or improvement of each asset we	$52,446,394 assuming no debt or $209,785,575 assuming leverage of 75% of the contract purchase price.

acquire; (iii) the purchase price of any loan we acquire; and (iv) the principal amount of any loan we originate.

<table>
<tr><th>Type of Compensation(1)</th><th>Determination of Amount</th><th>Estimated Amount for Maximum Offering(2)</th></tr>
<tr><td>Advisory Fee − CR IV Advisors(6)</td><td>In consideration for the day-to-day management of our company, we will pay to our advisor a monthly advisory fee based upon our monthly average invested assets. Monthly average invested assets will equal the average book value of our assets invested, directly or indirectly, in equity interests in and loans secured by our real estate, before reserves for depreciation and amortization or bad debts or other similar non-cash reserves, other than impairment charges, computed by taking the average of such values at the end of each business day, over the course of the month. After our board of directors begins to determine the estimated per share value of our common stock, the monthly advisory fee will be based upon the value of our assets invested, directly or indirectly, in equity interests in and loans secured by our real estate as determined by our board of directors.

The advisory fee will be calculated according to the following fee schedule:

<table><tr><th>Monthly Average Invested Assets Range</th><th>Annualized Fee Rate for Each Range</th></tr><tr><td>$0 − $2 billion</td><td>0.75%</td></tr><tr><td>over $2 billion − $4 billion</td><td>0.70%</td></tr><tr><td>over $4 billion</td><td>0.65%</td></tr></table></td><td>The annualized advisory fee rate, and the actual dollar amounts, are dependent upon the amount of our monthly average invested assets and, therefore, cannot be determined at the present time. Based on the following assumed levels of monthly average invested assets, our annualized advisory fee will be as follows:

<table><tr><th>Monthly Average Invested Assets</th><th>Annualized Effective Fee Rate</th><th>Annualized Advisory Fee</th></tr><tr><td>$1 billion</td><td>0.75%</td><td>$ 7,500,000</td></tr><tr><td>$2 billion</td><td>0.75%</td><td>$15,00,000</td></tr><tr><td>$3 billion</td><td>0.7333%</td><td>$22,000,000</td></tr><tr><td>$4 billion</td><td>0.7250%</td><td>$29,000,000</td></tr><tr><td>$5 billion</td><td>0.7100%</td><td>$35,500,000</td></tr></table></td></tr>
<tr><td>Operating Expenses − CR IV Advisors(7)</td><td>We will reimburse our advisor for acquisition expenses incurred in the process of acquiring each property or in the origination or acquisition of a loan. We expect these expenses will be approximately 0.5% of the purchase price of each property or of the amount of each loan; provided, however, that acquisition expenses are not included in the contract purchase price of a property.

We also will reimburse our advisor for the expenses incurred in connection with its provision of advisory and administrative services, including related personnel costs and payments to third party service providers; provided, however, that we will not reimburse our advisor for the salaries and benefits paid to personnel in connection with services for which our advisor receives acquisition fees, and we will not reimburse our advisor for salaries and benefits paid to our executive officers.</td><td>$13,111,598 estimated for reimbursement of acquisition expenses assuming no debt or $43,048,000 estimated for reimbursement of acquisition expenses assuming leverage of 75% of the contract purchase price.</td></tr>
</table>

Type of Compensation(1)	Determination of Amount	Estimated Amount for Maximum Offering(2)
	Liquidity/Listing Stage	
Disposition Fee – *CR IV Advisors or its affiliates*(8)	For substantial assistance in connection with the sale of properties, we will pay our advisor or its affiliates an amount equal to up to one-half of the brokerage commission paid on the sale of property, not to exceed 1% of the contract price of the properties sold; provided, however, in no event may the disposition fee paid to our advisor or its affiliates, when added to the real estate commissions paid to unaffiliated third parties, exceed the lesser of the customary competitive real estate commission or an amount equal to 6% of the contract sales price.	Actual amounts are dependent upon the contract price of properties sold and, therefore, cannot be determined at the present time. Because the disposition fee is based on a fixed percentage of the contract price for sold properties the actual amount of the disposition fees cannot be determined at the present time.
Subordinated Performance Fee – *CR IV Advisors(9)*	After investors have received a return of their net capital invested and an 8% annual cumulative, non-compounded return, then our advisor will be entitled to receive 15% of the remaining net sale proceeds. We cannot assure you that we will provide this 8% return, which we have disclosed solely as a measure for our advisor' s incentive compensation. We will pay a subordinated fee under only one of the following events: (i) if our shares are listed on a national securities exchange; (ii) if our company is sold or our assets are liquidated; or (iii) upon termination of the advisory agreement.	Actual amounts are dependent upon results of operations and, therefore, cannot be determined at the present time. There is no limit on the aggregate amount of these payments.

(1) We will pay all fees, commissions and expenses in cash, other than the subordinated performance fee, which we may pay in cash, common stock, a non-interest bearing promissory note or any combination of the foregoing, as we may determine in our discretion.

(2) The estimated maximum dollar amounts are based on the sale to the public of 250,000,000 shares at $10.00 per share and 50,000,000 shares at $9.50 per share pursuant to our distribution reinvestment plan.

(3) These payments are underwriting compensation. Underwriting compensation paid from any source in connection with this offering may not exceed 10% of the gross proceeds of the primary offering. Selling commissions and, in some cases, the dealer manager fee, will not be charged with regard to shares sold to or for the account of certain categories of purchasers. See the "Plan of Distribution" section of this prospectus.

(4) These organization and offering expenses consist of all expenses (other than selling commissions and the dealer manager fee) to be paid by us in connection with the offering, including: (i) our legal, accounting, printing, mailing and filing fees, charges of our transfer agent for account set up fees, due diligence expenses that are included in a detailed and itemized invoice (such as expenses related to a review of this offering by one or more independent due diligence reviewers engaged by broker-dealers participating in this offering); (ii) amounts to reimburse our advisor for the portion of the salaries paid to employees of its affiliates that are attributed to services rendered to our advisor in connection with preparing supplemental sales materials for us, holding educational conferences and attending retail seminars conducted by our participating broker-dealers; and (iii) reimbursements for our dealer manager' s wholesaling costs, and other marketing and organization costs, including (a) payments made to participating broker-dealers for performing these services, (b) the dealer-manager' s wholesaling commissions, salaries and expense reimbursements, (c) the dealer manager' s due diligence costs and legal fees and (d) costs associated with business entertainment, logoed items and

sales incentives. Expenses relating to educational conferences and retail seminars described in (ii) above, expenses relating to our dealer-manager' s wholesaling costs and payments to participating broker-dealers described in (iii) above and expenses described in (iii)(b) and (iii)(c) above will constitute underwriting compensation, subject to the underwriting limit of 10% of the gross proceeds of our primary offering.

The estimated maximum reimbursement for other organization and offering expenses, $59,500,000, is calculated based upon gross offering proceeds including proceeds from our distribution reinvestment plan. The $25,000,000 portion of the estimated maximum reimbursement for other organization and offering expenses that we expect will be used to cover offering expenses that are deemed to be underwriting expenses equals 0.8% of aggregate gross offering proceeds, including proceeds from shares issued under our distribution reinvestment plan. However, because we do not take proceeds from the sale of shares under our distribution reinvestment plan into account when we calculate the maximum amount we will pay for underwriting compensation, the table also indicates that the $25,000,000 that we expect will be used to cover offering expenses that are deemed to be underwriting expenses equals 1.0% of the gross offering proceeds of our offering, excluding proceeds from our distribution reinvestment plan (which we refer to in this prospectus as our primary offering). In no event will total organization and offering expenses, including selling commissions, the dealer manager fee and reimbursement of other organization and offering expenses, exceed 15% of the gross proceeds of this offering, including proceeds from sales of shares under our distribution reinvestment plan.

(5) Any portion of this fee may be deferred and paid in a subsequent period upon the mutual agreement of us and our advisor. Pursuant to our charter, in accordance with the NASAA REIT Guidelines, our total of all acquisition fees and expenses relating to any purchase, including fees and expenses paid to third parties, shall not exceed 6% of the contract purchase price unless a majority of our directors (including a majority of our independent directors) not otherwise interested in the transaction approve fees and expenses in excess of this limit and determine the transaction to be commercially competitive, fair and reasonable to us. Included in the computation of such fees will be any real estate commission, acquisition fee, development fee, construction fee, non-recurring management fee, loan fees or points, or any fee of a similar nature. On a quarterly basis, we will review the total acquisition fees and expenses relating to each purchase to ensure that such fees and expenses do not exceed 6% of the contract purchase price. For a description of the duties of our advisor pursuant to the advisory agreement, including acquisition services, see the section of this prospectus captioned "Management − The Advisory Agreement."

(6) Any portion of this fee may be deferred and paid in a subsequent period upon the mutual agreement of us and our advisor. An asset' s book value typically will equal its cost. However, in the event that an asset suffers an impairment, we will reduce the real estate and related intangible assets and liabilities to their estimated fair market value. See the section of this prospectus captioned "Management' s Discussion and Analysis of Financial Condition and Results of Operations − Application of Critical Accounting Policies − Investment in and Valuation of Real Estate and Related Assets" for additional information. For a description of the duties of our advisor pursuant to the advisory agreement, including day-to-day advisory services, see the section of this prospectus captioned "Management − The Advisory Agreement."

(7) We reimburse our advisor for the portion of the salaries paid to employees of Cole Real Estate Investments who are dual employees of our advisor, including executive officers and key personnel of our advisor who are not also executive officers of our company, that are attributed to services rendered by our advisor in connection with our operations, including non-offering related legal and accounting services.

Additional services may be provided to us by third parties, for which they will be separately compensated either directly by us or by our advisor and reimbursed by us. In the event that our advisor engages a third party to perform services that we have engaged our advisor to perform pursuant to the advisory agreement, such third parties will be compensated by the advisor out of its advisory fee.

We will not reimburse our advisor for any amount by which the operating expenses (which exclude, among other things, the expenses of raising capital, interest payments, taxes, non-cash items such as depreciation, amortization and bad debt reserves, and acquisition fees and acquisition expenses) paid during the four preceding fiscal quarters exceeds the greater of (i) 2% of average invested assets, or (ii) 25% of net income other than any additions to reserves for depreciation, bad debt or other similar non-cash reserves and excluding any gain from the sale of assets for that period. We will perform the above calculation on a quarterly basis to ensure that the operating expense reimbursements are within these limitations. Acquisition expenses are accounted for separately.

We lease our office space from an affiliate of our advisor and share the space with other Cole-related entities. The amount we will pay under the lease will be determined on a monthly basis based upon on the allocation of the overall lease cost to the approximate percentage of time, size of the area that we utilize and other resources allocated to us.

(8) Although we are most likely to pay disposition fees to CR IV Advisors or its affiliates at the time of our liquidation, these fees may be earned during our operational state if we sell properties prior to our liquidation.

(9) We will pay a subordinated performance fee under only one of the following alternative events: (i) if our shares are listed on a national securities exchange, our advisor will be entitled to a subordinated performance fee equal to 15% of the amount, if any, by which (1) the market value of our outstanding stock plus distributions paid by us prior to listing, exceeds (2) the sum of the total amount of capital raised from investors and the amount of distributions necessary to generate an 8% annual cumulative, non-compounded return to investors; (ii) if our company is sold or our assets are liquidated, our advisor will be entitled to a subordinated performance fee equal to 15% of the net sale proceeds remaining after investors have received a return of their capital invested and an 8% annual cumulative, non-compounded return; or (iii) upon termination of the advisory agreement, our advisor may be entitled to a subordinated performance fee similar to that to which it would have been entitled had the portfolio been liquidated (based on an independent appraised value of the portfolio) on the date of termination. Under our charter, we could not increase these success-based fees without the approval of a majority of our independent directors, and any increase in these fees would have to be reasonable. Our charter provides that these subordinated fees are “presumptively reasonable” if they do not exceed 15% of the balance of such net proceeds or such net market value remaining after investors have received a return of their net capital contributions and an 8% per year cumulative, non-compounded return.

The subordinated performance fee likely will be paid in the form of a non-interest bearing promissory note that will be repaid from the net sale proceeds of each sale after the date of the termination or listing, although, at our discretion, we may pay this fee with cash or shares of our common stock, or any combination of the foregoing. At the time of such sale, we may, however, again at our discretion, pay all or a portion of such non-interest bearing promissory note with shares of our common stock. If shares are used for payment, we do not anticipate that they will be registered under the Securities Act and, therefore, will be subject to restrictions on transferability. Any portion of the subordinated performance fee that our advisor receives prior to our listing will offset the amount otherwise due pursuant to the subordinated performance fee payable upon listing. In no event will the amount paid to our advisor under the non-interest bearing promissory note, if any, exceed the amount considered presumptively reasonable by the NASAA REIT Guidelines. Any subordinated performance fee payable in respect of net sale proceeds that is not paid at the date of sale because investors have not received their required minimum distribution will be deferred and paid at such time as the subordination conditions have been satisfied.

The market value of our outstanding stock will be calculated based on the average market value of the shares issued and outstanding at listing over the 30 trading days beginning 180 days after the shares are first listed. We have the option to cause our operating partnership to pay the subordinated performance fee in the form of stock, cash, a non-interest bearing promissory note or any combination thereof. In the event the subordinated performance fee is earned by our advisor, any previous payments of the subordinated

participation in net sale proceeds will offset the amounts due pursuant to the subordinated performance fee, and we will not be required to pay our advisor any further subordinated participation in net sale proceeds.

The following table summarizes the compensation, fees and reimbursements paid to our advisor and its affiliates related to the offering stage during the following periods:

	For the Three Months Ended	
	June 30, 2012	March 31, 2012
Offering Stage:		
Selling commissions	$ 2,979,558	$ –
Selling commissions reallowed by Cole Capital Corporation	$2,979,558	$ –
Dealer manager fee	$905,191	$ –
Dealer manager fee reallowed by Cole Capital Corporation	$317,719	$ –
Other organization and offering expenses	$906,121	$ –

As of June 30, 2012, our advisor had paid organization and offering costs of $2.1 million in connection with our ongoing public offering, of which $1.2 million was not included in our financial statements because such costs were not a liability to us as they exceeded 2.0% of gross proceeds from our ongoing public offering. As we raise additional proceeds from our ongoing public offering, these $2.1 million in costs may become payable.

The following table summarizes any compensation, fees and reimbursements paid to our advisor and its affiliates related to the acquisition and operations stage during the respective periods reflected below.

	For the Three Months Ended June 30, 2012	For the Year Ended December 31, 2011
Acquisition and Operations Stage:		
Acquisition fees and expenses	$ 1,303,721	$ –
Advisory fees and expenses	$ 99,251	$ –
Operating expenses	$ 48,039	$ –

During the six months ended June 30, 2012, no compensation, fees or reimbursements were incurred for services provided by our advisor and its affiliates related to the liquidity/listing stage. As of December 31, 2011, we had not yet commenced material operations or entered into any arrangements to acquire any specific investments.

At least a majority of our independent directors must determine, from time to time but at least annually, that our total fees and expenses are reasonable in light of our investment performance, net assets, net income and the fees and expenses of other comparable unaffiliated REITs. Each such determination will be reflected in the minutes of our board of directors. The total operating expenses (as defined in the NASAA REIT Guidelines) of the company will not exceed, in any four consecutive fiscal quarters, the greater of 2% of the Average Invested Assets (as defined in the NASAA REIT Guidelines) or 25% of Net Income (as defined in the NASAA REIT Guidelines), unless our independent directors determine, based on unusual and non-recurring factors, that a higher level of expense is justified. In such an event, we will send notice to each of our stockholders within 60 days after the end of the fiscal quarter for which such determination was made, along with an explanation of the factors our independent directors considered in making such determination. Our independent directors shall also supervise the performance of our advisor and the compensation that we pay to it to determine that the provisions of our advisory agreement are being carried out.

Each such determination will be recorded in the minutes of our board of directors and based on the factors that the independent directors deem relevant, including the factors listing in the “Management − General” section of this prospectus.

Since our advisor and its affiliates are entitled to differing levels of compensation for undertaking different transactions on our behalf, our advisor has the ability to affect the nature of the compensation it receives by undertaking different transactions. However, our advisor is obligated to exercise good faith and integrity in all its dealings with respect to our affairs pursuant to the advisory agreement. See the "Management − The Advisory Agreement" section of this prospectus.

Becoming Self-Administered

Because our advisor manages our day-to-day operations, we are considered "externally managed." We believe that it will be in the best interests of our stockholders for the foreseeable future for us to be externally managed, therefore we do not expect to hire and pay for the services of skilled personnel with expertise in real estate finance, acquisition and management that are dedicated solely to managing our operations and properties. We believe that the arrangements set forth in the advisory agreement with CR IV Advisors enable us to balance our real estate expertise needs, our personnel needs and our operating costs. For example, we are able to draw on the services of the executive officers and other personnel of our advisor on an as needed basis rather than having to hire similar individuals on a full-time basis.

If we elect to internalize our operations, we would employ personnel and would be subject to potential liabilities commonly faced by employers, such as workers disability and compensation claims, potential labor disputes and other employee-related liabilities and grievances. Upon any internalization of our advisor, certain key personnel may not become employed by us, but instead will remain employees of our sponsor or its affiliates. However, such personnel do not have restrictions by contract or otherwise that may affect their ability to be employed by us, or otherwise provide services to us.

We may become self-administered in the future in connection with a listing of our shares of common stock on an exchange or other liquidity event, if our board of directors determines that it would be in the best interests of our stockholders. Although there is no prerequisite that publicly-traded REITs be self-administered, we understand that most of the publicly-traded REITs are self-administered and that the market price for our shares may suffer in the event that we list our shares for trading and remain externally managed. Thus, our board of directors likely will not consider listing our shares on a national exchange until it believes that our assets and income can support an internalized management and operating staff within the context of the returns that we are paying, or seek to pay, to our stockholders. If our board of directors reaches such determination, we will likely consider various methods for internalizing these functions. One method would be for us to acquire, or consider acquiring, our advisor through a business combination. At this time, we cannot be sure of the form or amount of consideration or other terms relating to such acquisition, however, we expect that we would not acquire our advisor if we could not retain key personnel of our advisor. If we pursue a business combination with our advisor, our board of directors will have a fiduciary duty to act in our best interests, which will be adverse to the interests of our advisor. To fulfill its fiduciary duty, our board of directors will take various procedural and substantive actions which may include forming a committee comprised entirely of independent directors to evaluate the potential business combination, and granting the committee the authority to retain its own counsel and advisors to evaluate the potential business combination. For a description of some of the risks related to an internalization transaction, see "Risk Factors − Risks Related to an Investment in Cole Credit Property Trust IV, Inc."

STOCK OWNERSHIP

The following table shows, as of the date of this prospectus, the amount of our common stock beneficially owned by (1) any person who is known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock, (2) members of our board of directors, (3) our named executive officers, and (4) all of our directors and executive officers as a group. As of October 3, 2012, we had 4,249 stockholders.

	Common Stock Beneficially Owned(2)	
Name of Beneficial Owner(1)	Number of Shares of Common Stock	Percentage of Class
Christopher H. Cole, Chairman of the Board of Directors, Chief Executive Officer and President(3)	20,000	* %
Marc T. Nemer, Director	–	–
Lawrence S. Jones, Director	–	–
J. Marc Myers, Director	–	–
Scott P. Sealy, Sr., Director	–	–
D. Kirk McAllaster, Jr., Executive Vice President, Chief Financial Officer and Treasurer	–	–
All directors and executive officers as a group (six persons)(3)	20,000	* %

* Represents less than 1% of the outstanding common stock.

(1) Address of each beneficial owner listed is 2325 East Camelback Road, Suite 1100, Phoenix, Arizona 85016.

(2) For purposes of calculating the percentage beneficially owned, the number of shares of common stock deemed outstanding includes (a) 16,094,532 shares outstanding as of October 3, 2012, and (b) shares issuable pursuant to options held by the respective person or group that may be exercised within 60 days following the date of this prospectus. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission that deem shares to be beneficially owned by any person or group who has or shares voting and investment power with respect to such shares.

(3) Includes 20,000 shares owned by Cole Holdings Corporation, an affiliate of our sponsor. Mr. Cole is the sole stockholder of Cole Holdings Corporation and controls the voting and disposition decisions of Cole Holdings Corporation. Pursuant to our charter, Cole Holdings Corporation is prohibited from selling the 20,000 shares of our common stock for so long as Cole Real Estate Investments remains our sponsor; provided, however, that Cole Holdings Corporation may transfer ownership of all or a portion of the 20,000 shares of our common stock to other affiliates of our sponsor.

CONFLICTS OF INTEREST

We are subject to various conflicts of interest arising out of our relationship with CR IV Advisors, our advisor, and its affiliates, including conflicts related to the arrangements pursuant to which we will compensate our advisor and its affiliates. While our independent directors must approve the engagement of CR IV Advisors as our advisor, the fees payable to CR IV Advisors in connection with the services provided to us, and any subsequent decision to continue such engagement, the ability of our independent directors to negotiate on our behalf may be adversely impacted by the fact that our board of directors recognizes that our stockholders invested with the understanding and expectation that an affiliate of Cole Real Estate Investments would act as our advisor. See the "Management Compensation" section of this prospectus. Some of the potential conflicts of interest in our transactions with our advisor and its affiliates, and certain conflict resolution procedures set forth in our charter, are described below.

Our officers and affiliates of our advisor will try to balance our interests with the interests of other Cole-sponsored programs to whom they owe duties. However, to the extent that these persons take actions that are more favorable to other entities than to us, these actions could have a negative impact on our financial performance and, consequently, on distributions to you and the value of your investment. In addition, our directors, officers and certain of our stockholders may engage for their own account in business activities of the types conducted or to be conducted by our subsidiaries and us. For a description of some of the risks related to these conflicts of interest, see the "Risk Factors − Risks Related to Conflicts of Interest" section of this prospectus.

Our independent directors have an obligation to function on our behalf in all situations in which a conflict of interest may arise. Furthermore, all of our directors have a fiduciary obligation to act on behalf of our stockholders.

Interests in Other Real Estate Programs and Other Concurrent Offerings

Affiliates of our advisor act as an advisor to, and our executive officers and at least one of our directors act as officers and/or directors of, CCPT I, CCPT II, CCPT III, CCIT, and Cole Income NAV Strategy, all of which are REITs distributed and managed by affiliates of our advisor. In addition, all of these REITs employ our sponsor' s investment strategy, which focuses on single-tenant corporate properties subject to long term net leases to creditworthy tenants. CCPT I, CCPT II and CCPT III, like us, focus primarily on the retail sector, while CCIT focuses primarily on the office and industrial sector and Cole Income NAV Strategy focuses primarily on commercial properties in the retail, office and industrial sectors. Nevertheless, the common investment strategy used by each REIT would permit them to purchase certain properties that also may be suitable for our portfolio.

CCPT I and CCPT II are no longer offering shares for investment and, with limited exceptions such as through the use of proceeds by CCPT II from its distribution investment plan, are not currently pursuing the acquisition of additional properties. In the event CCPT I or CCPT II sells one or more of its assets, either company may seek to acquire additional properties, which may be similar to properties in which we invest. CCPT III is no longer offering shares for investment to the public; however, CCPT III has sold and will continue to issue shares pursuant to its distribution reinvestment plan and continues to invest in real estate. CCPT III is an active investor in real estate and real estate-related investments, and the investment objective and strategy of CCPT III overlaps with our investment objective and strategy, thereby increasing the likelihood of potential acquisitions being appropriate for CCPT III and for us. CCIT commenced an initial public offering of up to $2.975 billion of shares of common stock in February 2011. Cole Income NAV Strategy commenced an initial public offering of up to $4.0 billion of shares of common stock in December 2011. We believe CCIT and Cole Income NAV Strategy will be active investors in real estate and real estate-related investments, and, although CCIT focuses primarily on the office and industrial sector, and Cole Income NAV Strategy focuses on commercial properties in the retail, office and industrial sectors, we anticipate that many investments that will be

appropriate for investment by us also will be appropriate for investment by CCIT and Cole Income NAV Strategy. See "− Certain Conflict Resolution Procedures" below.

In addition, during the period from January 1, 2002 to December 31, 2011, an affiliate of our advisor had issued approximately $114.2 million of debt pursuant to four private offerings, the proceeds of which were used to acquire single and multi-tenant properties in various states. In addition, during the same period, Cole Real Estate Investments sponsored 53 currently operating tenant-in-common and Delaware Statutory Trust real estate programs. Cole Real Estate Investments also sponsored Cole Growth Opportunity Fund I LP (CGOF), which is currently operating. CGOF does not have similar investment objectives to this program. Affiliates of our advisor may, from time to time, sponsor additional tenant-in-common and/or Delaware statutory trust real estate programs, which may invest in, and compete for, properties that would be suitable investments under our investment criteria. Affiliates of our advisor and of our executive officers also act as officers and directors of general partners of six limited partnerships that have invested in unimproved and improved real properties located in various states, including Cole Credit Property Fund Limited Partnership (Cole Credit LP I) and Cole Credit Property Fund II Limited Partnership (Cole Credit LP II), during the period from January 1, 2002 to December 31, 2011. See the "Prior Performance Summary" section of this prospectus. Affiliates of our executive officers and entities owned or managed by such affiliates also may acquire or develop real estate for their own accounts, and have done so in the past. Furthermore, affiliates of our executive officers and entities owned or managed by such affiliates intend to form additional real estate investment entities in the future, whether public or private, which can be expected to have the same or similar investment objectives and targeted assets as we have, and such persons may be engaged in sponsoring one or more of such entities at approximately the same time as our shares of common stock are being offered. Our advisor, its affiliates and affiliates of our executive officers are not obligated to present to us any particular investment opportunity that comes to their attention, even if such opportunity is of a character that might be suitable for investment by us. Our advisor and its affiliates likely will experience conflicts of interest as they simultaneously perform services for us and other Cole-sponsored real estate programs.

Any Cole-sponsored real estate program, whether or not currently existing, could compete with us in the sale or operation of our assets. We will seek to achieve any operating efficiencies or similar savings that may result from affiliated management of competitive assets. However, to the extent that such programs own or acquire property that is adjacent, or in close proximity, to a property we own, our property may compete with the other program' s property for tenants or purchasers.

Although our board of directors adopted a policy limiting the types of transactions that we may enter into with our advisor, its affiliates, and other Cole-sponsored real estate programs, we may enter into certain such transactions, which are subject to an inherent conflict of interest. Similarly, joint ventures involving affiliates of our advisor or other Cole-sponsored programs also gives rise to conflicts of interest. In addition, our board of directors may encounter conflicts of interest in enforcing our rights against any affiliate in the event of a default by or disagreement with an affiliate or in invoking powers, rights or options pursuant to any agreement between us and our advisor, any of its affiliates or another Cole-sponsored real estate program.

In addition, we will rely on Cole Capital Corporation, our affiliated dealer manager, for the distribution of our shares of common stock to investors in this offering. Cole Capital Corporation currently distributes shares of common stock of CCIT and Cole Income NAV Strategy. We anticipate that Cole Capital Corporation may be required to hire additional personnel to manage our offering as well as any future concurrent offering. If our dealer manager is unable to sufficiently hire personnel to manage concurrent offerings, our dealer manager will face conflicts of interest allocating resources to our offering, which may have a negative effect on our ability to raise capital in this offering. Moreover, if the compensation our dealer manager or its personnel receive in the connection with concurrent offerings differs, our dealer manager and/or its personnel may have an incentive to devote more effort to the offering that results in a higher level of compensation.

Other Activities of Our Advisor and its Affiliates

We rely on our advisor, CR IV Advisors, for the day-to-day operation of our business. As a result of the interests of members of its management in other Cole-sponsored programs and the fact that they also are engaged, and will continue to engage, in other business activities, our advisor and its officers, key persons and respective affiliates may have conflicts of interest in allocating their time between us and other Cole-sponsored programs and other activities in which they are involved. However, our advisor believes that it and its affiliates have sufficient personnel to discharge fully their responsibilities to all of the Cole-sponsored programs and other ventures in which they are involved.

In addition, each of our executive officers, including Christopher H. Cole, who also serves as the chairman of our board of directors, also has an interest in our advisor, our dealer manager and/or other affiliated entities. As a result, each of our executive officers owes fiduciary duties to these other entities, as applicable, which may conflict with the fiduciary duties that he owes to us and our stockholders.

Transactions with Our Advisor and its Affiliates

Our board of directors has adopted a policy to prohibit acquisitions and loans from or to affiliates of our advisor, other than as set forth below. From time to time, our advisor may direct certain of its affiliates to acquire properties that would be suitable investments for us or our advisor may create special purpose entities to acquire properties that would be suitable investments for us. Subsequently, we may acquire such properties from such affiliates of our advisor. Any and all acquisitions from affiliates of our advisor must be approved by a majority of our directors, including a majority of our independent directors, not otherwise interested in such transaction as being fair and reasonable to us and at a price to us that is no greater than the cost of the property to the affiliate of our advisor (including acquisition fees and expenses), unless a majority of the independent directors determines that there is substantial justification for any amount that exceeds such cost and that the difference is reasonable. In no event will we acquire a property from an affiliate of our advisor if the cost to us would exceed the property' s current appraised value as determined by an independent appraiser. In no event will our advisor or any of its affiliates be paid more than one acquisition fee in connection with any such transaction. Moreover, our advisor will not receive an acquisition fee if an affiliated entity will receive a disposition fee in connection with such transaction. Conversely, an affiliated entity will not receive an acquisition fee if our advisor will receive a disposition fee in connection with the sale of a property to an affiliate.

From time to time, we may borrow funds from affiliates of our advisor, including our sponsor, as bridge financing to enable us to acquire a property when offering proceeds alone are insufficient to do so and third party financing has not been arranged. Any and all such transactions must be approved by a majority of our directors, including a majority of our independent directors, not otherwise interested in such transaction as fair, competitive and commercially reasonable, and no less favorable to us than comparable loans between unaffiliated parties; provided, however, that our advisor or its affiliates may pay costs on our behalf, pending our reimbursement, or we may defer payment of fees to our advisor or its affiliates, neither of which would be considered a loan. Notwithstanding any of the foregoing, none of these restrictions would preclude us from internalizing our advisor if our board of directors determines an internalization transaction is in the best interests of our stockholders.

Acquiring, Leasing and Reselling of Properties

There is a risk that a potential investment would be suitable for one or more Cole-sponsored programs, in which case the officers of our advisor and the advisors of the other programs will have a conflict of interest allocating the investment opportunity to us or another program. There is a risk that the advisors will choose a property that provides lower returns to us than a property purchased by another Cole-sponsored program. However, in such event, our advisor and the advisors of the other programs, with oversight by their respective boards of directors, will determine which program will be first presented with the opportunity. See "– Certain Conflict Resolution Procedures" for details of the factors used to make that determination. Additionally, our

advisor may cause a prospective tenant to enter into a lease for property owned by another Cole-sponsored program. In the event that these conflicts arise, our best interests may not be met when persons acting on our behalf and on behalf of other Cole-sponsored programs decide whether to allocate any particular property to us or to another Cole-sponsored program.

Conflicts of interest will exist to the extent that we may acquire, or seek to acquire, properties in the same geographic areas where properties owned by other Cole-sponsored programs are located. In such a case, a conflict could arise in the acquisition or leasing of properties in the event that we and another Cole-sponsored program were to compete for the same properties or tenants, or a conflict could arise in connection with the resale of properties in the event that we and another Cole-sponsored program were to attempt to sell similar properties at the same time including in particular in the event another Cole-sponsored program liquidates at approximately the same time as us. Conflicts of interest may also exist at such time as we or our affiliates managing property on our behalf seek to employ developers, contractors or building managers, as well as under other circumstances. Our advisor will seek to reduce conflicts relating to the employment of developers, contractors or building managers by making prospective employees aware of all such properties seeking to employ such persons. In addition, our advisor will seek to reduce conflicts that may arise with respect to properties available for sale or rent by making prospective purchasers or tenants aware of all such properties. However, these conflicts cannot be fully avoided in that there may be established differing compensation arrangements for employees at different properties or differing terms for resales or leasing of the various properties.

Affiliated Dealer Manager

Since Cole Capital Corporation, our dealer manager, is an affiliate of our advisor, we will not have the benefit of an independent due diligence review and investigation of the type normally performed by an unaffiliated, independent underwriter in connection with the offering of securities. Accordingly, you will have to rely on your own broker-dealer to make an independent review of the terms of this offering. If your broker-dealer conducts an independent review of this offering and/or engages an independent due diligence reviewer to do so on its behalf, we expect that we will pay or reimburse the expenses associated with such review, which may create conflicts of interest. If your broker-dealer does not conduct such a review, you will not have the benefit of an independent review of the terms of this offering. See the “Plan of Distribution” section of this prospectus.

Affiliated Property Manager

Our properties are, and we anticipate that properties we acquire in the future will be, managed and leased by our property manager, Cole Realty Advisors, an affiliate of our advisor, pursuant to property management and leasing agreements. We expect Cole Realty Advisors to also serve as property manager for properties owned by other real estate programs sponsored by Cole Real Estate Investments, some of which may be in competition with our properties.

Joint Venture and Co-ownership Arrangements with Affiliates of Our Advisor

We may enter into joint ventures or other co-ownership arrangements with other Cole-sponsored programs (as well as other parties) for the acquisition, development or improvement of properties and other investments. See the “Investment Objectives and Policies − Acquisition and Investment Policies − Joint Venture Investments” section of this prospectus. Our advisor and its affiliates may have conflicts of interest in determining which Cole-sponsored program should enter into any particular joint venture or co-ownership agreement. The co-venturer or co-owner may have economic or business interests or goals which are or which may become inconsistent with our business interests or goals. In addition, should any such joint venture be consummated, our advisor may face a conflict in structuring the terms of the relationship between our interests and the interest of the co-venturer or co-owner, and in managing the joint venture or other co-ownership arrangement. Since our advisor and its affiliates will negotiate the terms of any agreements or transactions

between us and a Cole-sponsored co-venturer or co-owner, we will not have the benefit of arm' s-length negotiation of the type normally conducted between unrelated co-venturers or co-owners. However, in such event, a majority of our board of directors, including a majority of our independent directors, not otherwise interested in the joint venture, must approve the joint venture as being fair and reasonable to us and on substantially the same terms and conditions as those received by the other joint venturers, and the cost of our investment must be supported by a current appraisal of the asset.

Receipt of Fees and Other Compensation by Our Advisor and Its Affiliates

A transaction involving the purchase or sale of properties, or the purchase or sale of any other real estate-related investment, will likely result in the receipt of fees and other compensation by our advisor and its affiliates, including acquisition and advisory fees, disposition fees, and the possibility of subordinated performance fees. Subject to oversight by our board of directors, our advisor will have considerable discretion with respect to all decisions relating to the terms and timing of all transactions. Therefore, our advisor may have conflicts of interest concerning certain actions taken on our behalf, particularly due to the fact that acquisition fees will generally be based on the cost of the investment and payable to our advisor and its affiliates regardless of the quality of the properties acquired. Similarly, until such time as our board of directors provides an estimate of the value of our shares, the advisory fees will be based on the cost of our investment, regardless of the quality of the properties acquired or services provided to us. Basing acquisition fees and advisory fees on the cost or estimated value of the investment may influence our advisor' s decisions relating to property acquisitions.

In advising our board of directors with respect to pursuing a liquidity event, our advisor and its affiliates may have conflicts of interest due to the fees and other consideration they may receive under alternative liquidity events, such as the listing of our shares of common stock on a national exchange, the sale of our company or the liquidation of our assets. In each event, a subordinated performance fee would be paid to our advisor only after our investors have received a return of their net capital invested and an 8% annual cumulative, non-compounded return. However, in the event our shares of common stock are listed on a national exchange, we may internalize our management functions. One method for internalizing our management functions would be for us to acquire our advisor through a business combination, which could result in significant payments to our advisor or its affiliates. Such payments would be made irrespective of whether our investors have received a return of their net capital invested and an 8% annual cumulative, non-compounded return. Therefore, our advisor may have an incentive to recommend a listing transaction rather than a liquidation transaction. See the "Management Compensation" section of this prospectus.

In addition, the sale of our shares of common stock in this offering will result in dealer manager fees to Cole Capital Corporation, our dealer manager and an affiliate of our advisor.

Each transaction we enter into with our advisor or its affiliates is subject to an inherent conflict of interest. Our board of directors may encounter conflicts of interest in enforcing our rights against any affiliate in the event of a default by or disagreement with an affiliate or in invoking powers, rights or options pursuant to any agreement between us and any affiliate.

Certain Conflict Resolution Procedures

In order to reduce or eliminate certain potential conflicts of interest, our charter contains a number of restrictions relating to (1) transactions we may enter into with our advisor and its affiliates, (2) certain future offerings, and (3) allocation of investment opportunities among Cole-sponsored programs. Conflict resolution provisions in our charter and policies adopted by our board of directors include, among others, the following:

We will not purchase or lease properties from our sponsor, our advisor, any of our directors or any of their respective affiliates unless a majority of the directors, including a majority of the independent directors, not otherwise interested in such transaction determines that such transaction is fair and

reasonable to us and at a price to us no greater than the cost of the property to the seller or lessor, unless there is substantial justification for any amount that exceeds such cost and such excess amount is determined to be reasonable. In no event will we acquire any property at an amount in excess of its current appraised value. We will not sell or lease properties to our sponsor, our advisor, any of our directors or any of their respective affiliates unless a majority of the directors, including a majority of the independent directors, not otherwise interested in the transaction determines that the transaction is fair and reasonable to us.

We will not make any loans to our sponsor, our advisor, any of our directors or any of their respective affiliates, except that we may make or invest in mortgage loans involving our sponsor, our advisor, our directors or their respective affiliates, provided, among other things, that an appraisal of the underlying property is obtained from an independent appraiser and the transaction is approved by a majority of the directors, including a majority of the independent directors, not otherwise interested in such transaction as fair and reasonable to us and on terms no less favorable to us than those available from unaffiliated third parties. In addition, our sponsor, our advisor, any of our directors and any of their respective affiliates will not make loans to us or to joint ventures in which we are a joint venture partner unless approved by a majority of our directors, including a majority of the independent directors, not otherwise interested in the transaction as fair, competitive and commercially reasonable, and no less favorable to us than comparable loans between unaffiliated parties.

Our advisor and its affiliates will be entitled to reimbursement, at cost, for actual expenses incurred by them on behalf of us or joint ventures in which we are a joint venture partner; provided, however, our advisor must reimburse us for the amount, if any, by which our total operating expenses, including the advisor asset management fee, paid during the immediately prior four consecutive fiscal quarters exceeded the greater of: (i) 2% of our average invested assets for such year, or (ii) 25% of our net income, before any additions to reserves for depreciation, bad debts or other similar non-cash reserves and excluding any gain from the sale of our assets, for such year.

In the event that an investment opportunity becomes available that may be suitable for both us and one or more other Cole-sponsored program, and for which more than one of such entities has sufficient uninvested funds, then our advisor and the advisors of the other programs, with oversight by their respective boards of directors, will examine the following factors, among others, in determining the entity for which the investment opportunity is most appropriate:

- the investment objective of each entity;
- the anticipated operating cash flows of each entity and the cash requirements of each entity;
- the effect of the acquisition both on diversification of each entity' s investments by type of property, geographic area and tenant concentration;
- the amount of funds available to each program and the length of time such funds have been available for investment;
- the policy of each entity relating to leverage of properties;
- the income tax effects of the purchase to each entity; and
- the size of the investment.

If, in the judgment of the advisors, the investment opportunity may be equally appropriate for more than one program, then the entity that has had the longest period of time elapse since it was offered an investment opportunity will first be offered such investment opportunity.

If a subsequent development, such as a delay in the closing of the acquisition or a delay in the construction of a property, causes any such investment, in the opinion of the advisors, to be more appropriate for an entity other than the entity that committed to make the investment, the advisors may determine that another Cole-

sponsored program will make the investment. Our board of directors, including the independent directors, has a duty to ensure that the method used for the allocation of the acquisition of properties by two or more programs seeking to acquire similar types of properties is applied fairly to us.

We will not enter into any other transaction with our sponsor, our advisor, any of our directors or any of their affiliates, including the acceptance of goods or services from our sponsor, our advisor, any of our directors or any of their affiliates, unless a majority of our directors, including a majority of the independent directors, not otherwise interested in the transaction approve such transaction as fair and reasonable to us and on terms and conditions not less favorable to us than those available from unaffiliated third parties.

INVESTMENT OBJECTIVES AND POLICIES

Investment Objectives

Our primary investment objectives are:

to acquire quality commercial real estate properties, net leased under long-term leases to creditworthy tenants, which provide current operating cash flows;

to provide reasonably stable, current income for you through the payment of cash distributions; and

to provide the opportunity to participate in capital appreciation in the value of our investments.

We may not achieve any of these objectives. See the "Risk Factors" section of this prospectus.

Our Potential Competitive Strengths

We believe that we will be able to distinguish ourselves from other owners, operators and acquirers of retail and other income-producing properties. We believe our long-term success will be supported through the following potential competitive strengths:

Cole's Disciplined Investment Approach. Mr. Cole began investing in commercial real estate in 1979, focusing primarily on retail and office properties, and raw land in the metropolitan Phoenix area. From 1979 until the end of 1999, Mr. Cole, together with various investment partners, acquired 78 commercial properties and raw land. During that time, Mr. Cole founded what is now Cole Real Estate Investments. From 2002 until the end of 2011, our sponsor' s real estate programs acquired 1,639 commercial properties, predominantly in the retail sector. See the section of this prospectus captioned "Prior Performance Summary" for a discussion of the historical experience of the real estate programs managed over the last ten years by our sponsor. Under Mr. Cole' s leadership, our sponsor developed an investment approach that focuses on acquiring single-tenant necessity corporate properties subject to long-term net leases to creditworthy tenants. In addition, our sponsor' s investment strategy targets properties that typically have high occupancy rates (greater than 90%) and low to moderate leverage (0% to 50% loan to value). While our sponsor historically has applied its investment approach predominantly in the retail sector, our sponsor has utilized this investment approach in the office and industrial sectors as well. We expect that our advisor will apply this disciplined investment approach to our investments in necessity retail and other income-producing properties.

Experienced Advisor. Mr. Roberts, our advisor' s executive vice president and managing director of real estate, has more than 24 years of commercial real estate experience, and leads a team of experienced real estate industry professionals. Additionally, our advisor' s executive management team has extensive public company operating experience, with several of its senior executives having held senior positions at publicly held REITs.

Successful Credit Underwriting Experience. Cole Real Estate Investments has demonstrated an ability to successfully underwrite the tenants that occupy the real estate assets of Cole-sponsored real estate programs. The combined portfolios of CCPT I, CCPT II, CCPT III, CCIT and Cole Income NAV Strategy had a 98% occupancy rate as of December 31, 2011.

Strong Industry Relationships. We believe that our advisor' s extensive network of industry relationships with the real estate brokerage, development and investor communities will enable us to successfully execute our acquisition and investment strategies. These relationships augment our advisor' s ability to source acquisitions in off-market transactions outside of competitive marketing processes, capitalize on development opportunities and capture repeat business and transaction activity. Our advisor' s strong relationships with the tenant and leasing brokerage communities are expected to aid in attracting and retaining tenants.

Ability to Purchase Properties for Cash. We expect that one of our competitive advantages will be our ability to purchase properties for cash and to close transactions quickly. We believe our ability to purchase properties for cash will expedite our acquisition process and make us an attractive purchaser to potential sellers of properties. While we have not yet raised a substantial amount of capital, Cole Capital Corporation, the broker-dealer affiliate of our sponsor, has successfully raised capital for other Cole-sponsored real estate programs, and we expect that, through its well-developed distribution capabilities and relationships with other broker-dealers, Cole Capital Corporation will be successful in selling shares on our behalf.

While we believe that these factors will help distinguish us from our competitors and contribute to our long-term success, there is no guarantee that they will provide us with any actual competitive advantages.

Liquidity Opportunities

Our board of directors will consider future liquidity opportunities, which may include the sale of our company, the sale of all or substantially all of our assets, a merger or similar transaction, the listing of our shares of common stock for trading on a national securities exchange or an alternative strategy that will result in a significant increase in the opportunities for stockholders to dispose of their shares. We expect to engage in a strategy to provide our investors with liquidity at a time and in a method recommended by our advisor and determined by our independent directors to be in the best interests of our stockholders. As we are unable to determine what macro- or micro- economic factors may affect the decisions our board of directors make in the future with respect to any potential liquidity opportunity, we have not selected a fixed time period or determined criteria for any such decisions. As a result, while our board of directors will consider a variety of options to provide stockholders with liquidity throughout the life of this program, there is no requirement that we commence any such action on or before a specified date. Stockholder approval would be required for the sale of all or substantially all of our assets, or the sale or merger of our company.

Acquisition and Investment Policies

Types of Investments

We invest primarily in income-producing necessity retail properties that are single-tenant or multi-tenant "power centers," which are leased to national and regional creditworthy tenants under long-term leases, and are strategically located throughout the United States and U.S. protectorates. Necessity retail properties are properties leased to retail tenants that attract consumers for everyday needs, such as pharmacies, home improvement stores, national superstores, restaurants and regional retailers.

For over three decades, our sponsor, Cole Real Estate Investments, has developed and utilized this investment approach in acquiring and managing core commercial real estate assets primarily in the retail sector but in the office and industrial sectors as well. We believe that our sponsor' s experience in assembling real estate portfolios, which principally focus on national and regional creditworthy tenants subject to long-term leases, will provide us with a competitive advantage. In addition, our sponsor has built a business of over 325 employees, who are experienced in the various aspects of acquiring, financing and managing commercial real estate, and that our access to these resources also will provide us with an advantage.

We also may invest in other income-producing properties, such as office and industrial properties, which may share certain core characteristics with our retail investments, such as a principal creditworthy tenant, a long-term net lease, and a strategic location. We believe investments in these types of office and industrial properties, which are essential to the business operations of the tenant, are consistent with our goal of providing investors with a relatively stable stream of current income and an opportunity for capital appreciation.

We may further diversify our portfolio by making and investing in mortgage, bridge or mezzanine loans, or in participations in such loans, secured directly or indirectly by the same types of commercial properties that we

may acquire directly, and we may invest in other real estate-related securities. We may acquire properties under development or that require substantial refurbishment or renovation. We also may acquire majority or minority interests in other entities (or business units of such entities) with investment objectives similar to ours or with management, investment or development capabilities that our advisor deems desirable or advantageous to acquire. We will not forgo a high quality investment because it does not precisely fit our expected portfolio composition. Our board of directors has broad discretion to change our investment policies in order for us to achieve our investment objectives.

Many of our properties are and we anticipate that future properties will be leased to tenants in the chain or franchise retail industry, including but not limited to convenience stores, drug stores and restaurant properties, as well as leased to large national retailers as stand alone properties or as part of so-called "power centers," which are comprised of big box national, regional and local retailers. Our advisor will monitor industry trends and identify properties on our behalf that serve to provide a favorable return balanced with risk. Our management is expected primarily to target regional or national name brand retail businesses with established track records. We generally intend to hold each property for a period in excess of seven years.

We believe that our general focus on the acquisition of a large number of single-tenant and multi-tenant necessity retail properties net leased to creditworthy tenants presents lower investment risks and greater stability than other sectors of today' s commercial real estate market. By acquiring a large number of single-tenant and multi-tenant retail properties, we believe that lower than expected results of operations from one or a few investments will not necessarily preclude our ability to realize our investment objective of cash flow from our overall portfolio. We believe this approach can result in less risk to investors than an investment approach that targets other asset classes. In addition, we believe that retail properties under long-term triple net and double net leases offer a distinct investment advantage since these properties generally require less management and operating capital, have less recurring tenant turnover and, with respect to single-tenant properties, often offer superior locations that are less dependent on the financial stability of adjoining tenants. In addition, since we intend to acquire properties that are geographically diverse, we expect to minimize the potential adverse impact of economic slow downs or downturns in local markets. Our management believes that a portfolio consisting of both freestanding, single-tenant retail properties and multi-tenant retail properties anchored by large national retailers will enhance our liquidity opportunities for investors by making the sale of individual properties, multiple properties or our investment portfolio as a whole attractive to institutional investors and by making a possible listing of our shares attractive to the public investment community.

To the extent feasible, we will seek to achieve a well-balanced portfolio diversified by geographic location, age and lease maturities of the various properties. We will pursue properties leased to tenants representing a variety of retail industries to avoid concentration in any one industry. These industries may include all types of retail establishments, such as big box retailers, convenience stores, drug stores and restaurant properties. We also will seek to diversify our tenants among national, regional and local brands. We generally expect to target properties with lease terms in excess of ten years. We may acquire properties with shorter lease terms if the property is in an attractive location, if the property is difficult to replace, or if the property has other significant favorable attributes. We expect that these investments will provide long-term value by virtue of their size, location, quality and condition, and lease characteristics. We currently expect that substantially all of our acquisitions will be in the United States, including U.S. protectorates.

Many retail companies today are entering into sale-leaseback arrangements as a strategy for applying capital that would otherwise be applied to their real estate holdings to their core operating businesses. We believe that our investment strategy will enable us to take advantage of the increased emphasis on retailers' core business operations in today' s competitive corporate environment as many retailers attempt to divest from real estate assets.

There is no limitation on the number, size or type of properties that we may acquire or on the percentage of net proceeds of this offering that may be invested in a single property. The number and mix of properties

comprising our portfolio will depend upon real estate market conditions and other circumstances existing at the time we acquire properties, and the amount of proceeds we raise in this offering. We are not restricted to investments in corporate properties. We will not forego a high quality investment because it does not precisely fit our expected portfolio composition. See "− Other Possible Investments" below for a description of other types of real estate and real estate-related investments we may make.

We intend to incur debt to acquire properties where our advisor determines that incurring such debt is in our best interests. In addition, from time to time, we may acquire some properties without financing and later incur mortgage debt secured by one or more of such properties if favorable financing terms are available. We will use the proceeds from these loans to acquire additional properties. See "− Borrowing Policies" below for a more detailed description of our borrowing intentions and limitations.

Real Estate Underwriting Process

In evaluating potential property acquisitions consistent with our investment objectives, our advisor will apply a well-established underwriting process to determine the creditworthiness of potential tenants. Similarly, our advisor will apply credit underwriting criteria to possible new tenants when we are re-leasing properties in our portfolio. Many of the tenants of our properties are and we expect will continue to be national or regional retail chains that are creditworthy entities having high net worth and operating income. Our advisor' s underwriting process includes analyzing the financial data and other available information about the tenant, such as income statements, balance sheets, net worth, cash flow, business plans, data provided by industry credit rating services, and/or other information our advisor may deem relevant. Generally, these tenants must have a proven track record in order to meet the credit tests applied by our advisor. In addition, we may obtain guarantees of leases by the corporate parent of the tenant, in which case our advisor will analyze the creditworthiness of the guarantor. In many instances, especially in sale-leaseback situations, where we are acquiring a property from a company and simultaneously leasing it back to the company under a long-term lease, we will meet with the senior management to discuss the company' s business plan and strategy.

When using debt rating agencies, a tenant typically will be considered creditworthy when the tenant has an "investment grade" debt rating by Moody' s of Baa3 or better, credit rating by Standard & Poor' s of BBB- or better, or its payments are guaranteed by a company with such rating. Changes in tenant credit ratings, coupled with future acquisition and disposition activity, may increase or decrease our concentration of creditworthy tenants in the future.

Moody' s ratings are opinions of future relative creditworthiness based on an evaluation of franchise value, financial statement analysis and management quality. The rating given to a debt obligation describes the level of risk associated with receiving full and timely payment of principal and interest on that specific debt obligation and how that risk compares with that of all other debt obligations. The rating, therefore, provides one measure of the ability of a company to generate cash in the future.

A Moody' s debt rating of Baa3, which is the lowest investment grade rating given by Moody' s, is assigned to companies which, in Moody' s opinion, have adequate financial security. However, certain protective elements may be lacking or may be unreliable over any given period of time. A Moody' s debt rating of AAA, which is the highest investment grade rating given by Moody' s, is assigned to companies that, in Moody' s opinion, have exceptional financial security. Thus, investment grade tenants will be judged by Moody' s to have at least adequate financial security, and will in some cases have exceptional financial security.

Standard & Poor' s assigns a credit rating to companies and to each issuance or class of debt issued by a rated company. A Standard & Poor' s credit rating of BBB-, which is the lowest investment grade rating given by Standard & Poor' s, is assigned to companies that, in Standard & Poor' s opinion, exhibit adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the company to meet its financial commitments. A Standard & Poor' s credit rating of

AAA+, which is the highest investment grade rating given by Standard & Poor' s, is assigned to companies that, in Standard & Poor' s opinion, have extremely strong capacities to meet their financial commitments. Thus, investment grade tenants will be judged by Standard & Poor' s to have at least adequate protection parameters, and will in some cases have extremely strong financial positions.

While we will utilize ratings by Moody' s and Standard & Poor' s as one factor in determining whether a tenant is creditworthy, our advisor will also consider other factors in determining whether a tenant is creditworthy, for the purpose of meeting our investment objectives. Our advisor' s underwriting process also will consider information provided by other debt or credit rating agencies, such as Dun & Bradstreet, along with our advisor' s own analysis of the financial condition of the tenant and/or the guarantor, the operating history of the property with the tenant, the tenant' s market share and track record within the tenant' s industry segment, the general health and outlook of the tenant' s industry segment, the strength of the tenant' s management team and the terms and length of the lease at the time of the acquisition. These factors may cause us to consider a prospective tenant to be creditworthy even if it does not have an investment grade rating.

Description of Leases

We expect, in most instances, to continue to acquire tenant properties with existing double net or triple net leases. "Net" leases means leases that typically require tenants to pay all or a majority of the operating expenses, including real estate taxes, special assessments and sales and use taxes, utilities, maintenance, insurance and building repairs related to the property, in addition to the lease payments. Triple net leases typically require the tenant to pay all costs associated with a property in addition to the base rent and percentage rent, if any, including capital expenditures for the roof and the building structure. Double net leases typically hold the landlord responsible for the capital expenditures for the roof and structure, while the tenant is responsible for all lease payments and remaining operating expenses associated with the property. We expect that double net and triple net leases will help ensure the predictability and stability of our expenses, which we believe will result in greater predictability and stability of our cash distributions to stockholders. Not all of our leases will be net leases. In respect of multi-tenant properties, we expect to have a variety of lease arrangements with the tenants of these properties. Since each lease is an individually negotiated contract between two or more parties, each lease will have different obligations of both the landlord and tenant. Many large national tenants have standard lease forms that generally do not vary from property to property. We will have limited ability to revise the terms of leases to those tenants. We expect that multi-tenant office space is likely to be subject to "gross" leases. "Gross" leases means leases that typically require the tenant to pay a flat rental amount and we would pay for all property charges regularly incurred as a result of our owning the property. Not all of our leases will be net leases. When spaces in a property become vacant, existing leases expire, or we acquire properties under development or requiring substantial refurbishment or renovation, we anticipate entering into "net" leases.

Typically, we expect to enter into leases that have terms of ten years or more. We may acquire properties under which the lease term has partially expired. We also may acquire properties with shorter lease terms if the property is in an attractive location, if the property is difficult to replace, or if the property has other significant favorable real estate attributes. Under most commercial leases, tenants are obligated to pay a predetermined annual base rent. Some of the leases also will contain provisions that increase the amount of base rent payable at points during the lease term. We expect that many of our leases will contain periodic rent increases. Generally, the leases require each tenant to procure, at its own expense, commercial general liability insurance, as well as property insurance covering the building for the full replacement value and naming the ownership entity and the lender, if applicable, as the additional insured on the policy. Tenants will be required to provide proof of insurance by furnishing a certificate of insurance to our advisor on an annual basis. The insurance certificates will be tracked and reviewed for compliance by our advisor' s property and risk management departments. As a precautionary measure, we may obtain, to the extent available, secondary liability insurance, as well as loss of rents insurance that covers one year of annual rent in the event of a rental loss.

Some leases may require that we procure insurance for both commercial general liability and property damage; however, generally the premiums are fully reimbursable from the tenant. In such instances, the policy will list us as the named insured and the tenant as the additional insured.

We do not expect to permit leases to be assigned or subleased without our prior written consent. If we do consent to an assignment or sublease, generally we expect the terms of such consent to provide that the original tenant will remain fully liable under the lease unless we release that original tenant from its obligations.

We may purchase properties and lease them back to the sellers of such properties. While we intend to use our best efforts to structure any such sale-leaseback transaction so that the lease will be characterized as a "true lease" and so that we are treated as the owner of the property for federal income tax purposes, the Internal Revenue Service could challenge this characterization. In the event that any sale-leaseback transaction is re-characterized as a financing transaction for federal income tax purposes, deductions for depreciation and cost recovery relating to such property would be disallowed, and in certain circumstances, we could lose our REIT status. See the "Federal Income Tax Considerations − Sale-Leaseback Transactions" section of this prospectus.

Investment Decisions

Our advisor has substantial discretion with respect to the selection of our specific investments, subject to our investment and borrowing policies, and our policies are approved by our board of directors. In pursuing our investment objectives and making investment decisions on our behalf, our advisor evaluates the proposed terms of the investment against all aspects of the transaction, including the condition and financial performance of the asset, the terms of existing leases and the creditworthiness of the tenant, and property location and characteristics. Because the factors considered, including the specific weight we place on each factor, vary for each potential investment, we do not, and are not able to, assign a specific weight or level of importance to any particular factor.

Our advisor will procure and review an independent valuation estimate on the proposed investment. In addition, our advisor, to the extent such information is available, will consider the following:

- tenant rolls and tenant creditworthiness;
- a property condition report;
- unit level store performance;
- property location, visibility and access;
- age of the property, physical condition and curb appeal;
- neighboring property uses;
- local market conditions, including vacancy rates;
- area demographics, including trade area population and average household income;
- neighborhood growth patters and economic conditions;
- presence of nearby properties that may positively or negatively impact store sales at the subject property; and
- lease terms, including length of lease term, scope of landlord responsibilities, presence and frequency of contractual rental increases, renewal option provisions, exclusive and permitted use provisions, co-tenancy requirements and termination options.

Our advisor will review the terms of each existing lease by considering various factors, including:

- rent escalations;
- remaining lease term;

renewal option terms;

tenant purchase options;

termination options;

scope of the landlord' s maintenance, repair and replacement requirements;

projected net cash flow yield; and

projected internal rates of return.

Our board of directors has adopted a policy to prohibit acquisitions from affiliates of our advisor except in limited circumstances. See the section of this prospectus captioned "Conflicts of Interest − Transactions with Our Advisor and its Affiliates."

Conditions to Closing Our Acquisitions

Generally, we condition our obligation to close the purchase of any investment on the delivery and verification of certain documents from the seller or developer, including, where appropriate:

plans and specifications;

surveys;

evidence that title to the property can be freely sold or otherwise transferred to us, subject to such liens and encumbrances as are acceptable to our advisor;

financial statements covering recent operations of properties having operating histories;

title and liability insurance policies; and

certificates of the tenant attesting that the tenant believes that, among other things, the lease is valid and enforceable.

In addition, we will take such steps as we deem necessary with respect to potential environmental matters. See the section of this prospectus captioned "− Environmental Matters" below.

We may enter into purchase and sale arrangements with a seller or developer of a suitable property under development or construction. In such cases, we will be obligated to purchase the property at the completion of construction, provided that the construction conforms to definitive plans, specifications, and costs approved by us in advance. In such cases, prior to our acquiring the property, we generally would receive a certificate of an architect, engineer or other appropriate party, stating that the property complies with all plans and specifications. If renovation or remodeling is required prior to the purchase of a property, we expect to pay a negotiated maximum amount to the seller upon completion. We do not currently intend to construct or develop properties or to render any services in connection with such development or construction but we may do so in the future.

In determining whether to purchase a particular property, we may, in accordance with customary practices, obtain an option to purchase such property. The amount paid for an option, if any, normally is forfeited if the property is not purchased and normally is credited against the purchase price if the property is purchased.

In the purchasing, leasing and developing of properties, we are subject to risks generally incident to the ownership of real estate. See the "Risk Factors − General Risks Related to Investments in Real Estate" section of this prospectus.

Ownership Structure

Our investments in real estate generally take the form of holding fee title or a long-term leasehold estate. We have acquired, and expect to continue to acquire, such interests either directly through our operating partnership or indirectly through limited liability companies, limited partnerships or other entities owned and/or

controlled by our operating partnership. We may acquire properties by acquiring the entity that holds the desired properties. We also may acquire properties through investments in joint ventures, partnerships, co-tenancies or other co-ownership arrangements with third parties, including the developers of the properties or affiliates of our advisor. See the section captioned "Our Operating Partnership Agreement" in this prospectus and the "– Joint Venture Investments" section below.

Joint Venture Investments

We may enter into joint ventures, partnerships, co-tenancies and other co-ownership arrangements with affiliated entities of our advisors, including other real estate programs sponsored by affiliates of our advisor, and other third parties for the acquisition, development or improvement of properties or the acquisition of other real estate-related investments. We may also enter into such arrangements with real estate developers, owners and other unaffiliated third parties for the purpose of developing, owning and operating real properties. In determining whether to invest in a particular joint venture, our advisor will evaluate the underlying real property or other real estate-related investment using the same criteria described above in "– Investment Decisions" for the selection of our real property investments. Our advisor also will evaluate the joint venture or co-ownership partner and the proposed terms of the joint venture or a co-ownership arrangement.

Our general policy is to invest in joint ventures only when we will have an option or contract to purchase, or a right of first refusal to purchase, the property held by the joint venture or the co-venturer' s interest in the joint venture if the co-venturer elects to sell such interest. In the event that the co-venturer elects to sell all or a portion of the interests held in any such joint venture, however, we may not have sufficient funds to exercise our right of first refusal to buy the other co-venturer' s interest in the joint venture. In the event that any joint venture with an affiliated entity holds interests in more than one asset, the interest in each such asset may be specially allocated between us and the joint venture partner based upon the respective proportion of funds deemed invested by each co-venturer in each such asset.

Our advisor' s officers and key persons may have conflicts of interest in determining which Cole-sponsored program should enter into any particular joint venture agreement. The co-venturer may have economic or business interests or goals that are or may become inconsistent with our business interests or goals. In addition, our advisor' s officers and key persons may face a conflict in structuring the terms of the relationship between our interests and the interest of the affiliated co-venturer and in managing the joint venture. Since some or all of our advisor' s officers and key persons will also advise the affiliated co-venturer, agreements and transactions between us and any other Cole-sponsored co-venturer will not have the benefit of arm' s-length negotiation of the type normally conducted between unrelated co-venturers, which may result in the co-venturer receiving benefits greater than the benefits that we receive. In addition, we may assume liabilities related to the joint venture that exceed the percentage of our investment in the joint venture.

We may enter into joint ventures with other Cole real estate programs, or with our sponsor, our advisor, one or more of our directors, or any of their respective affiliates, only if a majority of our directors (including a majority of our independent directors) not otherwise interested in the transaction approve the transaction as being fair and reasonable to us and on substantially the same terms and conditions as those received by unaffiliated joint venturers, and the cost of our investment must be supported by a current appraisal of the asset.

Development and Construction of Properties

We may invest in properties on which improvements are to be constructed or completed or which require substantial renovation or refurbishment. We expect that joint ventures would be the exclusive vehicle through which we would invest in build-to-suit properties. Our general policy is to structure them as follows:

- we may enter into a joint venture with third parties who have an executed lease with the developer who has an executed lease in place with the future tenant whereby we will provide a portion of the equity or debt financing;

we would accrue a preferred return during construction on any equity investment;

the properties will be developed by third parties; and

consistent with our general policy regarding joint venture investments, we would have an option or contract to purchase, or a right of first refusal to purchase, the property or co-investor' s interest.

It is possible that joint venture partners may resist granting us a right of first refusal or may insist on a different methodology for unwinding the joint venture if one of the parties wishes to liquidate its interest.

In the event that we elect to engage in development or construction projects, in order to help ensure performance by the builders of properties that are under construction, completion of such properties will be guaranteed at the contracted price by a completion guaranty, completion bond or performance bond. Our advisor may rely upon the substantial net worth of the contractor or developer or a personal guarantee accompanied by financial statements showing a substantial net worth provided by an affiliate of the person entering into the construction or development contract as an alternative to a completion bond or performance bond. Development of real estate properties is subject to risks relating to a builder' s ability to control construction costs or to build in conformity with plans, specifications and timetables. See the "Risk Factors − General Risks Related to Investments in Real Estate" section of this prospectus.

We may make periodic progress payments or other cash advances to developers and builders of our properties prior to completion of construction only upon receipt of an architect' s certification as to the percentage of the project then completed and as to the dollar amount of the construction then completed. We intend to use such additional controls on disbursements to builders and developers as we deem necessary or prudent. We may directly employ one or more project managers, including our advisor or an affiliate of our advisor, to plan, supervise and implement the development of any unimproved properties that we may acquire. Such persons would be compensated directly by us or through an affiliate of our advisor and reimbursed by us. In either event, the compensation would reduce the amount of any construction fee, development fee or acquisition fee that we would otherwise pay to our advisor or its affiliate.

In addition, we may invest in unimproved properties, provided that we will not invest more than 10% of our total assets in unimproved properties or in mortgage loans secured by such properties. We will consider a property to be an unimproved property if it was not acquired for the purpose of producing rental or other operating cash flows, has no development or construction in process at the time of acquisition and no development or construction is planned to commence within one year of the acquisition.

Environmental Matters

All real property and the operations conducted on real property are subject to federal, state and local laws and regulations relating to environmental protection and human health and safety. These laws and regulations generally govern wastewater discharges, air emissions, the operation and removal of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid and hazardous materials, the presence and release of hazardous substances and the remediation of contamination associated with disposals. State and federal laws in this area are constantly evolving, and we intend to take commercially reasonable steps to protect ourselves from the impact of these laws.

We generally will not purchase any property unless and until we also obtain what is generally referred to as a "Phase I" environmental site assessment and are generally satisfied with the environmental status of the property. However, we may purchase a property without obtaining such assessment if our advisor determines the assessment is not necessary because there is an existing recent Phase I site assessment. A Phase I environmental site assessment basically consists of a visual survey of the building and the property in an attempt to identify areas of potential environmental concerns, visually observing neighboring properties to assess surface conditions or activities that may have an adverse environmental impact on the property interviewing the key site manager

and/or property owner, contacting local governmental agency personnel and performing an environmental regulatory database search in an attempt to determine any known environmental concerns in, and in the immediate vicinity of, the property. A Phase I environmental site assessment does not generally include any sampling or testing of soil, ground water or building materials from the property and may not reveal all environmental hazards on a property.

In the event the Phase I site assessment uncovers potential environmental problems with a property, our advisor will determine whether we will pursue the investment opportunity and whether we will have a "Phase II" environmental site assessment performed. The factors we may consider in determining whether to conduct a Phase II site assessment include, but are not limited to, (i) the types of operations conducted on the property and surrounding property, (ii) the time, duration and materials used during such operations, (iii) the waste handling practices of any tenants or property owners, (iv) the potential for hazardous substances to be released into the environment, (v) any history of environmental law violations on the subject property and surrounding property, (vi) any documented environmental releases, (vii) any observations from the consultant that conducted the Phase I environmental site assessment, and (viii) whether any party (i.e. surrounding property owners, prior owners or tenants) may be responsible for addressing the environmental conditions. We will determine whether to conduct a Phase II environmental site assessment on a case by case basis.

We expect that some of the properties that we acquire may contain, at the time of our investment, or may have contained prior to our investment, underground storage tanks for the storage of petroleum products and other hazardous or toxic substances. All of these operations create a potential for the release of petroleum products or other hazardous or toxic substances. Some of our potential properties may be adjacent to or near other properties that have contained or then currently contain underground storage tanks used to store petroleum products or other hazardous or toxic substances. In addition, certain of our potential properties may be on or adjacent to or near other properties upon which others, including former owners or tenants of our properties, have engaged, or may in the future engage, in activities that may release petroleum products or other hazardous or toxic substances.

From time to time, we may acquire properties, or interests in properties, with known adverse environmental conditions where we believe that the environmental liabilities associated with these conditions are quantifiable and that the acquisition will yield a superior risk-adjusted return. In such an instance, we will estimate the costs of environmental investigation, clean-up and monitoring in determining the purchase price. Further, in connection with property dispositions, we may agree to remain responsible for, and to bear the cost of, remediating or monitoring certain environmental conditions on the properties.

Other Possible Investments

Although we expect to invest primarily in real estate, our portfolio may also include other real estate-related investments, such as mortgage, mezzanine, bridge and other loans and securities related to real estate assets, frequently, but not necessarily always, in the corporate sector, to the extent such assets do not cause us to lose our REIT status or cause us to be an investment company under the Investment Company Act. We may make adjustments to our target portfolio based on real estate market conditions and investment opportunities. Thus, to the extent that our advisor presents us with high quality investment opportunities that allow us to meet the REIT requirements under the Internal Revenue Code and do not cause us, our operating partnership, or any other subsidiaries to meet the definition of an "investment company" under the Investment Company Act, our portfolio composition may vary from what we initially expect. Our board of directors has broad discretion to change our investment policies in order for us to achieve our investment objectives.

Investing in and Originating Loans. The criteria that our advisor will use in making or investing in loans on our behalf is substantially the same as those involved in acquiring properties for our portfolio. We do not intend to make loans to other persons, to underwrite securities of other issuers or to engage in the purchase and sale of any types of investments other than those relating to real estate. However, unlike our property investments

which we expect to hold in excess of seven years, we expect that the average duration of loans will typically be one to five years.

We do not expect to make or invest in loans that are not directly or indirectly secured by real estate. We will not make or invest in mortgage loans on any one property if the aggregate amount of all mortgage loans outstanding on the property, including our loan, would exceed an amount equal to 85% of the appraised value of the property, as determined by an independent third party appraiser, unless we find substantial justification due to other underwriting criteria. We may find such justification in connection with the purchase of loans in cases in which we believe there is a high probability of our foreclosure upon the property in order to acquire the underlying assets and in which the cost of the loan investment does not exceed the fair market value of the underlying property. We will not invest in or make loans unless an appraisal has been obtained concerning the underlying property, except for those loans insured or guaranteed by a government or government agency. In cases in which a majority of our independent directors so determine and in the event the transaction is with our advisor, any of our directors or their respective affiliates, the appraisal will be obtained from a certified independent appraiser to support its determination of fair market value.

We may invest in first, second and third mortgage loans, mezzanine loans, bridge loans, wraparound mortgage loans, construction mortgage loans on real property, and loans on leasehold interest mortgages. However, we will not make or invest in any loans that are subordinate to any mortgage or equity interest of our advisor or any of its or our affiliates. We also may invest in participations in mortgage loans. A mezzanine loan is a loan made in respect of certain real property but is secured by a lien on the ownership interests of the entity that, directly or indirectly, owns the real property. A bridge loan is short term financing, for an individual or business, until permanent or the next stage of financing, can be obtained. Second mortgage and wraparound loans are secured by second or wraparound deeds of trust on real property that is already subject to prior mortgage indebtedness. A wraparound loan is one or more junior mortgage loans having a principal amount equal to the outstanding balance under the existing mortgage loan, plus the amount actually to be advanced under the wraparound mortgage loan. Under a wraparound loan, we would generally make principal and interest payments on behalf of the borrower to the holders of the prior mortgage loans. Third mortgage loans are secured by third deeds of trust on real property that is already subject to prior first and second mortgage indebtedness. Construction loans are loans made for either original development or renovation of property. Construction loans in which we would generally consider an investment would be secured by first deeds of trust on real property for terms of six months to two years. Loans on leasehold interests are secured by an assignment of the borrower' s leasehold interest in the particular real property. These loans are generally for terms of from six months to 15 years. The leasehold interest loans are either amortized over a period that is shorter than the lease term or have a maturity date prior to the date the lease terminates. These loans would generally permit us to cure any default under the lease. Mortgage participation investments are investments in partial interests of mortgages of the type described above that are made and administered by third-party mortgage lenders.

In evaluating prospective loan investments, our advisor will consider factors such as the following:

the ratio of the investment amount to the underlying property' s value;

the property' s potential for capital appreciation;

expected levels of rental and occupancy rates;

the condition and use of the property;

current and projected cash flow of the property;

potential for rent increases;

the degree of liquidity of the investment;

the property' s income-producing capacity;

the quality, experience and creditworthiness of the borrower;

general economic conditions in the area where the property is located;

in the case of mezzanine loans, the ability to acquire the underlying real property; and

other factors that our advisor believes are relevant.

In addition, we will seek to obtain a customary lender' s title insurance policy or commitment as to the priority of the mortgage or condition of the title. Because the factors considered, including the specific weight we place on each factor, will vary for each prospective loan investment, we do not, and are not able to, assign a specific weight or level of importance to any particular factor.

We may originate loans from mortgage brokers or personal solicitations of suitable borrowers, or may purchase existing loans that were originated by other lenders. Our advisor will evaluate all potential loan investments to determine if the security for the loan and the loan-to-value ratio meets our investment criteria and objectives. Most loans that we will consider for investment would provide for monthly payments of interest and some may also provide for principal amortization, although many loans of the nature that we will consider provide for payments of interest only and a payment of principal in full at the end of the loan term. We will not originate loans with negative amortization provisions.

We do not have any policies directing the portion of our assets that may be invested in construction loans, mezzanine loans, bridge loans, loans secured by leasehold interests and second, third and wraparound mortgage loans. However, we recognize that these types of loans are riskier than first deeds of trust or first priority mortgages on income-producing, fee-simple properties, and we expect to minimize the amount of these types of loans in our portfolio, to the extent that we make or invest in loans at all. Our advisor will evaluate the fact that these types of loans are riskier in determining the rate of interest on the loans. We do not have any policy that limits the amount that we may invest in any single loan or the amount we may invest in loans to any one borrower. We are not limited as to the amount of gross offering proceeds that we may use to invest in or originate loans.

Our loan investments may be subject to regulation by federal, state and local authorities and subject to various laws and judicial and administrative decisions imposing various requirements and restrictions, including among other things, regulating credit granting activities, establishing maximum interest rates and finance charges, requiring disclosures to customers, governing secured transactions and setting collection, repossession and claims handling procedures and other trade practices. In addition, certain states have enacted legislation requiring the licensing of mortgage bankers or other lenders and these requirements may affect our ability to effectuate our proposed investments in loans. Commencement of operations in these or other jurisdictions may be dependent upon a finding of our financial responsibility, character and fitness. We may determine not to make loans in any jurisdiction in which the regulatory authority determines that we have not complied in all material respects with applicable requirements.

Investment in Other Real Estate-Related Securities. To the extent permitted by Section V.D.2 of the NASAA REIT Guidelines, and subject to the limitations set forth in this prospectus and in our charter, we may invest in common and preferred real estate-related equity securities of both publicly traded and private real estate companies. Our board of directors (including all of our independent directors) has authorized us to invest in preferred real estate-related equity securities, provided that such investments do not exceed the limitations contained in any credit facility or other agreement to which we are a party. Real estate-related equity securities are generally unsecured and also may be subordinated to other obligations of the issuer. Our investments in real estate-related equity securities will involve special risks relating to the particular issuer of the equity securities, including the financial condition and business outlook of the issuer.

We may also make investments in CMBS to the extent permitted by the NASAA REIT Guidelines. CMBS are securities that evidence interests in, or are secured by, a single commercial mortgage loan or a pool of commercial mortgage loans. CMBS are generally pass-through certificates that represent beneficial ownership

interests in common law trusts whose assets consist of defined portfolios of one or more commercial mortgage loans. They are typically issued in multiple tranches whereby the more senior classes are entitled to priority distributions from the trust' s income. Losses and other shortfalls from expected amounts to be received on the mortgage pool are borne by the most subordinate classes, which receive payments only after the more senior classes have received all principal and/or interest to which they are entitled. CMBS are subject to all of the risks of the underlying mortgage loans. We may invest in investment grade and non-investment grade CMBS classes. Our board of directors has adopted a policy to limit any investments in non-investment grade CMBS to not more than 10% of our total assets.

Borrowing Policies

Our advisor believes that utilizing borrowing is consistent with our investment objective of maximizing the return to investors. By operating on a leveraged basis, we have more funds available for investment in properties. This allows us to make more investments than would otherwise be possible, resulting in a more diversified portfolio.

At the same time, our advisor believes in utilizing leverage in a moderate fashion. While there is no limitation on the amount we may borrow against any single improved property, our charter limits our aggregate borrowings to 75% of the cost (or 300% of net assets) (before deducting depreciation or other non-cash reserves) unless excess borrowing is approved by a majority of the independent directors and disclosed to our stockholders in the next quarterly report along with the justification for such excess borrowing. Consistent with our advisor' s approach toward the moderate use of leverage, our board of directors has adopted a policy to further limit our borrowings to 60% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our gross assets, unless excess borrowing is approved by a majority of the independent directors and disclosed to our stockholders in the next quarterly report along with a justification for such excess borrowing. For example, our independent directors may find that we are justified in exceeding these limitations on borrowings during the offering stage, as we will be in the process of raising our equity capital to build our portfolio. Higher debt levels during the offering stage may enable us to acquire properties earlier than we might otherwise be able to acquire them if we were to adhere to these debt levels, which could yield returns that are accretive to the portfolio. In addition, as we will be in the offering stage, more equity could be raised in the future to reduce the debt levels to within the limitations described herein. After we have acquired a substantial portfolio, our advisor will target a leverage of 50% of the greater of cost (before deducting depreciation or other non cash reserves) or fair market value of our gross assets.

Our advisor will use its best efforts to obtain financing on the most favorable terms available to us. Our advisor will have substantial discretion with respect to the financing we obtain, subject to our borrowing policies, which will be approved by our board of directors. Lenders may have recourse to assets not securing the repayment of the indebtedness. Our advisor may refinance properties during the term of a loan only in limited circumstances, such as when a decline in interest rates makes it beneficial to prepay an existing mortgage, when an existing mortgage matures or if an attractive investment becomes available and the proceeds from the refinancing can be used to purchase such investment. The benefits of the refinancing may include increased cash flow resulting from reduced debt service requirements and an increase in property ownership if some refinancing proceeds are reinvested in real estate.

Our ability to increase our diversification through borrowing may be adversely impacted if banks and other lending institutions reduce the amount of funds available for loans secured by real estate. When interest rates on mortgage loans are high or financing is otherwise unavailable on a timely basis, we may purchase properties for cash with the intention of obtaining a mortgage loan for a portion of the purchase price at a later time. To the extent that we do not obtain mortgage loans on our properties, our ability to acquire additional properties will be restricted and we may not be able to adequately diversify our portfolio.

We may not borrow money from any of our directors or from our advisor or its affiliates unless such loan is approved by a majority of the directors not otherwise interested in the transaction (including a majority of the

independent directors) as fair, competitive and commercially reasonable and no less favorable to us than a comparable loan between unaffiliated parties.

Disposition Policies

We intend to hold each property we acquire for an extended period, generally in excess of seven years. Holding periods for other real estate-related investments may vary. Regardless of intended holding periods, circumstances might arise that could cause us to determine to sell an asset before the end of the expected holding period if we believe the sale of the asset would be in the best interests of our stockholders. The determination of whether a particular asset should be sold or otherwise disposed of will be made after consideration of relevant factors, including prevailing and projected economic conditions, current tenant rolls and tenant creditworthiness, whether we could apply the proceeds from the sale of the asset to make other investments, whether disposition of the asset would increase cash flow, and whether the sale of the asset would be a prohibited transaction under the Internal Revenue Code or otherwise impact our status as a REIT. The selling price of a property that is net leased will be determined in large part by the amount of rent payable under the lease. If a tenant has a repurchase option at a formula price, we may be limited in realizing any appreciation. In connection with our sales of properties we may lend the purchaser all or a portion of the purchase price. In these instances, our taxable income may exceed the cash received in the sale.

Investment Limitations, in General

Our charter places numerous limitations on us with respect to the manner in which we may invest our funds or issue securities. Until we list our shares on a national securities exchange, we:

will not borrow in excess of 75% of the aggregate cost (or 300% of net assets) (before deducting depreciation or other non-cash reserves) of our gross assets, unless excess borrowing is approved by a majority of our independent directors and disclosed to our stockholders in our next quarterly report along with the justification for such excess borrowing (although our board of directors has adopted a policy to reduce this limit from 75% to 60%);

will not make investments in unimproved property or mortgage loans on unimproved property in excess of 10% of our total assets;

will not make or invest in mortgage loans unless an appraisal is obtained concerning the underlying property, except for those mortgage loans insured or guaranteed by a government or government agency;

will not make or invest in mortgage loans, including construction loans, on any one property if the aggregate amount of all mortgage loans on such property would exceed an amount equal to 85% of the appraised value of such property unless substantial justification exists for exceeding such limit because of the presence of other underwriting criteria;

will not invest in indebtedness secured by a mortgage on real property that is subordinate to the lien or other indebtedness of our advisor, any director, our sponsor or any of our affiliates;

will not invest in real estate contracts of sale, otherwise known as land sale contracts, unless the contract is in recordable form and is appropriately recorded in the chain of title;

will not invest in commodities or commodity futures contracts, except for futures contracts when used solely for the purpose of hedging in connection with our ordinary business of investing in real estate assets and mortgages;

will not issue equity securities on a deferred payment basis or other similar arrangement;

will not issue debt securities in the absence of adequate cash flow to cover debt service;

will not issue shares that are assessable after we have received the consideration for which our board of directors authorized their issuance;

will not issue equity securities redeemable solely at the option of the holder (which restriction has no effect on our share redemption program or the ability of our operating partnership to issue redeemable partnership interests);

will not issue options or warrants to our advisor, our directors, our sponsor or any of their respective affiliates except on the same terms as such options or warrants are sold to the general public and provided that such options or warrants do not exceed ten percent of our outstanding shares on the date of grant;

will not make any investment that we believe will be inconsistent with our objectives of remaining qualified as a REIT unless and until our board of directors determines, in its sole discretion, that REIT qualification is not in our best interests;

will not invest in indebtedness secured by a mortgage on real property which is subordinate to the lien of other indebtedness, except where the amount of the subordinated debt, plus the amount of the senior debt, does not exceed 90% of the appraised value of such property, if after giving effect thereto, the value of all such investments of our company (as shown on our books in accordance with generally accepted accounting principles, after all reasonable reserves but before provision for depreciation) would not then exceed 25% of our tangible assets (and the value of all investments in this type of subordinated debt will be limited to 10% of our tangible assets);

will not engage in securities trading, or engage in the business of underwriting or the agency distribution of securities issued by other persons;

will not acquire interests in any entity holding investments or engaging in activities prohibited by Article IX of our charter, except for investments in which we hold a non-controlling interest or investments in publicly-traded entities; and

will continually review our investment activity to ensure that we are not classified as an "investment company" under the Investment Company Act.

In addition, our charter includes many other investment limitations in connection with transactions with affiliated entities or persons, which limitations are described in the "Conflicts of Interest" section of this prospectus. Our charter also includes restrictions on roll-up transactions, which are described under the "Description of Shares" section of this prospectus.

Investment Limitations to Avoid Registration as an Investment Company

We intend to conduct our operations, and the operations of our operating partnership, and any other subsidiaries, so that no such entity meets the definition of an "investment company" under Section 3(a)(1) of the Investment Company Act. Under the Investment Company Act, in relevant part, a company is an "investment company" if:

pursuant to Section 3(a)(1)(A), it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or

pursuant to Section 3(a)(1)(C), it is engaged, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire "investment securities" having a value exceeding the 40% test. "Investment securities" excludes U.S. Government securities and securities of majority-owned subsidiaries that are not themselves investment companies and are not relying on the exception from the definition of investment company under Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.

We intend to acquire a diversified portfolio of income-producing real estate assets; however, our portfolio may include, to a much lesser extent, other real estate-related investments. We also may acquire real estate assets through investments in joint venture entities, including joint venture entities in which we may not own a

controlling interest. We anticipate that our assets generally will continue to be held in wholly and majority-owned subsidiaries of the company, each formed to hold a particular asset. We intend to monitor our operations and our assets on an ongoing basis in order to ensure that neither we, nor any of our subsidiaries, meet the definition of "investment company" under Section 3(a)(1) of the Investment Company Act.

We believe that neither we nor our operating partnership will be considered investment companies under Section 3(a)(1)(A) of the Investment Company Act because neither of these entities will engage primarily or hold themselves out as being engaged primarily in the business of investing, reinvesting or trading in securities. Rather, we, through our operating partnership, will be primarily engaged in non-investment company businesses related to real estate. Consequently, we expect that we and our operating partnership will be able to conduct our respective operations such that neither entity will be required to register as an investment company under the Investment Company Act.

In addition, because we are organized as a holding company that will conduct its business primarily through our operating partnership, which in turn is a holding company that will conduct its business through its subsidiaries, we intend to conduct our operations, and the operations of our operating partnership and any other subsidiary, so that we will not meet the 40% test under Section 3(a)(1)(C) of the Investment Company Act.

In order for us to not meet the definition of an "investment company" and avoid regulation under the Investment Company Act, we must engage primarily in the business of buying real estate, and these investments must be made within a year after the offering ends. If we are unable to invest a significant portion of the proceeds of this offering in properties within one year of the termination of the offering, we may avoid being required to register as an investment company by temporarily investing any unused proceeds in certificates of deposit or other cash items with low returns. This would reduce the cash available for distribution to investors and possibly lower your returns.

To avoid meeting the definition of an "investment company" under Section 3(a)(1) of the Investment Company Act, we may be unable to sell assets we would otherwise want to sell and may need to sell assets we would otherwise wish to retain. Similarly, we may have to acquire additional income or loss generating assets that we might not otherwise have acquired or may have to forgo opportunities to acquire interests in companies that we would otherwise want to acquire and would be important to our investment strategy. In addition, a change in the value of any of our assets could negatively affect our ability to avoid being required to register as an investment company. If we were required to register as an investment company but failed to do so, we would be prohibited from engaging in our business, and criminal and civil actions could be brought against us. In addition, our contracts would be unenforceable unless a court were to require enforcement, and a court could appoint a receiver to take control of us and liquidate our business.

If we are required to register as an investment company under the Investment Company Act, we would become subject to substantial regulation with respect to our capital structure (including our ability to use borrowings), management, operations, transactions with affiliated persons (as defined in the Investment Company Act), and portfolio composition, including restrictions with respect to diversification and industry concentration and other matters. Compliance with the Investment Company Act would, accordingly, limit our ability to make certain investments and require us to significantly restructure our business plan.

Change in Investment Policies

Our charter requires that our independent directors review our investment policies at least annually to determine that the policies we follow are in the best interests of our stockholders. Each determination and the basis therefor shall be set forth in the minutes of the meetings of our board of directors. The methods of implementing our investment policies also may vary as new real estate development trends emerge and new investment techniques are developed.

Generally, our board of directors may revise our investment policies without the concurrence of our stockholders. However, our board of directors will not amend our charter, including any investment policies that

are provided in our charter, without the concurrence of a majority of the outstanding shares, except for amendments that do not adversely affect the rights, preferences and privileges of our stockholders.

Real Property Investments

We engage in the acquisition and ownership of commercial properties throughout the United States. We invest primarily in retail and other income-producing commercial properties located throughout the United States.

As of October 3, 2012, we, through separate wholly-owned limited liability companies and limited partnerships, owned 32 properties located in 15 states, consisting of approximately 582,000 gross rentable square feet of commercial space. The properties generally were acquired through the use of proceeds from our initial public offering and proceeds from our revolving credit facility. Our properties as of October 3, 2012 are listed below in order of date of acquisition.

Property Description	Date Acquired	Year Built	Purchase Price	Fees Paid to Sponsor(1)	Initial Yield(2)	Average Yield(3)	Physical Occupancy
Advance Auto Parts - North Ridgeville, OH(4)	April 13, 2012	2008	$1,673,000	$33,460	8.30 %	8.30 %	100 %
PetSmart - Wilkesboro, NC(4)	April 13, 2012	2011	2,650,000	53,000	8.10 %	8.33 %	100 %
Nordstrom Rack - Tampa, FL	April 16, 2012	2010	11,998,039	239,961	7.41 %	7.41 %	100 %
Walgreens - Blair, NE	April 18, 2012	2008	4,242,424	84,848	6.60 %	6.60 %	100 %
CVS - Corpus Christi, TX	April 19, 2012	1998	3,400,000	68,000	6.75 %	6.75 %	100 %
CVS - Charleston, SC	April 26, 2012	1998	2,137,778	42,756	6.75 %	6.75 %	100 %
CVS - Asheville, NC	April 26, 2012	1998	2,365,249	47,305	6.75 %	6.75 %	100 %
O' Reilly Auto Parts - Brownfield, TX	May 8, 2012	2012	965,447	19,309	7.05 %	7.19 %	100 %
O' Reilly Auto Parts - Columbus, TX	May 8, 2012	2011	1,130,213	22,604	7.05 %	7.38 %	100 %
Walgreens - Suffolk, VA	May 14, 2012	2007	4,925,000	98,500	6.70 %	6.70 %	100 %
Walgreens - Springfield, IL	May 14, 2012	2007	5,223,000	104,460	6.70 %	6.70 %	100 %
Walgreens - Montgomery, AL	May 14, 2012	2006	4,477,000	89,540	6.70 %	6.70 %	100 %
Tractor Supply - Cambridge, MN	May 14, 2012	2012	2,245,000	44,900	8.02 %	8.85 %	100 %
HEB Center - Waxahachie, TX	June 27, 2012	1997	13,000,000	260,000	7.19 %	7.26 %	99 %
CVS - Bainbridge, GA	June 27, 2012	1998	2,650,000	53,000	7.00 %	7.00 %	100 %
Advance Auto - Starkville, MS	June 29, 2012	2011	1,344,964	26,899	7.60 %	7.60 %	100 %
AutoZone - Philipsburg, PA	July 27, 2012	2010	1,620,000	32,400	6.85 %	6.85 %	100 %
Benihana Portfolio - Various (5)	August 21, 2012	Various	17,335,757	346,715	7.85 %	7.85 %	100 %
Wawa - Cape May, NJ	August 29, 2012	2005	7,639,896	152,798	6.75 %	6.75 %	100 %
Wawa - Galloway, NJ	August 29, 2012	2005	8,123,926	162,479	6.75 %	6.75 %	100 %
Stripes Portfolio I - Various (6)	August 30, 2012	Various	8,228,130	164,563	7.14 %	7.14 %	100 %
Stripes Portfolio II - Various (7)	August 30, 2012	Various	16,936,887	338,738	7.14 %	7.14 %	100 %
Pick' n Save - Sheboygan, WI	September 6, 2012	2012	14,122,000	282,440	7.67 %	8.05 %	100 %
The Marquis - Williamsburg, VA	September 21, 2012	2007	14,260,000	285,200	7.02 %	7.11 %	100 %
Golden Corral - Garland, TX	September 21, 2012	2012	3,903,000	78,060	8.00 %	8.41 %	100 %
			$156,596,710	$3,131,935			

(1) Fees paid to sponsor are payments made to an affiliate of our advisor for acquisition fees in connection with the property acquisition. For more detailed information on fees paid to our advisor or its affiliates, see the section captioned "Management Compensation" beginning on page 76 of the prospectus.

(2) Initial yield is calculated as the current annualized rental income for the in-place leases at the respective property divided by the property purchase price, exclusive of acquisition costs and acquisition fees paid to our advisor or its affiliates. In general, our properties are subject to long-term triple net or double net leases, and the future costs associated with the double net leases are unpredictable and may reduce the yield. The majority of our properties are subject to triple net leases. Accordingly, our management believes that current annualized rental income is a more appropriate figure from which to calculate initial yield than net operating income.

(3) Average yield is calculated as the average annual rental income, adjusted for any rent incentives, for the in-place leases over the non-cancellable lease term at the respective property divided by the property purchase price, exclusive of acquisition costs and acquisition fees paid to our advisor or its affiliates. In general, our properties are subject to long-term triple net or double net leases, and the future costs associated with the double net leases are unpredictable and may reduce the yield. The majority of our properties are subject to triple net leases. Accordingly our management believes that average annual rental income is a more appropriate figure from which to calculate average yield than net operating income.

(4) These properties were acquired by purchasing 100% of the membership interests in AA North Ridgeville and PM Wilkesboro, respectively, from Series C. Series C had acquired these properties for the purpose of holding them temporarily until we were able to raise sufficient proceeds in our public offering to acquire them from Series C at its acquisition cost (including acquisition related expenses). A majority of our board of directors (including a majority of our independent directors) not otherwise interested in the transactions approved the acquisitions as being fair and reasonable to us and determined that the cost to us of each property was equal to the cost of the respective property to Series C (including acquisition related expenses). In addition, the purchase price of each property, exclusive of closing costs, was less than the current appraised value of the respective property as determined by an independent third party appraiser.

(5) The Benihana Portfolio consists of four single-tenant commercial properties located in Florida, Illinois, Minnesota and Texas, which were purchased under individual sale-leaseback agreements with Benihana National of Florida Corp., Benihana Lombard Corp., The Samurai, Inc. and Benihana Woodlands Corp., respectively, as tenants. The properties are subject to individual lease agreements with identical terms.

(6) The Stripes Portfolio I consists of three single-tenant commercial properties located in Texas, which are subject to individual lease agreements with identical terms.

(7) The Stripes Portfolio II consists of three single-tenant commercial properties located in Texas, which are subject to individual lease agreements with identical terms.

The following table sets forth the principal provisions of the lease term for the major tenants at each of the properties listed above:

Property	Major Tenants(1)	Total Square Feet Leased	% of Total Rentable Square Feet	Renewal Options(2)	Current Annual Base Rent	Base Rent per Square Foot	Lease Term(3)	
Advance Auto Parts - North Ridgeville, OH	Advance Stores Company, Inc.	6,000	100 %	3/5 yr.	$138,845	$ 23.14	4/13/2012	2/29/2024
PetSmart - Wilkesboro, NC	PetSmart Inc.	12,259	100 %	4/5 yr.	214,533	17.50	4/13/2012	1/31/2017
					226,791	18.50	2/1/2017	1/31/2022
Nordstrom Rack - Tampa, FL	Nordstrom, Inc.	44,925	100 %	4/5 yr.	889,515	19.80	4/16/2012	10/31/2020
Walgreens - Blair, NE	Walgreens Co.	14,820	100 %	(4)	280,000	18.89	4/18/2012	9/30/2033
CVS - Corpus Christi, TX	CVS EGL South. Alameda TX, LP	11,306	100 %	5/5 yr.	229,500	20.30	4/19/2012	4/30/2037
CVS - Charleston, SC	South Carolina CVS Pharmacy, LLC	10,125	100 %	5/5 yr.	144,300	14.25	4/26/2012	4/30/2037
CVS - Asheville, NC	North Carolina CVS Pharmacy, LLC	10,125	100 %	5/5 yr.	159,700	15.77	4/26/2012	4/30/2037
O' Reilly Auto Parts - Brownfield, TX	O' Reilly Automotive Stores, Inc.	6,365	100 %	5/5 yr.	68,064	10.69	5/8/2012	1/20/2022
					72,144	11.33	1/21/2022	1/20/2027
O' Reilly Auto Parts - Columbus, TX	O' Reilly Automotive Stores, Inc.	6,047	100 %	4/5 yr.	79,680	13.18	5/8/2012	9/30/2021
					84,456	13.97	10/1/2021	9/30/2026
					89,520	14.80	10/1/2026	9/30/2031
Walgreens - Suffolk, VA	Walgreen, Co.	14,820	100 %	(4)	330,000	22.27	5/14/2012	8/31/2032
Walgreens - Springfield, IL	Walgreen, Co.	14,820	100 %	10/5 yr.	350,000	23.62	5/14/2012	10/31/2032
Walgreens - Montgomery, AL	Walgreen, Co.	14,820	100 %	10/5 yr.	300,000	20.24	5/14/2012	3/31/2032
Tractor Supply - Cambridge, MN	Tractor Supply Company	18,000	100 %	4/5 yr.	180,000	10.00	5/14/2012	3/31/2017
					198,000	11.00	4/1/2017	3/31/2022

								4/1/	3/31/
						217,800	12.10	2022	2027
HEB Center - Waxahachie, TX	HEB Grocery							6/27/	6/30/
	Company, LP	70,458	85	%	8/5 yr.	762,356	10.82	2012	2027
CVS - Bainbridge, GA	Georgia CVS							6/27/	6/30/
	Pharmacy, LLC	10,125	100	%	5/5 yr.	185,500	18.32	2012	2037
Advance Auto - Starkville, MS	Advance Stores							6/29/	5/31/
	Company, Inc.	6,129	100	%	3/5 yr.	102,182	16,67	2012	2026
AutoZone - Philipsburg, PA	AutoZone Northeast, Inc.				1/5 yr., 1/				
					4 yr.			7/27/	7/31/
		7,380	100	%	and 6 months	111,000	15.04	2012	2030
Benihana Portfolio - Various	Various							8/21/	8/31/
		36,911	100	%	6/5 yr.	1,360,857(5)	36.87	2012	2032
Wawa - Cape May, NJ	Wawa, Inc.							8/29/	5/31/
		5,594	100	%	6/5 yr.	515,693	92.19	2012	2026
Wawa - Galloway, NJ	Wawa, Inc.							8/29/	5/31/
		5,605	100	%	6/5 yr.	548,366	97.84	2012	2026
Stripes Portfolio I - Various	Stripes LLC							8/30/	9/27/
		14,216	100	%	5/5 yr.	587,190 (6)	41.30	2012	2027
Stripes Portfolio II - Various	Town & Country							8/30/	11/12/
	Food Stores, Inc.	11,433	100	%	5/5 yr.	1,208,678(6)	105.72	2012	2027
Pick' n Save - Sheboygan, WI	Roundy' s							9/6/	12/31/
	Supermarkets, Inc	70,072	100	%	4/5 yr.	1,082,900(7)	15.45	2012	2031
The Marquis - Williamsburg, VA	Kohl' s Department								
	Stores,							9/21/	1/31/
	Inc.	89,911	67	%	6/5 yr.	731,500	8.14	2012	2028
	Dick' s Sporting							9/21/	1/31/
	Goods, Inc.	45,000	33	%	4/5 yr.	270,000	6.00	2012	2017
								2/1/	1/31/
						292,500	6.50	2017	2022
Golden Corral - Garland,	Golden Corral							9/21/	9/30/
TX	Corporation	12,763	100	%	4/5 yr.	312,240	24.46	2012	2017
								10/21/	9/30/
						327,852	25.69	2017	2022
								10/1/	9/30/
						344,245	26.97	2022	2027

(1) Major tenants include those tenants that occupy greater than 10% of the rentable square feet of the respective property.

(2) Represents number of renewal options and the term of each option.

(3) Represents lease term beginning with the later of the purchase date or the rent commencement date through the end of the non-cancellable lease term, assuming no renewals are exercised. Pursuant to each of the leases, the tenants are required to pay substantially all operating expenses and capital expenditures in addition to base rent.

(4) Lease continues for 50 years following the end of the non-cancellable portion of the lease term, provided that the tenant has the right to terminate the lease as of the last day of any month during such 50-year period upon 12 months' prior notice.

(5) The annual base rent under the leases increases every two years by the lesser of the cumulative percentage increase in the Consumer Price Index over the preceding two-year period or 4% of the then-current annual base rent.

(6) The annual base rent under the leases increases every five years by the lesser of the cumulative percentage increase in the Consumer Price Index over the preceding five-year period or 10% of the then-current annual base rent.

(7) The annual base rent under the lease increases every five years by $35,000.

Tenant Lease Expirations

The following table sets forth the lease expirations for each of our properties acquired as of October 3, 2012 for each of the next ten years and thereafter assuming no renewal options are exercised. For purposes of the table, the Total Annual Base Rent column represents annualized base rent, based on rent in effect on January 1 of the respective year, for each lease that expires during the respective year.

Year Ending December 31,	Number of Leases Expiring	Square Feet Expiring	Total Annual Base Rent	% of Total Annual Base Rent
2012	–	–	$–	– %
2013	–	–	–	– %
2014	–	–	–	– %
2015	1	3,900	42,900	* %
2016	1	1,200	20,644	* %
2017	3	5,700	117,692	1 %
2018	–	–	–	– %
2019	–	–	–	– %
2020	1	44,925	889,515	8 %
2021	–	–	–	– %
2022	2	57,259	502,583	4 %
Thereafter	30	467,845	9,861,041	86 %
	38	580,829	$11,434,375	100 %

* Represents less than 1% of total annual base rent.

Depreciable Tax Basis

For federal income tax purposes, the aggregate depreciable basis in the properties described in this prospectus is approximately $124.2 million. When we calculate depreciation expense for federal income tax purposes, we depreciate buildings and improvements over a 40-year recovery period, land improvements over a 20-year recovery period and furnishings and equipment over a 12-year recovery period using a straight-line method and a mid-month convention. The preliminary depreciable basis in these properties is estimated, as of October 3, 2012, as follows:

Wholly-owned Property	Depreciable Tax Basis
Advance Auto Parts – North Ridgeville, OH	$1,454,746
PetSmart – Wilkesboro, NC	2,202,687
Nordstrom Rack – Tampa, FL	8,626,924
Walgreens – Blair, NE	3,906,948
CVS – Corpus Christi, TX	2,752,223
CVS – Charleston, SC	1,268,905
CVS – Asheville, NC	1,257,283
O' Reilly Auto Parts – Brownfield, TX	943,673
O' Reilly Auto Parts – Columbus, TX	870,191
Walgreens – Suffolk, VA	3,664,037
Walgreens – Springfield, IL	4,393,205
Walgreens – Montgomery, AL	3,366,967
Tractor Supply – Cambridge, MN	1,437,724
HEB Center – Waxahachie, TX	9,434,791
CVS – Bainbridge, GA	2,160,621
Advance Auto – Starkville, MS	897,523
AutoZone – Philipsburg, PA	1,328,400
Benihana Portfolio – Various	14,215,321
Wawa – Cape May, NJ	6,264,715
Wawa – Galloway, NJ	6,661,619
Stripes Portfolio I – Various	6,747,067
Stripes Portfolio II – Various	13,888,247
Pick' n Save – Sheboygan, WI	11,580,040
The Marquis – Williamsburg, VA	11,693,200
Golden Corral – Garland, TX	3,200,460
	$124,217,517

We currently have no plan for any renovations, improvements or development of the properties listed above, and we believe all of our properties are adequately insured. We intend to obtain adequate insurance coverage for all future properties that we acquire.

Placement of Debt on Certain Real Property Investments

Revolving Credit Facility

On April 13, 2012, our operating partnership entered into a secured revolving credit facility providing for up to $50.0 million of borrowings pursuant to a credit agreement (the Credit Agreement) with J.P. Morgan Securities, LLC, as sole lead arranger and sole bookrunner, JPMorgan Chase Bank, N.A. (JPMorgan Chase) as administrative agent, and other lending institutions that may become parties to the Credit Agreement (collectively, with JPMorgan Chase, the Lenders). Subject to meeting certain conditions described in the Credit Agreement and the payment of certain fees, the amount of the Credit Facility could be increased up to a maximum of $250.0

million (the Accordion Feature). Pursuant to the Credit Agreement, our operating partnership exercised the Accordion Feature and, on July 13, 2012, entered into an amended and restated secured revolving credit agreement (the Amended Credit Agreement), which amended and restated the Credit Agreement in its entirety (the Credit Facility).

The Credit Facility allows our operating partnership to borrow up to $250.0 million in revolving loans (the Revolving Loans), with the maximum amount outstanding not to exceed the lesser of (i) 65% of the appraised value of qualified properties as determined by the administrative agent or (ii) 65% of the acquisition costs of qualified properties as reasonably determined by the administrative agent (the Borrowing Base). The Revolving Loans will bear interest at rates depending upon the type of loan specified by our operating partnership. For a Eurodollar rate loan, as defined in the Amended Credit Agreement, the interest rate will be equal to the LIBOR for the interest period, plus 2.35%. For floating rate loans, the interest rate will be a per annum amount equal to 1.35% plus the greatest of (a) the Federal Funds Rate plus 0.5%; (b) JPMorgan Chase' s Prime Rate; or (c) the one-month LIBOR plus 1.0%. The Credit Facility matures on July 13, 2015. In addition, the Amended Credit Agreement modified the terms of the Accordion Feature, allowing the amount of the Credit Facility to be increased up to a maximum of $400.0 million, subject to meeting certain conditions described in the Amended Credit Agreement and the payment of certain fees.

As of October 3, 2012, the Borrowing Base under the Credit Facility was approximately $62.0 million based on the underlying collateral pool for qualified properties. As of October 3, 2012, we had $39.0 million outstanding under the Credit Facility.

Series C Loan

On April 13, 2012, we entered into a $10.0 million subordinate revolving line of credit with Series C (the Series C Loan). The Series C Loan bears interest at a fixed interest rate of 4.5% with accrued interest payable monthly in arrears and principal due upon maturity on April 12, 2013. In the event the Series C Loan is not paid off on the maturity date, the loan includes default provisions. Upon the occurrence of an event of default, interest on the Series C Loan will accrue at an annual default interest rate equal to 4% above the stated interest rate. The Series C Loan has been approved by a majority of our directors (including a majority of our independent directors) not otherwise interested in the transaction as fair, competitive and commercially reasonable and no less favorable to us than a comparable loan between unaffiliated parties under the same circumstances. As of October 3, 2012, we had no amount outstanding under the Series C Loan.

Dilution of the Net Tangible Book Value of Our Shares

Our net tangible book value per share is calculated as total book value of assets minus total book value of liabilities, divided by the total number of shares of common stock outstanding. Net tangible book value assumes that the value of real estate assets diminishes predictably over time, as shown through the depreciation and amortization of real estate investments, while historically real estate values have risen or fallen with market conditions. Net tangible book value is used generally as a conservative measure of net worth that we do not believe will reflect the estimated value of our assets upon the sale of our company, an orderly liquidation of the real estate portfolio we intend to acquire or the listing of our shares of common stock for trading on a national securities exchange consistent with our potential exit strategies. However, after we begin acquiring real estate assets, net tangible book value will reflect certain dilution in value of our common stock from the issue price as a result of (i) accumulated depreciation and amortization of real estate investments, (ii) fees and expenses paid in connection with our public offering, including selling commissions and dealer manager fees, (iii) the fees and expenses paid to our advisor and third parties in connection with the acquisition of our assets and related financing, and (iv) the funding of distributions from sources other than cash flow from operations, if any. Accordingly, investors in this offering will experience immediate dilution of the net tangible book value per share of our common stock from the per share offering price.

Our offering price was not established on an independent basis and bears no relationship to the net value of our assets. Further, even without depreciation in the value of our assets, the other factors described above with respect to the dilution in the value of our common stock are likely to cause our offering price to be higher than the amount you would receive per share if we were to liquidate after we break escrow, but before the end of the offering period.

SELECTED FINANCIAL DATA

The following data should be read in conjunction with our consolidated financial statements for the six months ended June 30, 2012 and the notes thereto included in this prospectus. As of December 31, 2011, we had not yet commenced material operations or entered into any arrangements to acquire any specific investments. Refer to the audited consolidated balance sheet for the year ended December 31, 2011 and related notes thereto included in this prospectus. Also, see the section of this prospectus captioned "Management' s Discussion and Analysis of Financial Condition and Results of Operations."

The selected financial data presented below has been derived from our condensed consolidated unaudited interim financial statements as of and for the six months ended June 30, 2012 and our audited consolidated balance sheet as of December 31, 2011.

	June 30, 2012	December 31, 2011
Balance Sheet Data:		
Total investment in real estate assets, net	$65,427,663	$ –
Cash and cash equivalents	$1,894,117	$ 200,000
Total assets	$68,103,711	$ –
Credit Facility	$27,703,824	$ –
Acquired below market lease intangibles, net	$1,395,944	$ –
Redeemable common stock	$44,201	$ –
Stockholders' equity	$38,067,053	$ 200,000
Operating Data:		
Total revenue	$648,316	$ –
General and administrative expenses	$223,303	$ –
Advisory fees and expenses	$90,195	$ –
Acquisition related expenses	$1,948,577	$ –
Depreciation and amortization	$260,637	$ –
Operating loss	$(1,900,896)	$ –
Interest expense	$(253,218)	$ –
Net loss	$(2,153,741)	$ –
Cash Flow Data:		
Net cash used in operating activities	$(1,376,395)	$ –
Net cash used in investing activities	$(64,372,064)	$ –
Net cash provided by financing activities	$67,442,576	$ –
Per Common Share Data:		
Net loss – basic and diluted	$(2.57)	$ –
Weighted average shares outstanding – basic and diluted	838,981	–

MANAGEMENT' S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our accompanying consolidated financial statements and notes thereto.

Overview

We were formed on July 27, 2010, and we intend to qualify as a REIT beginning with the taxable year ending December 31, 2012. We commenced our principal operations on April 13, 2012, when we issued the initial 308,000 shares of our common stock. We have no paid employees and are externally advised and managed by CR IV Advisors. We intend to use substantially all of the net proceeds from our offering to acquire and operate a diverse portfolio of retail and other income-producing commercial properties, which are leased to creditworthy tenants under long-term leases. We expect that most of the properties will be strategically located throughout the United States and U.S. protectorates and subject to long-term triple net or double net leases, whereby the tenant will be obligated to pay for all or most of the expenses of maintaining the property (including real estate taxes, special assessments and sales and use taxes, utilities, insurance, building repairs and common area maintenance related to the property). We generally intend to hold each property we acquire for an extended period, of more than seven years.

Our operating results and cash flows are primarily influenced by rental income from our commercial properties, interest expense on our property indebtedness and acquisition and operating expenses. Rental and other property income accounted for 96% of our total revenue for the three and six months ended June 30, 2012. As 99.6% of our rentable square feet was under lease as of June 30, 2012, with a weighted average remaining lease term of 16 years, we believe our exposure to changes in commercial rental rates on our portfolio is substantially mitigated, except for vacancies caused by tenant bankruptcies or other factors. CR IV Advisors regularly monitors the creditworthiness of our tenants by reviewing the tenant' s financial results, credit rating agency reports, when available, on the tenant or guarantor, the operating history of the property with such tenant, the tenant' s market share and track record within its industry segment, the general health and outlook of the tenant' s industry segment, and other information for changes and possible trends. If CR IV Advisors identifies significant changes or trends that may adversely affect the creditworthiness of a tenant, it will gather a more in-depth knowledge of the tenant' s financial condition and, if necessary, attempt to mitigate the tenant credit risk by evaluating the possible sale of the property, or identifying a possible replacement tenant should the current tenant fail to perform on the lease. In addition, as of June 30, 2012, the debt leverage ratio of our consolidated real estate assets, which is the ratio of debt to total gross real estate and related assets net of gross intangible lease liabilities, was 43%.

As we acquire additional commercial real estate, we will be subject to changes in real estate prices and changes in interest rates on any new indebtedness used to acquire the properties. We may manage our risk of changes in real estate prices on future property acquisitions, when applicable, by entering into purchase agreements and loan commitments simultaneously, or through loan assumption, so that our operating yield is determinable at the time we enter into a purchase agreement, by contracting with developers for future delivery of properties or by entering into sale-leaseback transactions. We manage our interest rate risk by monitoring the interest rate environment in connection with our future property acquisitions, when applicable, or upcoming debt maturities to determine the appropriate financing or refinancing terms, which may include fixed rate loans, variable rate loans or interest rate hedges. If we are unable to acquire suitable properties or obtain suitable financing terms for future acquisitions or refinancing, our results of operations may be adversely affected.

Recent Market Conditions

Beginning in late 2007, domestic and international financial markets experienced significant disruptions that were brought about in large part by challenges in the world-wide banking system. These disruptions severely impacted the availability of credit and contributed to rising costs associated with obtaining credit. Since 2010, the

volume of mortgage lending for commercial real estate has been increasing and lending terms have improved and they continue to improve; however, such lending activity continues to be significantly less than previous levels. Although lending market conditions have improved, certain factors continue to negatively affect the lending environment, including the sovereign credit issues of certain countries in the European Union. We may experience more stringent lending criteria, which may affect our ability to finance certain property acquisitions or refinance any debt at maturity. Additionally, for properties for which we are able to obtain financing, the interest rates and other terms on such loans may be unacceptable. We expect to manage the current mortgage lending environment by considering alternative lending sources, including the securitization of debt, utilizing fixed rate loans, borrowings on our Amended Credit Facility, short-term variable rate loans, assuming existing mortgage loans in connection with property acquisitions, or entering into interest rate lock or swap agreements, or any combination of the foregoing.

The economic downturn led to high unemployment rates and a decline in consumer spending. These economic trends have adversely impacted the retail and real estate markets by causing higher tenant vacancies, declining rental rates and declining property values. In 2011 and the first half of 2012, the economy improved and continues to show signs of recovery. Additionally, the real estate markets have experienced an improvement in property values, occupancy and rental rates; however, in many markets property values, occupancy and rental rates continue to be below those previously experienced before the economic downturn. As of June 30, 2012, 99.6% of our rentable square feet was under lease. However, if the recent improvements in economic conditions do not continue, we may experience vacancies or be required to reduce rental rates on occupied space. If we do experience vacancies, CR IV Advisors will actively seek to lease our vacant space, however, such space may be leased at lower rental rates and for shorter lease terms than our current leases provide.

Results of Operations

On April 13, 2012 we commenced principal operations and as of June 30, 2012, we owned 16 properties, of which 99.6% of the gross rentable square feet was leased. As we did not commence principal operations until April 13, 2012, comparative financial data is not presented for the three and six months ended June 30, 2011.

Three Months Ended June 30, 2012

Revenue for the three months ended June 30, 2012 totaled $648,000. Our revenue consisted primarily of rental and other property income of $622,000 related to the properties we acquired in the six months ended June 30, 2012 (the 2012 Acquisitions), which accounted for 96% of total revenue. We also paid certain operating expenses subject to reimbursement by our tenants, which resulted in $26,000 in tenant reimbursement income during the three months ended June 30, 2012.

General and administrative expenses for the three months ended June 30, 2012 totaled $188,000, primarily consisting of board of directors fees, advisor operating expense reimbursements, unused Credit Facility fees, legal fees, accounting fees, organization fees and state income and franchise taxes. For the three months ended June 30, 2012, property operating expenses were $27,000, primarily related to property taxes. Depreciation and amortization expenses were $261,000 and acquisition expenses totaled $1.9 million during the three months ended June 30, 2012, related to the 2012 Acquisitions.

Pursuant to the advisory agreement with CR IV Advisors and based upon the amount of our current invested assets, we are required to pay to CR IV Advisors a monthly advisory fee equal to one-twelfth of 0.75% of the average invested assets. Additionally, we may be required to reimburse certain expenses incurred by CR IV Advisors in providing such advisory services, subject to limitations as set forth in the advisory agreement. Advisory fees and expenses for the three months ended June 30, 2012 totaled $90,000.

The 2012 Acquisitions were financed with proceeds from our offering and $27.7 million in borrowings from our Credit Facility. During the three months ended June 30, 2012, we incurred interest expense of $253,000, which included $37,000 in amortization of deferred financing costs. Our debt financing costs in

future periods will vary based on our level of future borrowings, which will depend on the level of investor proceeds raised, the cost and availability of borrowings, and the opportunity to acquire real estate assets in accordance with our investment strategy.

Six Months Ended June 30, 2012

Revenue for the six months ended June 30, 2012 totaled $648,000. Our revenue consisted primarily of rental and other property income of $622,000 related to the 2012 Acquisitions, which accounted for 96% of total revenue. We also paid certain operating expenses subject to reimbursement by our tenants, which resulted in $26,000 in tenant reimbursement income during the six months ended June 30, 2012.

General and administrative expenses for the six months ended June 30, 2012 totaled $223,000, primarily consisting of board of directors' fees, advisor operating expense reimbursements, unused Credit Facility fees, legal fees, accounting fees, organization fees and state income and franchise taxes. For the six months ended June 30, 2012, property operating expenses were $27,000, primarily related to property taxes. Depreciation and amortization expenses were $261,000 and acquisition expenses totaled $1.9 million during the six months ended June 30, 2012 related to the 2012 Acquisitions.

Pursuant to the advisory agreement with CR IV Advisors and based upon the amount of our current invested assets, we are required to pay to CR IV Advisors a monthly advisory fee equal to one-twelfth of 0.75% of the average invested assets. Additionally, we may be required to reimburse certain expenses incurred by CR IV Advisors in providing such advisory services, subject to limitations as set forth in the advisory agreement. Advisory fees and expenses for the six months ended June 30, 2012 totaled $90,000.

Our 2012 Acquisitions were financed with proceeds from our offering and $27.7 million in borrowings from our Credit Facility. During the six months ended June 30, 2012, we incurred interest expense of $253,000, which included $37,000 in amortization of deferred financing costs. Our debt financing costs in future periods will vary based on our level of future borrowings, which will depend on the level of investor proceeds raised, the cost and availability of borrowings, and the opportunity to acquire real estate assets in accordance with our investment strategy.

Distributions

Our board of directors authorized a daily distribution, based on 366 days in the calendar year, of $0.001707848 per share for stockholders of record as of each day of the period commencing on April 14, 2012, the first day following the release from escrow of the subscription proceeds received in our offering, and ending on September 30, 2012.

During the six months ended June 30, 2012, we paid distributions of $84,000, including $44,000 through the issuance of shares pursuant to our distribution reinvestment plan. Our 2012 distributions were funded by proceeds from our offering. Net cash used in operating activities for the six months ended June 30, 2012 reflects a reduction for real estate acquisition fees and related expenses incurred and expensed of $1.9 million, in accordance with GAAP. As set forth in the "Estimated Use of Proceeds" section of this prospectus, we treat our real estate acquisition related expenses as funded by proceeds from our offering. Therefore, for consistency, proceeds from the issuance of common stock for the six months ended June 30, 2012 have been reported as a source of distributions to the extent that acquisition expenses have reduced net cash flows from operating activities. For the six months ended June 30, 2011, no distributions were paid as we had not commenced principal operations.

Liquidity and Capital Resources

General

Our principal demands for funds will be for real estate and real estate-related investments, for the payment of operating expenses and distributions, for the payment of principal and interest on any outstanding

indebtedness and to satisfy redemption requests. Generally, we expect to meet cash needs for items other than acquisitions from our cash flow from operations, and we expect to meet cash needs for acquisitions from the net proceeds of our offering and from debt financings. The sources of our operating cash flows will primarily be provided by the rental income received from our leased properties. We expect to continue to raise capital through our offering and to utilize such funds and proceeds from secured or unsecured financing to complete future property acquisitions.

Short-term Liquidity and Capital Resources

On a short-term basis, our principal demands for funds will be for operating expenses, distributions and interest and principal on current and any future indebtedness. We expect to meet our short-term liquidity requirements through net cash provided by operations and proceeds from our offering, as well as secured or unsecured borrowings from banks and other lenders to finance our expected future acquisitions.

We expect our operating cash flows to increase as we acquire properties. Assuming a maximum offering and assuming all shares available under our distribution reinvestment plan are sold, we expect that approximately 88.1% of the gross proceeds from the sale of our common stock will be invested in real estate and real estate-related assets, while the remaining approximately 11.9% will be used for working capital and to pay costs of the offering, including sales commissions, dealer manager fees, organization and offering expenses and fees and expenses of CR IV Advisors in connection with acquiring properties. CR IV Advisors pays the organizational and other offering costs associated with the sale of our common stock, which we reimburse in an amount up to 2.0% of the gross proceeds of our offering. As of June 30, 2012, CR IV Advisors had paid offering and organization costs of $2.1 million in connection with our offering, of which we had reimbursed $906,000. The remaining $1.2 million of costs related to the organization of our offering were not included in our financial statements as of June 30, 2012 because such costs were not a liability to us as they exceeded 2.0% of gross proceeds from our offering. This amount may become payable to CR IV Advisors as we continue to raise additional proceeds in our offering.

Long-term Liquidity and Capital Resources

On a long-term basis, our principal demands for funds will be for the acquisition of real estate and real estate-related investments and the payment of acquisition related expenses, operating expenses, distributions and redemptions to stockholders and interest and principal on any future indebtedness. Generally, we expect to meet our long-term liquidity requirements through proceeds from the sale of our common stock, borrowings on our Amended Credit Facility or the Series C Loan, proceeds from secured or unsecured financings from banks and other lenders and net cash flows from operations.

We expect that substantially all net cash flows from operations will be used to pay distributions to our stockholders after certain capital expenditures, including tenant improvements and leasing commissions, are paid; however, we may use other sources to fund distributions, as necessary, including proceeds from our offering, borrowings on the Amended Credit Facility and/or future borrowings on our unencumbered assets. To the extent that cash flows from operations are lower due to fewer properties being acquired or lower than expected returns on the properties, distributions paid to our stockholders may be lower. We expect that substantially all net cash flows from our offering or debt financings will be used to fund acquisitions, certain capital expenditures identified at acquisition, repayments of outstanding debt or distributions to our stockholders.

As of June 30, 2012, we had issued approximately 4.5 million shares of our common stock in our offering resulting in gross proceeds of $45.1 million. We have not received any redemption requests or redeemed any shares of our common stock.

As of June 30, 2012, we had $27.7 million of debt outstanding on our Credit Facility and an additional $5.1 million of availability based on the current borrowing base assets. See Note 5 to our condensed consolidated unaudited financial statements in this prospectus for certain terms of the Credit Facility. As of June 30, 2012, the ratio of our debt to gross real estate and related assets net of gross intangible lease liabilities was 43%.

Our contractual obligations as of June 30, 2012 were as follows:

	Payments due by period [1]				
	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Principal payments – credit facility	$ 27,703,824	$–	$ 27,703,824	$ –	$ –
Interest payments – credit facility	2,663,536	951,263	1,712,273	–	–
Total	$30,367,360	$ 951,263	$29,416,097	$ –	$ –

(1) The table above does not include amounts due to CR IV Advisors or its affiliates pursuant to our advisory agreement because such amounts are not fixed and determinable.

We expect to incur additional borrowings in the future to acquire additional properties and make other real estate related investments. There is no limitation on the amount we may borrow against any single improved property. Our future borrowings will not exceed 300% of our net assets as of the date of any borrowing, which is the maximum level of indebtedness permitted under the North American Securities Administrators Association REIT Guidelines; however, we may exceed that limit if approved by a majority of our independent directors. Our board of directors has adopted a policy to further limit our borrowings to 60% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our gross assets, unless excess borrowing is approved by a majority of our independent directors and disclosed to our stockholders in the next quarterly report along with the justification for such excess borrowing.

Cash Flow Analysis

Operating Activities. Net cash used in operating activities was $1.4 million for the six months ended June 30, 2012, primarily due to a net loss of $2.2 million, which resulted from $1.9 million of acquisition costs for the 2012 Acquisitions, offset by accounts payable and accrued expenses of $358,000 and depreciation and amortization expenses totaling $287,000. See "– Results of Operations" for a more complete discussion of the factors impacting our operating performance.

Investing Activities. Net cash used in investing activities was $64.4 million for the six months ended June 30, 2012, primarily resulting from the purchase of the 2012 Acquisitions.

Financing Activities. Net cash provided by financing activities was $67.4 million for the six months ended June 30, 2012, primarily due to proceeds from the issuance of common stock of $45.1 million and net proceeds from the line of credit of $27.7 million.

Election as a REIT

We believe we qualify and intend to elect to be taxed as a REIT under the Internal Revenue Code of 1986, as amended beginning with the year ending December 31, 2012. To qualify and maintain status as a REIT, we must meet certain requirements relating to our organization, sources of income, nature of assets, distributions of income to our stockholders and recordkeeping. As a REIT, we generally would not be subject to federal income tax on taxable income that we distribute to our stockholders so long as we distribute at least 90% of our annual taxable income (computed without regard to the dividends paid deduction and excluding net capital gains).

If we fail to qualify as a REIT for any reason in a taxable year and applicable relief provisions do not apply, we will be subject to tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates. We will not be able to deduct distributions paid to our stockholders in any year in which we fail to qualify as a REIT. We also will be disqualified for the four taxable years following the year during which qualification is lost, unless we are entitled to relief under specific statutory provisions. Such an event could materially adversely affect our net income and net cash available for distribution to stockholders. However, we

believe that we are organized and operate in such a manner as to qualify for treatment as a REIT for federal income tax purposes. No provision for federal income taxes has been made in our accompanying condensed consolidated unaudited financial statements. We will be subject to certain state and local taxes related to the operations of properties in certain locations. We are subject to certain state and local taxes related to the operations of properties in certain locations, which have been provided for in our accompanying condensed consolidated unaudited financial statements.

Critical Accounting Policies and Estimates

Our accounting policies have been established to conform with GAAP. The preparation of financial statements in conformity with GAAP requires management to use judgment in the application of accounting policies, including making estimates and assumptions. Below are the accounting policies we believe will be critical once we commence principal operations. We consider these policies to be critical because they require our management to use judgment in the application of accounting policies, including making estimates and assumptions. These judgments affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. If management' s judgment or interpretation of the facts and circumstances relating to various transactions had been different, it is possible that different accounting policies would have been applied, thus resulting in a different presentation of the financial statements. Additionally, other companies may utilize different estimates that may impact comparability of our results of operations to those of companies in similar businesses.

Investment in and Valuation of Real Estate and Related Assets

We will be required to make subjective assessments as to the useful lives of our depreciable assets. We consider the period of future benefit of the asset to determine the appropriate useful life of each asset. Real estate assets will be stated at cost, less accumulated depreciation and amortization. Amounts capitalized to real estate assets consist of the cost of acquisition, excluding acquisition related expenses, construction and any tenant improvements, major improvements and betterments that extend the useful life of the related asset and leasing costs. All repairs and maintenance will be expensed as incurred.

Assets, other than land, will be depreciated or amortized on a straight line basis. The estimated useful lives of our assets by class are generally as follows:

Building and capital improvements	40 years
Tenant improvements	Lesser of useful life or lease term
Intangible lease assets	Lease term

We will continually monitor events and changes in circumstances that could indicate that the carrying amounts of our real estate and related intangible assets may not be recoverable. Impairment indicators that we will consider include, but are not limited to, bankruptcy or other credit concerns of a property' s major tenant, such as a history of late payments, rental concessions, a significant decrease in a property' s revenues due to circumstances such as lease terminations, vacancies, co-tenancy clauses or reduced lease rates. When indicators of potential impairment are present, we will assess the recoverability of the assets by determining whether the carrying value of the assets will be recovered through the undiscounted future operating cash flows expected from the use of the assets and their eventual disposition. In the event that such expected undiscounted future cash flows do not exceed the carrying value, we will reduce the real estate and related intangible assets and liabilities to their fair value and recognize an impairment loss.

Projections of expected future cash flows will require us to use estimates such as current market rental rates on vacant properties, future market rental income amounts subsequent to the expiration of lease agreements, property operating expenses, terminal capitalization and discount rates, the number of months it takes to re-lease a property, required tenant improvements and the number of years the property is held for investment. The use of

alternative assumptions in the future cash flow analysis would result in a different assessment of the property' s future cash flow and fair value and a different conclusion regarding the existence of an impairment, the extent of such loss, if any, as well as the carrying value of our real estate and related intangible assets.

When a real estate asset is identified by management as held for sale, we will cease depreciation of the asset and estimate the sales price, net of selling costs. If, in management' s opinion, the net sales price of the asset is less than the net book value of the asset, an adjustment to the carrying value would be recorded to reflect the estimated fair value of the property net of selling costs.

Allocation of Purchase Price of Real Estate and Related Assets

Upon the acquisition of real properties, we will allocate the purchase price of such properties to acquired tangible assets, consisting of land and building, and identified intangible assets and liabilities, consisting of the value of above market and below market leases and the value of in-place leases, based in each case on their fair values. We will utilize independent appraisals to assist in the determination of the fair values of the tangible assets of an acquired property (which includes land and building). We will obtain an independent appraisal for each real property acquisition. The information in the appraisal, along with any additional information available to us, will be used in estimating the amount of the purchase price that is allocated to land. Other information in the appraisal, such as building value and market rents, may be used by us in estimating the allocation of purchase price to the building and to lease intangibles. The appraisal firm will have no involvement in management' s allocation decisions other than providing this market information.

The fair values of above market and below market in-place leases will be recorded based on the present value (using an interest rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to the in-place leases and (ii) an estimate of fair market lease rates for the corresponding in-place leases, which will generally be obtained from independent appraisals, measured over a period equal to the non-cancelable term of the lease including any bargain renewal periods, with respect to a below market lease. The above market and below market lease values will be capitalized as intangible lease assets or liabilities. Above market lease values will be amortized as an adjustment of rental income over the lesser of the useful life or the remaining terms of the respective leases. Below market leases will be amortized as an adjustment of rental income over the remaining terms of the respective leases, including any bargain renewal periods. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of above market and below market in-place lease values relating to that lease would be recorded as an adjustment to rental income.

The fair values of in-place leases will include direct costs associated with obtaining a new tenant, and opportunity costs associated with lost rentals which are avoided by acquiring an in-place lease. Direct costs associated with obtaining a new tenant may include commissions, tenant improvements, and other direct costs and are estimated, in part, by utilizing information obtained from independent appraisals and management' s consideration of current market costs to execute a similar lease. These direct costs will be included in intangible lease assets in our consolidated balance sheets and will be amortized to expense over the lesser of the useful life or the remaining terms of the respective leases. The value of opportunity costs will be calculated using the contractual amounts to be paid pursuant to the in-place leases over a market absorption period for a similar lease. These intangibles will be included in intangible lease assets in our consolidated balance sheet and will be amortized to expense over the lesser of the useful life or the remaining term of the respective leases. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of in-place lease assets relating to that lease would be expensed.

The determination of the fair values of the assets and liabilities acquired will require the use of significant assumptions with regard to the current market rental rates, rental growth rates, discount and capitalization rates, interest rates and other variables. The use of inappropriate estimates would result in an incorrect assessment of our purchase price allocations, which could impact the amount of our reported net income.

Revenue Recognition

Upon the acquisition of real estate, we expect certain properties will have leases where minimum rent payments increase during the term of the lease. We will record rental revenue for the full term of each lease on a straight-line basis. When we acquire a property, the term of existing leases is considered to commence as of the acquisition date for the purposes of this calculation. We defer the recognition of contingent rental income, such as percentage rents, until the specific target that triggers the contingent rental income is achieved. Expected reimbursements from tenants for recoverable real estate taxes and operating expenses will be included in rental income in the period the related costs are incurred.

Real Estate Loans Receivable

Mortgage notes receivable will consist of loans we acquire, which are secured by real estate. Mortgage notes receivable will be recorded at stated principal amounts net of any discount or premium and deferred loan origination costs or fees. The related discounts or premiums on mortgage notes receivable purchased will be amortized or accreted over the life of the related mortgage receivable. We will defer certain loan origination and commitment fees, and amortize them as an adjustment of the mortgage notes receivable' s yield over the term of the related mortgage receivable. We will evaluate the collectability of both interest and principal on each mortgage note receivable to determine whether it is collectible. A mortgage note receivable will be considered to be impaired, when based upon current information and events, it is probable that we will be unable to collect all amounts due according to the existing contractual terms. When a mortgage note receivable is considered to be impaired, the amount of loss will be calculated as the amount by which the recorded investment exceeds the greater of the value determined by discounting the expected future cash flows at the mortgage note receivable' s effective interest rate or the value of the underlying collateral if the mortgage note receivable is collateralized. Interest income on performing mortgage note receivable will be accrued as earned. Interest income on impaired mortgage notes receivable will be recognized on a cash basis.

Income Taxes

We intend to make an election under Section 856(c) of the Internal Revenue Code to be taxed as a REIT, beginning with the taxable year ending December 31 for the first year in which we commence material operations. If we qualify as a REIT for federal income tax purposes, we generally will not be subject to federal income tax on income that we distribute to our stockholders. If we make an election to be taxed as a REIT and later fail to qualify as a REIT in any taxable year and certain relief provisions do not apply, we will be subject to federal income tax on our taxable income at regular corporate rates and will not be permitted to qualify for treatment as a REIT for federal income tax purposes for four years following the year in which our qualification is denied. Such an event could materially and adversely affect our net income. However, we believe that we are organized and will operate in a manner that will enable us to qualify for treatment as a REIT for federal income tax purposes during the year ending December 31 for the first year in which we commence material operations, and we intend to continue to operate so as to remain qualified as a REIT for federal income tax purposes. Even if we qualify for taxation as a REIT, we may be subject to certain state and local taxes on our income and property, and federal income and excise taxes on our undistributed income.

Commitments and Contingencies

We may be subject to certain contingencies and commitments with regard to certain transactions. Refer to Note 6 to our condensed consolidated unaudited financial statements in this prospectus for further explanations.

Related-Party Transactions and Agreements

We have entered into agreements with CR IV Advisors and its affiliates, whereby we agree to pay certain fees to, or reimburse certain expenses of, CR IV Advisors or its affiliates such as acquisition fees, disposition fees, organization and offering costs, sales commissions, dealer manager fees, advisory fees and reimbursement of certain operating costs. See Note 7 to our condensed consolidated unaudited financial statements in this prospectus for a discussion of the various related-party transactions, agreements and fees.

Subsequent Events

Certain events occurred subsequent to June 30, 2012 through the filing date of our Quarterly Report on Form 10-Q for the three months ended June 30, 2012. Refer to Note 10 to our condensed consolidated unaudited financial statements included in this prospectus for further explanation. Such events are:

Status of the Offering;

Amended Credit Facility; and

Investment in Real Estate Assets.

New Accounting Pronouncements

Refer to Note 2 to our condensed consolidated unaudited financial statements included in this prospectus for further explanation. There have been no accounting pronouncements issued, but not yet applied by us, that will significantly impact our financial statements.

Off Balance Sheet Arrangements

As of June 30, 2012 and December 31, 2011, we had no material off-balance sheet arrangements that had or are reasonably likely to have a current or future effect on our financial condition, results of operations, liquidity or capital resources

PRIOR PERFORMANCE SUMMARY

Prior Investment Programs

The information presented in this section and in the Prior Performance Tables attached to this prospectus provides relevant summary information on the historical experience of the real estate programs managed over the last ten years by our sponsor, Cole Real Estate Investments, including certain officers and directors of our advisor. The prior performance of the programs previously sponsored by Cole Real Estate Investments is not necessarily indicative of the results that we will achieve. For example, most of the prior programs were privately offered and did not bear a fee structure similar to ours, or the additional costs associated with being a publicly held entity. Therefore, you should not assume that you will experience returns comparable to those experienced by investors in prior real estate programs sponsored by Cole Real Estate Investments.

We intend to conduct this offering in conjunction with future offerings by one or more public and private real estate entities sponsored by Cole Real Estate Investments. To the extent that such entities have the same or similar objectives as ours or involve similar or nearby properties, such entities may be in competition with the properties acquired by us. See the "Conflicts of Interest" section of this prospectus for additional information.

The Prior Performance Tables set forth information as of the dates indicated regarding the prior programs subject to public reporting requirements, including (1) experience in raising and investing funds (Table I); (2) compensation to the sponsor and its affiliates (Table II); (3) annual operating results of prior real estate programs (Table III); and (4) results of sales or disposals of properties (Table V). The Company has not included the results of completed programs (Table IV) since none of the prior public real estate programs sponsored by Cole Real Estate Investments have completed their operations during the five years ended December 31, 2011. Additionally, Table VI, which is contained in Part II of the registration statement for this offering and which is not part of this prospectus, contains certain additional information relating to properties acquired by these prior real estate programs. We will furnish copies of such tables to any prospective investor upon request and without charge. The purpose of this prior performance information is to enable you to evaluate accurately the experience of our advisor and its affiliates in sponsoring like programs. The following discussion is intended to summarize briefly the objectives and performance of the prior real estate programs and to disclose any material adverse business developments sustained by them. As of December 31, 2011, approximately 98% of the prior real estate programs had investment objectives similar to those of this program, based on number of programs.

Summary Information

Prior Private Programs

During the period from January 1, 2002 to December 31, 2011, Cole Real Estate Investments sponsored 63 privately offered programs, including four limited partnerships, four debt offerings, 27 Delaware Statutory Trusts, 26 tenant-in-common programs, and CCPT I, a privately offered REIT, each with similar investment objectives to those of this program, and one limited partnership that did not have similar investment objectives to this program. As of December 31, 2011, such privately offered prior programs have raised approximately $654.0 million from approximately 5,900 investors.

With respect to the four privately offered limited partnerships sponsored by Cole Real Estate Investments during the period from January 1, 2002 to December 31, 2011, which had similar investment objectives to this program, affiliates of our advisor have been general partners in each limited partnership. In total, limited partnership interests were sold to approximately 1,400 investors, raising approximately $65.7 million of capital. The foregoing partnerships have purchased in the aggregate 25 properties for an approximate acquisition cost of $171.0 million, of which approximately 68.4% is attributable to 23 single-tenant retail and commercial properties and 31.6% is attributable to two shopping centers. The properties were located in the following states: three in

Tennessee; three in Oklahoma; two in California; two in Florida; two in Ohio; and one each in Alabama, Arizona, Indiana, Iowa, Kentucky, Michigan, Missouri, New Mexico, New York, South Carolina, Texas, Virginia and Washington. The properties have been purchased on terms varying from all cash to market rate financing. All of the 25 properties have been sold and each of the limited partnerships has completed operations.

The four privately offered limited partnerships, Cole Credit Property Fund I, LP (CCPF), Cole Credit Property Fund II, LP (CCPF II), Cole Santa Fe Investors, LP and Cole Boulevard Square Investors, LP, achieved average annual returns ranging from approximately 8.07% to approximately 15.36% during the life of the respective partnership through the date of liquidation.

Two of the privately offered limited partnerships, CCPF and CCPF II, disposed an aggregate of 22 properties through a sale to CCPT II for $121.2 million. In accordance with CCPT II' s charter, CCPT II' s board of directors, including all of its independent directors, not otherwise interested in the transactions, approved these purchases as being fair and reasonable to CCPT II at a price in excess of the cost paid by the affiliated seller, and determined that there was substantial justification for the excess cost. In addition, the limited partners of CCPF and CCPF II approved the sales.

With respect to the one privately offered limited partnership sponsored by Cole Real Estate Investments during the period from January 1, 2002 to December 31, 2011, CGOF, which did not have similar investment objectives to this program, an affiliate of our advisor serves as the general partner. Unlike the investment approach of our sponsor' s other programs, which were designed to provide current income through the payment of cash distributions, CGOF is designed to invest in properties located in high growth markets in the early stages of development, where value added investment strategies could be implemented with the objective of realizing appreciation through the sale or other form of disposition of properties. As of December 31, 2011, CGOF had raised approximately $26.3 million from approximately 400 investors and owned directly, or indirectly through investments in joint ventures, a total of four properties, including three properties in Arizona and one property in Nevada, for an aggregate cost of approximately $27.3 million including development related costs. As of December 31, 2011, none of these properties had been sold.

In addition to the partnerships described above, as of December 31, 2011, affiliates of our advisor had issued an aggregate of approximately $114.2 million in collateralized senior notes through four privately offered debt programs and had acquired an aggregate of 123 single-tenant retail properties, 40 single-tenant commercial properties, three multi-tenant retail properties and one land parcel in 37 states for an aggregate acquisition cost of approximately $1.0 billion. The debt offerings are considered to be prior programs, as proceeds were primarily used to invest in single-tenant income-producing retail and commercial properties. One of the primary purposes of the note programs was to enable Cole Real Estate Investments to acquire assets that might be suitable for its tenant-in-common program and Delaware Statutory Trust program and for acquisition by one of its equity programs pending such time as the respective program had sufficient capital and/or corporate approval to acquire the asset. As of December 31, 2011, 163 of the properties had been sold, of which eight were sold to CCPT I, one land parcel was sold to CGOF, 17 were sold to CCPT II, six were sold to CCPT III, one was sold to CCIT, 26 were sold to participants in Cole Real Estate Investment' s tenant-in-common program, 52 were sold to participants in Cole Real Estate Investment' s Delaware Statutory Trust program and the remaining 52 properties were sold to unrelated third parties. On April 28, 2006, an affiliate of our advisor redeemed at par all of the approximately $28.0 million in collateralized senior notes issued under the first debt offering. On April 6, 2009, an affiliate of our advisor redeemed at par all of the approximately $28.8 million in collateralized senior notes issued under the second debt offering. On March 11, 2011, an affiliate of our advisor redeemed at par all of the approximately $28.7 million in collateralized senior notes issued under the third debt offering.

In addition, Cole Real Estate Investments offered properties to Section 1031 exchange investors through the sale of tenant-in-common ownership interests in such properties. As of December 31, 2011, aggregate ownership interests in 26 properties of approximately $171.4 million had been sold in 26 private offerings of properties located in 15 states. The value of such tenant-in-common ownership interests was determined by the aggregate purchase price, including acquisition costs, of the properties. In addition, Cole Real Estate Investments offered properties through a Delaware statutory trust program whereby beneficial interests were offered in trusts that acquired real property. As of December 31, 2011, aggregate ownership interests in 52 properties of approximately $176.1 million had been sold in 27 private offerings of properties located in 21 states. The value of such beneficial interests was determined by the aggregate purchase price, including acquisition costs, of the real property acquired. Each of the programs described in this paragraph were still in operation as of December 31, 2011 and have similar investment objectives to this program.

On April 6, 2004, CCPT I commenced a private placement of shares of its common stock for $10.00 per share, subject to certain volume and other discounts. CCPT I completed the private placement on September 16, 2005, after having raised aggregate gross proceeds of approximately $100.3 million. As of December 31, 2011, CCPT I had approximately 1,400 investors, and had acquired 42 single-tenant retail properties located in 19 states for an aggregate acquisition cost of approximately $199.1 million. CCPT I has similar investment objectives to this program. Additionally, as of December 31, 2011, CCPT I had sold one property for $19.1 million. CCPT I disclosed in its private placement memorandum a targeted liquidity event by February 1, 2016. Such targeted date has not yet occurred, and CCPT I has not had a liquidity event. See the Prior Performance Tables for additional information regarding this program.

Upon written request, any potential investor may obtain, without charge, the most recent annual report on Form 10-K filed with the Securities and Exchange Commission by CCPT I within the last 24 months. For a reasonable fee, CCPT I will provide copies of any exhibits to such Form 10-K.

During the period from January 1, 2002 to December 31, 2011, the prior private programs purchased an aggregate of 229 properties located in 40 states. The table below gives information about these properties by region.

	Properties Purchased	
Location	Number	% of Total Purchase Price
South	113	44.6 %
Midwest	63	29.4 %
West	30	20.0 %
Northeast	23	6.0 %
	229	100.0 %

Based on the aggregate purchase price of the 229 properties, approximately 76.0% were single-tenant retail properties, approximately 13.8% were shopping centers, approximately 9.4% were single-tenant commercial properties, and approximately 0.8% was land. The following table shows a breakdown of the aggregate amount of the acquisition and development costs of the properties purchased by the prior private real estate programs sponsored by Cole Real Estate Investments as of December 31, 2011:

Type of Property	New	Used	Construction
Retail/Commercial	28.0%	70.8%	1.2 %
Land	–	100 %	–

As of December 31, 2011, these private programs had sold 184, or 86.6% of the total 229 properties purchased, of which 39 properties were sold to CCPT II, six properties were sold to CCPT III, one was sold to

CCIT and 138 properties were sold to unrelated third parties. Of the 138 properties sold to unrelated third parties, 26 properties sold to participants in Cole Real Estate Investment' s tenant-in-common program and 52 properties sold to participants in Cole Real Estate Investment' s Delaware Statutory Trust program. The original purchase price of the properties that were sold was approximately $1.2 billion, and the aggregate sales price of such properties was approximately $1.3 billion.

During the three years ended December 31, 2011, the prior private real estate programs purchased one single-tenant commercial property located in San Antonio, Texas for $32.9 million.

Prior Public Programs

Other than our company, Cole Real Estate Investments sponsored four publicly offered REITs, CCPT II, CCPT III, CCIT and Cole Income NAV Strategy, during the period from January 1, 2002 to December 31, 2011. CCPT II, CCPT III, CCIT and Cole Income NAV Strategy each have similar investment objectives to this program. As of December 31, 2011, CCPT II had raised approximately $2.2 billion from approximately 41,000 investors, CCPT III had raised approximately $3.9 billion from approximately 87,000 investors, CCIT had raised approximately $13.5 million from approximately 400 investors and Cole Income NAV Strategy had raised $10.0 million from one investor, an affiliate of our sponsor. For more detailed information about the experience of our sponsor in raising and investing funds for CCPT II and CCPT III and compensation paid to the sponsors of CCPT II, CCPT III, CCIT and Cole Income NAV Strategy, see Tables I and II of the Prior Performance Tables.

On June 27, 2005, CCPT II commenced an initial public offering of shares of its common stock for $10.00 per share, subject to certain volume and other discounts, in a primary offering, and for $9.50 per share pursuant to a distribution reinvestment plan. CCPT II terminated its initial public offering on May 22, 2007 and commenced a follow-on public offering on May 23, 2007. Pursuant to the follow-on offering, CCPT II offered and sold shares of its common stock for $10.00 per share, subject to certain volume and other discounts, in a primary offering, and for $9.50 per share pursuant to its distribution reinvestment plan. CCPT II terminated its follow-on offering on January 2, 2009, although it continues to offer and sell shares of its common stock to existing CCPT II stockholders pursuant to its distribution reinvestment plan. As of December 31, 2011, CCPT II had raised approximately $2.2 billion from approximately 41,000 investors and had acquired 419 single-tenant retail properties, 312 single-tenant commercial properties, and 22 multi-tenant retail properties in an aggregate of 45 states and the U.S. Virgin Islands for an aggregate acquisition cost of approximately $3.3 billion. CCPT II also acquired indirect interests in one multi-tenant retail property through an unconsolidated joint venture for approximately $53.7 million and in a ten self-storage property portfolio through an unconsolidated joint venture for approximately $70.7 million. CCPT II disclosed in its prospectus a targeted liquidity event by May 22, 2017. On June 28, 2011, CCPT II disclosed that Cole Real Estate Investments is actively exploring options to successfully exit CCPT II' s portfolio. CCPT II has stated that the potential exit strategies it is evaluating include, but are not limited to, a sale of the company or all or a portion of its portfolio, a merger or other business combination, or a listing of the company' s stock on a national securities exchange. Such targeted liquidity date has not yet occurred, and CCPT II has not finalized a plan for, or had, a liquidity event.

On October 1, 2008, CCPT III commenced an initial public offering of shares of its common stock for $10.00 per share, subject to certain volume and other discounts, in a primary offering, and for $9.50 per share pursuant to a distribution reinvestment plan. CCPT III terminated its initial public offering on October 1, 2010 and commenced a follow-on public offering on October 1, 2010. Pursuant to the follow-on offering, CCPT III sold shares of its common stock for $10.00 per share, subject to certain volume and other discounts, in a primary offering, and for $9.50 per share pursuant to its distribution reinvestment plan. CCPT III ceased issuing shares in its follow-on offering on April 27, 2012, although it continues to offer and sell shares of its common stock to existing CCPT III stockholders pursuant to its distribution reinvestment plan. As of December 31, 2011, CCPT III had raised approximately $3.9 billion from approximately 87,000 investors and had acquired 502 single-tenant retail properties, 135 single-tenant commercial properties, 53 multi-tenant retail properties, and 3 land parcels under construction in an aggregate of 47 states for an aggregate acquisition cost of approximately

$5.2 billion, or a total of 693 properties, which includes three consolidated joint ventures. In addition, through two unconsolidated joint venture arrangements, as of December 31, 2011, CCPT III had interests in seven properties comprising 935,000 gross rentable square feet of commercial space. CCPT III disclosed in its prospectus that, while it does not have a fixed liquidity event date, if it does not list its shares of common stock on a national securities exchange by October 1, 2020, CCPT III' s charter requires that it either seek stockholder approval of an extension or elimination of the listing deadline or stockholder approval of the liquidation and dissolution of CCPT III. If CCPT III does not obtain either such stockholder approval, its charter does not require a liquidity event and CCPT III could continue to operate as before.

The offering price for CCPT III' s shares of common stock is not based on the expected book value or expected net asset value of CCPT III' s proposed investments, or its expected operating cash flows. Although CCPT III' s board of directors may do so at any time in its discretion, it is not anticipated that CCPT III' s board of directors will undertake a process for estimating the per share value of CCPT III' s common stock for the 18-month period following the termination of the follow-on offering.

CCPT III' s share redemption program provides, in general, that the number of shares CCPT III may redeem are limited to 5% of the weighted average number of shares outstanding during the trailing twelve-month period prior to the end of the fiscal quarter for which redemptions are paid. In addition, the cash available for redemption is limited to the proceeds from the sale of shares pursuant to its distribution reinvestment plan. As of December 31, 2011, CCPT III has redeemed in full all valid redemption requests received in good order. A valid redemption request is one that complies with the applicable requirements and guidelines of CCPT III' s share redemption program.

On February 10, 2011, CCIT commenced an initial public offering of shares of its common stock for $10.00 per share, subject to certain volume and other discounts, in a primary offering, and for $9.50 per share pursuant to a distribution reinvestment plan. As of December 31, 2011, CCIT had raised approximately $13.5 million from approximately 400 investors and had acquired one single-tenant commercial property for an acquisition cost of approximately $32.9 million.

CCIT' s share redemption program provides, in general, that the number of shares CCIT may redeem are limited to 5% of the weighted average number of shares outstanding during the trailing twelve-month period prior to the end of the fiscal quarter for which redemptions are paid. In addition, the cash available for redemption is limited to the proceeds from the sale of shares pursuant to its distribution reinvestment plan. As of December 31, 2011, CCIT had not received any redemption requests or redeemed any shares under its share redemption program.

On December 6, 2011, Cole Income NAV Strategy commenced an initial public offering of up to $4.0 billion in shares of its common stock at an initial offering price of $15.00 per share. The conditions of the escrow agreement were satisfied on December 7, 2011, and thereafter, the per share purchase price of Cole Income NAV Strategy' s common stock varies from day-to-day, and on any given business day is equal to its net asset value (NAV) divided by the number of shares of its common stock outstanding as of the end of business on such day. The purchase price for shares under the distribution reinvestment program will be equal to the NAV per share on the date that the distribution is payable, after giving effect to the distribution. As of December 31, 2011, Cole Income NAV Strategy had raised approximately $10.0 million from Cole Holdings Corporation, an affiliate of our sponsor, and had acquired eight single-tenant retail properties and one multi-tenant retail property in an aggregate of seven states for an aggregate acquisition cost of approximately $31.0 million.

Cole Income NAV Strategy' s share redemption program provides that, in each calendar quarter, net redemptions will be limited to 5% of Cole Income NAV Strategy' s total NAV as of the end of the immediately preceding quarter. If less than the full 5% limit available for a quarter is used, the unused percentage will be carried over to the next quarter, but the maximum carryover percentage cannot exceed 15% in the aggregate, and net redemptions in any quarter may not exceed 10% of the prior quarter end' s NAV. In the event that

redemptions exceed the quarterly limit, additional redemption limitations will apply in the following quarter. As of December 31, 2011, Cole Income NAV Strategy had not received any redemption requests and had not redeemed any shares under its share redemption program.

During the period from January 1, 2002 to December 31, 2011, the prior public real estate programs purchased 1,456 properties located in 47 states and the U.S. Virgin Islands. The table below gives information about these properties by region.

	Properties Purchased	
Location	Number	% of Total Purchase Price
South	820	47.7 %
Midwest	380	22.3 %
West	141	21.7 %
Northeast	114	8.2 %
U.S. Virgin Islands	1	0.1 %
	1,456	100.0 %

Based on the aggregate purchase price of the 1,456 properties, approximately 50.0% were single-tenant retail properties, approximately 25.8% were single-tenant commercial properties, approximately 24.1% were multi-tenant retail properties, and approximately 0.1% was land.

The following table shows a breakdown of the aggregate amount of the acquisition and development costs of the properties purchased by the prior public real estate programs sponsored by Cole Real Estate Investments as of December 31, 2011:

Type of Property	New	Used	Construction
Retail/Commercial	10.3%	89.7%	–
Land	–	0.4 %	99.6 %

As of December 31, 2011, the prior public programs had not sold any of the 1,456 properties purchased by these public programs; however, on September 30, 2011, CCPT II sold 100% of its interest in the unconsolidated joint venture that owned and operated ten self-storage properties for gross cash proceeds of $19.1 million.

During the three years ended December 31, 2011, the prior public real estate programs had purchased 782 properties located in 47 states. The table below gives information about these properties by region.

	Properties Purchased	
Location	Number	% of Total Purchase Price
South	405	45.7 %
Midwest	216	18.7 %
West	83	26.3 %
Northeast	78	9.3 %
	782	100.0 %

Based on the aggregate purchase price of the 782 properties, approximately 47.4% were single-tenant retail properties, approximately 26.3% were single-tenant commercial properties, approximately 26.2% were multi-tenant retail properties, and approximately 0.1% was land. A total of 37 of the properties were purchased with a combination of offering proceeds and mortgage notes payable and the remaining 745 properties were purchased solely using offering proceeds.

Upon written request, any potential investor may obtain, without charge, the most recent annual report on Form 10-K filed with the Securities and Exchange Commission by CCPT II, CCPT III, CCIT and Cole Income NAV Strategy within the last 24 months. For a reasonable fee, CCPT II, CCPT III, CCIT and Cole Income NAV Strategy will provide copies of any exhibits to such Form 10-K.

Liquidity Track Record

Prior Private Programs

Of the 63 prior private programs sponsored by Cole Real Estate Investments discussed above, 35 of them disclosed a targeted date or time frame for liquidation in their private placement memorandum. Of the 35 programs that made such disclosure, five programs liquidated by the date or within the time frame set forth in their private placement memorandum. With respect to the remaining 30 programs that made such disclosure, the targeted date or time frame for liquidation has not yet occurred, and those programs were still in operation as of December 31, 2011.

Prior Public Programs

Of the four prior public programs sponsored by Cole Real Estate Investments discussed above, two of them, CCPT II and CCPT III, disclosed in their prospectus a targeted date or time frame for listing their shares on a national securities exchange or seeking stockholder approval of either (1) an extension or elimination of the listing deadline, or (2) a liquidation. With respect to each of the programs, the targeted date or time frame for listing or seeking such stockholder approval has not yet occurred, and the programs are still in operation as of December 31, 2011. CCIT has not established a targeted date or time frame for pursuing a liquidity event, although it has disclosed in its prospectus that it expects to engage in a strategy to provide its investors with liquidity at a time and in a method recommended by its advisor and determined by its independent directors to be in the best interests of its stockholders. Accordingly, the timing and method of any liquidity event for CCIT is undetermined as of December 31, 2011. Cole Income NAV Strategy is structured as a perpetual-life, non-exchange traded REIT, which means that, subject to regulatory approval of registrations for additional future offerings, it will be selling shares of its common stock on a continuous basis and for an indefinite period of time.

Adverse Business and Other Developments

Adverse changes in general economic conditions have occasionally affected the performance of the prior programs. The following discussion presents a summary of significant adverse business developments or conditions experienced by Cole Real Estate Investment' s prior programs over the past ten years that may be material to investors in this offering.

Share Valuation

CCPT I stated in its private placement memorandum that after two years from the last offering of its shares of common stock, CCPT I would provide an estimated value per share for the principal purpose of assisting fiduciaries of plans subject to the annual reporting requirements of ERISA, and IRA trustees or custodians, which prepare reports relating to an investment in CCPT I' s shares of common stock. On January 13, 2012, CCPT I announced that its board of directors approved an estimated value of CCPT I' s common stock of $7.95 per share as of December 31, 2011. This is an increase from the previously reported estimated value of CCPT I' s common stock of $7.65 per share estimated value as of December 31, 2010 and 2009, announced by CCPT I on January 13, 2011 and February 1, 2010, respectively. The shares of CCPT I' s common stock were originally sold at a gross offering price of $10.00 per share. The principal reason for the decrease in share value beginning with the December 31, 2009 valuation was a decline in real estate values, despite CCPT I' s properties maintaining a 100% occupancy rate. The decline in values resulted from disruptions in the credit markets and the general economic conditions. In determining an estimated value of CCPT I' s shares of common stock in January 2012, the board of directors of CCPT I relied upon information provided by an independent investment banking firm

that specializes in providing real estate financial services, and information provided by CCPT I Advisors. In determining on estimated value of CCPT I' s shares of common stock in January 2011 and February 2010, the board of directors of CCPT I relied on information provided by an independent consultant that specializes in valuing commercial real estate companies, and information provided by CCPT I Advisors. The statements of value were only an estimate and may not reflect the actual value of CCPT I' s shares of common stock. Accordingly, there can be no assurance that the estimated value per share would be realized by CCPT I' s stockholders if they were to attempt to sell their shares or upon liquidation.

In February 2009, FINRA informed broker dealers that sell shares of non-exchange traded REITs that broker dealers may not report, in a customer account statement, an estimated value per share that is developed from data more than 18 months old. To assist broker dealers in complying with the FINRA notice, the board of directors of CCPT II established an estimated value of CCPT II' s common stock of $9.35 per share as of July 27, 2011. This is an increase from the previously reported estimated share value of $8.05 per share announced on June 22, 2010. The shares of CCPT II' s common stock were originally sold at a gross offering price of $10.00 per share. The principal reason for the initial decrease in share value was a decline in real estate values resulting from disruptions in the credit markets and the general economic conditions, in addition to a decline in CCPT II' s occupancy rate to 94%. CCPT II' s occupancy rate increased to 96% as of December 31, 2011. In determining an estimated value of CCPT II' s shares of common stock in July 2011, the board of directors of CCPT II relied upon information provided by an independent investment banking firm that specializes in providing real estate financial services, and information provided by CCPT II Advisors. In determining an estimated value of CCPT II' s shares of common stock in June 2010, the board of directors of CCPT II relied upon information provided by an independent consultant that specializes in valuing commercial real estate companies, and information provided by CCPT II Advisors. The statements of value were only an estimate and may not reflect the actual value of CCPT II' s shares of common stock. Accordingly, there can be no assurance that the estimated value per share would be realized by CCPT II' s stockholders if they were to attempt to sell their shares or upon liquidation. CCPT II' s board of directors is expected to announce an updated estimated value of CCPT II' s shares of common stock within 18 months after July 27, 2011.

Distributions and Redemptions

From June 2005 through February 2010, CCPT I paid a 7.00% annualized distribution rate based upon a purchase price of $10.00 per share. However, beginning in March 2010, CCPT I reduced its annualized distribution rate to 5.00% based on a purchase price of $10.00 per share, or 6.29% based on the most recent estimated value of $7.95 per share. The principal reasons for the lower distribution rate were the approximately $50 million of fixed rate debt that was to mature by year-end 2010 and the prevailing credit markets, which dictated higher interest rates upon refinancing and amortization provisions, requiring CCPT I to pay down a portion of the principal on a monthly basis over the life of the loan. As of December 31, 2011, CCPT I had paid approximately $43.8 million in cumulative distributions since inception. The distributions were fully funded by net cash provided by operating activities.

Pursuant to CCPT I' s share redemption program, the company may use up to 1% of its annual cash flow, including operating cash flow not intended for distributions, borrowings, and capital transactions such as sales or refinancings, to satisfy redemption requests. Accordingly, CCPT I' s board of directors must determine at the beginning of each fiscal year the maximum amount of shares that CCPT I may redeem during that year. CCPT I' s board of directors determined that there was an insufficient amount of cash available for redemptions during the years ending December 31, 2008, 2009, 2010, 2011 and 2012. CCPT I continues to accept redemption requests which are considered for redemption if and when sufficient cash is available to fund redemptions. Requests relating to approximately 284,000 shares remained unfulfilled as of December 31, 2011.

From October 2005 through February 2006, CCPT II paid a 6.00% annualized distribution rate based upon a purchase price of $10.00 per share; from March 2006 through June 2006, CCPT II paid a 6.25% annualized distribution rate based upon a purchase price of $10 per share; from July 2006 through June 2007, CCPT II paid a 6.50% annualized distribution rate based upon a purchase price of $10.00 per share; from July 2007 through June

2009, CCPT II paid a 7.00% annualized distribution rate based upon a purchase price of $10.00 per share; and from July 2009 through the date of this prospectus, CCPT II paid a 6.25% annualized distribution rate based upon a purchase price of $10.00 per share, or a 6.68% annualized distribution rate based on the most recent estimate of the value of $9.35 per share. The principal reason for the reduction of the distribution rate was the drop in the occupancy rate of the CCPT II portfolio from 99% on December 31, 2008, to 95% at September 30, 2009, resulting in lower revenue. CCPT II' s occupancy rate as of December 31, 2011 was 96%.

As of December 31, 2011, CCPT II had paid approximately $536.0 million in cumulative distributions since inception. These distributions were funded by net cash provided by operating activities of approximately $484.6 million, offering proceeds of approximately $9.7 million, net proceeds from the sale of marketable securities of approximately $21.5 million, net proceeds from the sale of CCPT II' s interest in a joint venture of approximately $5.2 million, return of capital from unconsolidated joint ventures of approximately $3.9 million, and net borrowings of approximately $11.1 million. As of December 31, 2011, CCPT II had expensed approximately $9.7 million in cumulative real estate acquisition expenses, which reduced operating cash flows. CCPT II treats its real estate acquisition expenses as funded by offering proceeds. Therefore, for consistency, real estate acquisition expenses are treated in the same manner in describing the sources of distributions, to the extent that distributions paid exceed net cash provided by operating activities.

Pursuant to CCPT II' s share redemption program in effect during 2009, redemptions were limited to 3% of the weighted average number of shares outstanding during the prior calendar year, other than for redemptions requested upon the death of a stockholder. During 2009, CCPT II funded redemptions up to this limit. On November 10, 2009, CCPT II' s board of directors voted to temporarily suspend CCPT II' s share redemption program other than for requests made upon the death of a stockholder, which it continued to accept. The board considered many factors in making this decision, including the expected announcement of an estimated value of CCPT II' s common stock in June 2010 and continued uncertainty in the economic environment and credit markets. On June 22, 2010, CCPT II' s board of directors reinstated the share redemption program, with certain amendments, effective August 1, 2010. Under the terms of the revised share redemption program, during any calendar year, CCPT II will redeem shares on a quarterly basis, up to one-fourth of 3% of the weighted average number of shares outstanding during the prior calendar year (including shares requested for redemption upon the death of a stockholder). In addition, funding for redemptions for each quarter will be limited to the net proceeds received from the sale of shares, in the respective quarter, under CCPT II' s distribution reinvestment plan. These limits might prevent CCPT II from accommodating all redemption requests made in any fiscal quarter or in any twelve month period. During the year ended December 31, 2011, CCPT II received valid redemption requests pursuant to the share redemption program, as amended, relating to approximately 20.4 million shares, including those requests unfulfilled and resubmitted from a previous period, and requests relating to approximately 6.2 million shares were redeemed on a pro rata basis for $55.2 million at an average price of $8.90 per share, of which approximately 1.6 million shares were redeemed subsequent to December 31, 2011. The remaining redemption requests relating to approximately 14.2 million shares went unfulfilled including those requests unfulfilled and resubmitted from a previous period. Requests for redemption that are not fulfilled in a period may be resubmitted by stockholders in a subsequent period. Unfulfilled requests for redemption are not carried over automatically to subsequent redemption periods. A valid redemption request is one that complies with the applicable requirements and guidelines of the share redemption program, as amended.

CCPT III' s board of directors began declaring distributions in January 2009, after the company commenced business operations. CCPT III paid a 6.50% annualized distribution rate based upon a $10.00 per share purchase price for the period commencing on January 6, 2009 through March 31, 2009. During the period commencing on April 1, 2009 and ending on March 31, 2010, CCPT III paid a 6.75% annualized distribution rate based upon a $10.00 per share purchase price. CCPT III paid a 7.00% annualized distribution rate based upon a $10.00 per share purchase price for the period commencing on April 1, 2010 and ending on December 31, 2010. CCPT III paid a 6.50% annualized distribution rate to stockholders of record during the period commencing January 1, 2011 through the date of this prospectus. The principal reason for the reduction of the distribution rate was to align more closely the distribution rate with CCPT III' s present operating income.

As of December 31, 2011, CCPT III had paid approximately $329.3 million in cumulative distributions since inception. These distributions were funded by net cash provided by operating activities of approximately $181.5 million, offering proceeds of approximately $136.7 million, return of capital from unconsolidated joint ventures of approximately $1.1 million, and net borrowings of approximately $10.0 million. As of December 31, 2011, CCPT III had expensed approximately $136.7 million in cumulative real estate acquisition expenses which reduced operating cash flows. CCPT III treats its real estate acquisition expenses as funded by offering proceeds. Therefore, for consistency, real estate acquisition expenses are treated in the same manner in describing the sources of distributions, to the extent that distributions paid exceed net cash provided by operating activities.

Additionally, one of the five privately offered limited partnerships, Cole Santa Fe Investors, LP, suspended distributions to investors due to a tenant bankruptcy beginning with the quarter ending December 31, 2003. On November 30, 2007, the property was sold for approximately $28.5 million, which resulted in a return to investors of 100% of their original investment plus a return of approximately 13.7% per year.

Another privately offered program, Cole Southwest Opportunity Fund, LP, was unable to lease its developed data center facility as a result of the severe downturn in the telecommunications industry. The Phoenix facility was sold for $16.3 million in January 2004, which along with the previous sale of vacant land parcels in Las Vegas, Nevada formerly owned by a wholly-owned subsidiary of Cole Southwest Opportunity Fund, LP, resulted in a return to investors of approximately 83% of their original investment upon liquidation of the limited partnership.

DESCRIPTION OF SHARES

We were formed under the laws of the state of Maryland. The rights of our stockholders are governed by Maryland law as well as our charter and bylaws. The following is a summary of the material terms of our common stock as set forth in our charter and bylaws, and is qualified by reference to our charter and bylaws. Our charter and bylaws are on file with the Securities and Exchange Commission as Exhibit 3.4 and 3.5, respectively, to our registration statement on Form S-11 and can be accessed over the Internet at the Securities and Exchange Commission' s website at *http://www.sec.gov*. In addition, copies of our charter and bylaws are available at no cost upon request. See the "Where You Can Find More Information" section of this prospectus.

Our charter authorizes us to issue up to 500,000,000 shares of stock, of which 490,000,000 shares are designated as common stock at $0.01 par value per share and 10,000,000 shares are designated as preferred stock at $0.01 par value per share. As of October 3, 2012, 16,094,532 shares of our common stock were issued and outstanding, and no shares of preferred stock were issued and outstanding. Our board of directors may amend our charter to increase or decrease the aggregate number of our authorized shares or the number of shares of any class or series that we have authority to issue without any action by our stockholders.

Our charter also contains a provision permitting our board of directors, without any action by our stockholders, to classify or reclassify any unissued shares of common stock or preferred stock into one or more classes or series and establish the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications, and terms and conditions of redemption of any new class or series of stock, subject to certain restrictions, including the express terms of any class or series of stock outstanding at the time. We believe that the power to classify or reclassify unissued shares of stock and thereafter issue the classified or reclassified shares provides us with increased flexibility in structuring possible future financings and acquisitions and in meeting other needs that might arise.

Our charter and bylaws contain certain provisions that could make it more difficult to acquire control of our company by means of a tender offer, a proxy contest or otherwise. These provisions are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and to encourage persons seeking to acquire control of our company to negotiate first with our board of directors. We believe that these provisions increase the likelihood that proposals initially will be on more attractive terms than would be the case in their absence and facilitate negotiations that may result in improvement of the terms of an initial offer that might involve a premium price for our common stock or otherwise be in the best interests of our stockholders. See the "Risk Factors − Risks Related to an Investment in Cole Credit Property Trust IV, Inc." section of this prospectus.

To the extent that our board of directors determines that the Maryland General Corporation Law conflicts with the provisions set forth in the NASAA REIT Guidelines, the NASAA REIT Guidelines will control, unless the provisions of the Maryland General Corporation Law are mandatory under Maryland law.

Common Stock

Subject to any preferential rights of any other class or series of stock and to the provisions of our charter regarding the restriction on the transfer of common stock, the holders of common stock are entitled to such distributions as may be authorized from time to time by our board of directors out of legally available funds and declared by us and, upon any liquidity event, would be entitled to receive all assets available for distribution to our stockholders. Upon issuance for full payment in accordance with the terms of this offering, all common stock issued in the offering will be fully paid and non-assessable. Holders of common stock will not have preemptive rights, which means that they will not have an automatic option to purchase any new shares that we issue, or preference, conversion, exchange, sinking fund, redemption or appraisal rights. Shares of our common stock have equal distribution, liquidation and other rights.

Preferred Stock

Our charter authorizes our board of directors to issue one or more classes or series of preferred stock without stockholder approval (provided that the issuance of preferred stock must also be approved by a majority of independent directors not otherwise interested in the transaction) and to fix the voting rights, liquidation preferences, distribution rates, conversion rights, redemption rights and terms, including sinking fund provisions, and certain other rights and preferences with respect to such preferred stock; provided, however, that the voting rights of any such preferred stock offered and sold in a private offering shall not exceed voting rights which bear the same relationship to the voting rights of our common stock as the consideration paid to us per share in such private offering bears to the book value of each outstanding share of our common stock. Because our board of directors has the power to establish the preferences and rights of each class or series of preferred stock, it may afford the holders of any series or class of preferred stock preferences, powers, and rights senior to the rights of holders of common stock; subject to the limitation on voting rights noted in the preceding sentence. If we were to create and issue preferred stock with a distribution preference over common stock, payment of any distribution preferences of outstanding preferred stock would reduce the amount of funds available for the payment of distributions on the common stock. Further, holders of preferred stock are normally entitled to receive a preference payment in the event we liquidate, dissolve, or wind up before any payment is made to the common stockholders, likely reducing the amount common stockholders would otherwise receive upon such an occurrence. In addition, under certain circumstances, the issuance of preferred stock may delay, prevent, render more difficult or tend to discourage the following:

a merger, offer, or proxy contest;

the assumption of control by a holder of a large block of our securities; or

the removal of incumbent management.

Also, our board of directors, without stockholder approval, may issue preferred stock with voting and conversion rights that could adversely affect the holders of shares of our common stock.

We currently have no preferred stock issued or outstanding. Our board of directors has no present plans to issue shares of preferred stock, but it may do so at any time in the future without stockholder approval.

Meetings and Special Voting Requirements

Subject to our charter restrictions on transfer of our stock and except as may otherwise be specified in the terms of any class or series of common stock, each holder of common stock is entitled at each meeting of stockholders to one vote per share owned by such stockholder on all matters submitted to a vote of stockholders, including the election of directors. There is no cumulative voting in the election of our board of directors, which means that the holders of a majority of shares of our outstanding common stock can elect all of the directors then standing for election and the holders of the remaining shares of common stock will not be able to elect any directors.

Under Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge, sell all or substantially all of its assets, engage in a share exchange or engage in similar transactions outside the ordinary course of business, unless approved by the affirmative vote of stockholders holding at least two-thirds of the shares entitled to vote on the matter. However, a Maryland corporation may provide in its charter for approval of these matters by a lesser percentage, but not less than a majority of all of the votes entitled to be cast on the matter. Our charter provides for approval of these matters by the affirmative vote of a majority of the votes entitled to be cast.

However, under the Maryland General Corporation Law and our charter, the following events do not require stockholder approval:

stock exchanges in which we are the successor; and

transfers of less than substantially all of our assets.

Also, because our operating assets are held by our subsidiaries, these subsidiaries may be able to merge or sell all or substantially all of their assets without the approval of our stockholders.

An annual meeting of our stockholders will be held each year, at least 30 days after delivery of our annual report to our stockholders. Our directors, including our independent directors, are required to take reasonable steps to ensure this requirement is met. Special meetings of stockholders may be called only upon the request of a majority of our directors, a majority of our independent directors, our president, our chief executive officer or by an officer upon the written request of stockholders holding at least 10% of our outstanding shares. Within ten days of receiving a written request of stockholders entitled to cast at least 10% of all the votes entitled to be cast requesting a special meeting and stating the purpose of such special meeting, our sponsor will provide all of our stockholders written notice of the meeting and the purpose of such meeting. The meeting must be held not less than 15 nor more than 60 days after the distribution of the notice of meeting at the time and place specified in the request, or, if a time and place are not specified in the request, at a time and place convenient to our stockholders. The presence, either in person or by proxy, of stockholders entitled to cast at least 50% of all the votes entitled to be cast at a meeting on any matter will constitute a quorum.

Our stockholders are entitled to receive a copy of our stockholder list upon request. The list provided by us will include each stockholder' s name, address and telephone number, and the number of shares owned by each stockholder, and will be sent within ten days of the receipt by us of the request. A stockholder requesting a list will be required to pay reasonable costs of postage and duplication. Stockholders and their representatives will also be given access to our corporate records at reasonable times. We have the right to request that a requesting stockholder represent to us in writing that the list and records will not be used to pursue commercial interests before we become obligated to provide a copy of our stockholder list.

The corporation will continue perpetually unless dissolved pursuant to any applicable provision of the Maryland General Corporation Law.

Formation Transaction

In connection with our formation, Cole Holdings Corporation invested $200,000 in exchange for 20,000 shares of our common stock. Pursuant to our charter, Cole Holdings Corporation may not sell its initial investment in us while Cole Real Estate Investments remains our sponsor, but it may transfer its initial investment to its affiliates.

Restrictions on Ownership and Transfer

In order for us to qualify as a REIT under the Internal Revenue Code, we must meet the following criteria regarding our stockholders' ownership of our shares:

- five or fewer individuals (as defined in the Internal Revenue Code to include certain tax exempt organizations and trusts) may not own, directly or indirectly, more than 50% in value of our outstanding shares during the last half of a taxable year; and
- 100 or more persons must beneficially own our shares during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year.

See the "Federal Income Tax Considerations" section of this prospectus for further discussion of this topic. We may prohibit certain acquisitions and transfers of shares so as to ensure our initial and continued qualification as a REIT under the Internal Revenue Code. However, there can be no assurance that this prohibition will be effective. Because we believe it is essential for us to qualify as a REIT, and, once qualified, to continue to qualify, among other reasons, our charter provides (subject to certain exceptions) that no stockholder may own, or be deemed to own by virtue of the attribution provisions of the Internal Revenue Code, more than 9.8% in value of the aggregate of our outstanding shares or more than 9.8% (in value or number of shares, whichever is

more restrictive) of the aggregate of our outstanding shares of common stock. Our board of directors, in its sole discretion, may waive this ownership limit if evidence satisfactory to our directors is presented that such ownership will not then or in the future jeopardize our status as a REIT. Also, these restrictions on transferability and ownership will not apply if our directors determine that it is no longer in our best interests to continue to qualify as a REIT.

Additionally, our charter further prohibits the transfer or issuance of our stock if such transfer or issuance:

with respect to transfers only, results in our common stock being owned by fewer than 100 persons;

results in our being "closely held" within the meaning of Section 856(h) of the Internal Revenue Code;

results in our owning, directly or indirectly, more than 9.8% of the ownership interests in any tenant or subtenant; or

otherwise results in our disqualification as a REIT.

Any attempted transfer of our stock which, if effective, would result in our stock being owned by fewer than 100 persons will be null and void. In the event of any attempted transfer of our stock which, if effective, would result in (i) violation of the ownership limit discussed above, (ii) our being "closely held" under Section 856(h) of the Internal Revenue Code, (iii) our owning (directly or indirectly) more than 9.8% of the ownership interests in any tenant or subtenant or (iv) our otherwise failing to qualify as a REIT, then the number of shares causing the violation (rounded to the nearest whole share) will be automatically transferred to a trust for the exclusive benefit of one or more charitable beneficiaries, and the proposed transferee will not acquire any rights in the shares. To avoid confusion, these shares so transferred to a beneficial trust are referred to in this prospectus as Excess Securities. Excess Securities will remain issued and outstanding shares and will be entitled to the same rights and privileges as all other shares of the same class or series. The trustee of the beneficial trust, as holder of the Excess Securities, will be entitled to receive all distributions authorized by our board of directors on such securities for the benefit of the charitable beneficiary. Our charter further entitles the trustee of the beneficial trust to vote all Excess Securities.

Within 20 days of receiving notice from us that the Excess Securities have been transferred to the beneficial trust, the trustee of the beneficial trust shall sell the Excess Securities. The trustee of the beneficial trust may select a transferee to whom the Excess Securities may be sold as long as such sale does not violate the 9.8% ownership limit or the other restrictions on transfer. Upon sale of the Excess Securities, the intended transferee (the transferee of the Excess Securities whose ownership would violate the 9.8% ownership limit or the other restrictions on transfer) will receive from the trustee of the beneficial trust the lesser of such sale proceeds (net of any commissions and other expenses of sale), or the price per share the intended transferee paid for the Excess Securities (or, in the case of a gift or devise to the intended transferee, the price per share equal to the market value per share on the date of the transfer to the intended transferee). The trustee of the beneficial trust will distribute to the charitable beneficiary any amount the trustee receives in excess of the amount to be paid to the intended transferee.

In addition, we have the right to purchase any Excess Securities at the lesser of (i) the price per share paid in the transfer that created the Excess Securities, or (ii) the current market price, until the Excess Securities are sold by the trustee of the beneficial trust. We may reduce the amount payable to the intended transferee upon such sale by the amount of any distribution we pay to an intended transferee on Excess Securities prior to our discovery that such Excess Securities have been transferred in violation of the provisions of the charter. If any legal decision, statute, rule, or regulation deems or declares the transfer restrictions included in our charter to be void or invalid, then we may, at our option, deem the intended transferee of any Excess Securities to have acted as an agent on our behalf in acquiring such Excess Securities and to hold such Excess Securities on our behalf.

Any person who (i) acquires or attempts to acquire shares in violation of the foregoing ownership restriction, transfers or receives shares subject to such limitations, or would have owned shares that resulted in a transfer to a charitable trust, or (ii) proposes or attempts any of the transactions in clause (i), is required to give us

15 days written notice prior to such transaction. In both cases, such persons must provide to us such other information as we may request in order to determine the effect, if any, of such transfer on our status as a REIT. The foregoing restrictions will continue to apply until our board of directors determines it is no longer in our best interests to continue to qualify as a REIT.

The ownership restriction does not apply to the underwriter in a public offering of shares or to a person or persons so exempted from the ownership limit by our board of directors based upon appropriate assurances that our qualification as a REIT is not jeopardized. Any person who owns 5% or more of the outstanding shares during any taxable year will be asked to deliver a statement or affidavit setting forth the number of shares beneficially owned, directly or indirectly.

Stockholders wishing to transfer shares of our stock may request an application for transfer by contacting us. See the section of this prospectus captioned "Where You Can Find More Information." With respect to transfers of uncertificated stock, we will continue to treat the stockholder registered on our stock ledger as the owner of the shares until the record owner and the new owner deliver a properly executed application for transfer to our transfer agent at the address set forth in the application for transfer. Any questions regarding the transferability of shares should be directed to our transfer agent, whose contact information is set forth on page 6 of this prospectus and in the application for transfer.

Distribution Policy and Distributions

We currently pay regular monthly distributions to our stockholders and we intend to continue to pay monthly distributions to our stockholders. We anticipate that our board of directors will declare distributions to stockholders as of daily record dates with distributions aggregated and paid monthly in arrears. Therefore, new investors will be entitled to distributions immediately upon the purchase of their shares. Because substantially all of our operations will be performed indirectly through CCPT IV OP, our operating partnership, our ability to pay distributions depends in large part on CCPT IV OP' s ability to pay distributions to us. In the event we do not have enough cash flow from operations to fund distributions, we have paid, and may continue to pay, distributions from sources other than cash flow from operations, including borrowings and proceeds from the sale of our securities or asset sales, and we have no limits on the amounts we may pay from such other sources. We expect that, from time to time, we will pay distributions in excess of our cash flows from operations as defined by GAAP. As a result, the amount of distributions paid at any time may not be an indicator of the current performance of our properties or current operating cash flows. If you are a Maryland investor, you will receive from us on a quarterly basis a notice that discloses the sources of our distribution payments in both dollar and percentage amounts, consistent with similar disclosure that will be included in the prospectus and updated quarterly.

Distributions to stockholders are characterized for federal income tax purposes as ordinary income, capital gains, non-taxable return of capital or a combination of the three. Distributions that exceed our current or accumulated earnings and profits typically constitute a return of capital for tax purposes and reduce the stockholders' basis in our common shares. We will annually notify stockholders of the taxability of distributions paid during the preceding year.

Our board of directors authorized a daily distribution, based on 366 days in the calendar year, of $0.001707848 per share for stockholders of record as of each day of the period commencing on April 14, 2012, the first day following the release from escrow of the subscription proceeds received in our offering, and ending on December 31, 2012.

As of June 30, 2012, cumulative since inception, we have declared approximately $259,000 of distributions and we have paid approximately $84,000, of which approximately $40,000 was paid in cash and approximately $44,000 was reinvested in shares of our common stock pursuant to the distribution reinvestment plan. Our net loss was $2.2 million as of June 30, 2012, cumulative since inception.

The following table presents distributions and source of distributions for the periods indicated below:

	Cumulative Paid Since Inception		Six Months Ended June 30, 2012	
	Amount	Percent	Amount	Percent
Distributions paid in cash	$39,602	47 %	$39,602	47 %
Distributions reinvested	44,201	53 %	44,201	53 %
Total distributions	$83,803	100 %	$83,803	100 %
Source of distributions:				
Proceeds from issuance of common stock	$83,803	100 %	$83,803	100 %

As of June 30, 2012, cumulative since inception, net cash used in operating activities of approximately $1.4 million, reflects a reduction for real estate acquisition fees and related costs incurred and expensed of approximately $1.9 million, in accordance with Accounting Standards Codification 805, *Business Combinations*. As set forth in the "Estimated Use of Proceeds" section, we treat our real estate acquisition related expenses as funded by the proceeds from the offering of our shares. Therefore, for consistency, real estate acquisition related expenses are treated in the same manner (i.e., as funded by the proceeds of the offering of our shares) in describing the sources of distributions above, to the extent that acquisition expenses have reduced net cash flows from operating activities. The payment of distributions from sources other than cash provided by operating activities may reduce the amount of proceeds available for investment and operations or cause us to incur additional interest expense as a result of borrowed funds, and may cause subsequent investors to experience dilution.

Although we intend to continue to pay regular monthly distributions, our results of operations, our general financial condition, general economic conditions, or other factors may inhibit us from doing so. Distributions are authorized at the discretion of our board of directors, and are based on many factors, including current and expected cash flow from operations, as well as the obligation that we comply with the REIT requirements of the Internal Revenue Code. The funds we receive from operations that are available for distribution may be affected by a number of factors, including the following:

- the amount of time required for us to invest the funds received in the offering;
- our operating and interest expenses, including fees and expenses paid to our advisor;
- the ability of tenants to meet their obligations under the leases associated with our properties;
- the amount of distributions or dividends received by us from our indirect real estate investments;
- our ability to keep our properties occupied;
- our ability to maintain or increase rental rates when renewing or replacing current leases;
- capital expenditures and reserves for such expenditures;
- the issuance of additional shares;
- the amount of cash used to repurchase shares under our share redemption program; and
- financings and refinancings.

We must distribute to our stockholders at least 90% of our taxable income each year in order to meet the requirements for being treated as a REIT under the Internal Revenue Code. This requirement is described in greater detail in the "Federal Income Tax Considerations − Requirements for Qualification as a REIT − Operational Requirements − Annual Distribution Requirement" section of this prospectus. Our directors may authorize distributions in excess of this percentage as they deem appropriate. Because we may receive income from interest or rents at various times during our fiscal year, distributions may not reflect our income earned in

that particular distribution period, but may be made in anticipation of operating cash flows that we expect to receive during a later period and may be made in advance of actual receipt of funds in an attempt to make distributions relatively uniform. To allow for such differences in timing between the receipt of income and the payment of expenses, and the effect of required debt payments, among other things, could require us to borrow funds from third parties on a short-term basis, issue new securities, including through this offering, or sell assets to meet the distribution requirements that are necessary to achieve the tax benefits associated with qualifying as a REIT. These methods of obtaining funding could affect future distributions by increasing operating costs and decreasing available cash. In addition, such distributions may constitute a return of capital. See the "Federal Income Tax Considerations − Requirements for Qualification as a REIT" section of this prospectus.

Distributions in Kind

Distributions in kind shall not be permitted, except for distributions of readily marketable securities or our securities, distributions of beneficial interests in a liquidating trust established for our dissolution and the liquidation of our assets in accordance with the terms of our charter or distributions in which (a) our board of directors advises each stockholder of the risks associated with direct ownership of the property, (b) our board of directors offers each stockholder the election of receiving such in-kind distributions, and (c) in-kind distributions are made only to those stockholders that accept such offer.

Stockholder Liability

The Maryland General Corporation Law provides that our stockholders:

- are not liable personally or individually in any manner whatsoever for any debt, act, omission or obligation incurred by us or our board of directors; and
- are under no obligation to us or our creditors with respect to their shares other than the obligation to pay to us the full amount of the consideration for which their shares were issued.

Business Combinations

Under Maryland law, "business combinations" between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. These business combinations include a merger, consolidation, share exchange, or, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as:

- any person who beneficially owns 10% or more of the voting power of the corporation' s shares; or
- an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of the then outstanding voting stock of the corporation.

A person is not an interested stockholder under the statute if the board of directors approved in advance the transaction by which he otherwise would have become an interested stockholder. However, in approving a transaction, the board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board of directors.

After the five-year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and

two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder.

These super-majority vote requirements do not apply if the corporation' s stockholders receive a minimum price, as defined under Maryland law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares.

The statute permits various exemptions from its provisions, including business combinations that are exempted by the board of directors before the time that the interested stockholder becomes an interested stockholder. Pursuant to the statute, our board of directors has exempted any business combination with our advisor or any of its affiliates. Consequently, the five-year prohibition and the super-majority vote requirements will not apply to business combinations between us and our advisor or any of its affiliates. As a result, our advisor or any of its affiliates may be able to enter into business combinations with us that may not be in the best interests of our stockholders, without compliance with the super-majority vote requirements and the other provisions of the statute.

The business combination statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer.

Control Share Acquisitions

With some exceptions, Maryland law provides that control shares of a Maryland corporation acquired in a control share acquisition have no voting rights except to the extent approved by a vote of stockholders holding two-thirds of the votes entitled to be cast on the matter, excluding "control shares":

owned by the acquiring person;

owned by our officers; and

owned by our employees who are also directors.

"Control shares" mean voting shares which, if aggregated with all other voting shares owned by an acquiring person or shares for which the acquiring person can exercise or direct the exercise of voting power, would entitle the acquiring person to exercise voting power in electing directors within one of the following ranges of voting power:

one-tenth or more but less than one-third;

one-third or more but less than a majority; or

a majority or more of all voting power.

Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval. A control share acquisition occurs when, subject to some exceptions, a person directly or indirectly acquires ownership or the power to direct the exercise of voting power (except solely by virtue of a revocable proxy) of issued and outstanding control shares. A person who has made or proposes to make a control share acquisition, upon satisfaction of some specific conditions, including an undertaking to pay expenses, may compel our board of directors to call a special meeting of our stockholders to be held within 50 days of a demand to consider the voting rights of the control shares. If no request for a meeting is made, we may present the question at any stockholders' meeting.

If voting rights are not approved at the meeting or if the acquiring person does not deliver an acquiring person statement as required by the statute, then, subject to some conditions and limitations, we may redeem any or all of the control shares (except those for which voting rights have been previously approved) for fair value

determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquiror or of any meeting of stockholders at which the voting rights of such shares are considered and not approved. If voting rights for control shares are approved at a stockholders meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of such appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition. The control share acquisition statute does not apply to shares acquired in a merger, consolidation, or share exchange if we are a party to the transaction or to acquisitions approved or exempted by our charter or bylaws.

As permitted by Maryland General Corporation Law, our bylaws contain a provision exempting from the control share acquisition statute any and all acquisitions of our stock by Cole Capital Advisors or any affiliate of Cole Capital Advisors.

Subtitle 8

Subtitle 8 of Title 3 of the Maryland General Corporation Law permits a Maryland corporation with a class of equity securities registered under the Exchange Act and at least three independent directors to elect to be subject, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in the charter or bylaws, to any or all of five provisions:

a classified board of directors;

a two-thirds vote requirement for removing a director;

a requirement that the number of directors be fixed only by vote of the directors;

a requirement that a vacancy on the board of directors be filled only by the remaining directors and for the remainder of the full term of the class of directors in which the vacancy occurred; and

a majority requirement for the calling of a special meeting of stockholders.

Pursuant to Subtitle 8, except as may be provided by our board of directors in setting the terms of any class or series of our preferred stock, we have elected to provide that vacancies on our board of directors be filled only by the remaining directors and for the remainder of the full term of the directorship in which the vacancy occurred. Through provisions in our charter and bylaws unrelated to Subtitle 8, we already vest in the board of directors the exclusive power to fix the number of directorships. We have not elected to be subject to any of the other provisions of Subtitle 8.

Tender Offers by Stockholders

Our charter provides that any tender offer, including any “mini-tender” offer, must comply with Regulation 14D of the Exchange Act, including the notice and disclosure requirements. The offering person must provide our company notice of such tender offer at least ten business days before initiating the tender offer. If the offering person does not comply with the provisions set forth above, our company will have the right to redeem that person’ s shares and any shares acquired in such tender offer. In addition, the non-complying person will be responsible for all of our company’ s expenses in connection with that person’ s noncompliance.

Advance Notice of Director Nominations and New Business

Our bylaws provide that with respect to an annual meeting of stockholders, nominations of individuals for election to the board of directors and the proposal of business to be considered by stockholders may be made only (1) pursuant to our notice of the meeting, (2) by or at the direction of our board of directors or (3) by a stockholder who is a stockholder of record both at the time of giving advance notice of such nominations or proposals of business and at the time of such annual meeting, who is entitled to vote at the meeting and who has

complied with the advance notice procedures of the bylaws. With respect to special meetings of stockholders, only the business specified in our notice of the meeting may be brought before the meeting. Nominations of individuals for election to our board of directors at a special meeting may be made only (1) pursuant to our notice of the meeting, (2) by or at the direction of our board of directors, or (3) provided that our board of directors has determined that directors will be elected at the meeting, by a stockholder who is a stockholder of record both at the time of giving advance notice of such nominations and at the time of such special meeting, who is entitled to vote at the meeting and who has complied with the advance notice provisions of the bylaws.

Share Redemption Program

Our board of directors has adopted a share redemption program that enables you to sell your shares to us in limited circumstances. Our share redemption program permits you to sell your shares back to us after you have held them for at least one year, subject to the significant conditions and limitations described below.

Our common stock currently is not listed on a national securities exchange and we will not seek to list our stock unless and until such time as our independent directors believe that the listing of our stock would be in the best interests of our stockholders. In order to provide stockholders with the benefit of interim liquidity, stockholders who have held their shares for at least one year may present all, or a portion consisting of at least the lesser of (1) 25% of the holder' s shares; or (2) a number of shares with an aggregate redemption price of $2,500, in accordance with the procedures outlined below. At that time, we may, subject to the conditions and limitations described below, redeem the shares presented for redemption for cash to the extent that we have sufficient funds available to us to fund such redemption. We will not pay to our sponsor, board of directors, advisor or its affiliates any fees to complete any transactions under our share redemption program.

During the term of this offering, and until such time as our board of directors determines a reasonable estimate of the value of our shares, the redemption price per share (other than for shares purchased pursuant to our distribution reinvestment plan) will depend on the price you paid for your shares and the length of time you have held such shares as follows: after one year from the purchase date, 95% of the amount you paid for each share; after two years from the purchase date, 97.5% of the amount you paid for each share; and after three years from the purchase date, 100% of the amount you paid for each share. During this time period, the redemption price for shares purchased pursuant to our distribution reinvestment plan will be the amount you paid for such shares. (In each case, the redemption price will be adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to our common stock). Accordingly, the redemption price will reflect a stockholder' s reduced purchase price if such stockholder received discounted or waived selling commissions and/or a waived dealer manager fee. At any time we are engaged in an offering of shares, the per share price for shares purchased under our redemption program will always be equal to or lower than the applicable per share offering price.

After such time as our board of directors has determined a reasonable estimated value of our shares, the per share redemption price (other than for shares purchased pursuant to our distribution reinvestment plan) will depend on the length of time you have held such shares as follows: after one year from the purchase date, 95% of the Estimated Share Value (defined below); after two years from the purchase date, 97.5% of the Estimated Share Value; and after three years from the purchase date, 100% of the Estimated Share Value. During this time period, the redemption price for shares purchased pursuant to our distribution reinvestment plan will be 100% of the Estimated Share Value. (In each case, the redemption price will be adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to our common stock). For purposes of establishing the redemption price per share, "Estimated Share Value" shall mean the most recently disclosed reasonable estimated value of our shares of common stock as determined by our board of directors, including a majority of our independent directors.

In determining the redemption price, we consider shares to have been redeemed from a stockholder' s account on a first in, first out basis. Our board of directors will announce any redemption price adjustment and

the time period of its effectiveness as a part of its regular communications with our stockholders. If we have sold property and have made one or more special distributions to our stockholders of all or a portion of the net proceeds from such sales subsequent to the establishment of the Estimated Share Value, the per share redemption price will be reduced by the net sale proceeds per share distributed to investors prior to the redemption date. Our board of directors will, in its sole discretion, determine which distributions, if any, constitute a special distribution. While our board of directors does not have specific criteria for determining a special distribution, we expect that a special distribution will only occur upon the sale of a property and the subsequent distribution of the net sale proceeds. In no event will the Estimated Share Value established for purposes of our share redemption program exceed the then-current estimated share value established for purposes of our distribution reinvestment plan.

Upon receipt of a request for redemption, we may conduct a Uniform Commercial Code search to ensure that no liens are held against the shares. We will not redeem any shares subject to a lien. Any costs in conducting the Uniform Commercial Code search will be borne by us.

We may waive the one-year holding period requirement upon request due to a stockholder' s death or bankruptcy or other exigent circumstances as determined by our advisor. In the event of the death of a stockholder, we must receive notice from the stockholder' s estate within 270 days after the stockholder' s death. In addition, in the event that you redeem all of your shares, any shares that you purchased pursuant to our distribution reinvestment plan will be excluded from the one-year holding requirement. Also, for purposes of the one-year-holding period, limited partners of our operating partnership who exchanged their limited partnership units for shares of our common stock will be deemed to have owned their shares as of the date the operating partnership units were issued. Shares redeemed in connection with a stockholder' s death, during the term of this offering and until such time as our board of directors determines a reasonable estimated value of our shares, will be redeemed at a purchase price equal to 100% of the amount actually paid for the shares. Shares redeemed in connection with a stockholder' s death, after such time as our board of directors has determined a reasonable estimated value of our shares, will be redeemed at a purchase price per share equal to 100% of the Estimated Share Value. Shares redeemed in connection with a stockholder' s bankruptcy or other exigent circumstance within one year from the purchase date will be redeemed at a price per share equal to the price per share we would pay had the stockholder held the shares for one year from the purchase date.

In the event that you request a redemption of all of your shares, and you are participating in our distribution reinvestment plan, you will be deemed to have notified us, at the time you submit your redemption request, that you are terminating your participation in our distribution reinvestment plan, and have elected to receive future distributions in cash. This election will continue in effect even if less than all of your shares are redeemed unless you notify us that you wish to resume your participation in our distribution reinvestment plan.

We will limit the number of shares redeemed pursuant to our share redemption program as follows: (1) we will not redeem in excess of 5% of the weighted average number of shares outstanding during the trailing 12 months prior to the end of the fiscal quarter for which the redemptions are being paid; and (2) funding for the redemption of shares will be limited to the net proceeds we receive from the sale of shares under our distribution reinvestment plan. In an effort to accommodate redemption requests throughout the calendar year, we intend to limit quarterly redemptions to approximately one-fourth of 5% (1.25%) of the weighted average number of shares outstanding during the trailing 12-month period ending on the last day of the fiscal quarter, and funding for redemptions for each quarter generally will be limited to the net proceeds we receive from the sale of shares in the respective quarter under our distribution reinvestment plan; however, our management may waive these quarterly limitations in its sole discretion, subject to the 5% cap on the number of shares we may redeem during the respective trailing 12 month period. Any of the foregoing limits might prevent us from accommodating all redemption requests made in any quarter, in which case quarterly redemptions will be made pro rata, except as described below. Our management also reserves the right, in its sole discretion at any time, and from time to time, to reject any request for redemption for any reason.

We will redeem our shares no later than the end of the month following the end of each fiscal quarter. Requests for redemption must be received on or prior to the end of the fiscal quarter in order for us to repurchase the shares in the month following the end of that fiscal quarter. You may withdraw your request to have your shares redeemed, but all such requests generally must be submitted prior to the last business day of the applicable fiscal quarter. Any redemption capacity that is not used as a result of the withdrawal or rejection of redemption requests may be used to satisfy the redemption requests of other stockholders received for that fiscal quarter, and such redemption payments may be made at a later time than when that quarter' s redemption payments are made.

We will determine whether we have sufficient funds and/or shares available as soon as practicable after the end of each fiscal quarter, but in any event prior to the applicable payment date. If we cannot purchase all shares presented for redemption in any fiscal quarter, based upon insufficient cash available and/or the limit on the number of shares we may redeem during any quarter or year, we will give priority to the redemption of deceased stockholders' shares. (While deceased stockholders' shares will be included in calculating the maximum number of shares that may be redeemed in any annual or quarterly period, they will not be subject to the annual or quarterly percentage caps; therefore, if the volume of requests to redeem deceased stockholders' shares in a particular quarter were large enough to cause the annual or quarterly percentage caps to be exceeded, even if no other redemption requests were processed, the redemptions of deceased stockholders' shares would be completed in full, assuming sufficient proceeds from the sale of shares under our distribution reinvestment plan were available. If sufficient proceeds from the sale of shares under our distribution reinvestment plan were not available to pay all such redemptions in full, the requests to redeem deceased stockholders' shares would be honored on a pro rata basis.) We next will give priority to requests for full redemption of accounts with a balance of 250 shares or less at the time we receive the request, in order to reduce the expense of maintaining small accounts. Thereafter, we will honor the remaining redemption requests on a pro rata basis. Following such quarterly redemption period, if you would like to resubmit the unsatisfied portion of the prior request for redemption, you must submit a new request for redemption of such shares prior to the last day of the new quarter. Unfulfilled requests for redemption will not be carried over automatically to subsequent redemption periods.

Our board of directors may choose to amend, suspend or terminate our share redemption program at any time upon 30 days notice. Additionally, we will be required to discontinue sales of shares under the distribution reinvestment plan on the earlier of January 26, 2014, which is two years from the effective date of this offering, unless the distribution reinvestment plan offering is extended, or the date we sell all of the shares registered for sale under the distribution reinvestment plan, unless we file a new registration statement with the Securities and Exchange Commission and applicable states. Because the redemption of shares will be funded with the net proceeds we receive from the sale of shares under the distribution reinvestment plan, the discontinuance or termination of the distribution reinvestment plan will adversely affect our ability to redeem shares under the share redemption program. We will notify our stockholders of such developments (i) in our next annual or quarterly report or (ii) by means of a separate mailing to you, accompanied by disclosure in a current or periodic report under the Exchange Act. During this offering, we would also include this information in a prospectus supplement or post-effective amendment to the registration statement, as then required under federal securities laws.

Our share redemption program is only intended to provide limited liquidity to our stockholders until a liquidity event occurs, which may include the sale of our company, the sale of all or substantially all of our assets, a merger or similar transaction, an alternative strategy that will result in a significant increase in opportunities for stockholders to redeem their shares or the listing of the shares of common stock for trading on a national securities exchange. The share redemption program will be terminated if the shares become listed on a national securities exchange. We cannot guarantee that a liquidity event will occur.

The shares we redeem under our share redemption program will be cancelled and will return to the status of authorized but unissued shares. We do not intend to resell such shares to the public unless they are first registered with the Securities and Exchange Commission under the Securities Act and under appropriate state securities laws or otherwise sold in compliance with such laws.

We will disclose, when available and applicable, the number of shares of common stock that we redeemed during the prior year ended, the aggregate redemption price for those shares, whether any redemption requests went unfulfilled and the source of the cash used to fund the redemptions. As of June 30, 2012, we have not received any redemption requests relating to our shares.

Restrictions on Roll-up Transactions

A Roll-up Transaction is a transaction involving the acquisition, merger, conversion or consolidation, directly or indirectly, of us and the issuance of securities of an entity (Roll-up Entity) that is created or would survive after the successful completion of a Roll-up Transaction. This term does not include:

a transaction involving our securities that have been listed on a national securities exchange for at least 12 months; or

a transaction involving our conversion to trust or association form if, as a consequence of the transaction, there will be no significant adverse change in stockholder voting rights, the term of our existence, compensation to our advisor or our investment objectives.

In connection with any Roll-up Transaction involving the issuance of securities of a Roll-up Entity, an appraisal of all of our assets will be obtained from a competent independent appraiser. Our assets will be appraised on a consistent basis, and the appraisal will be based on the evaluation of all relevant information and will indicate the value of the assets as of a date immediately prior to the announcement of the proposed Roll-up Transaction. The appraisal will assume an orderly liquidation of assets over a 12-month period. The terms of the engagement of the independent appraiser will clearly state that the engagement is for the benefit of us and our stockholders. A summary of the appraisal, indicating all material assumptions underlying the appraisal, will be included in a report to our stockholders in connection with any proposed Roll-up Transaction. If the appraisal is to be included in a prospectus used to offer the securities of a Roll-up Entity, the appraisal will be filed with the Securities and Exchange Commission and the states as an exhibit to the registration statement for that offering. Accordingly, we would be subject to liability for violation of Section 11 of the Securities Act and comparable provisions under state laws for any material misrepresentations or material omissions in any such filed appraisal.

In connection with a proposed Roll-up Transaction, the sponsor of the Roll-up Transaction must offer to stockholders who vote "no" on the proposal the choice of:

(1) accepting the securities of the Roll-up Entity offered in the proposed Roll-up Transaction; or

(2) one of the following:

(a) remaining as holders of our common stock and preserving their interests therein on the same terms and conditions as existed previously, or

(b) receiving cash in an amount equal to the stockholder' s pro rata share of the appraised value of our net assets.

We are prohibited from participating in any Roll-up Transaction:

that includes provisions that would materially impede or frustrate the accumulation of shares by any purchaser of the securities of the Roll-up Entity, except to the minimum extent necessary to preserve the tax status of the Roll-up Entity, or which would limit the ability of an investor to exercise the voting rights of its securities of the Roll-up Entity on the basis of the number of shares held by that investor;

that results in our stockholders having an adverse change in their voting rights;

in which our investor' s rights to access records of the Roll-up Entity will be less than those provided in the section of this prospectus entitled "– Meetings and Special Voting Requirements" above; or

in which any of the costs of the Roll-up Transaction would be borne by us if the Roll-up Transaction is rejected by the stockholders.

Valuation Policy

The offering price for our shares is not based on the expected book value or expected net asset value of our proposed investments, or our expected operating cash flows. Although our board of directors may do so at any time in its discretion, we do not expect that our board of directors will undertake a process for estimating the per share value of our common stock during the period of this offering or for the 18-month period following the termination of this offering. Furthermore, if we engage in a follow-on offering, we do not expect that our board of directors will undertake a process for estimating the per share value of our common stock during the period of the follow-on offering or for the 18-month period following the termination of such follow-on offering. However, during such periods, solely to assist fiduciaries of certain tax-exempt plans subject to annual reporting requirements of ERISA who identify themselves to us and who request per share value information, we intend to use the most recent gross per share offering price of our shares of common stock as the per share value (unless we have made a special distribution to stockholders of net sales proceeds from the sale of one or more properties during such periods, in which case we will use the most recent gross offering price less the per share amount of the special distribution).

Estimates based solely on the most recent offering price of our shares will be subject to numerous limitations. For example, such estimates will not take into account:

- individual or aggregate values of our assets;
- real estate market fluctuations affecting our assets generally;
- adverse or beneficial developments with respect to one or more assets in our portfolio;
- our costs of the offering; or
- our costs of acquiring assets.

No later than 18 months after the last sale in an offering as set forth above, we will disclose an estimated per share value that is not based solely on the offering price of our shares. This estimate will be determined by our board of directors, or a committee thereof, which in either case will include a majority of our independent directors, after consultation with our advisor, CR IV Advisors, or if we are no longer advised by CR IV Advisors, any successor advisor or our officers and employees, subject to the restrictions and limitations set forth in this valuation policy. We intend to publish our board of directors' estimate of the reasonable value of our shares within 18 months after an offering, at a time to be determined by our board of directors.

Our board of directors or a committee thereof will have the discretion to choose a methodology or combination of methodologies as it deems reasonable under then current circumstances for estimating the per share value of our common stock. The estimated value will not necessary be equivalent to our net asset value, and is not intended to be related to any values at which individual assets may be carried on financial statements under applicable accounting standards. The methodologies for determining the estimated values under the valuation policy may take into account numerous factors including, without limitation, the following:

- net amounts that might be realized in a sale of our assets in an orderly liquidation;
- net amounts that might be realized in a bulk portfolio sale of our assets;
- separate valuations of our assets (including any impairments);
- our going concern value;
- private real estate market conditions;
- public real estate market conditions;
- our business plan and characteristics and factors specific to our portfolio or securities;
- the prices at which our securities were sold in other offerings, such as a distribution reinvestment plan offering;

the prices paid for our securities in other transactions, including secondary market trades; and

the relative prices paid for comparable companies listed on a national securities exchange.

Our board of directors may rely on an independent third-party valuation expert to assist in estimating the value of our assets or our shares of common stock. However, with respect to asset valuations, our board of directors will not be required to obtain asset-by-asset appraisals prepared by certified independent appraisers, nor must any appraisals conform to formats or standards promulgated by any such trade organization. We will disclose the effective date of the estimated valuation and a summary of the methodology by which the estimated value was developed. We do not intend to release individual property value estimates or any of the data supporting the estimated per share value.

After first publishing our board of directors' estimate of the per share value of our common stock, our board of directors will repeat the process of estimating the per value of our common stock periodically thereafter. However, our board of directors may suspend the publication of such estimates during any follow-on offering of our common stock and for a period of 18 months thereafter.

The reasonable estimate of the value of our shares will be subject to numerous limitations. Such valuations will be estimates only and may be based upon a number of estimates, assumptions, judgments and opinions that may not be, or may later prove not to be, accurate or complete, which could make the estimated valuations incorrect. As a result, with respect to any estimate of the value of our common stock made pursuant to our valuation policy, there can be no assurance that:

the estimated value per share would actually be realized by our stockholders upon liquidation, bulk portfolio sales of our assets, sale of our company or listing of the common stock on an exchange;

any stockholder would be able to realize estimated share values in any attempt to sell shares;

the estimated value per share would be related to any individual or aggregated value estimates or appraisals of our assets; or

the estimated value, or method used to estimate value, would be found by any regulatory authority to comply with the ERISA, FINRA or other regulatory requirements.

This valuation policy may be amended by our board of directors at any time and, although the policy will express the intent of our board of directors at the time of its adoption, there is no limitation on the ability of our board of directors to cause us to vary from this policy to the extent it deems appropriate, with or without an express amendment of the policy.

Reports We Provide to our Stockholders

Our charter requires that we prepare an annual report and deliver it to our common stockholders within 120 days after the end of each fiscal year. Our directors are required to take reasonable steps to ensure that the annual report complies with our charter provisions. Among the matters that must be included in the annual report or included in a proxy statement delivered with the annual report are:

financial statements prepared in accordance with GAAP that are audited and reported on by independent certified public accountants;

the ratio of the costs of raising capital during the year to the capital raised;

the aggregate amount of advisory fees and the aggregate amount of other fees paid to our advisor and any affiliates of our advisor by us or third parties doing business with us during the year;

our total operating expenses for the year stated as a percentage of our average invested assets and as a percentage of our net income;

a report from our independent directors that our policies are in the best interests of our stockholders and the basis for such determination; and

a separately stated, full disclosure of all material terms, factors and circumstances surrounding any and all transactions involving us and our advisor, a director or any affiliate thereof during the year, which disclosure has been examined and commented upon in the report by our independent directors with regard to the fairness of such transactions.

SUMMARY OF DISTRIBUTION REINVESTMENT PLAN

We have adopted a distribution reinvestment plan. The distribution reinvestment plan allows you to have distributions otherwise payable to you in cash reinvested in additional shares of our common stock. We are offering 50,000,000 shares for sale pursuant to our distribution reinvestment plan at an initial price of $9.50 per share. Such price may only be available until the termination of our primary offering, which is anticipated to be on or before January 26, 2014, although our board of directors may extend the primary offering an additional year. Our board of directors has the discretion to extend the offering period for the shares offered under our distribution reinvestment plan up to the sixth anniversary of the termination of the primary offering. We may reallocate the shares of common stock being offered in this prospectus between the primary offering and the distribution reinvestment plan. The following is a summary of our distribution reinvestment plan. See Appendix G to this prospectus for the full text of the plan.

Pursuant to the distribution reinvestment plan, we generally intend to offer shares for sale at a price of $9.50 per share during the initial public offering of our shares and until such time as our board of directors determines a reasonable estimate of the value of our shares. Thereafter, the purchase price per share under our distribution reinvestment plan will be the most recently disclosed per share value as determined in accordance with the valuation policy. If, at any time prior to the time distributions are reinvested, we have distributed net sale proceeds from the sale of one or more of our assets, or otherwise have paid a special distribution to stockholders, the offering price for shares offered under our distribution reinvestment plan will be adjusted to take into account such special distributions.

Notwithstanding the foregoing, our board of directors may establish a different price for shares sold pursuant to the plan, provided that if the new price so determined varies more than 5% from the pricing that would have resulted from the formula above, we will deliver a notice (which may be given by letter, delivered by electronic means or given by including such information in a Current Report on Form 8-K or in our annual or quarterly reports, all publicly filed with the Securities and Exchange Commission) regarding the new price to each plan participant at least 30 days' prior to the effective date of the new price. For more information about our valuation policy, see "Description of Shares − Valuation Policy."

Participants in our distribution reinvestment plan who purchased shares of our common stock in the primary offering at a discounted purchase price (due to volume or other applicable discounts) may pay more for the shares they acquire pursuant to the distribution reinvestment plan than their original purchase price.

Investment of Distributions

Our distribution reinvestment plan allows our stockholders, and, subject to certain conditions set forth in the plan, any stockholder or partner of any other publicly offered limited partnership, REIT or other Cole-sponsored real estate program, to elect to purchase shares of our common stock with our distributions or distributions from such other programs. We have the discretion to extend the offering period for the shares being offered pursuant to this prospectus under our distribution reinvestment plan beyond the termination of this offering until we have sold all of the shares allocated to the plan through the reinvestment of distributions. We may also offer shares pursuant to a new registration statement.

No dealer manager fees or sales commissions will be paid with respect to shares purchased pursuant to the distribution reinvestment plan; therefore, we will retain all of the proceeds from the reinvestment of distributions. Accordingly, substantially all the economic benefits resulting from distribution reinvestment purchases by stockholders from the elimination of the dealer manager fee and selling commissions will inure to the benefit of the participant. However, purchasers of shares of our common stock who receive volume or other discounts in the primary offering who elect to participate in the distribution reinvestment plan may pay more for the shares they acquire pursuant to the distribution reinvestment plan than their original purchase price.

Pursuant to the terms of our distribution reinvestment plan, the reinvestment agent, which currently is us, will act on behalf of participants to reinvest the cash distributions they receive from us. Stockholders participating in the distribution reinvestment plan may purchase fractional shares. If sufficient shares are not available for issuance under our distribution reinvestment plan, the reinvestment agent will remit excess cash distributions to the participants. Participants purchasing shares pursuant to our distribution reinvestment plan will have the same rights as stockholders with respect to shares purchased under the plan and will be treated in the same manner as if such shares were issued pursuant to our offering.

After the termination of the offering of our shares registered for sale pursuant to the distribution reinvestment plan under this prospectus and any subsequent offering, we may determine to allow participants to reinvest cash distributions from us in shares issued by another Cole-sponsored program only if all of the following conditions are satisfied:

- prior to the time of such reinvestment, the participant has received the final prospectus and any supplements thereto offering interests in the subsequent Cole-sponsored program and such prospectus allows investments pursuant to a distribution reinvestment plan;
- a registration statement covering the interests in the subsequent Cole-sponsored program has been declared effective under the Securities Act;
- the offer and sale of such interests are qualified for sale under applicable state securities laws;
- the participant executes the subscription agreement included with the prospectus for the subsequent Cole-sponsored program; and
- the participant qualifies under applicable investor suitability standards as contained in the prospectus for the subsequent Cole-sponsored program.

Stockholders who invest in subsequent Cole-sponsored programs pursuant to our distribution reinvestment plan will become investors in such subsequent Cole-sponsored program and, as such, will receive the same reports as other investors in the subsequent Cole-sponsored program. No dealer manager fees or sales commissions will be paid with respect to shares purchased in any subsequent Cole-sponsored programs pursuant to our distribution reinvestment plan.

Election to Participate or Terminate Participation

A stockholder may participate in our distribution reinvestment plan by making a written election to participate on his or her subscription agreement at the time he or she subscribes for shares. Any stockholder who has not previously elected to participate in the distribution reinvestment plan may so elect at any time by delivering to the reinvestment agent a completed enrollment form or other written authorization required by the reinvestment agent. Participation in our distribution reinvestment plan will commence with the next distribution payable after receipt of the participant' s notice, provided it is received on or prior to the last day of the distribution period to which such distribution relates.

Some brokers may determine not to offer their clients the opportunity to participate in our distribution reinvestment plan. Any prospective investor who wishes to participate in our distribution reinvestment plan should consult with his or her broker as to the broker' s position regarding participation in the distribution reinvestment plan.

We reserve the right to prohibit qualified retirement plans from participating in our distribution reinvestment plan if such participation would cause our underlying assets to constitute "plan assets" of qualified retirement plans. See the "Investment by Tax-Exempt Entities and ERISA Considerations" section of this prospectus.

Subscribers should note that affirmative action in the form of written notice to the reinvestment agent must be taken to withdraw from participation in our distribution reinvestment plan. A withdrawal from participation in our distribution reinvestment plan will be effective with respect to distributions for a quarterly, monthly or other distribution period, as applicable, only if written notice of termination is received on or prior to the last day of the distribution period to which it relates. In addition, a transfer of shares prior to the date our shares are listed for trading on a national securities exchange, which we have no intent to do at this time and which may never occur, will terminate participation in the distribution reinvestment plan with respect to such transferred shares as of the first day of the distribution period in which the transfer is effective, unless the transferee demonstrates to the reinvestment agent that the transferee meets the requirements for participation in the plan and affirmatively elects to participate in the plan by providing to the reinvestment agent an executed enrollment form or other written authorization required by the reinvestment agent. Furthermore, in the event that a participant requests a redemption of all of the participant' s shares, the participant will be deemed to have given written notice to the reinvestment agent, at the time the redemption request is submitted, that the participant is terminating his or her participation in the distribution reinvestment plan, and is electing to receive all future distributions in cash. This election will continue in effect even if less than all of the participant' s shares are redeemed unless the participant notifies the reinvestment agent that he or she elects to resume participation in the plan.

Offers and sales of shares pursuant to the distribution reinvestment plan must be registered in every state in which such offers and sales are made, or otherwise exempt from such registration requirements. Generally, such registrations are for a period of one year. Thus, we may have to stop selling shares pursuant to the distribution reinvestment plan in any states in which our registration is not renewed or extended.

Reports to Participants

Within 90 days after the end of each calendar year, the reinvestment agent will mail to each participant a statement of account describing, as to such participant, the distributions received, the number of shares purchased, the purchase price for such shares, the total shares purchased on behalf of the participant during the prior year pursuant to our distribution reinvestment plan and the information regarding the participant' s participation in the plan.

Excluded Distributions

Our board of directors may designate that certain cash or other distributions attributable to net sales proceeds will be excluded from distributions that may be reinvested in shares under our distribution reinvestment plan. Accordingly, in the event that proceeds attributable to the sale of an asset are distributed to stockholders as an excluded distribution, such amounts may not be reinvested in our shares pursuant to our distribution reinvestment plan. The determination of whether all or part of a distribution will be deemed to be an excluded distribution is separate and unrelated to our requirement to distribute 90% of our taxable REIT income. In its initial determination of whether to make a distribution and the amount of the distribution, our board of directors will consider, among other factors, our cash position and our distribution requirements as a REIT. Once our board of directors determines to make the distribution, it will then consider whether all or part of the distribution will be deemed to be an excluded distribution. In most instances, we expect that our board of directors would not deem any of the distribution to be an excluded distribution. In that event, the amount distributed to participants in our distribution reinvestment plan will be reinvested in additional shares of our common stock. If all or a portion of the distribution is deemed to be an excluded distribution, the distribution will be made to all stockholders; however, the excluded portion will not be reinvested. We currently do not have any planned excluded distributions, which will only be made, if at all, in addition to, not in lieu of, regular distributions.

Federal Income Tax Considerations

Taxable participants will incur tax liability for income allocated to them even though they have elected not to receive their distributions in cash but rather to have their distributions reinvested under our distribution reinvestment plan. In addition, to the extent you purchase shares through our distribution reinvestment plan at a discount to their fair market value, you may be treated for tax purposes as receiving an additional distribution equal to the amount of the discount. At least until our offering stage is complete, we expect that (i) we will sell shares under the distribution reinvestment plan at $9.50 per share, and (ii) no secondary trading market for our shares will develop. In the event that the fair market value of one share is greater than $9.50 at the time of the reinvestment, participants in our distribution reinvestment plan may be treated as having received a distribution in excess of the $9.50 reinvested by them under our distribution reinvestment plan. You may be taxed on the amount of such distribution as a dividend to the extent such distribution is from current or accumulated earnings and profits, unless we have designated all or a portion of the dividend as a capital gains dividend.

Amendment, Suspension and Termination

We reserve the right to amend our distribution reinvestment plan, subject to certain limitations, upon ten days prior written notice. The reinvestment agent also reserves the right to suspend or terminate a participant' s individual participation in the plan, and we reserve the right to suspend or terminate our distribution reinvestment plan itself in our sole discretion at any time, by sending ten days' prior written notice of suspension or termination to the individual participant or, upon termination of the plan, to all participants.

OUR OPERATING PARTNERSHIP AGREEMENT

General

CCPT IV OP, our operating partnership, was formed in July 2010 to acquire, own and operate properties on our behalf. It is structured as an UPREIT. A property owner may contribute property to an UPREIT in exchange for limited partnership units on a tax-free basis. This enables us to acquire real property from owners who desire to defer taxable gain that would otherwise be recognized by such owners upon the disposition of their property. This structure may also be attractive for property owners that desire to diversify their investments and gain benefits afforded to owners of stock in a REIT. In addition, CCPT IV OP is structured to ultimately make distributions with respect to limited partnership units that will be equivalent to the distributions made to holders of our common stock. A limited partner in CCPT IV OP may later exchange his or her limited partnership units in CCPT IV OP for shares of our common stock in a taxable transaction. For purposes of satisfying the asset and income tests for qualification as a REIT for tax purposes, the REIT' s proportionate share of the assets and income of an UPREIT, such as CCPT IV OP, are deemed to be assets and income of the REIT.

The partnership agreement for CCPT IV OP contains provisions that would allow, under certain circumstances, other entities, including other Cole-sponsored programs, to merge into or cause the exchange or conversion of their interest in that entity for interests of CCPT IV OP. In the event of such a merger, exchange or conversion, CCPT IV OP would issue additional limited partnership interests, which would be entitled to the same exchange rights as other limited partnership interests of CCPT IV OP. As a result, any such merger, exchange or conversion ultimately could result in the issuance of a substantial number of shares of our common stock, thereby diluting the percentage ownership interest of other stockholders.

We will hold substantially all of our assets through CCPT IV OP. We are the sole general partner of CCPT IV OP, and our advisor currently is the only limited partner of CCPT IV OP. As the sole general partner of CCPT IV OP, we have the exclusive power to manage and conduct the business of CCPT IV OP. We will present our financial statements on a consolidated basis to include CCPT IV OP.

The following is a summary of certain provisions of the partnership agreement of CCPT IV OP. This summary is not complete and is qualified by the specific language in the partnership agreement. For more detail, you should refer to the partnership agreement, itself, which we have filed with the Securities and Exchange Commission as an exhibit to the registration statement of which this prospectus is a part.

Capital Contributions

As we accept subscriptions for shares, we will transfer the net proceeds of the offering to CCPT IV OP as a capital contribution. However, we will be deemed to have made capital contributions in the amount of the gross offering proceeds received from investors. CCPT IV OP will be deemed to have simultaneously paid the selling commissions and other costs associated with the offering. If CCPT IV OP requires additional funds at any time in excess of capital contributions made by our advisor and us (which are minimal in amount), or from borrowings, we may borrow funds from a financial institution or other lender and lend such funds to CCPT IV OP on the same terms and conditions as are applicable to our borrowing of such funds. In addition, we are authorized to cause CCPT IV OP to issue partnership interests for less than fair market value if we conclude in good faith that such issuance is in the best interests of CCPT IV OP and us.

Operations

The partnership agreement requires that CCPT IV OP be operated in a manner that will enable us to (1) satisfy the requirements for being classified as a REIT for tax purposes, (2) avoid any federal income or excise tax liability, and (3) ensure that CCPT IV OP will not be classified as a "publicly traded partnership" for purposes of Section 7704 of the Internal Revenue Code, which classification could result in CCPT IV OP being

taxed as a corporation, rather than as a partnership. See the "Risk Factors − Federal Income Tax Risks" and the "Federal Income Tax Considerations − Tax Aspects of Our Operating Partnership − Classification as a Partnership" sections of this prospectus.

The partnership agreement provides that CCPT IV OP will distribute cash flow from operations as follows:

first, to us until we have received aggregate distributions with respect to the current fiscal year equal to the minimum amount necessary for us to distribute to our stockholders to enable us to maintain our status as a REIT under the Internal Revenue Code and to avoid any federal income or excise tax liability with respect to such fiscal year;

next, to the limited partners until our limited partners have received aggregate distributions equal to the amount that would have been distributed to them with respect to all prior fiscal years had all CCPT IV OP income for all such prior fiscal years been allocated to us, each limited partner held a number of our common shares equal to the number of CCPT IV OP units that it holds and the REIT had distributed all such amounts to our stockholders (including the limited partners);

next, after the establishment of reasonable cash reserves for our expenses and obligations of CCPT IV OP, to us and to the limited partners until each partner has received aggregate distributions with respect to the current fiscal year and all fiscal years had all CCPT IV OP income for the current fiscal year and all such prior fiscal years been allocated to us, our income with respect to the current fiscal year and each such prior fiscal year equaled the minimum amount necessary to maintain our status as a REIT under the Internal Revenue Code, each limited partner held a number of common shares equal to the number of CCPT IV OP units that we hold and we had distributed all such amounts to our stockholders (including the limited partners); and

finally, to us and the limited partners in accordance with the partners' percentage interests in CCPT IV OP.

Similarly, the partnership agreement of CCPT IV OP provides that taxable income is allocated to the limited partners of CCPT IV OP in accordance with their relative percentage interests such that a holder of one unit of limited partnership interest in CCPT IV OP will be allocated taxable income for each taxable year in an amount equal to the amount of taxable income to be recognized by a holder of one of our shares, subject to compliance with the provisions of Sections 704(b) and 704(c) of the Internal Revenue Code and corresponding Treasury Regulations. Losses, if any, generally will be allocated among the partners in accordance with their respective percentage interests in CCPT IV OP.

Upon the liquidation of CCPT IV OP, after payment of debts and obligations, any remaining assets of CCPT IV OP will be distributed to partners with positive capital accounts in accordance with their respective positive capital account balances. If we were to have a negative balance in our capital account following a liquidation, we would be obligated to contribute cash to CCPT IV OP equal to such negative balance for distribution to other partners, if any, having positive balances in such capital accounts.

In addition to the administrative and operating costs and expenses incurred by CCPT IV OP in acquiring and operating real properties, CCPT IV OP will pay or reimburse us for all of our administrative costs and expenses. Such expenses will include the following, among others:

all expenses relating to the formation and continuity of our existence;

all expenses relating to the public offering and registration of securities by us;

all expenses associated with the preparation and filing of any periodic reports by us under federal, state or local laws or regulations;

all expenses associated with compliance by us with applicable laws, rules and regulations;

all costs and expenses relating to any issuance or redemption of partnership interests or shares of our common stock; and

all of our other operating or administrative costs incurred in the ordinary course of our business on behalf of CCPT IV OP.

All claims between the partners of CCPT IV OP arising out of the partnership agreement are subject to binding arbitration.

Exchange Rights

The limited partners of CCPT IV OP, including our advisor, have the right to cause their limited partnership units to be redeemed by CCPT IV OP for cash or purchased by us for cash or shares of our common stock, as elected by us. In either event, the cash amount to be paid will be equal to the cash value of the number of our shares that would be issuable if the limited partnership units were exchanged for our shares on a one-for-one basis. If we elect to purchase the limited partnership units with our shares, we will pay one share of our common stock for each limited partnership unit purchased. These exchange rights may not be exercised, however, if and to the extent that the delivery of shares upon exercise would (1) result in any person owning shares in excess of our ownership limits, (2) result in shares being owned by fewer than 100 persons, (3) cause us to be "closely held" within the meaning of Section 856(h) of the Internal Revenue Code, (4) cause us to own 10% or more of the ownership interests in a tenant within the meaning of Section 856(d)(2)(B) of the Internal Revenue Code, or (5) cause the acquisition of shares by a redeemed limited partner to be "integrated" with any other distribution of our shares for purposes of complying with the Securities Act.

Subject to the foregoing, limited partners of CCPT IV OP may exercise their exchange rights at any time after one year following the date of issuance of their limited partnership units. However, a limited partner may not deliver more than two exchange notices each calendar year and may not exercise an exchange right for less than 1,000 limited partnership units, unless such limited partner holds less than 1,000 units, in which case he must exercise his exchange right for all of his units. We do not expect to issue any of the shares of common stock offered hereby to limited partners of CCPT IV OP in exchange for their limited partnership units. Rather, in the event a limited partner of CCPT IV OP exercises its exchange rights and we elect to purchase the limited partnership units with shares of our common stock, we expect to issue unregistered shares of common stock, or subsequently registered shares of common stock, in connection with such transaction.

Amendments to the Partnership Agreement

Our consent, as the general partner of CCPT IV OP, is required for any amendment to the partnership agreement. We, as the general partner of CCPT IV OP, and without the consent of any limited partner, may amend the partnership agreement in any manner, provided, however, that the consent of limited partners holding more than 50% of the interests of the limited partners is required for the following:

any amendment affecting the conversion factor or the exchange right in a manner adverse to the limited partners;

any amendment that would adversely affect the rights of the limited partners to receive the distributions payable to them pursuant to the partnership agreement (other than the issuance of additional limited partnership interests);

any amendment that would alter the allocations of CCPT IV OP' s profit and loss to the limited partners (other than the issuance of additional limited partnership interests);

any amendment that would impose on the limited partners any obligation to make additional capital contributions to CCPT IV OP; and

any amendment pursuant to a plan of merger, plan of exchange or plan of conversion, subject to certain exceptions as set forth in the partnership agreement.

Termination of the Partnership

CCPT IV OP will have perpetual duration, unless it is dissolved earlier upon the first to occur of the following:

we declare for bankruptcy or dissolve, are removed or withdraw from the partnership, provided, however, that the remaining partners may decide to continue the business;

ninety days after the sale or other disposition of all or substantially all of the assets of the partnership;

the exchange of all limited partnership units (other than any units held by us or our affiliates); and

we elect, as the general partner, to dissolve the partnership.

Transferability of Interests

We may not (1) voluntarily withdraw as the general partner of CCPT IV OP, (2) engage in any merger, consolidation or other business combination or sale of all or substantially all of our assets (other than in connection with a change in our state of incorporation or organizational form), or (3) transfer our general partnership interest in CCPT IV OP (except to a wholly-owned subsidiary), unless the transaction in which such withdrawal, business combination or transfer occurs results in the limited partners receiving or having the right to receive an amount of cash, securities or other property equal in value to the amount they would have received if they had exercised their exchange rights immediately prior to such transaction or unless, in the case of a merger or other business combination, the successor entity contributes substantially all of its assets to CCPT IV OP in return for an interest in CCPT IV OP and agrees to assume all obligations of the general partner of CCPT IV OP. We may also enter into a business combination or transfer our general partnership interest upon the receipt of the consent of a majority-in-interest of the limited partners of CCPT IV OP, other than our advisor and other affiliates of Christopher H. Cole. With certain exceptions, a limited partner may not transfer its interests in CCPT IV OP, in whole or in part, without our written consent as general partner.

FEDERAL INCOME TAX CONSIDERATIONS

General

The following is a summary of material federal income tax considerations associated with an investment in shares of our common stock. This summary does not address all possible tax considerations that may be material to an investor and does not constitute tax advice. Moreover, this summary does not deal with all tax aspects that might be relevant to you, as a prospective stockholder, in light of your personal circumstances, nor does it deal with particular types of stockholders that are subject to special treatment under the Internal Revenue Code, such as insurance companies, tax-exempt organizations or financial institutions or broker-dealers.

The Internal Revenue Code provisions governing the federal income tax treatment of REITs are highly technical and complex, and this summary is qualified in its entirety by the express language of applicable Internal Revenue Code provisions, treasury regulations promulgated thereunder (Treasury Regulations) and administrative and judicial interpretations thereof.

We urge you, as a prospective investor, to consult your own tax advisor regarding the specific tax consequences to you of a purchase of shares, ownership and sale of the shares and of our election to be taxed as a REIT. These consequences include the federal, state, local, foreign and other tax consequences of such purchase, ownership, sale and election.

Opinion of Counsel

Morris, Manning & Martin, LLP acts as our counsel, has reviewed this summary and is of the opinion that it fairly summarizes the federal income tax considerations addressed that are material to our stockholders. It is also the opinion of our counsel that we will qualify to be taxed as a REIT under the Internal Revenue Code for our taxable year ending December 31, 2012 provided that we operate in accordance with various assumptions and the factual representations we made to counsel concerning our business, assets and operations. We emphasize that all opinions issued by Morris, Manning & Martin, LLP are based on various assumptions and are conditioned upon the assumptions and representations we will make concerning certain factual matters related to our business and properties. Moreover, our qualification for taxation as a REIT depends on our ability to meet the various qualification tests imposed under the Internal Revenue Code discussed below, the results of which will not be reviewed by Morris, Manning & Martin, LLP. Accordingly, the actual results of our operations for any one taxable year may not satisfy these requirements. See the “Risk Factors − Federal Income Tax Risks” section of this prospectus.

The statements made in this section and in the opinion of Morris, Manning & Martin, LLP are based upon existing law and Treasury Regulations, as currently applicable, currently published administrative positions of the Internal Revenue Service and judicial decisions, all of which are subject to change, either prospectively or retroactively. We cannot assure you that any changes will not modify the conclusions expressed in counsel’ s opinion. Moreover, an opinion of counsel is not binding on the Internal Revenue Service, and we cannot assure you that the Internal Revenue Service will not successfully challenge our status as a REIT.

Taxation of the Company

We plan to make an election to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code, effective for our taxable year ending December 31, 2012. In the opinion of Morris, Manning & Martin, LLP, commencing with such taxable year, we will be organized and will operate in such manner to qualify for taxation as a REIT under the Internal Revenue Code. However, no assurance can be given that we will operate in a manner so as to remain qualified as a REIT. Pursuant to our charter, our board of directors has the authority to make any tax elections on our behalf that, in its sole judgment, are in our best interests. This authority includes the ability to elect not to qualify as a REIT for federal income tax purposes or, after qualifying as a REIT, to revoke or otherwise terminate our status as a REIT. Our board of directors has the authority under our charter to

make these elections without the necessity of obtaining the approval of our stockholders. In addition, our board of directors has the authority to waive any restrictions and limitations contained in our charter that are intended to preserve our status as a REIT during any period in which our board of directors has determined not to pursue or preserve our status as a REIT.

Although REITs continue to receive substantially better tax treatment than entities taxed as corporations, it is possible that future legislation would cause a REIT to be a less advantageous tax status for companies that invest in real estate, and it could become more advantageous for such companies to elect to be taxed for federal income tax purposes as a corporation. As a result, our charter provides our board of directors with the ability, under certain circumstances, to elect not to qualify us as a REIT or, after we have qualified as a REIT, to revoke or otherwise terminate our REIT election and cause us to be taxed as a corporation, without the vote of our stockholders. Our board of directors has fiduciary duties to us and to our investors and would only cause such changes in our tax treatment if it determines in good faith that such changes are in the best interests of our stockholders.

If we qualify for taxation as a REIT, we generally will not be subject to federal corporate income taxes on that portion of our ordinary income or capital gain that we distribute currently to our stockholders, because the REIT provisions of the Internal Revenue Code generally allow a REIT to deduct distributions paid to its stockholders. This substantially eliminates the federal "double taxation" on earnings (taxation at both the corporate level and stockholder level) that usually results from an investment in a corporation.

Even if we qualify for taxation as a REIT, we are subject to federal income taxation as follows:

- we will be taxed at regular corporate rates on our undistributed REIT taxable income, including undistributed net capital gains;
- under some circumstances, we will be subject to alternative minimum tax;
- if we have net income from the sale or other disposition of "foreclosure property" (described below) that is held primarily for sale to customers in the ordinary course of business or other non-qualifying income from foreclosure property, we will be subject to tax at the highest corporate rate on that income;
- if we have net income from prohibited transactions (described below), our income from such prohibited transaction will be subject to a 100% tax;
- if we fail to satisfy either of the 75% or 95% gross income tests (discussed below) but have nonetheless maintained our qualification as a REIT because applicable conditions have been met, we will be subject to a 100% tax on an amount equal to the greater of the amount by which we fail the 75% or 95% test multiplied by a fraction calculated to reflect our profitability;
- if we fail to satisfy the asset tests (discussed below) and continue to qualify as a REIT because we meet other requirements, we will have to pay a tax equal to the greater of $50,000 or the highest corporate income tax rate multiplied by the net income generated by the non-qualifying assets during the time we failed to satisfy the asset tests;
- if we fail to satisfy REIT requirements other than the gross income and asset tests, we can continue to qualify as a REIT if our failure was due to reasonable cause and not willful neglect, but we must pay $50,000 for each failure;
- if we fail to distribute during each year at least the sum of (i) 85% of our REIT ordinary income for the year, (ii) 95% of our REIT capital gain net income for such year and (iii) any undistributed taxable income from prior periods, we will be subject to a 4% excise tax on the excess of the required distribution over the amounts actually distributed; and
- if we acquire any asset from a C corporation (*i.e.*, a corporation generally subject to corporate-level tax) in a carryover-basis transaction and we subsequently recognize gain on the disposition of the asset during

the ten-year period beginning on the date on which we acquired the asset, then a portion of the gains may be subject to tax at the highest regular corporate rate, pursuant to guidelines issued by the Internal Revenue Service (this is known as the Built-In-Gains-Tax).

"Foreclosure property" is real property and any personal property incident to such real property (1) that is acquired by a REIT as the result of the REIT having bid in the property at foreclosure, or having otherwise acquired ownership or possession of the property by agreement or process of law, after there was a default (or default was imminent) on a lease of the property or on a mortgage loan held by the REIT and secured by the property, (2) the related loan or lease of which was acquired by the REIT at a time when default was not imminent or anticipated and (3) for which such REIT makes a proper election to treat the property as foreclosure property. A "prohibited transaction" is generally a sale or other disposition of property (other than foreclosure property) that is held primarily for sale to customers in the ordinary course of a REIT' s trade or business, a determination that depends on the particular facts and circumstances surrounding each property.

Requirements for Qualification as a REIT

In order for us to qualify as a REIT, we must meet, and we must continue to meet, the requirements discussed below relating to our organization, sources of income, nature of assets, distributions of income to our stockholders and recordkeeping.

Organizational Requirements

In order to qualify for taxation as a REIT under the Internal Revenue Code, we must:

be a domestic corporation;

elect to be taxed as a REIT and satisfy relevant filing and other administrative requirements;

be managed by one or more trustees or directors;

have transferable shares;

not be a financial institution or an insurance company;

use a calendar year for federal income tax purposes;

have at least 100 stockholders for at least 335 days of each taxable year of 12 months; and

not be closely held.

As a Maryland corporation, we satisfy the first requirement, and we intend to file an election to be taxed as a REIT when we file our tax return with the Internal Revenue Service for the taxable year ending December 31, 2012. In addition, we are managed by a board of directors, we have transferable shares and we will not operate as a financial institution or insurance company. We utilize the calendar year for federal income tax purposes.

We would be treated as closely held only if five or fewer individuals or certain tax-exempt entities own, directly or indirectly, more than 50% (by value) of our shares at any time during the last half of our taxable year. For purposes of the closely held test, the Internal Revenue Code generally permits a look-through for pension funds and certain other tax-exempt entities to the beneficiaries of the entity to determine if the REIT is closely held. However, these requirements do not apply until after the first taxable year for which an election is made to be taxed as a REIT. We anticipate issuing sufficient shares with sufficient diversity of ownership pursuant to this offering to allow us to satisfy these requirements in the taxable year ending December 31, 2012. In addition, our charter provides for restrictions regarding transfer of shares that are intended to assist us in continuing to satisfy these share ownership requirements. Such transfer restrictions are described in the "Description of Shares − Restrictions on Ownership and Transfer" section of this prospectus.

These provisions permit us to refuse to recognize certain transfers of shares that would tend to violate these REIT provisions. We can offer no assurance that our refusal to recognize a transfer will be effective. However, based on the foregoing, for the year ending December 31, 2012, we expect to satisfy the organizational requirements, including the share ownership requirements, required for qualifying as a REIT under the Internal Revenue Code.

Notwithstanding compliance with the share ownership requirements outlined above, tax-exempt stockholders may be required to treat all or a portion of their distributions from us as UBTI if tax-exempt stockholders, in the aggregate, exceed certain ownership thresholds set forth in the Internal Revenue Code. See "− Treatment of Tax-Exempt Stockholders" below.

Ownership of Interests in Partnerships and Qualified REIT Subsidiaries

In the case of a REIT that is a partner in a partnership, Treasury Regulations provide that the REIT is deemed to own its proportionate share, based on its interest in partnership capital, of the assets of the partnership and is deemed to have earned its allocable share of partnership income. Also, if a REIT owns a qualified REIT subsidiary, which is defined as a corporation wholly-owned by a REIT that does not elect to be taxed as a "taxable REIT subsidiary" (TRS) under the Internal Revenue Code, the REIT will be deemed to own all of the subsidiary' s assets and liabilities and it will be deemed to be entitled to treat the income of that subsidiary as its own. In addition, the character of the assets and gross income of the partnership or qualified REIT subsidiary shall retain the same character in the hands of the REIT for purposes of satisfying the gross income tests and asset tests set forth in the Internal Revenue Code.

Operational Requirements − Gross Income Tests

If we qualify for taxation as a REIT, to maintain our qualification as a REIT, we must, on an annual basis, satisfy the following gross income requirements:

At least 75% of our gross income, excluding gross income from prohibited transactions, for each taxable year must be derived directly or indirectly from investments relating to real property or mortgages on real property. Gross income includes "rents from real property" and, in some circumstances, interest, but excludes gross income from dispositions of property held primarily for sale to customers in the ordinary course of a trade or business. Such dispositions are referred to as "prohibited transactions." This is known as the 75% Income Test.

At least 95% of our gross income, excluding gross income from prohibited transactions, for each taxable year must be derived from the real property investments described above and from distributions, interest and gains from the sale or disposition of stock or securities or from any combination of the foregoing. This is known as the 95% Income Test.

The rents we receive, or that we are deemed to receive, qualify as "rents from real property" for purposes of satisfying the gross income requirements for a REIT only if the following conditions are met:

the amount of rent received from a tenant generally must not be based in whole or in part on the income or profits of any person; however, an amount received or accrued generally will not be excluded from the term "rents from real property" solely by reason of being based on a fixed percentage or percentages of gross receipts or sales;

rents received from a tenant will not qualify as "rents from real property" if an owner of 10% or more of the REIT directly or constructively owns 10% or more of the tenant or a subtenant of the tenant (in which case only rent attributable to the subtenant is disqualified);

if rent attributable to personal property leased in connection with a lease of real property is greater than 15% of the total rent received under the lease, then the portion of rent attributable to the personal property will not qualify as "rents from real property"; and

the REIT must not operate or manage the property or furnish or render services to tenants, other than through an "independent contractor" who is adequately compensated and from whom the REIT does not derive any income. However, a REIT may provide services with respect to its properties, and the income derived therefrom will qualify as "rents from real property" if the services are "usually or customarily rendered" in connection with the rental of space only and are not otherwise considered "rendered to the occupant." Even if the services with respect to a property are impermissible tenant services, the income derived therefrom will qualify as "rents from real property" if such income does not exceed 1% of all amounts received or accrued with respect to that property. Additionally, a REIT may, under certain circumstances, furnish or render services to tenants that are not usually or customarily rendered through a TRS. Subject to certain exceptions, a TRS is any corporation, other than a REIT, in which we directly or indirectly own stock and with respect to which a joint election has been made by us and the corporation to treat the corporation as a TRS of ours. It also includes any corporation, other than a REIT or a qualified REIT subsidiary, in which a TRS of ours owns, directly or indirectly, more than 35% of the voting power or value.

We will be paid interest on the mortgage loans that we make or acquire. All interest qualifies under the 95% Income Test. If a mortgage loan is secured exclusively by real property, all of such interest will also qualify for the 75% Income Test. If both real property and other property secure the mortgage loan, then all of the interest on such mortgage loan will also qualify for the 75% Income Test if the amount of the loan did not exceed the fair market value of the real property at the time of the loan commitment.

If we acquire ownership of property by reason of the default of a borrower on a loan or possession of property by reason of a tenant default, if the property qualifies and we elect to treat it as foreclosure property, the income from the property will qualify under the 75% Income Test and the 95% Income Test notwithstanding its failure to satisfy these requirements for three years, or if extended for good cause, up to a total of six years. In that event, we must satisfy a number of complex rules, one of which is a requirement that we operate the property through an independent contractor. We will be subject to tax on that portion of our net income from foreclosure property that does not otherwise qualify under the 75% Income Test.

Prior to investing the offering proceeds in properties, we may satisfy the 75% Income Test and the 95% Income Test by investing in liquid assets such as government securities or certificates of deposit, but earnings from those types of assets are qualifying income under the 75% Income Test only for one year from the receipt of proceeds. Accordingly, to the extent that offering proceeds have not been invested in properties prior to the expiration of this one-year period, in order to satisfy the 75% Income Test, we may invest the offering proceeds in less liquid investments such as mortgage-backed securities, maturing mortgage loans purchased from mortgage lenders or shares in other REITs. We expect to receive proceeds from the offering in a series of closings and to trace those proceeds for purposes of determining the one-year period for "new capital investments."

Except for amounts received with respect to certain investments of cash reserves, we anticipate that substantially all of our gross income will be derived from sources that will allow us to satisfy the income tests described above; however, we can give no assurance in this regard.

Notwithstanding our failure to satisfy one or both of the 75% Income Test and the 95% Income Test for any taxable year, we may still qualify as a REIT for that year if we are eligible for relief under specific provisions of the Internal Revenue Code. These relief provisions generally will be available if:

our failure to meet these tests was due to reasonable cause and not due to willful neglect;

we attach a schedule of our income sources to our federal income tax return; and

any incorrect information on the schedule is not due to fraud with intent to evade tax.

It is not possible, however, to state whether, in all circumstances, we would be entitled to the benefit of these relief provisions. For example, if we fail to satisfy the gross income tests because nonqualifying income that we intentionally earn exceeds the limits on this income, the Internal Revenue Service could conclude that our failure to satisfy the tests was not due to reasonable cause. As discussed above in "– Taxation of the Company," even if these relief provisions apply, a tax would be imposed with respect to the excess net income.

Operational Requirements – Asset Tests

At the close of each quarter of our taxable year, we also must satisfy the following three tests relating to the nature and diversification of our assets:

First, at least 75% of the value of our total assets must be represented by real estate assets, cash, cash items and government securities. The term "real estate assets" includes real property, mortgages on real property, shares in other qualified REITs and a proportionate share of any real estate assets owned by a partnership in which we are a partner or of any qualified REIT subsidiary of ours.

Second, no more than 25% of our total assets may be represented by securities other than those in the 75% asset class.

Third, of the investments included in the 25% asset class, except with respect to TRS and assets satisfying the 75% test, the value of any one issuer' s securities may not exceed 5% of the value of our total assets. Additionally, we may not own more than 10% of any one issuer' s outstanding securities measured by either voting power or value.

Fourth, no more than 25% of the value of our total assets may consist of the securities of one or more TRSs.

The third asset test must generally be met for any quarter in which we acquire securities, and we have up to six months to dispose of sufficient assets or otherwise to cure a failure to satisfy this asset test, provided the failure is due to the ownership of assets the total value of which does not exceed the lesser of (1) 1% of our assets at the end of the relevant quarter or (2) $10,000,000.

If we meet the asset tests at the close of any quarter, we will not lose our REIT status for a failure to satisfy the asset tests at the end of a later quarter if such failure occurs solely because of changes in asset values. If our failure to satisfy the asset tests results from an acquisition of securities or other property during a quarter, we can cure the failure by disposing of a sufficient amount of nonqualifying assets within 30 days after the close of that quarter. We will maintain adequate records of the value of our assets to ensure compliance with the asset tests and will take other action within 30 days after the close of any quarter as may be required to cure any noncompliance.

For violations of any of the asset tests due to reasonable cause that are larger than $10,000,000, we may avoid disqualification as a REIT after the 30 day cure period by taking certain steps, including the disposition of sufficient assets within the six month period described above to meet the applicable asset test, paying a tax equal to the greater of $50,000 or the highest corporate tax rate multiplied by the net income generated by the non-qualifying assets during the period of time that the assets were held as non-qualifying assets, and filing a schedule with the Internal Revenue Service that describes the non-qualifying assets.

Operational Requirements – Annual Distribution Requirement

In order to be taxed as a REIT, we are required to make distributions, other than capital gain distributions, to our stockholders each year in the amount of at least 90% of our REIT taxable income, which is computed without regard to the distributions paid deduction and our capital gain and subject to certain other potential adjustments.

While we must generally make distributions in the taxable year to which they relate, we may also pay distributions in the following taxable year if (1) they are declared before we timely file our federal income tax return for the taxable year in question, and (2) they are made on or before the first regular distribution payment date after the declaration.

Even if we satisfy the foregoing distribution requirement and, accordingly, qualify as a REIT for tax purposes, we will still be subject to tax on the excess of our net capital gain and our REIT taxable income, as adjusted, over the amount of distributions made to stockholders.

In addition, we will be subject to a 4% excise tax on the excess of the amount of such required distributions over amounts actually distributed during such year if we fail to distribute during each calendar year at least the sum of:

85% of our ordinary income for that year;

95% of our capital gain net income other than the capital gain net income that we elect to retain and pay tax on for that year; and

any undistributed taxable income from prior periods.

We intend to make timely distributions sufficient to satisfy this requirement. It is possible, however, that we may experience timing differences between (1) the actual receipt of cash and payment of deductible expenses, and (2) the recognition of income. It is also possible that we may be allocated a share of net capital gain attributable to the sale of depreciated property that exceeds our allocable share of cash attributable to that sale.

In such circumstances, we may have less cash than is necessary to meet our annual distribution requirement or to avoid income or excise taxation on certain undistributed income. We may find it necessary in such circumstances to arrange for financing or raise funds through the issuance of additional shares in order to meet our distribution requirements, or we may pay taxable stock distributions to meet the distribution requirement.

If we fail to satisfy the distribution requirement for any taxable year by reason of a later adjustment to our taxable income made by the Internal Revenue Service, we may be able to pay "deficiency distributions" in a later year and include such distributions in our deductions for distributions paid for the earlier year. In such event, we may be able to avoid being taxed on amounts distributed as deficiency distributions, but we would be required in such circumstances to pay interest to the Internal Revenue Service based upon the amount of any deduction taken for deficiency distributions for the earlier year.

We may also elect to retain, rather than distribute, our net long-term capital gains. The effect of such an election would be as follows:

we would be required to pay the tax on these gains;

our stockholders, while required to include their proportionate share of the undistributed long-term capital gains in income, would receive a credit or refund for their share of the tax paid by us; and

the basis of a stockholder' s shares would be increased by the difference between the designated amount included in the stockholder' s long-term capital gains and the tax deemed paid with respect to such shares.

In computing our REIT taxable income, we will use the accrual method of accounting and depreciate depreciable property under the alternative depreciation system. We are required to file an annual federal income tax return, which, like other corporate returns, is subject to examination by the Internal Revenue Service.

Because the tax law requires us to make many judgments regarding the proper treatment of a transaction or an item of income or deduction, it is possible that the Internal Revenue Service will challenge positions we take

in computing our REIT taxable income and our distributions. Issues could arise, for example, with respect to the allocation of the purchase price of properties between depreciable or amortizable assets and non-depreciable or non-amortizable assets such as land and the current deductibility of fees paid to our advisor or its affiliates. If the Internal Revenue Service successfully challenges our characterization of a transaction or determination of our REIT taxable income, we could be found to have failed to satisfy a requirement for qualification as a REIT. If, as a result of a challenge, we are determined to have failed to satisfy the distribution requirements for a taxable year, we would be disqualified as a REIT unless we were permitted to pay a deficiency distribution to our stockholders and pay interest thereon to the Internal Revenue Service, as provided by the Internal Revenue Code. A deficiency distribution cannot be used to satisfy the distribution requirement, however, if the failure to meet the requirement is not due to a later adjustment to our income by the Internal Revenue Service.

Certain taxable stock dividends may satisfy the 90% annual distribution requirement. The Internal Revenue Service has ruled that a distribution of stock by a REIT, whether publicly traded on an established securities market or not, may be treated as a distribution of property that qualifies for the 90% annual distribution requirement. Currently, these rulings require, among other things, that the distribution is declared on or before December 31, 2012, and with respect to a taxable year ending on or before December 31, 2011.

Operational Requirements − Recordkeeping

In order to continue to qualify as a REIT, we must maintain records as specified in applicable Treasury Regulations. Further, we must request, on an annual basis, information designed to disclose the ownership of our outstanding shares. We intend to comply with such requirements.

Failure to Qualify as a REIT

If we fail to qualify as a REIT for any reason in a taxable year and applicable relief provisions do not apply, we will be subject to tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates. We will not be able to deduct distributions paid to our stockholders in any year in which we fail to qualify as a REIT. We also will be disqualified for the four taxable years following the year during which qualification was lost unless we are entitled to relief under specific statutory provisions. See the "Risk Factors − Federal Income Tax Risks" section of this prospectus.

Sale-Leaseback Transactions

Some of our investments may be in the form of sale-leaseback transactions. In most instances, depending on the economic terms of the transaction, we will be treated for federal income tax purposes as either the owner of the property or the holder of a debt secured by the property. We do not expect to request an opinion of counsel concerning the status of any leases of properties as true leases for federal income tax purposes.

The Internal Revenue Service may take the position that a specific sale-leaseback transaction that we treat as a true lease is not a true lease for federal income tax purposes but is, instead, a financing arrangement or loan. We may also structure some sale-leaseback transactions as loans. In this event, for purposes of the asset tests and the 75% Income Test, each such loan likely would be viewed as secured by real property to the extent of the fair market value of the underlying property. We expect that, for this purpose, the fair market value of the underlying property would be determined without taking into account our lease. If a sale-leaseback transaction were so recharacterized, we might fail to satisfy the asset tests or the income tests and, consequently, lose our REIT status effective with the year of recharacterization. Alternatively, the amount of our REIT taxable income could be recalculated, which might also cause us to fail to meet the distribution requirement for a taxable year.

Taxation of U.S. Stockholders

Definition

In this section, the phrase "U.S. stockholder" means a holder of shares of our common stock that for federal income tax purposes is:

a citizen or resident of the United States;

a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof;

an estate or trust, the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust, if a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust.

For any taxable year for which we qualify for taxation as a REIT, amounts distributed to U.S. stockholders will be taxed as described below.

Distributions Generally

Distributions to U.S. stockholders, other than capital gain distributions discussed below, will constitute distributions up to the amount of our current or accumulated earnings and profits and will be taxable to the stockholders as ordinary income. Individuals receiving "qualified dividends," which are distributions from domestic and certain qualifying foreign subchapter C corporations, may be taxed at lower rates on distributions (at rates applicable to long-term capital gains, currently at a maximum rate of 15%) provided certain holding period requirements are met. Because, however, we will be taxed as a REIT, individuals receiving distributions from us generally will not be eligible for the lower rates on distributions except with respect to the portion of any distribution that (a) represents distributions being passed through to us from a corporation in which we own shares (but only if such distributions would be eligible for the lower rates on distributions if paid by the corporation to its individual stockholders), (b) is equal to our REIT taxable income (taking into account the distributions paid deduction available to us) less any taxes paid by us on these items during our previous taxable year, or (c) is attributable to built-in gains realized and recognized by us from disposition of properties acquired by us in non-recognition transaction, less any taxes paid by us on these items during our previous taxable year. These distributions are not eligible for the distributions received deduction generally available to corporations.

To the extent that we make a distribution in excess of our current or accumulated earnings and profits, the distribution will be treated first as a tax-free return of capital, reducing the tax basis in each U.S. stockholder' s shares (but not below zero). This, in effect, will defer a portion of your tax until your investment is sold or we are liquidated, at which time you likely will be taxed at capital gains rates. The amount of each distribution in excess of a U.S. stockholder' s tax basis in its shares will be taxable as gain realized from the sale of its shares. Distributions that we declare in October, November or December of any year payable to a stockholder of record on a specified date in any of these months will be treated as both paid by us and received by the stockholder on December 31 of the year, so long as we actually pay the distribution during January of the following calendar year. U.S. stockholders may not include any of our losses on their own federal income tax returns.

We will be treated as having sufficient earnings and profits to treat as a distribution any distribution by us up to the amount required to be distributed in order to avoid imposition of the 4% excise tax discussed above. Moreover, any "deficiency dividend" will be treated as an ordinary or capital gain distribution, as the case may be, regardless of our earnings and profits. As a result, stockholders may be required to treat as taxable some distributions that would otherwise result in a tax-free return of capital.

Capital Gain Distributions

Distributions to U.S. stockholders that we properly designate as capital gain distributions normally will be treated as long-term capital gains, to the extent they do not exceed our actual net capital gain for the taxable year, without regard to the period for which the U.S. stockholder has held his or her shares. A corporate U.S. stockholder, however, may be required to treat up to 20% of some capital gain distributions as ordinary income. See "− Requirements for Qualification as a REIT − Operational Requirements − Annual Distribution Requirement" above for the treatment by U.S. stockholders of net long-term capital gains that we elect to retain and pay tax on.

Passive Activity Loss and Investment Interest Limitations

Our distributions and any gain realized from a disposition of shares will not be treated as passive activity income, and stockholders may not be able to utilize any of their "passive losses" to offset this income on their personal tax returns. Our distributions (to the extent they do not constitute a return of capital) will generally be treated as investment income for purposes of the limitations on the deduction of investment interest. Net capital gain from a disposition of shares and capital gain distributions generally will be included in investment income for purposes of the investment interest deduction limitations only if, and to the extent, so elected, in which case any such capital gains will be taxed as ordinary income.

Certain Dispositions of the Shares

In general, any gain or loss realized upon a taxable disposition of shares by a U.S. stockholder who is not a dealer in securities will be treated as long-term capital gain or loss if the shares have been held for more than 12 months and as short-term capital gain or loss if the shares have been held for 12 months or less. If, however, a U.S. stockholder has received any capital gains distributions with respect to his shares, any loss realized upon a taxable disposition of shares held for six months or less, to the extent of the capital gains distributions received with respect to his shares, will be treated as long-term capital loss. Also, the Internal Revenue Service is authorized to issue Treasury Regulations that would subject a portion of the capital gain a U.S. stockholder recognizes from selling shares or from a capital gain distribution to a tax at a 25% rate, to the extent the capital gain is attributable to depreciation previously deducted.

A repurchase by us of shares for cash will be treated as a distribution that is taxable as a dividend to the extent of our current or accumulated earnings and profits at the time of the repurchase under Section 302 of the Internal Revenue Code unless the repurchase:

- results in a "complete termination" of the stockholder' s interest in us under Section 302(b)(3) of the Internal Revenue Code;
- is "substantially disproportionate" with respect to the stockholder under Section 302(b)(2) of the Internal Revenue Code (*i.e.*, if the percentage of the voting stock of the corporation owned by a stockholder immediately after the repurchase is less than 80% of the percentage of that owned by such stockholder immediately before the repurchase (taking into account Internal Revenue Code Section 318 constructive ownership rules); or
- is "not essentially equivalent to a dividend" with respect to the stockholder under Section 302(b)(1) of the Internal Revenue Code (*i.e.*, if it results in a "meaningful reduction" in the stockholder' s interest in us).

If the repurchase is not treated as a dividend, the repurchase of common stock for cash will result in taxable gain or loss equal to the difference between the amount of cash received and the stockholder' s tax basis in the shares of our common stock repurchased. Such gain or loss would be capital gain or loss if the common stock were held as a capital asset and would be long-term capital gain or loss if the holding period for the shares of our common stock exceeds one year.

Information Reporting Requirements and Backup Withholding for U.S. Stockholders

Under some circumstances, U.S. stockholders may be subject to backup withholding at a rate of 28% on payments made with respect to, or cash proceeds of a sale or exchange of, our shares. Backup withholding will apply only if the stockholder:

fails to furnish his or her taxpayer identification number or, for an individual, his or her Social Security Number;

furnishes an incorrect tax identification number;

is notified by the Internal Revenue Service that he or she has failed to properly report payments of interest and distributions or is otherwise subject to backup withholding; or

under some circumstances, fails to certify, under penalties of perjury, that he or she has furnished a correct tax identification number and that (a) he or she has not been notified by the Internal Revenue Service that he or she is subject to backup withholding for failure to report interest and distribution payments or (b) he or she has been notified by the Internal Revenue Service that he or she is no longer subject to backup withholding.

Backup withholding will not apply with respect to payments made to some stockholders, such as corporations and tax-exempt organizations. Backup withholding is not an additional tax. Rather, the amount of any backup withholding with respect to a payment to a U.S. stockholder will be allowed as a credit against the U.S. stockholder' s U.S. federal income tax liability and may entitle the U.S. stockholder to a refund, provided that the required information is furnished to the Internal Revenue Service. U.S. stockholders should consult their own tax advisors regarding their qualifications for exemption from backup withholding and the procedure for obtaining an exemption.

Cost Basis Reporting

The Energy Improvement and Extension Act of 2008 (the Act) imposed new customer reporting requirements on certain financial intermediaries (brokers). The Act now requires every broker that is required to file an information return reporting the gross proceeds of a "covered security" with the Internal Revenue Service to include in the information return the stockholder' s adjusted basis in the security, and whether any gain or loss with respect to the security is short-term or long-term within the meaning of Internal Revenue Code Sec. 1222. Under IRC Sec. 6045(g)(3), a "covered security" includes any share of stock in a corporation that was acquired in an account on or after January 1, 2011. We have determined that shares of our common stock that were acquired on or after January 1, 2011, including shares issued pursuant to our distribution reinvestment plan, are covered securities under the Act. Thus, stockholders who redeem, sell or otherwise liquidate shares that were purchased on or after January 1, 2011 will receive an information return reporting the gross proceeds from the sale, the adjusted basis of the shares sold, and whether any gain or loss is short-term or long-term within the meaning of IRC Sec. 1222. We are required to furnish this statement to stockholders by February 15 of the year following the calendar year in which the covered securities were sold. This information also will be reported to the Internal Revenue Service.

When determining the adjusted basis of the shares sold, IRC Sec. 6045(g)(2)(B) requires us to use the first-in first-out method. When using the first-in first-out method, we are required to identify the shares sold in the order that they were acquired. However, as an alternative to the first-in first-out method, the stockholder may notify us of a preferred alternative by means of making an adequate identification of the shares to be liquidated prior to the liquidation event. Please see the section entitled "Description of Shares − Share Redemption Program" for additional information about our share redemption program.

Treatment of Tax-Exempt Stockholders

Tax-exempt entities such as employee pension benefit trusts, individual retirement accounts and charitable remainder trusts generally are exempt from federal income taxation. Such entities are subject to taxation,

however, on any UBTI. Our payment of distributions to a tax-exempt employee pension benefit trust or other domestic tax-exempt stockholder generally will not constitute UBTI to such stockholder unless such stockholder has borrowed to acquire or carry its shares, or has used the shares of stock in a trade or business.

In the event that we were deemed to be "predominately held" by qualified employee pension benefit trusts, such trusts would be required to treat a certain percentage of the distributions paid to them as UBTI. We would be deemed to be "predominately held" by such trusts if either (i) one employee pension benefit trust owns more than 25% in value of our shares, or (ii) any group of employee pension benefit trusts, each owning more than 10% in value of our shares, holds in the aggregate more than 50% in value of our shares. If either of these ownership thresholds were ever exceeded, any qualified employee pension benefit trust holding more than 10% in value of our shares would be subject to tax on that portion of our distributions made to it which is equal to the percentage of our income that would be UBTI if we were a qualified trust, rather than a REIT. We monitor the concentration of ownership of employee pension benefit trusts in our shares, and we do not expect our shares to be deemed to be "predominately held" by qualified employee pension benefit trusts, as defined in the Internal Revenue Code, to the extent required to trigger the treatment of our income as to such trusts.

For social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts and qualified group legal services plans exempt from federal income taxation under Sections 501(c)(7), (c)(9), (c)(17) and (c)(20) of the Internal Revenue Code, respectively, income from an investment in our shares will constitute UBTI unless the stockholder in question is able to deduct amounts "set aside" or placed in reserve for certain purposes so as to offset the UBTI generated. Any such organization that is a prospective stockholder should consult its own tax advisor concerning these "set aside" and reserve requirements.

Special Tax Considerations for Non-U.S. Stockholders

The rules governing U.S. income taxation of non-resident alien individuals, foreign corporations, foreign partnerships and foreign trusts and estates (non-U.S. stockholders) are complex, and the following discussion is intended only as a summary. Non-U.S. stockholders should consult with their own tax advisors to determine the impact of federal, state and local income tax laws on an investment in our shares, including any reporting requirements.

Income Effectively Connected with a U.S. Trade or Business

In general, non-U.S. stockholders will be subject to regular U.S. federal income taxation with respect to their investment in our shares if the income derived therefrom is "effectively connected" with the non-U.S. stockholder' s conduct of a trade or business in the United States. The determination of whether an investment in our shares is effectively connected with another U.S. trade or business will depend entirely on the potential investor' s business activities within the U.S., and we recommend consultation with a qualified international tax advisor on the issue. A non-U.S. stockholder treated as a corporation for U.S. federal income tax purposes that receives income that is (or is treated as) effectively connected with a U.S. trade or business also may be subject to a branch profits tax under Section 884 of the Internal Revenue Code, which is payable in addition to the regular U.S. federal corporate income tax.

The following discussion will apply to non-U.S. stockholders whose income derived from ownership of our shares is deemed to be not "effectively connected" with a U.S. trade or business.

Distributions Not Attributable to Gain from the Sale or Exchange of a United States Real Property Interest

A distribution to a non-U.S. stockholder that is not attributable to gain realized by us from the sale or exchange of a "United States real property interest" within the meaning under FIRPTA, and that we do not designate as a capital gain distribution will be treated as an ordinary income distribution to the extent that it is made out of current or accumulated earnings and profits. Generally, any ordinary income distribution will be subject to a U.S. federal income tax equal to 30% of the gross amount of the distribution unless this tax is

reduced by the provisions of an applicable tax treaty. Any such distribution in excess of our earnings and profits will be treated first as a return of capital that will reduce each non-U.S. stockholder' s basis in its shares (but not below zero) and then as gain from the disposition of those shares, the tax treatment of which is described under the rules discussed below with respect to dispositions of shares.

Distributions Attributable to Gain from the Sale or Exchange of a United States Real Property Interest

Distributions to a non-U.S. stockholder that are attributable to gain from the sale or exchange of a United States real property interest will be taxed to a non-U.S. stockholder under Internal Revenue Code provisions enacted by FIRPTA. Under FIRPTA, such distributions are taxed to a non-U.S. stockholder as if the distributions were gains "effectively connected" with a U.S. trade or business. Accordingly, a non-U.S. stockholder will be taxed at the normal capital gain rates applicable to a U.S. stockholder (subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of non-resident alien individuals). Distributions subject to FIRPTA also may be subject to a 30% branch profits tax when made to a corporate non-U.S. stockholder that is not entitled to a treaty exemption. Capital gain distributions generally will be treated as subject to FIRPTA.

Withholding Obligations With Respect to Distributions to Non-U.S. Stockholders

Although tax treaties may reduce our withholding obligations, based on current law, we will generally be required to withhold from distributions to non-U.S. stockholders, and remit to the Internal Revenue Service:

35% of designated capital gain distributions or, if greater, 35% of the amount of any distributions that could be designated as capital gain distributions; and

30% of ordinary income distributions (*i.e.*, distributions paid out of our earnings and profits).

In addition, if we designate prior distributions as capital gain distributions, subsequent distributions, up to the amount of the prior distributions, will be treated as capital gain distributions for purposes of withholding. A distribution in excess of our earnings and profits will be subject to 30% withholding if at the time of the distribution it cannot be determined whether the distribution will be in an amount in excess of our current or accumulated earnings and profits. If the amount of tax we withhold with respect to a distribution to a non-U.S. stockholder exceeds the stockholder' s U.S. tax liability with respect to that distribution, the non-U.S. stockholder may file a claim with the Internal Revenue Service for a refund of the excess.

Sale of Our Shares by a Non-U.S. Stockholder

A sale of our shares by a non-U.S. stockholder generally will not be subject to U.S. federal income taxation unless (1) the gain or loss from such sale is effectively connected with the conduct of another U.S. trade or business or (2) our shares constitute a United States real property interest under FIRPTA. With respect to determining whether gain or loss on the sale of our stock is effectively connected with another U.S. trade or business, this determination will depend entirely on each potential non-U.S. investor' s business activities within the U.S. We recommend consultation with a qualified international tax advisor on this issue. With respect to potential taxation under FIRPTA of the sale of a United States real property interest, in general our shares will not constitute a United States real property interest provided we are a "domestically controlled" REIT.

A "domestically controlled" REIT is a REIT that at all times during a specified testing period has less than 50% in value of its shares held directly or indirectly by non-U.S. stockholders. We currently anticipate that we will be a "domestically controlled" REIT, so gain from the sale of our common stock should not be subject to federal income taxation under FIRPTA. However, we do expect to sell shares of our common stock to non-U.S. stockholders and we cannot assure you that we will continue to be a "domestically controlled" REIT. If we are not a "domestically controlled" REIT, it is possible that our common stock would constitute a U.S. real property interest, and as a result, any gain from the sale of our common stock by a non-U.S. stockholder would be subject to federal income tax under FIRPTA.

If sale of our common stock were subject to taxation under FIRPTA, a non-U.S. stockholder would be subject to the same federal income tax treatment as a U.S. stockholder with respect to the gain recognized (subject to any applicable alternative minimum tax in the case of non-resident alien individuals). In addition, distributions that are subject to tax under FIRPTA also may be subject to a 30% branch profits tax when made to a non-U.S. stockholder treated as a corporation (under U.S. federal income tax principles) that is not otherwise entitled to a treaty exemption. Finally, if we are not a "domestically controlled" REIT at the time our stock is sold, under FIRPTA the purchaser of our common stock also may be required to withhold 10% of the purchase price and remit this amount to the Internal Revenue Service on behalf of the selling non-U.S. stockholder.

With respect to individual non-U.S. stockholders, even if not subject to FIRPTA, capital gains recognized from the sale of our common stock will be taxable to such non-U.S. stockholder if he or she is a non-resident alien individual who is present in the United States for 183 days or more during the taxable year and some other conditions apply, in which case the non-resident alien individual may be subject to a U.S. federal income tax on his or her U.S. source capital gains.

Information Reporting Requirements and Backup Withholding for Non-U.S. Stockholders

Additional issues may arise for information reporting and backup withholding for non-U.S. stockholders. Non-U.S. stockholders should consult their tax advisors with regard to U.S. information reporting and backup withholding requirements under the Internal Revenue Code.

Statement of Stock Ownership

We are required to demand annual written statements from the record holders of designated percentages of our shares disclosing the actual owners of the shares. Any record stockholder who, upon our request, does not provide us with required information concerning actual ownership of the shares is required to include specified information relating to his or her shares in his or her federal income tax return. We also must maintain, within the Internal Revenue District in which we are required to file, our federal income tax return, permanent records showing the information we have received about the actual ownership of shares and a list of those persons failing or refusing to comply with our demand.

State and Local Taxation

We and any operating subsidiaries that we may form may be subject to state and local tax in states and localities in which they or we do business or own property. The tax treatment of us, CCPT IV OP, any operating subsidiaries we may form and the holders of our shares in local jurisdictions may differ from the federal income tax treatment described above. Prospective stockholders should consult their own tax advisors regarding the effect of state and local tax laws an their investment in our shares.

Tax Aspects of Our Operating Partnership

The following discussion summarizes certain federal income tax considerations applicable to our investment in CCPT IV OP, our operating partnership. The discussion does not cover state or local tax laws or any federal tax laws other than income tax laws.

Classification as a Partnership

We will be entitled to include in our income a distributive share of CCPT IV OP' s income and to deduct our distributive share of CCPT IV OP' s losses only if CCPT IV OP is classified for federal income tax purposes as a partnership, rather than as an association taxable as a corporation. Under applicable Treasury Regulations known as the "Check-the-Box-Regulations," an unincorporated entity with at least two members may elect to be classified either as an association taxable as a corporation or as a partnership. If such an entity fails to make an

election, it generally will be treated as a partnership for federal income tax purposes. CCPT IV OP intends to be classified as a partnership for federal income tax purposes and will not elect to be treated as an association taxable as a corporation under the Check-the-Box-Regulations.

Even though CCPT IV OP will be treated as a partnership for federal income tax purposes, it may be taxed as a corporation if it is deemed to be a publicly traded partnership (PTP). A PTP is a partnership whose interests are traded on an established securities market or are readily tradable on a secondary market, or the substantial equivalent thereof. However, a PTP will not be treated as a corporation for federal income tax purposes if at least 90% of such partnership' s gross income for a taxable year consists of "qualifying income" under Section 7704(d) of the Internal Revenue Code. Qualifying income generally includes any income that is qualifying income for purposes of the 95% Income Test applicable to REITs (the 90% Passive-Type Income Exception). See "− Requirements for Qualification as a REIT − Operational Requirements − Gross Income Tests" above.

In addition, limited safe harbors from the definition of a PTP are provided under the applicable PTP Treasury Regulations. Pursuant to one of these (the Private Placement Exclusion), interests in a partnership will not be treated as readily tradable on a secondary market or the substantial equivalent thereof if (i) all interests in the partnership were issued in a transaction (or transactions) that was not required to be registered under the Securities Act, and (ii) the partnership does not have more than 100 partners at any time during the partnership' s taxable year. In determining the number of partners in a partnership, a person owning an interest in a flow-through entity, such as a partnership, grantor trust or S corporation, that owns an interest in the partnership is treated as a partner in such partnership only if (a) substantially all of the value of the owner' s interest in the flow-through is attributable to the flow-through entity' s interest, direct or indirect, in the partnership and (b) a principal purpose of the use of the flow-through entity is to permit the partnership to satisfy the 100 partner limitation. CCPT IV OP qualifies for the Private Placement Exclusion. Moreover, even if CCPT IV OP were considered a PTP under the PTP Regulations because it is deemed to have more than 100 partners, we believe CCPT IV OP should not be treated as a corporation because it is eligible for the 90% Passive-Type Income Exception described above.

We have not requested, and do not intend to request, a ruling from the Internal Revenue Service that CCPT IV OP will be classified as a partnership for federal income tax purposes. Morris, Manning & Martin, LLP is of the opinion, however, that based on certain factual assumptions and representations, CCPT IV OP will be treated for federal income tax purposes as a partnership and not as an association taxable as a corporation, or as a PTP. Unlike a tax ruling, however, an opinion of counsel is not binding upon the Internal Revenue Service, and we can offer no assurance that the Internal Revenue Service will not challenge the status of CCPT IV OP as a partnership for federal income tax purposes. If such challenge were sustained by a court, CCPT IV OP would be treated as a corporation for federal income tax purposes, as described below. In addition, the opinion of Morris, Manning & Martin, LLP is based on existing law, which is to a great extent the result of administrative and judicial interpretation. No assurance can be given that administrative or judicial changes would not modify the conclusions expressed in the opinion.

If for any reason CCPT IV OP were taxable as a corporation, rather than a partnership, for federal income tax purposes, we would not be able to qualify as a REIT. See "− Requirements for Qualification as a REIT − Operational Requirements − Gross Income Tests" and "− Requirements for Qualification as a REIT − Operational Requirements − Asset Tests" above. In addition, any change in CCPT IV OP' s status for tax purposes might be treated as a taxable event, in which case we might incur a tax liability without any related cash distribution. Further, items of income and deduction of CCPT IV OP would not pass through to its partners, and its partners would be treated as stockholders for tax purposes. Consequently, CCPT IV OP would be required to pay income tax at corporate tax rates on its net income, and distributions to its partners would not be deductible in computing CCPT IV OP' s taxable income.

Income Taxation of the Operating Partnership and Its Partners

Partners, Not a Partnership, Subject to Tax

A partnership is not a taxable entity for federal income tax purposes. As a partner in CCPT IV OP, we will be required to take into account our allocable share of CCPT IV OP' s income, gains, losses, deductions and credits for any taxable year of CCPT IV OP ending within or with our taxable year, without regard to whether we have received or will receive any distribution from CCPT IV OP.

Partnership Allocations

Although a partnership agreement generally determines the allocation of income and losses among partners, such allocations will be disregarded for tax purposes if they do not comply with the provisions of Section 704(b) of the Internal Revenue Code and the applicable Treasury Regulations. If an allocation is not recognized for federal income tax purposes, the item subject to the allocation will be reallocated in accordance with the partners' interests in the partnership, which will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners with respect to such item. CCPT IV OP' s allocations of taxable income and loss are intended to comply with the requirements of Section 704(b) of the Internal Revenue Code and the applicable Treasury Regulations.

Tax Allocations With Respect to Contributed Properties

Pursuant to Section 704(c) of the Internal Revenue Code, income, gain, loss and deductions attributable to appreciated or depreciated property that is contributed to a partnership in exchange for an interest in the partnership must be allocated for federal income tax purposes in a manner such that the contributor is charged with, or benefits from, the unrealized gain or unrealized loss associated with the property at the time of the contribution. The amount of such unrealized gain or unrealized loss is generally equal to the difference between the fair market value of the contributed property at the time of contribution and the adjusted tax basis of such property at the time of contribution. Under applicable Treasury Regulations, partnerships are required to use a "reasonable method" for allocating items subject to Section 704(c) of the Internal Revenue Code, and several reasonable allocation methods are described therein.

Under the partnership agreement for CCPT IV OP, depreciation or amortization deductions of CCPT IV OP generally will be allocated among the partners in accordance with their respective interests in CCPT IV OP, except to the extent that CCPT IV OP is required under Section 704(c) of the Internal Revenue Code to use a method for allocating depreciation deductions attributable to its properties that results in us receiving a disproportionately large share of such deductions. We may possibly be allocated (1) lower amounts of depreciation deductions for tax purposes with respect to contributed properties than would be allocated to us if each such property were to have a tax basis equal to its fair market value at the time of contribution and/or (2) taxable gain in the event of a sale of such contributed properties in excess of the economic profit allocated to us as a result of such sale. These allocations may cause us to recognize taxable income in excess of cash proceeds received by us, which might adversely affect our ability to comply with the REIT distribution requirements, although we do not anticipate this will occur.

The foregoing principles also will affect the calculation of our earnings and profits for purposes of determining which portion of our distributions is taxable as a distribution. If we acquire properties in exchange for units of CCPT IV OP, the allocations described in this paragraph may result in a higher portion of our distributions being taxed as a distribution than would have occurred had we purchased such properties for cash.

Basis in Operating Partnership Interest

The adjusted tax basis of our partnership interest in CCPT IV OP generally is equal to (1) the amount of cash and the basis of any other property contributed to CCPT IV OP by us, (2) increased by (a) our allocable share of CCPT IV OP' s income and (b) our allocable share of indebtedness of CCPT IV OP, and (3) reduced, but not below zero, by (a) our allocable share of CCPT IV OP' s loss and (b) the amount of cash distributed to us, including constructive cash distributions resulting from a reduction in our share of indebtedness of CCPT IV OP.

If the allocation of our distributive share of CCPT IV OP' s loss would reduce the adjusted tax basis of our partnership interest in CCPT IV OP below zero, the recognition of such loss will be deferred until such time as the recognition of such loss would not reduce our adjusted tax basis below zero. If a distribution from CCPT IV OP or a reduction in our share of CCPT IV OP' s liabilities (which is treated as a constructive distribution for tax purposes) would reduce our adjusted tax basis below zero, any such distribution, including a constructive distribution, would constitute taxable income to us. The gain realized by us upon the receipt of any such distribution or constructive distribution would normally be characterized as capital gain, and if our partnership interest in CCPT IV OP has been held for longer than the required long-term capital gain holding period (currently one year), the distribution would constitute long-term capital gain.

Depreciation Deductions Available to the Operating Partnership

CCPT IV OP will use a portion of contributions made by us from offering proceeds to acquire interests in properties. To the extent that CCPT IV OP acquires properties for cash, CCPT IV OP' s initial basis in such properties for federal income tax purposes generally will be equal to the purchase price paid by CCPT IV OP. CCPT IV OP plans to depreciate each such depreciable property for federal income tax purposes under the alternative depreciation system of depreciation. Under this system, CCPT IV OP generally will depreciate such buildings and improvements over a 40-year recovery period using a straight-line method and a mid-month convention and will depreciate furnishings and equipment over a 12-year recovery period.

To the extent that CCPT IV OP acquires properties in exchange for its partnership units, CCPT IV OP' s initial basis in each such property for federal income tax purposes should be the same as the transferor' s basis in that property on the date of acquisition by CCPT IV OP. Although the law is not entirely clear, CCPT IV OP generally intends to depreciate such depreciable property for federal income tax purposes over the same remaining useful lives and under the same methods used by the transferors.

Sale of the Operating Partnership' s Property

Generally, any gain realized by CCPT IV OP on the sale of property held for more than one year will be long-term capital gain, except for any portion of such gain that is treated as depreciation or cost recovery recapture. Any gain recognized by CCPT IV OP upon the disposition of a property acquired by CCPT IV OP for cash will be allocated among the partners in accordance with their respective interests in CCPT IV OP.

Our share of any gain realized by CCPT IV OP on the sale of any property held by CCPT IV OP as inventory or other property held primarily for sale to customers in the ordinary course of CCPT IV OP' s trade or business will be treated as income from a prohibited transaction that is subject to a 100% penalty tax. We, however, do not currently intend to acquire or hold or allow CCPT IV OP to acquire or hold any property that represents inventory or other property held primarily for sale to customers in the ordinary course of our or CCPT IV OP' s trade or business.

Medicare Tax on Unearned Income

For taxable years beginning after December 31, 2012, a U.S. stockholder that is an individual is subject to a 3.8% tax on the lesser of (1) the U.S. stockholder' s "net investment income" for the relevant taxable year and (2) the excess of the U.S. stockholder' s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual' s circumstances). A U.S. stockholder that is an estate or trust that does not fall into a special class of trusts that is exempt from such tax is subject to the same 3.8% tax on the lesser of its undistributed net investment income and the excess of its adjusted gross income over a certain threshold. A U.S. stockholder' s net investment income will include, among other things, dividends on and capital gains from the sale or other disposition of our shares. Prospective U.S. stockholders that are individuals, estates or trusts should consult their tax advisors regarding the effect, if any, of this Medicare tax on their ownership and disposition of our common stock.

INVESTMENT BY TAX-EXEMPT ENTITIES AND ERISA CONSIDERATIONS

General

The following is a summary of some non-tax considerations associated with an investment in our shares by tax-qualified pension, stock bonus or profit-sharing plans, employee benefit plans described in Section 3(3) of ERISA, annuities described in Section 403(a) or (b) of the Internal Revenue Code, an individual retirement account or annuity described in Sections 408 or 408A of the Internal Revenue Code, an Archer MSA described in Section 220(d) of the Internal Revenue Code, a health savings account described in Section 223(d) of the Internal Revenue Code, or a Coverdell education savings account described in Section 530 of the Internal Revenue Code, which are generally referred to as Plans and IRAs, as applicable. This summary is based on provisions of ERISA and the Internal Revenue Code, including amendments thereto through the date of this prospectus, and relevant regulations and opinions issued by the Department of Labor and the Internal Revenue Service through the date of this prospectus. We cannot assure you that adverse tax decisions or legislative, regulatory or administrative changes that would significantly modify the statements expressed herein will not occur. Any such changes may or may not apply to transactions entered into prior to the date of their enactment.

This summary does not include a discussion of any laws, regulations, or statutes that may apply to investors not covered by ERISA, including, for example, investors such as plans or arrangements that constitute governmental plans or church plans which are exempt from ERISA and many Internal Revenue Code requirements. For such plans and arrangements, applicable laws (such as state laws) may impose fiduciary responsibility requirements in connection with the investment of assets, and may have prohibitions that operate similarly to the prohibited transaction rules of ERISA and the Internal Revenue Code, but which may also vary significantly from such prohibitions. For any governmental or church plan, or other plans or arrangements not subject to ERISA, those persons responsible for the investment of the assets of such a plan or arrangements should carefully consider the impact of such laws on an investment in shares of our common stock.

Our management has attempted to structure us in such a manner that we will be an attractive investment vehicle for Plans and IRAs. However, in considering an investment in our shares, those involved with making such an investment decision should consider applicable provisions of the Internal Revenue Code and ERISA. While each of the ERISA and Internal Revenue Code issues discussed below may not apply to all Plans and IRAs, individuals involved with making investment decisions with respect to Plans and IRAs should carefully review the rules and exceptions described below, and determine their applicability to their situation.

In general, individuals making investment decisions with respect to Plans and IRAs should, at a minimum, consider:

- whether the investment is in accordance with the documents and instruments governing such Plan or IRA;
- whether the investment satisfies the prudence and diversification and other fiduciary requirements of ERISA, if applicable;
- whether the investment will result in UBTI to the Plan or IRA (see “Federal Income Tax Considerations − Treatment of Tax-Exempt Stockholders”);
- whether there is sufficient liquidity for the Plan or IRA, considering the minimum and other distribution requirements under the Internal Revenue Code and the liquidity needs of such Plan or IRA, after taking this investment into account;
- a need to value the assets of the Plan or IRA annually or more frequently;
- whether the investment would constitute or give rise to a prohibited transaction under ERISA and/or the Internal Revenue Code, if applicable;
- whether the investment is consistent with the applicable provisions of ERISA, the Internal Revenue Code, and other applicable laws; and

whether the assets of the entity in which the investment is made will be treated as "plan assets" of the Plan or IRA investor.

Additionally, individuals making investment decisions with respect to Plans and IRAs must remember that ERISA requires that the assets of an employee benefit plan must generally be held in trust, and that the trustee, or a duly authorized named fiduciary or investment manager, must have authority and discretion to manage and control the assets of an employee benefit plan.

Minimum and Other Distribution Requirements − Plan Liquidity

Potential Plan or IRA investors who intend to purchase our shares should consider the limited liquidity of an investment in our shares as it relates to the minimum distribution requirements under the Internal Revenue Code, if applicable, and as it relates to other distributions (such as, for example, cash out distributions) that may be required under the terms of the Plan or IRA from time to time. If the shares are held in an IRA or Plan and, before we sell our properties, mandatory or other distributions are required to be made to the participant or beneficiary of such IRA or Plan, pursuant to the Internal Revenue Code, then this would require that a distribution of the shares be made in kind to such participant or beneficiary, or that a rollover of such shares be made to an IRA or other plan, which may not be permissible under the terms and provisions of the IRA or Plan making the distribution or rollover or the IRA or Plan receiving the rollover. Even if permissible, a distribution of shares in kind to a participant or beneficiary of an IRA or Plan must be included in the taxable income of the recipient for the year in which the shares are received at the then current fair market value of the shares, even though there would be no corresponding cash distribution with which to pay the income tax liability arising because of the distribution of shares. See "Risk Factors − Federal Income Tax Risks." The fair market value of any such distribution-in-kind can be only an estimated value per share because no public market for our shares exists or is likely to develop. See "− Annual or More Frequent Valuation Requirements" below. Further, there can be no assurance that such estimated value could actually be realized by a stockholder because estimates do not necessarily indicate the price at which our shares could be sold. Also, for distributions subject to mandatory income tax withholding under Section 3405 or other tax withholding provisions of the Internal Revenue Code, the trustee of a Plan may have an obligation, even in situations involving in-kind distributions of shares, to liquidate a portion of the in-kind shares distributed in order to satisfy such withholding obligations, although there might be no market for such shares. There may also be similar state and/or local tax withholding or other tax obligations that should be considered.

Annual or More Frequent Valuation Requirements

Fiduciaries of Plans may be required to determine the fair market value of the assets of such Plans or IRAs on at least an annual basis and, sometimes, as frequently as daily. If the fair market value of any particular asset is not readily available, the fiduciary is required to make a good faith determination of that asset' s value. Also, a fiduciary of a Plan must provide a Plan participant with a statement of the value of the Plan every three years, every year, or every quarter, depending upon the type of Plan involved, and, in the case of an IRA, a trustee or custodian of the IRA must provide the Internal Revenue Service with a statement of the value of the IRA each year. However, currently, neither the Internal Revenue Service nor the Department of Labor has promulgated regulations specifying how "fair market value" should be determined for this purpose.

Unless and until our shares are listed on a national securities exchange, we do not expect that a public market for our shares will develop. To assist fiduciaries of Plans subject to the annual reporting requirements of ERISA and IRA trustees or custodians to prepare reports relating to an investment in our shares, we intend to provide reports of our determinations of the current estimated share value to those fiduciaries (including IRA trustees and custodians) who identify themselves to us and request the reports. During this offering, and unless determined otherwise by our board of directors in accordance with our valuation policy, until 18 months after the termination of this offering or the termination of any follow-on offering of our shares, we intend to use the most recent gross offering price of our shares of common stock as the per share value (unless we have made a special

distribution to stockholders of net sales proceeds from the sale of one or more properties during such periods, in which case we will use the offering price less the per share amount of the special distribution). Estimates based solely on the most recent offering price of our shares of common stock will not reflect the book value or net asset value of our investments, nor our operating cash flows. Such estimates most likely will not reflect the value per share that you would receive upon our sale or liquidation, and will be subject to other limitations as described in the section of this prospectus captioned "Description of Shares − Valuation Policy."

Beginning no later than 18 months after the conclusion of this offering or any follow-on offering of our shares, at the determination by our board of directors, our board of directors will disclose a reasonable estimate of the per share value of our common stock that is not based solely on the offering price of our shares. For more information about our valuation policy, see "Description of Shares − Valuation Policy."

With respect to any estimate of the value of our common stock, there can be no assurance that the estimated value, or method used to estimate value, would be sufficient to enable an ERISA fiduciary or an IRA custodian to comply with the ERISA or other regulatory requirements. The Department of Labor or the Internal Revenue Service may determine that a plan fiduciary or an IRA custodian is required to take further steps to determine the value of our shares. Further, there can be no assurance with respect to any estimate of value of our common stock that such estimated value would actually be realized by our stockholders upon liquidation, or that our stockholders would be able to realize such estimated value if they were to attempt to sell their shares, or that such estimated value would be related to any appraisals of our shares or assets.

Fiduciary Obligations − Prohibited Transactions

Any person identified as a "fiduciary" with respect to a Plan incurs duties and obligations under ERISA as discussed herein. For purposes of ERISA, any person who exercises any authority or control with respect to the management or disposition of the assets of a Plan is considered to be a fiduciary of such Plan. Further, many transactions between a Plan or an IRA and a "party-in-interest" or a "disqualified person" with respect to such Plan or IRA are prohibited by ERISA and/or the Internal Revenue Code. ERISA also requires generally that the assets of Plans be held in trust and that the trustee, or a duly authorized investment manager, have exclusive authority and discretion to manage and control the assets of the Plan.

In the event that our properties and other assets were deemed to be assets of a Plan or IRA, referred to herein as "plan assets," our directors would, and employees of our affiliates might, be deemed fiduciaries of any Plans or IRAs investing as stockholders. If this were to occur, certain contemplated transactions between us and our directors and employees of our affiliates could be deemed to be "prohibited transactions." Additionally, ERISA' s fiduciary standards applicable to investments by Plans would extend to our directors and possibly employees of our affiliates as Plan fiduciaries with respect to investments made by us, and the requirement that Plan Assets be held in trust could be deemed to be violated.

Plan Assets − Definition

Section 3(42) of ERISA defines "Plan Assets" in accordance with Department of Labor regulations with certain express exceptions. A Department of Labor regulation, referred to in this discussion as the Plan Asset Regulation, as modified by the express exceptions noted in the Pension Protection Act of 2006, provides guidelines as to whether, and under what circumstances, the underlying assets of an entity will be deemed to constitute Plan Assets. Under the Plan Asset Regulation, the assets of an entity in which a Plan or IRA makes an equity investment will generally be deemed to be assets of such Plan or IRA unless the entity satisfies one of the exceptions to this general rule. Generally, the exceptions require that the investment in the entity be one of the following:

- in securities issued by an investment company registered under the Investment Company Act;
- in "publicly offered securities," defined generally as interests that are "freely transferable," "widely held" and registered with the Securities and Exchange Commission;

in an "operating company," which includes "venture capital operating companies" and "real estate operating companies;" or

in which equity participation by "benefit plan investors" is not significant.

Plan Assets − Registered Investment Company Exception

The shares we are offering will not be issued by a registered investment company. Therefore we do not anticipate that we will qualify for the exception for investments issued by a registered investment company.

Publicly Offered Securities Exemption

As noted above, if a Plan acquires "publicly offered securities," the assets of the issuer of the securities will not be deemed to be Plan Assets under the Plan Asset Regulation. The definition of publicly offered securities requires that such securities be "widely held," "freely transferable" and satisfy registration requirements under federal securities laws.

Under the Plan Asset Regulation, a class of securities will meet the registration requirements under federal securities laws if they are (i) part of a class of securities registered under section 12(b) or 12(g) of the Exchange Act, or (ii) part of an offering of securities to the public pursuant to an effective registration statement under the Securities Act and the class of securities of which such security is a part is registered under the Exchange Act within 120 days (or such later time as may be allowed by the Securities and Exchange Commission) after the end of the fiscal year of the issuer during which the offering of such securities to the public occurred. We anticipate that we will meet the registration requirements under the Plan Asset Regulation. Also under the Plan Asset Regulation, a class of securities will be "widely held" if it is held by 100 or more persons independent of the issuer. We anticipate that this requirement will be easily met. Although our shares are intended to satisfy the registration requirements under this definition, and we expect that our securities will be "widely held," the "freely transferable" requirement must also be satisfied in order for us to qualify for the "publicly offered securities" exception.

The Plan Asset Regulation provides that "whether a security is 'freely transferable' is a factual question to be determined on the basis of all relevant facts and circumstances." Our shares are subject to certain restrictions on transferability typically found in REITs, and are intended to ensure that we continue to qualify for federal income tax treatment as a REIT. The Plan Asset Regulation provides, however, that where the minimum investment in a public offering of securities is $10,000 or less, the presence of a restriction on transferability intended to prohibit transfers that would result in a termination or reclassification of the entity for state or federal tax purposes will not ordinarily affect a determination that such securities are "freely transferable." The allowed restrictions in examples contained in the Plan Asset Regulation are illustrative of restrictions commonly found in REITs that are imposed to comply with state and federal law, to assure continued eligibility for favorable tax treatment and to avoid certain practical administrative problems. The minimum investment in our shares is less than $10,000. Thus, the restrictions imposed in order to maintain our status as a REIT should not prevent the shares from being deemed "freely transferable." Therefore, we anticipate that we will meet the "publicly offered securities" exception, although there are no assurances that we will qualify for this exception.

Plan Assets − Operating Company Exception

If we are deemed not to qualify for the "publicly offered securities" exemption, the Plan Asset Regulation also provides an exception with respect to securities issued by an "operating company," which includes "venture capital operating companies" and "real estate operating companies." To constitute a venture capital operating company, generally 50% of more of the assets of the entity must be invested in "venture capital investments." A venture capital investment is an investment in an operating company (other than a venture capital operating company) as to which the entity has or obtains direct management rights. To constitute a real estate operating

company, generally 50% or more of the assets of an entity must be invested in real estate which is managed or developed and with respect to which such entity has the right to substantially participate directly in the management or development activities.

While the Plan Asset Regulation and relevant opinions issued by the Department of Labor regarding real estate operating companies are not entirely clear as to whether an investment in real estate must be "direct," it is common practice to insure that an investment is made either (i) "directly" into real estate, (ii) through wholly-owned subsidiaries, or (iii) through entities in which all but a de minimis interest is separately held by an affiliate solely to comply with the minimum safe harbor requirements established by the Internal Revenue Service for classification as a partnership for federal tax purposes. We have structured ourselves, and our operating partnership, in this manner in order to enable us to meet the real estate operating company exception. To the extent interests in our operating partnership are obtained by third-party investors, it is possible that the real estate operating company exception will cease to apply to us. However, in such an event we believe that we are structured in a manner which would allow us to meet the venture capital operating company exception because our investment in our operating partnership, an entity investing directly in real estate over which we maintain substantially all of the control over the management and development activities, would constitute a venture capital investment.

Notwithstanding the foregoing, 50% of our, or our operating partnership' s, investment, as the case may be, must be in real estate over which we maintain the right to substantially participate in the management and development activities. An example in the Plan Asset Regulation indicates that if 50% or more of an entity' s properties are subject to long-term leases under which substantially all management and maintenance activities with respect to the properties are the responsibility of the lessee, such that the entity merely assumes the risk of ownership of income-producing real property, then the entity may not be eligible for the "real estate operating company" exception. By contrast, a second example in the Plan Asset Regulation indicates that if 50% or more of an entity' s investments are in shopping centers in which individual stores are leased for relatively short periods to various merchants, as opposed to long-term leases where substantially all management and maintenance activities are the responsibility of the lessee, then the entity will likely qualify as a real estate operating company. The second example further provides that the entity may retain contractors, including affiliates, to conduct the management of the properties so long as the entity has the responsibility to supervise and the authority to terminate the contractors. We intend to use contractors over which we have the right to supervise and the authority to terminate. Due to the uncertainty of the application of the standards set forth in the Plan Asset Regulation, there can be no assurance as to our ability to structure our operations, or the operations of our operating partnership, as the case may be, to qualify for the "real estate operating company" exception.

Plan Assets − Not Significant Investment Exception

The Plan Asset Regulation provides that equity participation in an entity by benefit plan investors is "significant" if at any time 25% or more of the value of any class of equity interests is held by benefit plan investors. The term "benefit plan investor" is defined to mean an employee benefit plan subject to Part 4 of Title I of ERISA, any plan to which Section 4975 of the Internal Revenue Code applies and any entity whose underlying assets include plan assets by reason of a plan' s investment in such entity. We do not intend to restrict ownership of each class of equity interests held by benefit plan investors to an aggregate value of less than 25% in order to qualify for the exception for investments in which equity participation by benefit plan investors is not significant. In fact, we expect that more than 25% of our outstanding shares of common stock will be held by benefit plan investors.

Consequences of Holding Plan Assets

In the event that our underlying assets were deemed to be Plan Assets under Section 3(42) of ERISA, our management would be treated as fiduciaries with respect to each Plan or IRA stockholder, and an investment in our shares might expose the fiduciaries of the Plan or IRA to co-fiduciary liability under ERISA for any breach

by our management of the fiduciary duties mandated under ERISA. Further, if our assets are deemed to be Plan Assets, an investment by a Plan or IRA in our shares might be deemed to result in an impermissible commingling of Plan Assets with other property.

If our management or affiliates were treated as fiduciaries with respect to Plan or IRA stockholders, the prohibited transaction restrictions of ERISA would apply to any transaction involving our assets. These restrictions could, for example, require that we avoid transactions with entities that are affiliated with our affiliates or us unless such transactions otherwise were exempt, statutorily or administratively, from the prohibitions of ERISA and the Internal Revenue Code, or restructure our activities in order to obtain an administrative exemption from the prohibited transaction restrictions. Alternatively, we might have to provide Plan or IRA stockholders with the opportunity to sell their shares to us or we might dissolve or terminate.

Prohibited Transactions

Generally, both ERISA and the Internal Revenue Code prohibit Plans and IRAs from engaging in certain transactions involving Plan Assets with specified parties, such as sales or exchanges or leasing of property, loans or other extensions of credit, furnishing goods or services, or transfers to, or use of, Plan Assets. The specified parties are referred to as "parties-in-interest" under ERISA and as "disqualified persons" under the Internal Revenue Code. These definitions generally include both parties owning threshold percentage interests in an investment entity and "persons providing services" to the Plan or IRA, as well as employer sponsors of the Plan or IRA, fiduciaries and other individuals or entities affiliated with the foregoing.

A person generally is a fiduciary with respect to a Plan or IRA for these purposes if, among other things, the person has discretionary authority or control with respect to Plan Assets or provides investment advice for a direct or indirect fee with respect to Plan Assets. Under Department of Labor regulations, a person will be deemed to be providing investment advice if that person renders advice as to the advisability of investing in our shares, and that person regularly provides investment advice to the Plan or IRA pursuant to a mutual agreement or understanding (written or otherwise) that such advice will serve as the primary basis for investment decisions, and that the advice will be individualized for the Plan or IRA based on its particular needs. Thus, if we are deemed to hold Plan Assets, our management could be characterized as fiduciaries with respect to such assets, and each would be deemed to be a party-in-interest under ERISA and a disqualified person under the Internal Revenue Code with respect to investing Plans and IRAs. Whether or not we are deemed to hold Plan Assets, if we or our affiliates are affiliated with a Plan or IRA investor, we might be a disqualified person or party-in-interest with respect to such Plan or IRA investor, resulting in a prohibited transaction merely upon investment by such Plan or IRA in our shares.

Prohibited Transactions − Consequences

ERISA and the Internal Revenue Code forbid Plans and IRAs from engaging in prohibited transactions. Fiduciaries of a Plan that allow a prohibited transaction to occur will breach their fiduciary responsibilities under ERISA, and may be liable for any damage sustained by the Plan, as well as civil penalties (generally 5% of the amount involved, unless the transaction is not timely corrected, in which case the penalty is 100% of the amount involved). Criminal penalties may also be possible if the violation was willful. If it is determined by the Department of Labor or the Internal Revenue Service that a prohibited transaction has occurred, any disqualified person or party-in-interest involved with the prohibited transaction would be required to reverse or unwind the transaction and, for a Plan, compensate the Plan for any loss resulting therefrom. Additionally, the Internal Revenue Code requires that a disqualified person involved with a prohibited transaction with a Plan or IRA must pay an excise tax equal to a percentage of the "amount involved" in the transaction for each year in which the transaction remains uncorrected. The percentage generally is 5%, but is increased to 100% if the prohibited transaction is not timely corrected. For IRAs, if an IRA engages in a prohibited transaction, the tax-exempt status of the IRA may be lost. With respect to an IRA that invests in our shares, the occurrence of a prohibited transaction involving the individual who established the IRA, or his or her beneficiary, could cause the IRA to lose its tax-exempt status under the Internal Revenue Code, and such individual generally would be taxable on the deemed distribution of all the assets in the IRA.

PLAN OF DISTRIBUTION

The Offering

We are offering a maximum of 300,000,000 shares of our common stock to the public through Cole Capital Corporation, our dealer manager, a registered broker-dealer affiliated with our advisor. Of this amount, we are offering up to 250,000,000 shares in our primary offering at a price of $10.00 per share, except as provided below. The shares are being offered on a "best efforts" basis, which generally means that the dealer manager is required to use only its best efforts to sell the shares and it has no firm commitment or obligation to purchase any of the shares. We also are offering up to 50,000,000 shares for sale pursuant to our distribution reinvestment plan. The purchase price for shares sold under our distribution reinvestment plan will be $9.50 per share during this offering, and until such time as our board of directors determines a reasonable estimate of the value of our shares. Thereafter, the purchase price per share under our distribution reinvestment plan will be the most recent estimated value per share as determined by our board of directors. No selling commissions or dealer manager fees will be paid with respect to these shares. We reserve the right to reallocate the shares of our common stock we are offering between the primary offering and our distribution reinvestment plan. The offering of shares of our common stock will terminate on or before January 26, 2014, which is two years after the effective date of this offering; provided, however, that our board of directors may extend the primary offering. If we decide to extend the primary offering beyond January 26, 2014, we will provide that information in a prospectus supplement; however, in no event will we extend this offering beyond 180 days after the third anniversary of the initial effective date. In addition, at the discretion of our board of directors, we may elect to extend the termination date of our offering of shares reserved for issuance pursuant to our distribution reinvestment plan, or to file a new registration statement in connection with our distribution reinvestment plan, until we have sold all shares allocated to such plan, in which case participants in the plan will be notified. This offering must be registered, or exempt from registration, in every state in which we offer or sell shares. Generally, such registrations are for a period of one year. Therefore, we may have to stop selling shares in any state in which our registration is not renewed or otherwise extended annually. We reserve the right to terminate this offering at any time prior to the stated termination date.

Cole Capital Corporation

Cole Capital Corporation, our dealer manager, was organized in 1992 for the purpose of participating in and facilitating the distribution of securities in programs sponsored by Cole Capital Partners, its affiliates and its predecessors. Our dealer manager is an affiliate of our advisor and, as a result, is not in a position to make an independent review of us or this offering. Accordingly, you will have to rely on your own broker-dealer to make an independent review of the terms of this offering. If your broker-dealer conducts an independent review of this offering, and/or engages an independent due diligence reviewer to do so on its behalf, we expect that we will pay or reimburse the expenses associated with such review, which may create conflicts of interest. If your broker-dealer does not conduct such a review, you will not have the benefit of an independent review of the terms of this offering. For additional information about Cole Capital Corporation, including information relating to Cole Capital Corporation' s affiliation with us, see the "Management − Affiliated Dealer Manager" section of this prospectus.

Compensation We Will Pay for the Sale of Our Shares

Except as provided below, we generally will pay to our affiliated dealer manager, Cole Capital Corporation, selling commissions in the amount of 7% of the gross proceeds of our primary offering. We also will pay the dealer manager a fee in the amount of 2% of the gross proceeds of our primary offering as compensation for acting as the dealer manager and for expenses incurred in connection with marketing and due diligence expense reimbursement. No sales commissions or dealer manager fees will be paid with respect to shares purchased pursuant to our distribution reinvestment plan. We will not pay referral or similar fees to any accountants, attorneys or other persons in connection with the distribution of the shares.

The total amount of underwriting compensation, including selling commissions, dealer manager fees and other expenses paid or reimbursed by us, our sponsor or any other source in connection with the offering, will not exceed 10% of the gross proceeds of the primary offering. Our dealer manager is responsible for monitoring the total underwriting compensation to ensure that such amounts do not exceed 10% of the gross proceeds of the primary offering.

The dealer manager will reallow to other broker-dealers participating in this offering all of the selling commissions paid to the dealer manager in respect of shares sold by such participating broker-dealers. In addition, the dealer manager may reallow to each of the participating broker-dealers all or a portion of the dealer manager fee earned on the proceeds raised by the participating broker-dealer. This reallowance would be in the form of a non-accountable marketing allowance and due diligence expense reimbursement. The amount of the reallowance will be determined by the dealer manager based upon a number of factors including the number of shares sold by the participating broker-dealer in this offering, the broker-dealer' s level of marketing support, and bona fide conference fees incurred, each as compared to those of the other participating broker-dealers.

We expect our dealer manager to utilize two distribution channels to sell our shares, FINRA-registered broker-dealers and non-registered investment advisory representatives. In the event of the sale of shares in our primary offering by broker-dealers that are members of FINRA, the purchase price generally will be $10.00 per share. Selling commissions and dealer manager fees generally will be paid in connection with such sales as set forth in the table below. In the event of the sale of shares in our primary offering through an investment advisory representative, the purchase price for such shares will be $9.30 per share, reflecting the fact that we will not pay our dealer manager the 7% selling commission on such shares, as described in more detail below. All such sales must be made through a registered broker-dealer of record.

	Per Share	Total Maximum
Primary Offering		
Price to Public	$10.00	$2,500,000,000
Selling Commissions(1)	0.70	175,000,000
Dealer Manager Fee(2)	0.20	50,000,000
Proceeds to Cole Credit Property Trust IV, Inc.(3)	$9.10	$2,275,000,000
Distribution Reinvestment Plan		
Price to Public	$9.50	$475,000,000
Selling Commissions	–	–
Dealer Manager Fee	–	–
Proceeds to Cole Credit Property Trust IV, Inc.(3)	$9.50	$475,000,000

(1) All selling commissions will be reallowed to participating broker-dealers.

(2) All or a portion of the dealer manager fee will be reallowed to participating broker-dealers.

(3) Before payment of other organization and offering expenses.

We will not pay any selling commissions in connection with the sale of shares to investors whose contracts for investment advisory and related brokerage services include a fixed or "wrap" fee feature. In instances where the investment advisory representative is affiliated with a participating broker-dealer, investors may agree with their participating brokers to reduce the amount of selling commissions payable with respect to the sale of their shares down to zero (a) if the investor has engaged the services of a registered investment advisor or other financial advisor who will be paid compensation for investment advisory services or other financial or investment advice or (b) if the investor is investing through a bank trust account with respect to which the investor has delegated the decision-making authority for investments made through the account to a bank trust department. The net proceeds to us will not be affected by reducing the commissions payable in connection with such transaction. All investors will be deemed to have contributed the same amount per share to us for purposes of declaring and paying distributions. Neither our dealer manager nor its affiliates will directly or indirectly compensate any person engaged as an investment advisor or a bank trust department by a potential investor as an

inducement for such investment advisor or bank trust department to advise favorably for an investment in our shares. In connection with the sale of shares to investors who elect the fixed or wrap fee feature, the dealer manager may pay to the investment advisor or other financial advisor or the company that sponsors the wrap account, marketing support, service or other denominated fees. In all events, the amount of the dealer manager fee and any services or other fee paid in connection with the sale of shares to investors whose contracts for investment advisor or related brokerage services include a fixed or wrap fee feature will not exceed 10% of the gross proceeds of the shares acquired by such investors.

We may sell shares in our primary offering to retirement plans of broker-dealers participating in the offering, to broker-dealers in their individual capacities, to IRAs and qualified plans of their registered representatives or to any one of their registered representatives in their individual capacities (and their spouses, parents and minor children) at a discount. The purchase price for such shares will be $9.30 per share, reflecting the fact that selling commissions in the amount of $0.70 per share will not be payable in connection with such sales. The net proceeds to us from such sales will not be affected by such sales of shares at a discount.

We or our affiliates also may provide permissible forms of non-cash compensation to registered representatives of our dealer manager and the participating broker-dealers, such as golf shirts, fruit baskets, cakes, chocolates, a bottle of wine, or tickets to a sporting event. In no event shall such items exceed an aggregate value of $100 per annum per participating salesperson, or be pre-conditioned on achievement of a sales target. The value of such items will be considered underwriting compensation in connection with this offering.

We have agreed to indemnify the participating broker-dealers, including our dealer manager and selected registered investment advisors, against certain liabilities arising under the Securities Act. However, the Securities and Exchange Commission takes the position that indemnification against liabilities arising under the Securities Act is against public policy and is unenforceable.

In addition to the compensation described above, our sponsor may pay certain costs associated with the sale and distribution of our shares. Such payments will be deemed to be “underwriting compensation” by FINRA. In accordance with the rules of FINRA, the table below sets forth the nature and estimated amount of all items that will be viewed as “underwriting compensation” by FINRA that are anticipated to be paid by us and our sponsor in connection with the offering. The amounts shown assume we sell all of the shares offered hereby and that all shares are sold in our primary offering through participating broker-dealers, which is the distribution channel with the highest possible selling commissions and dealer manager fees.

	Estimated Amount	Percent of Maximum Offering (Not Including Distribution Reinvestment Plan)	
Selling commissions	$175,000,000	7.0	%
Dealer manager fee[1]	326,973	0.0	%*
Dealer manager fee reallowance to participating broker-dealers	33,750,000	1.4	%
Dealer manager wholesaling commissions, salaries and expense reimbursement	33,470,214	1.3	%
Broker-dealer conference fees, training and education meetings, business entertainment, logoed items and sales incentives	6,802,813	0.3	%
Due diligence allowance	400,000	0.0	%*
Legal fees of the dealer manager	250,000	0.0	%*
Total[2]	$250,000,000	10.0	%

* 0.01% or less.

(1) Represents the estimated amount of the dealer manager fee that will remain for the dealer manager after allocation to certain expenses noted in the table, such as the dealer manager’ s wholesaling compensation.

(2) Of this total amount, $175,000,000 and $50,000,000 (7% and 2% of gross offering proceeds, excluding proceeds from our distribution reinvestment plan) will be paid by us from the proceeds of this offering in the form of selling commissions and dealer manager fees, respectively. The remaining $25,000,000 (approximately 1% of gross offering proceeds, excluding proceeds from our distribution reinvestment plan) in expenses will be paid for reimbursements of other organization and offering expenses.

It is important to note that we are permitted to reimburse our advisor an amount up to 2.0% of gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan, for other organization and offering expenses, which includes both underwriting and non-underwriting expenses. As shown in the "Management Compensation" table elsewhere in this prospectus, we expect to reimburse non-underwriting organization and offering expenses up to $34,500,000. In no event will the total amount of underwriting compensation paid by us in the form of organization and offering expense reimbursements exceed an amount equal to 1% of the gross offering proceeds, excluding proceeds from our distribution reinvestment plan.

Shares Purchased by Affiliates

Our executive officers and directors, as well as officers and employees of CR IV Advisors and their family members (including spouses, parents, grandparents, children and siblings) or other affiliates, may purchase shares in the primary offering at a discount. The purchase price for such shares will be $9.10 per share, reflecting the fact that the 7% selling commission and the 2% dealer manager fee will not be payable in connection with such sales. The net offering proceeds we receive will not be affected by such sales of shares at a discount. Our executive officers, directors and other affiliates will be expected to hold their shares purchased as stockholders for investment and not with a view towards resale. In addition, shares purchased by CR IV Advisors or its affiliates will not be entitled to vote on any matter presented to the stockholders for a vote regarding the removal of our advisor or any director or any of their affiliates, or any transaction between us and any of them. Shares purchased by our executive officers, directors, advisor and any of their affiliates will not be subject to a lock-up agreement. With the exception of the 20,000 shares initially sold to Cole Holdings Corporation in connection with our organization, no director, officer, advisor or any affiliate may own more than 9.8% (in value or number of shares, whichever is more restrictive) of the aggregate of our outstanding common stock. Pursuant to our charter, Cole Holdings Corporation is prohibited from selling the 20,000 shares of our common stock for so long as Cole Real Estate Investments remains our sponsor; provided, however, that Cole Holdings Corporation may transfer ownership of all or a portion of the 20,000 shares of our common stock to other affiliates of our sponsor.

Volume Discounts

We generally will pay to our affiliated dealer manager, Cole Capital Corporation, a selling commission equal to 7% of the gross proceeds of our primary offering. However, the selling commission we will pay in respect of purchases of $500,001 or more will be reduced with respect to the dollar volume of the purchase in excess of that amount. Volume discounts reduce the effective purchase price per share of common stock, allowing large volume purchasers to acquire more shares with their investment than would be possible if the full 7% selling commission was paid. Volume discounts will be made available to purchasers in accordance with the following table, based upon our $10.00 per share offering price:

Subscription Amount	Selling Commission Percent	Selling Commission per Share	Effective Purchase Price per Share	Dealer Manager Fee per Share	Net Proceeds per Share
Up to $500,000	7.00 %	$ .70	$ 10.00	$ 0.20	$ 9.10
$500,001-$1,000,000	6.00 %	$ .60	$ 9.90	$ 0.20	$ 9.10
$1,000,001-$2,000,000	5.00 %	$ .50	$ 9.80	$ 0.20	$ 9.10
$2,000,001-$3,000,000	4.00 %	$ .40	$ 9.70	$ 0.20	$ 9.10
$3,000,001-$4,000,000	3.00 %	$ .30	$ 9.60	$ 0.20	$ 9.10
Over $4,000,000	2.00 %	$ .20	$ 9.50	$ 0.20	$ 9.10

For example, a purchaser who invests $600,000 will be entitled to a discounted selling commission of 6% on the shares purchased in excess of $500,000, reducing the effective purchase price per share on the shares purchased in excess of $500,000 from $10 per share to $9.90 per share. Thus, a $600,000 investment would purchase 60,601 shares. As another example, for a subscription amount of $1,500,000, the selling commission for the first $500,000 is 7%; the discounted selling commission for the next $500,000 (up to $1,000,000) is 6%; and the discounted selling commission for the remaining $500,000 of the subscription amount is 5%.

In its sole discretion, our sponsor may agree to pay a participating broker-dealer all or a portion of the difference between the 7% selling commission and the discounted selling commission.

In addition, in order to encourage investments of more than $4,000,000, Cole Capital Corporation, with the agreement of the participating broker-dealer, may further agree to reduce or eliminate the dealer manager fee and/or the selling commission with respect to such investments.

The net proceeds to us will not be affected by volume discounts. All investors will be deemed to have contributed the same amount per share to us for purposes of declaring and paying distributions. Therefore, an investor who has received a volume discount will realize a better return on his or her investment in our shares than investors who do not qualify for a discount.

Subscriptions may be combined for the purpose of determining the volume discounts in the case of subscriptions made by any "purchaser," as that term is defined below. Any request to combine more than one subscription must be made in writing, submitted simultaneously with the subscription for shares, and must set forth the basis for such request. Any request for volume discounts will be subject to our verification that all of the combined subscriptions were made by a single "purchaser."

For the purposes of such volume discounts, the term "purchaser" includes:

an individual, his or her spouse and their children under the age of 21 who purchase the shares for his, her or their own account;

a corporation, partnership, association, joint-stock company, trust fund or any organized group of persons, whether incorporated or not;

an employees' trust, pension, profit-sharing or other employee benefit plan qualified under Section 401(a) of the Internal Revenue Code; and

all commingled trust funds maintained by a given bank.

In addition, investors may request in writing to aggregate new or previous subscriptions in us and/or in other Cole-sponsored publicly offered programs that are not valued daily (collectively, Eligible Programs) for purposes of determining the dollar amount of shares purchased and any resulting volume discount. For example, if you previously purchased and still hold shares of our company or another Eligible Program with an aggregate purchase price of $500,000, and subsequently invest $100,000 in us and $100,000 in another Eligible Program, you may request a reduction in the selling commission on the $200,000 in new investments from 7% to 6%. Such requests may be made with respect to purchases by a single "purchaser" as defined above. For purposes of this paragraph, the dollar amount of new or previous subscriptions in Eligible Programs shall be the total purchase price paid for the shares before the deduction of selling commissions or dealer manager fees. Previous subscriptions will be counted only if the purchaser still holds the shares. Shares purchased pursuant to a distribution reinvestment plan (on which selling commissions and dealer manager fees are not paid) will not be counted toward the amount of previous subscriptions. Any request for a volume discount pursuant to this paragraph must be submitted with the order for which the discount is being requested, and will be subject to verification of the purchaser' s holdings.

Minimum Purchase Requirement

The minimum investment generally is 250 shares. You may not transfer any of your shares if such transfer would result in your owning less than the minimum investment amount, unless you transfer all of your shares. In addition, you may not transfer or subdivide your shares so as to retain less than the number of shares required for the minimum purchase. In order to satisfy the minimum purchase requirements for retirement plans, unless otherwise prohibited by state law, a husband and wife may jointly contribute funds from their separate IRAs, provided that each such contribution is made in increments of $1,000. You should note that an investment in shares of our common stock will not, in itself, create a retirement plan and that, in order to create a retirement plan, you must comply with all applicable provisions of the Internal Revenue Code.

After you have purchased the minimum investment amount in this offering or have satisfied the minimum purchase requirement of any other Cole-sponsored public real estate program, any additional purchase must be in increments of at least 100 shares or made pursuant to our distribution reinvestment plan, which may be in lesser amounts.

Certain Selected Dealers

Our dealer manager may, from time to time, enter into selected dealer agreements that provide for a selling commission of up to 6% of the gross proceeds of the shares sold by such selected dealer, and a dealer manager fee of up to 3% of the gross proceeds of the shares sold by such selected dealer. The dealer manager may reallow up to all of the dealer manager fee to such selected dealers. In no event will the aggregate of the selling commissions and the dealer manager fee be greater than 9% of the gross proceeds of the shares sold by such selected dealer. The aggregate amount of selling commissions and the dealer manager fee that an investor would pay would not be affected by this change. In addition or alternatively, our dealer manager may enter into selected dealer agreements that provide for a selling commission of less than 7% of the gross proceeds of the shares sold by such selected dealer, with no corresponding increase in the dealer manager fee. Under this arrangement, the aggregate amount of selling commissions and the dealer manager fee that an investor would pay would be less than 9% of the gross proceeds of the shares sold by such selected dealer, reducing the effective purchase price per share paid by such investor to an amount less than $10.00 per share. The net proceeds to us will not be affected by either of these arrangements. For purposes of calculations in this “Plan of Distribution” section and elsewhere in this prospectus, we have assumed a selling commission of 7% of the gross proceeds of our primary offering and a dealer manager fee of 2% of the gross proceeds of our primary offering.

HOW TO SUBSCRIBE

Persons who meet the applicable minimum suitability standards described in the "Suitability Standards" section of this prospectus and suitability standards determined by such persons' broker or financial advisor may purchase shares of common stock. After you have read the entire prospectus and the current supplement(s), if any, accompanying this prospectus, if you want to purchase shares, you must proceed as follows:

1) Complete the execution copy of the applicable subscription agreement. A specimen copy of the subscription agreement, including instructions for completing it for new investors, is included in this prospectus as Appendix B (residents of Alabama must use the form of subscription agreement included in this prospectus as Appendix E). After you become a stockholder, you may purchase additional shares by completing and signing an additional investment subscription agreement, a specimen copy of which is included in this prospectus as Appendix C (residents of Alabama must use the form of additional investment subscription agreement included in this prospectus as Appendix F). A specimen copy of an alternative version of the subscription agreement is attached as Appendix D.

2) Deliver a check to Cole Capital Corporation, or its designated agent, for the full purchase price of the shares being subscribed for, payable to "Cole Credit Property Trust IV, Inc." or, alternatively, "Cole Credit Property Trust IV" or "Cole REIT." Subscription funds must be accompanied by a subscription agreement similar to the one contained in this prospectus as Appendix B or Appendix D (residents of Alabama must use the form of subscription agreement included in this prospectus as Appendix E). Certain dealers who have "net capital," as defined in the applicable federal securities regulations, of $250,000 or more may instruct their customers to make their checks payable directly to the dealer. In such case, the dealer will issue a check made payable to us for the purchase price of your subscription. The name of the dealer appears on the subscription agreement.

3) By executing the subscription agreement and paying the full purchase price for the shares subscribed for, you will attest that you meet the minimum net worth and/or income standards as provided in the "Suitability Standards" section of this prospectus and as stated in the subscription agreement.

An approved trustee must process through us and forward us subscriptions made through IRAs, 401(k) plans and other tax-deferred plans.

Subscriptions will be effective only upon our acceptance, and we reserve the right to reject any subscription in whole or in part. We may not accept a subscription for shares until at least five business days after the date you receive the final prospectus. Subject to compliance with Rule 15c2-4 of the Exchange Act, our dealer manager and/or the broker-dealers participating in the offering will promptly submit a subscriber' s check on the business day following receipt of the subscriber' s subscription documents and check. In certain circumstances where the suitability review procedures are more lengthy than customary or the subscriber' s subscription documents or check are not in good order, our bank will hold the check in accordance with applicable legal requirements pending our acceptance of your subscription.

We accept or reject subscriptions within 35 days after we receive them. If your subscription agreement is rejected, your funds, without interest or reductions for offering expenses, commissions or fees, will be returned to you within ten business days after the date of such rejection. If your subscription is accepted, we will send you a confirmation of your purchase after you have been admitted as an investor. We admit new investors at least monthly and we may admit new investors more frequently.

SUPPLEMENTAL SALES MATERIAL

In addition to this prospectus, we have used, and may continue to utilize, certain sales material in connection with the offering of the shares, although only when accompanied by or preceded by the delivery of this prospectus. The sales materials may include information relating to this offering, the past performance of our advisor and its affiliates, property brochures and articles and publications concerning real estate. In certain jurisdictions, some or all of our sales material may not be permitted and will not be used in those jurisdictions.

The offering of shares is made only by means of this prospectus. Although the information contained in our supplemental sales material will not conflict with any of the information contained in this prospectus, the supplemental materials do not purport to be complete, and should not be considered a part of this prospectus or the registration statement of which this prospectus is a part.

LEGAL MATTERS

Venable LLP, Baltimore, Maryland, has passed upon the legality of the common stock and Morris, Manning & Martin, LLP, Atlanta, Georgia, has passed upon legal matters in connection with our status as a REIT for federal income tax purposes. Morris, Manning & Martin, LLP will rely on the opinion of Venable LLP as to all matters of Maryland law. Neither Venable LLP nor Morris, Manning & Martin, LLP purport to represent our stockholders or potential investors, who should consult their own counsel. Morris, Manning & Martin, LLP also provides legal services to CR IV Advisors, our advisor, as well as affiliates of CR IV Advisors, and may continue to do so in the future.

EXPERTS

The consolidated balance sheets as of December 31, 2011 and 2010 included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein. Such consolidated balance sheets are included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-11 with the Securities and Exchange Commission with respect to the shares of our common stock to be issued in this offering. We are required to file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission. You may request and obtain a copy of these filings, at no cost to you, by writing or telephoning us at the following address:

Cole Credit Property Trust IV, Inc.
Attn: Investor Relations
2325 East Camelback Road, Suite 1100
Phoenix, Arizona 85016
Tel: (866) 907-2653

One of our affiliates maintains an Internet site at *http://www.colecapital.com*, at which there is additional information about us. The contents of that site are not incorporated by reference in, or otherwise a part of, this prospectus.

This prospectus, as permitted under the rules of the Securities and Exchange Commission, does not contain all of the information set forth in the registration statement and the exhibits related thereto. For additional

information relating to us, we refer you to the registration statement and the exhibits to the registration statement. Statements contained in this prospectus as to the contents of any contract or document are necessarily summaries of such contract or document and in each instance, if we have filed the contract or document as an exhibit to the registration statement, we refer you to the copy of the contract or document filed as an exhibit to the registration statement.

You can read our registration statement and the exhibits thereto and our future Securities and Exchange Commission filings over the Internet at *http://www.sec.gov.* You may also read and copy any document we file with the Securities and Exchange Commission at its public reference room at 100 F Street, N.W., Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the Securities and Exchange Commission at 100 F Street, N.W., Washington, D.C. 20549. Please contact the Securities and Exchange Commission at 1-800-SEC-0330 or e-mail at *publicinfo@sec.gov* for further information about the public reference room.

INDEX TO FINANCIAL INFORMATION

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of
Cole Credit Property Trust IV, Inc. (formerly Cole Advisor Retail Income REIT, Inc.)
Phoenix, Arizona

We have audited the accompanying consolidated balance sheets of Cole Credit Property Trust IV, Inc. (formerly Cole Advisor Retail Income REIT, Inc.) and subsidiary (the "Company") as of December 31, 2011 and 2010. These financial statements are the responsibility of the Company' s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheets are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company' s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated balance sheets present fairly, in all material respects, the financial position of Cole Credit Property Trust IV, Inc. (formerly Cole Advisor Retail Income REIT, Inc.) and subsidiary as of December 31, 2011 and 2010, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Phoenix, Arizona

January 23, 2012

COLE CREDIT PROPERTY TRUST IV, INC.
(Formerly Cole Advisor Retail Income REIT, Inc.)

CONSOLIDATED BALANCE SHEETS

	December 31, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	$ 200,000	$ 200,000
Total assets	$ 200,000	$ 200,000
STOCKHOLDER' S EQUITY		
Preferred stock, $.01 par value, 10,000,000 shares authorized, none issued and outstanding	$ –	$ –
Common stock, $.01 par value; 490,000,000 shares authorized, 20,000 shares issued and outstanding	200	200
Capital in excess of par value	199,800	199,800
Total stockholder' s equity	$ 200,000	$ 200,000

See accompanying notes to consolidated balance sheets.

COLE CREDIT PROPERTY TRUST IV, INC.
(Formerly Cole Advisor Retail Income REIT, Inc.)

NOTES TO CONSOLIDATED BALANCE SHEETS
As of December 31, 2011 and 2010

NOTE 1 – ORGANIZATION

Cole Credit Property Trust IV, Inc. (formerly Cole Advisor Retail Income REIT, Inc.) (the "Company") was formed on July 27, 2010 and is a Maryland corporation that intends to qualify as a real estate investment trust ("REIT") for federal income tax purposes. The Company is the sole general partner of and owns a 99.9% partnership interest in Cole Operating Partnership IV LP, a Delaware limited partnership ("CCPT IV OP"). Cole REIT Advisors IV, LLC ("CR IV Advisors"), the advisor to the Company, is the sole limited partner and owner of an insignificant noncontrolling partnership interest of less than 0.1% of CCPT IV OP. Substantially all of the Company' s business will be conducted through CCPT IV OP. The Company has filed a registration statement on Form S-11 with the Securities and Exchange Commission with respect to a public offering (the "Offering") of $2.975 billion in shares of common stock.

A maximum of $2.5 billion in shares of common stock may be sold to the public. In addition, the Company plans to register an additional $475 million in shares of common stock that will be available only to stockholders who elect to participate in the Company' s distribution reinvestment plan under which stockholders may elect to have their distributions reinvested in additional shares of the Company' s common stock at $9.50 per share during the Offering or if after the time the Company' s board of directors has conducted a full valuation of the Company' s assets and has made a reasonable estimate of the value of the shares of common stock, then the shares of common stock will be offered at a purchase price equal to the most recently disclosed per share value.

The Company intends to use substantially all of the net proceeds from the Offering to acquire and operate a diversified portfolio of (1) necessity retail properties that are single-tenant and multi-tenant power centers, which are anchored by brand-name creditworthy national or regional retailers under long-term net leases, and are strategically located throughout the United States and U.S. protectorates, (2) income producing properties in other sectors, such as office and industrial properties, which may share certain core characteristics with the Company' s retail properties, (3) other real estate related assets, such as equity and debt securities of other real estate companies, commercial mortgage-backed securities and notes receivable secured by commercial real estate and (4) cash, cash equivalents and other short-term investments.

The Company and its majority owned subsidiary have not begun their principal operations.

The Company changed its name from Cole Advisor Retail Income REIT, Inc. to Cole Credit Property Trust IV, Inc. effective May 20, 2011. In addition, on May 20, 2011, the Company' s operating partnership changed its name from Cole Advisor Retail Income Operating Partnership, LP to Cole Operating Partnership IV LP, and the Company' s advisor changed its name from Cole Advisors: Retail Income, LLC to Cole REIT Advisors IV, LLC.

The Company has evaluated subsequent events through the date the consolidated balance sheets were available for issuance.

NOTE 2 – CAPITALIZATION

The Company is authorized to issue 490,000,000 shares of common stock and 10,000,000 shares of preferred stock. All shares of such stock have a par value of $.01 per share. On August 11, 2010, the Company sold 20,000 shares of common stock, at $10.00 per share, to Cole Holdings Corporation, the indirect owner of the Company' s advisor and manager. The Company' s Board of Directors may authorize additional shares of capital stock and amend their terms without obtaining stockholder approval.

COLE CREDIT PROPERTY TRUST IV, INC.
(Formerly Cole Advisor Retail Income REIT, Inc.)

NOTES TO CONSOLIDATED BALANCE SHEETS
As of December 31, 2011 and 2010 − (Continued)

NOTE 3 − SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The consolidated balance sheets include the accounts of the Company and its majority owned subsidiary. All intercompany accounts have been eliminated in consolidation.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities when purchased of three months or less to be cash equivalents. The Company considers investments in highly liquid money market accounts to be cash equivalents.

Organization and Offering Expenses

The Company' s advisor funds all of the organization and offering expenses on the Company' s behalf and may be reimbursed for such costs up to 2.0% of the gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan. These costs are not included in the balance sheet of the Company because such costs are not a liability of the Company until subscriptions for the minimum number of shares of common stock are received and accepted by the Company. When recorded by the Company, organization costs will be expensed as incurred. Offering costs include items such as legal and accounting fees, marketing, promotional and printing costs. All offering costs will be recorded as a reduction of capital in excess of par value. As of December 31, 2011 and 2010, CR IV Advisors had incurred approximately $819,000 and $523,000, respectively, of costs related to the organization of the Company and the Offering. Subsequent to December 31, 2011, Cole Advisors incurred approximately $23,000 of additional costs related to the Offering.

Income Taxes

The Company intends to make an election to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code commencing with its taxable year ending December 31, 2012. If the Company qualifies for taxation as a REIT, the Company generally will not be subject to federal corporate income tax to the extent it distributes its taxable income to its stockholders. REITs are subject to a number of other organizational and operational requirements. Even if the Company qualifies for taxation as a REIT, it may be subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed income.

NOTE 4 − RELATED PARTY ARRANGEMENTS

Certain affiliates of the Company will receive fees and compensation in connection with the Offering, and the acquisition, management and sale of the assets of the Company. Cole Capital Corporation (“Cole Capital”), the affiliated dealer-manager, will receive a commission of up to 7% of the gross proceeds of our primary offering before reallowance of commissions earned by participating broker-dealers. Cole Capital intends to reallow 100% of commissions earned to participating broker-dealers. In addition, up to 2% of the gross proceeds of our primary offering before reallowance to participating broker-dealers will be paid to Cole Capital as a dealer-manager fee. Cole Capital, in its sole discretion, may reallow all or a portion of its dealer-manager fee to such participating broker-dealers.

CR IV Advisors may receive up to 2.0% of gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan, for reimbursement of organization and offering expenses. All

COLE CREDIT PROPERTY TRUST IV, INC.
(Formerly Cole Advisor Retail Income REIT, Inc.)

NOTES TO CONSOLIDATED BALANCE SHEETS
As of December 31, 2011 and 2010 − (Continued)

organization and offering expenses (excluding selling commissions and the dealer-manager fee) are being paid for by CR IV Advisors and could be reimbursed by the Company up to 2.0% of aggregate gross offering proceeds, including proceeds from sales of shares under our distribution reinvestment plan.

CR IV Advisors or its affiliates also will receive acquisition fees of up to 2% of: (i) the contract purchase price of each property or asset the Company acquires; (ii) the amount paid in respect of the development, construction or improvement of each asset the Company acquires; (iii) the purchase price of any loan the Company acquires; and (iv) the principal amount of any loan the Company originates.

If CR IV Advisors or its affiliates provides a substantial amount of services (as determined by a majority of the Company' s independent directors) in connection with the sale of properties, the Company will pay CR IV Advisors or its affiliate a disposition fee in an amount equal to up to one-half of the brokerage commission paid on the sale of property, not to exceed 1% of the contract price of each property sold; provided, however, in no event may the disposition fee paid to CR IV Advisors or its affiliates, when added to the real estate commissions paid to unaffiliated third parties, exceed the lesser of the customary competitive real estate commission or an amount equal to 6% of the contract sales price.

The Company will pay CR IV Advisors a monthly advisory fee based upon the Company' s monthly average invested assets, which is equal to the following amounts: (i) an annualized rate of 0.75% will be paid on the Company' s average invested assets that are between $0 to $2 billion; (ii) an annualized rate of 0.70% will be paid on the Company' s average invested assets that are between $2 billion to $4 billion; and (iii) an annualized rate of 0.65% will be paid on the Company' s average invested assets that are over $4 billion.

The Company will reimburse CR IV Advisors for the expenses it paid or incurred in connection with the services provided to the Company, subject to the limitation that the Company will not reimburse for any amount by which its operating expenses (including the advisory fee) at the end of the four preceding fiscal quarters exceeds the greater of (i) 2% of average invested assets, or (ii) 25% of net income other than any additions to reserves for depreciation, bad debts or other similar non-cash reserves and excluding any gain from the sale of assets for that period. The Company will not reimburse for personnel costs in connection with services for which CR IV Advisors receives acquisition fees or disposition fees.

If the Company is sold or its assets are liquidated, CR IV Advisors will be entitled to receive a subordinated performance fee equal to 15% of the net sale proceeds remaining after investors have received a return of their net capital invested and an 8% annual cumulative, non-compounded return. Alternatively, if the Company' s shares are listed on a national securities exchange, CR IV Advisors will be entitled to a subordinated performance fee equal to 15% of the amount by which the market value of the Company' s outstanding stock plus all distributions paid by the Company prior to listing, exceeds the sum of the total amount of capital raised from investors and the amount of distributions necessary to generate an 8% annual cumulative, non-compounded return to investors. As an additional alternative, upon termination of the advisory agreement, CR IV Advisors may be entitled to a subordinated performance fee similar to that to which CR IV Advisors would have been entitled had the portfolio been liquidated (based on an independent appraised value of the portfolio) on the date of termination.

COLE CREDIT PROPERTY TRUST IV, INC.
(Formerly Cole Advisor Retail Income REIT, Inc.)

NOTES TO CONSOLIDATED BALANCE SHEETS
As of December 31, 2011 and 2010 − (Continued)

NOTE 5 − ECONOMIC DEPENDENCY

Under various agreements, the Company has engaged or will engage the CR IV Advisors and its affiliates to provide certain services that are essential to the Company, including asset management services, supervision of the management and leasing of properties owned by the Company, asset acquisition and disposition decisions, the sale of shares of the Company' s common stock available for issue, as well as other administrative responsibilities for the Company including accounting services and investor relations. As a result of these relationships, the Company is dependent upon CR IV Advisors and its affiliates. In the event that these companies were unable to provide the Company with the respective services, the Company would be required to find alternative providers of these services.

COLE CREDIT PROPERTY TRUST IV, INC.
CONDENSED CONSOLIDATED UNAUDITED BALANCE SHEETS

	June 30, 2012	December 31, 2011
ASSETS		
Investment in real estate assets:		
Land	$15,643,667	$ –
Buildings and improvements, less accumulated depreciation of $156,201 and $0, respectively	40,715,334	–
Acquired intangible lease assets, less accumulated amortization of $104,535 and $0, respectively	9,068,662	–
Total investment in real estate assets, net	65,427,663	–
Cash and cash equivalents	1,894,117	200,000
Restricted cash	89,950	–
Rents and tenant receivables	137,036	–
Deferred financing costs, less accumulated amortization of $36,703 and $0, respectively	554,945	–
Total assets	$68,103,711	$ 200,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Credit facility	$27,703,824	$ –
Accounts payable and accrued expenses	358,141	–
Escrowed investor proceeds	89,950	–
Due to affiliates	129,556	–
Acquired below market lease intangibles, less accumulated amortization of $10,341 and $0, respectively	1,395,944	–
Distributions payable	175,455	–
Deferred rental income and other liabilities	139,587	–
Total liabilities	29,992,457	–
Commitments and contingencies		
Redeemable common stock	44,201	–
STOCKHOLDERS' EQUITY		
Preferred stock, $0.01 par value, 10,000,000 shares authorized, none issued and outstanding	–	–
Common stock, $0.01 par value; 490,000,000 shares authorized, 4,550,606 and 20,000 shares issued and outstanding, respectively	45,506	200
Capital in excess of par value	40,434,546	199,800
Accumulated distributions in excess of earnings	(2,412,999)	–
Total stockholders' equity	38,067,053	200,000
Total liabilities and stockholders' equity	$68,103,711	$ 200,000

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

COLE CREDIT PROPERTY TRUST IV, INC.
CONDENSED CONSOLIDATED UNAUDITED STATEMENTS OF OPERATIONS

	Three Months Ended June 30, 2012	Six Months Ended June 30, 2012
Revenues:		
Rental and other property income	$ 622,013	$ 622,013
Tenant reimbursement income	26,303	26,303
Total revenue	648,316	648,316
Expenses:		
General and administrative expenses	188,115	223,303
Property operating expenses	26,500	26,500
Advisory fees and expenses	90,195	90,195
Acquisition related expenses	1,948,577	1,948,577
Depreciation	156,201	156,201
Amortization	104,436	104,436
Total operating expenses	2,514,024	2,549,212
Operating loss	(1,865,708)	(1,900,896)
Other income (expense):		
Interest and other income	373	373
Interest expense	(253,218)	(253,218)
Total other expense	(252,845)	(252,845)
Net loss	$ (2,118,553)	$ (2,153,741)
Weighted average number of common shares outstanding:		
Basic and diluted	1,656,485	838,981
Net loss per common share:		
Basic and diluted	$ (1.28)	$ (2.57)
Distributions declared per common share	$ 0.16	$ 0.31

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

COLE CREDIT PROPERTY TRUST IV, INC.
CONDENSED CONSOLIDATED UNAUDITED STATEMENT OF STOCKHOLDERS' EQUITY

	Common Stock		Capital in Excess of Par Value	Accumulated Distributions in Excess of Earnings	Total Stockholders' Equity
	Number of Shares	Par Value			
Balance, January 1, 2012	20,000	$200	$199,800	$–	$200,000
Issuance of common stock	4,530,606	45,306	45,069,817	–	45,115,123
Distributions to investors	–	–	–	(259,258)	(259,258)
Commissions on stock sales and related dealer manager fees	–	–	(3,884,749)	–	(3,884,749)
Other offering costs	–	–	(906,121)	–	(906,121)
Changes in redeemable common stock	–	–	(44,201)	–	(44,201)
Net loss	–	–	–	(2,153,741)	(2,153,741)
Balance, June 30, 2012	4,550,606	$45,506	$40,434,546	$(2,412,999)	$38,067,053

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

COLE CREDIT PROPERTY TRUST IV, INC.
CONDENSED CONSOLIDATED UNAUDITED STATEMENT OF CASH FLOWS

	Six Months Ended June 30, 2012
Cash flows from operating activities:	
Net loss	$(2,153,741)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation	156,201
Amortization of intangible lease assets and below market lease intangible, net	94,194
Amortization of deferred financing costs	36,703
Changes in assets and liabilities:	
Rents and tenant receivables	(137,036)
Accounts payable and accrued expenses	358,141
Deferred rental income and other liabilities	139,587
Due to affiliates	129,556
Net cash used in operating activities	(1,376,395)
Cash flows from investing activities:	
Investment in real estate assets	(64,282,114)
Change in restricted cash	(89,950)
Net cash used in investing activities	(64,372,064)
Cash flows from financing activities:	
Proceeds from credit facility	39,460,324
Repayments of credit facility	(11,756,500)
Proceeds from affiliate line of credit	11,700,000
Repayments of affiliate line of credit	(11,700,000)
Proceeds from issuance of common stock	45,070,922
Offering costs on issuance of common stock	(4,790,870)
Distributions to investors	(39,602)
Change in escrowed investor proceeds	89,950
Deferred financing costs paid	(591,648)
Net cash provided by financing activities	67,442,576
Net increase in cash and cash equivalents	1,694,117
Cash and cash equivalents, beginning of period	200,000
Cash and cash equivalents, end of period	$1,894,117
Supplemental Disclosures of Non-Cash Investing and Financing Activities:	
Distributions declared and unpaid	$175,455
Common stock issued through distribution reinvestment plan	$44,201
Supplemental Cash Flow Disclosures:	
Interest paid	$160,489

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
June 30, 2012

NOTE 1 – ORGANIZATION AND BUSINESS

Cole Credit Property Trust IV, Inc. (the "Company") was formed on July 27, 2010 and is a Maryland corporation that intends to qualify as a real estate investment trust ("REIT") for federal income tax purposes beginning with the year ending December 31, 2012. The Company is the sole general partner of and owns a 99.9% partnership interest in Cole Operating Partnership IV, LP, a Delaware limited partnership ("CCPT IV OP"). Cole REIT Advisors IV, LLC ("CR IV Advisors"), the affiliated advisor to the Company, is the sole limited partner and owner of an insignificant noncontrolling partnership interest of 0.1% of CCPT IV OP. Substantially all of the Company' s business is conducted through CCPT IV OP.

On January 26, 2012, pursuant to a Registration Statement on Form S-11 filed under the Securities Act of 1933, as amended, (the "Registration Statement") the Company commenced its initial public offering on a "best efforts" basis of a minimum of 250,000 shares and a maximum of 250.0 million shares of its common stock at a price of $10.00 per share, and up to 50.0 million additional shares to be issued pursuant to a distribution reinvestment plan (the "DRIP") under which the Company' s stockholders may elect to have distributions reinvested in additional shares of common stock at a price of $9.50 per share (the "Offering").

On April 13, 2012, the Company issued 308,000 shares of its common stock in the Offering and commenced principal operations. The Company has special escrow provisions for residents of Pennsylvania which have not been satisfied as of June 30, 2012 and, therefore, it has not accepted subscriptions from residents of Pennsylvania. As of June 30, 2012, the Company had issued approximately 4.5 million shares of its common stock in the Offering for gross offering proceeds of $45.1 million before offering costs and selling commissions of $4.8 million. The Company intends to continue to use substantially all of the net proceeds from the Offering to acquire and operate a diversified portfolio of core commercial real estate investments primarily consisting of necessity retail properties located throughout the United States, including U.S. protectorates. The Company expects that the retail properties primarily will be single-tenant properties and multi-tenant "power centers" anchored by large, creditworthy national or regional retailers. The Company expects that the retail properties typically will be subject to long-term triple net or double net leases, whereby the tenant will be obligated to pay for most of the expenses of maintaining the property. As of June 30, 2012, the Company owned 16 properties, comprising 283,000 rentable square feet of commercial space located in 12 states. As of June 30, 2012, the rentable space at these properties was 99.6% leased.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The condensed consolidated unaudited financial statements of the Company have been prepared in accordance with the rules and regulations of the SEC, including the instructions to Form 10-Q and Article 10 of Regulation S-X, and do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the statements for the interim periods presented include all adjustments, which are of a normal and recurring nature, necessary for a fair presentation of the results for such periods. Results for these interim periods are not necessarily indicative of full year results. The information included in this prospectus should be read in conjunction with the Company' s audited consolidated balance sheet and related notes thereto included in the Company' s Registration Statement on Form S-11 as declared effective on January 26, 2012. Consolidated results of operations and cash flows for the period ended June 30, 2011 have not been presented because the Company had not commenced its principal operations during such period.

The condensed consolidated unaudited financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
June 30, 2012

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in and Valuation of Real Estate and Related Assets

Real estate and related assets are stated at cost, less accumulated depreciation and amortization. Amounts capitalized to real estate and related assets consist of the cost of acquisition, excluding acquisition related expenses, construction and any tenant improvements, major improvements and betterments that extend the useful life of the real estate and related assets and leasing costs. All repairs and maintenance are expensed as incurred.

The Company is required to make subjective assessments as to the useful lives of its depreciable assets. The Company considers the period of future benefit of each respective asset to determine the appropriate useful life of the assets. Real estate and related assets, other than land, are depreciated or amortized on a straight-line basis. The estimated useful lives of the Company' s real estate and related assets by class are generally as follows:

Building and capital improvements	40 years
Tenant improvements	Lesser of useful life or lease term
Intangible lease assets	Lease term

The Company continually monitors events and changes in circumstances that could indicate that the carrying amounts of its real estate and related assets may not be recoverable. Impairment indicators that the Company considers include, but are not limited to, bankruptcy or other credit concerns of a property' s major tenant, such as a history of late payments, rental concessions and other factors, a significant decrease in a property' s revenues due to lease terminations, vacancies, co-tenancy clauses, reduced lease rates or other circumstances. When indicators of potential impairment are present, the Company assesses the recoverability of the assets by determining whether the carrying amount of the assets will be recovered through the undiscounted future cash flows expected from the use of the assets and their eventual disposition. In the event that such expected undiscounted future cash flows do not exceed the carrying amount, the Company will adjust the real estate and related assets to their respective fair values and recognize an impairment loss. Generally, fair value is determined using a discounted cash flow analysis and recent comparable sales transactions. No impairment indicators were identified or losses were recorded during the six months ended June 30, 2012.

When developing estimates of expected future cash flows, the Company makes certain assumptions regarding future market rental income amounts subsequent to the expiration of current lease agreements, property operating expenses, terminal capitalization and discount rates, the expected number of months it takes to re-lease the property, required tenant improvements and the number of years the property will be held for investment. The use of alternative assumptions in estimating expected future cash flows could result in a different determination of the property' s expected future cash flows and a different conclusion regarding the existence of an impairment, the extent of such loss, if any, as well as the fair value of the real estate and related assets.

When a real estate asset is identified by the Company as held for sale, the Company will cease depreciation and amortization of the assets related to the property and estimate the fair value, net of selling costs. If, in management' s opinion, the fair value, net of selling costs, of the asset is less than the carrying amount of the

asset, an adjustment to the carrying amount would be recorded to reflect the estimated fair value of the property, net of selling costs. There were no assets identified as held for sale as of June 30, 2012.

Allocation of Purchase Price of Real Estate and Related Assets

Upon the acquisition of real properties, the Company allocates the purchase price to acquired tangible assets, consisting of land, buildings and improvements, and identified intangible assets and liabilities, consisting of the value of above market and below market leases and the value of in-place leases, based in each case on their respective fair values. Acquisition related expenses are expensed as incurred. The Company utilizes independent appraisals to assist in the determination of the fair values of the tangible assets of an acquired property (which includes land and building). The Company obtains an independent appraisal for each real property acquisition. The information in the appraisal, along with any additional information available to the Company' s management, is used in estimating the amount of the purchase price that is allocated to land. Other information in the appraisal, such as building value and market rents, may be used by the Company' s management in estimating the allocation of purchase price to the building and to intangible lease assets and liabilities. The appraisal firm has no involvement in management' s allocation decisions other than providing this market information.

The fair values of above market and below market lease values are recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (1) the contractual amounts to be paid pursuant to the in-place leases and (2) an estimate of fair market lease rates for the corresponding in-place leases, which is generally obtained from independent appraisals, measured over a period equal to the remaining non-cancelable term of the lease including any bargain renewal periods, with respect to a below market lease. The above market and below market lease values are capitalized as intangible lease assets or liabilities, respectively. Above market lease values are amortized as a reduction to rental income over the remaining terms of the respective leases. Below market leases are amortized as an increase to rental income over the remaining terms of the respective leases, including any bargain renewal periods. In considering whether or not the Company expects a tenant to execute a bargain renewal option, the Company evaluates economic factors and certain qualitative factors at the time of acquisition, such as the financial strength of the tenant, remaining lease term, the tenant mix of the leased property, the Company' s relationship with the tenant and the availability of competing tenant space. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of above market or below market lease values relating to that lease would be recorded as an adjustment to rental income.

The fair values of in-place leases include estimates of direct costs associated with obtaining a new tenant and opportunity costs associated with lost rental and other property income, which are avoided by acquiring a property with an in-place lease. Direct costs associated with obtaining a new tenant include commissions and other direct costs and are estimated in part by utilizing information obtained from independent appraisals and management' s consideration of current market costs to execute a similar lease. The intangible values of opportunity costs, which are calculated using the contractual amounts to be paid pursuant to the in-place leases over a market absorption period for a similar lease, are capitalized as intangible lease assets and are amortized to expense over the remaining term of the respective leases. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of in-place lease assets relating to that lease would be expensed.

The Company will estimate the fair value of assumed mortgage notes payable based upon indications of current market pricing for similar types of debt financing with similar maturities. Assumed mortgage notes payable will initially be recorded at their estimated fair value as of the assumption date, and the difference between such estimated fair value and the mortgage note' s outstanding principal balance will be amortized to interest expense over the term of the respective mortgage note payable.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
June 30, 2012

The determination of the fair values of the real estate and related assets and liabilities acquired requires the use of significant assumptions with regard to the current market rental rates, rental growth rates, capitalization and discount rates, interest rates and other variables. The use of alternative estimates may result in a different allocation of the Company' s purchase price, which could impact the Company' s results of operations.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities when purchased of three months or less to be cash equivalents. The Company considers investments in highly liquid money market accounts to be cash equivalents.

Restricted Cash

Restricted cash as of June 30, 2012 consisted of escrowed investor proceeds of $90,000 for which shares of common stock had not been issued. The Company had no restricted cash as of December 31, 2011.

Deferred Financing Costs

Deferred financing costs are capitalized and amortized on a straight-line basis over the term of the related financing arrangement, which approximates the effective interest method. Amortization of deferred financing costs was $37,000 for the three and six months ended June 30, 2012. There were no deferred financing costs or related amortization as of December 31, 2011.

Concentration of Credit Risk

As of June 30, 2012, the Company had no cash on deposit in excess of federally insured levels. The Company limits significant cash investments to accounts held by financial institutions with high credit standing; therefore, the Company believes it is not exposed to any significant credit risk on its cash deposits.

As of June 30, 2012, Walgreen Co. and Nordstrom, Inc. accounted for 27% and 19%, respectively, and HEB Grocery Company, LP and CVS Caremark Corporation each accounted for 16% of the Company' s 2012 gross annualized rental revenues. The Company also had certain geographic concentrations in its property holdings. In particular, as of June 30, 2012, four of the Company' s properties were located in Texas and one was located in Florida, which accounted for 29% and 19%, respectively, of the Company' s 2012 gross annualized rental revenues. In addition, the Company had tenants in the drugstore, apparel and grocery industries, which comprised 43%, 20% and 16%, respectively, of the Company' s 2012 gross annualized rental revenues.

Revenue Recognition

Certain properties have leases where minimum rental payments increase during the term of the lease. The Company records rental income for the full term of each lease on a straight-line basis. When the Company acquires a property, the terms of existing leases are considered to commence as of the acquisition date for the purposes of determining this calculation. The Company defers the recognition of contingent rental income, such as percentage rents, until the specific target that triggers the contingent rental income is achieved. Expected reimbursements from tenants for recoverable real estate taxes and operating expenses are included in tenant reimbursement income in the period when such costs are incurred.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
June 30, 2012

Income Taxes

The Company intends to qualify and elect to be taxed as a REIT for federal income tax purposes under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended, commencing with its taxable year ending December 31, 2012. If the Company qualifies for taxation as a REIT, the Company generally will not be subject to federal corporate income tax to the extent it, among other things, distributes its taxable income to its stockholders and it distributes at least 90% of its annual taxable income (computed without regard to the dividends paid deduction and excluding net capital gains). REITs are subject to a number of other organizational and operational requirements. Even if the Company qualifies for taxation as a REIT, it or its subsidiaries may be subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed income.

Offering and Related Costs

CR IV Advisors funds all of the organization and offering costs on the Company' s behalf and may be reimbursed for such costs up to 2.0% of gross proceeds from the Offering (excluding selling commissions and the dealer-manager fee). As of June 30, 2012, CR IV Advisors had incurred $2.1 million of costs related to the organization of the Company and the Offering, of which the Company had reimbursed $906,000. The remaining $1.2 million of costs related to the organization of the Company and the Offering were not included in the financial statements of the Company as of June 30, 2012 because such costs were not a liability of the Company as they exceeded 2.0% of gross proceeds from the Offering. This amount will become payable to CR IV Advisors as the Company raises additional proceeds in the Offering. When recorded by the Company, organization costs are expensed as incurred and the offering costs, which include items such as legal and accounting fees, marketing and personnel, promotional and printing costs, are recorded as a reduction of capital in excess of par value along with selling commissions and dealer manager fees in the period in which they become payable.

Due to Affiliates

Certain affiliates of the Company received, and will continue to receive fees, reimbursements and compensation in connection with the Offering and the acquisition, management, financing and leasing of the properties of the Company. As of June 30, 2012, $130,000 was due to CR IV Advisors, as discussed in Note 7 to these condensed consolidated unaudited financial statements in this prospectus.

Stockholders' Equity

As of June 30, 2012 and December 31, 2011, the Company was authorized to issue 490.0 million shares of common stock and 10.0 million shares of preferred stock. All shares of such stock have a par value of $0.01 per share. On August 11, 2010, the Company sold 20,000 shares of common stock, at $10.00 per share, to Cole Holdings Corporation, the indirect owner of the Company' s advisor and dealer-manager. As of June 30, 2012, the Company had approximately 4.6 million shares of common stock issued and outstanding. The Company' s board of directors may amend the charter to authorize the issuance of additional shares of capital stock without obtaining shareholder approval. The par value of investor proceeds raised from the Offering is classified as common stock, with the remainder allocated to capital in excess of par value.

Reportable Segments

The Company' s operating segment consists of commercial properties, which include activities related to investing in real estate such as retail, office and distribution properties and other real estate related assets. The

commercial properties are geographically diversified throughout the United States, and the Company' s chief operating decision maker evaluates operating performance on an overall portfolio level. These commercial properties have similar economic characteristics; therefore, the Company' s properties are one reportable segment.

Interest

Interest is charged to interest expense as it accrues. No interest costs were capitalized during the six months ended June 30, 2012.

Distributions Payable and Distribution Policy

In order to qualify and maintain its status as a REIT, the Company is required to, among other things, make distributions each taxable year equal to at least 90% of its taxable income (computed without regard to the dividends paid deduction and excluding net capital gains). To the extent that funds are available, the Company intends to pay regular distributions to stockholders. Distributions are paid to stockholders of record as of applicable record dates. The Company intends to qualify and elect to be taxed as a REIT for federal income tax purposes commencing with its taxable year ending December 31, 2012; however, the Company has not yet elected, and has not yet qualified, to be taxed as a REIT.

The Company' s board of directors authorized a daily distribution, based on 366 days in the calendar year, of $0.001707848 per share for stockholders of record as of the close of business on each day of the period commencing April 14, 2012, the first day following the release from escrow of the subscription proceeds received in the Offering, and ending on September 30, 2012. As of June 30, 2012, the Company had distributions payable of $175,000. The distributions were paid in July 2012, of which $81,000 was reinvested in shares through the DRIP. As of December 31, 2011, the Company had no distributions payable.

Redeemable Common Stock

Under the Company' s share redemption program, the Company' s requirement to redeem its shares is limited to the net proceeds received by the Company from the sale of shares under the DRIP, net of shares redeemed to date. The Company records amounts that are redeemable under the share redemption program as redeemable common stock outside of permanent equity in its consolidated balance sheets because the shares are mandatorily redeemable at the option of the holder and therefore their redemption will be outside the control of the Company. As of June 30, 2012, the Company issued approximately 4,700 shares of common stock under the DRIP for cumulative proceeds of $44,000 and had not redeemed any shares. As of December 31, 2011, the Company had not issued shares of common stock under the DRIP and had not redeemed any shares. Changes in the amount of redeemable common stock from period to period are recorded as an adjustment to capital in excess of par value.

New Accounting Pronouncements

In June 2011, the U.S. Financial Accounting Standards Board issued Accounting Standards Update 2011-05, *Presentation of Comprehensive Income* ("ASU 2011-05"), which requires the presentation of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. ASU 2011-05 became effective for the Company beginning January 1, 2012. The adoption of ASU 2011-05 did not have a material effect on the Company' s consolidated financial statements or disclosures, because the Company' s net loss equals its comprehensive loss.

COLE CREDIT PROPERTY TRUST IV, INC.
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NOTE 3 − FAIR VALUE MEASUREMENTS

GAAP defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. GAAP emphasizes that fair value is intended to be a market-based measurement, as opposed to a transaction-specific measurement.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Depending on the nature of the asset or liability, various techniques and assumptions can be used to estimate the fair value. Assets and liabilities are measured using inputs from three levels of the fair value hierarchy, as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. An active market is defined as a market in which transactions for the assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active (markets with few transactions), inputs other than quoted prices that are observable for the asset or liability (i.e. interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data correlation or other means (market corroborated inputs).

Level 3 – Unobservable inputs, which are only used to the extent that observable inputs are not available, reflect the Company' s assumptions about the pricing of an asset or liability.

The following describes the methods the Company uses to estimate the fair value of the Company' s financial assets and liabilities:

Cash and cash equivalents and restricted cash – The Company considers the carrying values of these financial assets to approximate fair value because of the short period of time between their origination and their expected realization.

Credit Facility – The fair value is estimated by discounting the expected cash flows based on estimated borrowing rates available to the Company as of June 30, 2012. The estimated fair value of the Company' s debt was $27.7 million as of June 30, 2012, which approximated the carrying value on such date. The Company had no amounts outstanding on the credit facility as of December 31, 2011. The fair value of the Company' s debt is estimated using Level 2 inputs.

Considerable judgment is necessary to develop estimated fair values of financial assets and liabilities. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize, or be liable for, on disposition of the financial assets and liabilities. As of June 30, 2012, there have been no transfers of financial assets or liabilities between levels.

NOTE 4 − REAL ESTATE ACQUISITIONS

During the six months ended June 30, 2012, the Company acquired 16 commercial properties for an aggregate purchase price of $64.3 million (the "2012 Acquisitions"). The Company purchased the 2012 Acquisitions with net proceeds from the Offering and proceeds from the Company' s revolving credit facility and

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
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affiliate line of credit. The Company allocated the purchase price of these properties to the fair value of the assets acquired and liabilities assumed. The following table summarizes the purchase price allocation:

	June 30, 2012
Land	$15,643,667
Building and improvements	40,871,535
Acquired in-place leases	9,162,143
Acquired above-market leases	11,054
Acquired below-market leases	(1,406,285)
Total purchase price	$64,282,114

During the three and six months ended June 30, 2012, the Company recorded revenue of $648,000 and a net loss of $1.9 million related to the 2012 Acquisitions.

The following information summarizes selected financial information of the Company as if all of the 2012 Acquisitions were completed on January 1, 2011 for each period presented below. The table below presents the Company' s estimated revenue and net income, on a pro forma basis, for the three and six months ended June 30, 2012 and 2011, respectively.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Pro forma basis (unaudited):				
Revenue	1,299,388	1,299,388	2,598,776	2,598,776
Net income (loss)	247,423	326,083	639,319	(1,309,087)

The unaudited pro forma information for the three and six months ended June 30, 2012 was adjusted to exclude $1.9 million of acquisition costs recorded during the current period related to the 2012 Acquisitions. These costs were recognized in the unaudited pro forma information for the six months ended June 30, 2011. The unaudited pro forma information is presented for informational purposes only and may not be indicative of what actual results of operations would have been had the transactions occurred at the beginning of 2011, nor does it purport to represent the results of future operations.

NOTE 5 − CREDIT FACILITY

As of June 30, 2012, the Company had $27.7 million of debt outstanding under its secured revolving credit facility (the "Credit Facility") with JPMorgan Chase Bank, N.A. ("JPMorgan Chase") as administrative agent. The Credit Facility allows the Company to borrow up to $50.0 million in revolving loans (the "Revolving Loans"), with the maximum amount outstanding not to exceed (1) 70% of the aggregate value allocated to each qualified property comprising the borrowing base (the "Borrowing Base") during the period from April 13, 2012 through October 12, 2012 (the "Tier One Period"); (2) 65% of the value allocated to the Borrowing Base during the period from October 13, 2012 to April 12, 2013 (the "Tier Two Period"); and (3) 60% of the value allocated to the Borrowing Base during the period from April 13, 2013 through April 13, 2015 (the "Tier Three Period"). As of June 30, 2012, the allowable borrowings under the Borrowing Base of the Credit Facility was approximately $32.8 million based on the underlying collateral pool for qualified properties. Subject to meeting certain conditions described in the credit agreement for the Credit Facility (the "Credit Agreement") and the payment of certain fees, the amount of the Credit Facility may be increased up to a maximum of $250.0 million (the "Accordion Feature"). The Credit Facility matures on April 13, 2015.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
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The Revolving Loans will bear interest at rates depending upon the type of loan specified by the Company. For a Eurodollar rate loan, as defined in the Credit Agreement, the interest rate will be equal to the one-month LIBOR (the "Eurodollar Rate") for the interest period, plus the applicable rate (the "Eurodollar Applicable Rate"). The Eurodollar Applicable Rate is based upon the applicable period then in effect, and ranges from 2.40% during the Tier Three Period to 2.70% during the Tier One Period. For floating rate loans, the interest rate will be a per annum amount equal to the applicable rate (the "Floating Applicable Rate") plus the greatest of (1) the Federal Funds Rate plus 0.5%; (2) JPMorgan Chase' s Prime Rate; or (3) LIBOR plus 1.0%. The Floating Applicable Rate is based upon the applicable period then in effect, and ranges from 1.40% during the Tier Three Period to 1.70% during the Tier One Period. As of June 30, 2012, the Revolving Loans had a weighted average interest rate 3.43%.

The Credit Agreement contains customary representations, warranties, borrowing conditions and affirmative, negative and financial covenants, including minimum net worth, debt service coverage and leverage ratio requirements and dividend payout and REIT status requirements. Based on the Company' s analysis and review of its results of operations and financial condition, the Company believes it was in compliance with the covenants of the Credit Facility as of June 30, 2012.

Subsequent to June 30, 2012, the Company exercised the Accordion Feature and entered into an amended and restated secured revolving credit agreement (the "Amended Credit Agreement"), which amended and restated the Credit Agreement in its entirety (the "Amended Credit Facility"). The Amended Credit Facility allows the Company to borrow up to $250.0 million in revolving loans (the "Amended Revolving Loans"), with the maximum amount outstanding not to exceed the lesser of (1) 65% of the cost or appraised value of qualified properties as determined by the administrative agent (the "Amended Borrowing Base"). The Amended Revolving Loans will bear interest at rates depending upon the type of loan specified by the Company. For a Eurodollar rate loan, as defined in the Amended Credit Agreement, the interest rate will be equal to the LIBOR for the interest period, plus 2.35%. For floating rate loans, the interest rate will be a per annum amount equal to 1.35% plus the greatest of (1) the Federal Funds Rate plus 0.5%; (2) JPMorgan Chase' s Prime Rate; or (3) the one-month LIBOR plus 1.0%. The Amended Credit Facility matures on July 13, 2015. In addition, the Amended Credit Agreement modified the terms of the Accordion Feature, allowing the amount of the Credit Facility to be increased up to a maximum of $400.0 million, subject to meeting certain conditions described in the Amended Credit Agreement and the payment of certain fees.

In addition, during the six months ended June 30, 2012, the Company entered into a $10.0 million subordinate revolving line of credit with Series C, LLC, an affiliate of CR IV Advisors ("Series C"), (the "Series C Loan"). The Series C Loan has a fixed interest rate of 4.5% with accrued interest payable monthly in arrears and principal due upon maturity on April 12, 2013. The Series C Loan was approved by a majority of the directors (including a majority of the independent directors) not otherwise interested in the transaction as being fair, competitive and commercially reasonable and no less favorable to the Company than a comparable loan between unaffiliated parties under the same circumstances. The Series C Loan was repaid in full during the six months ended June 30, 2012, with proceeds from the Offering.

NOTE 6 − COMMITMENTS AND CONTINGENCIES

Litigation

In the ordinary course of business, the Company may become subject to litigation or claims. The Company is not aware of any pending legal proceedings of which the outcome is reasonably possible to have a material effect on its results of operations, financial condition or liquidity.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
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Environmental Matters

In connection with the ownership and operation of real estate, the Company potentially may be liable for costs and damages related to environmental matters. The Company owns certain properties that are subject to environmental remediation. In each case, the seller of the property, the tenant of the property and/or another third party has been identified as the responsible party for environmental remediation costs related to the respective property. Additionally, in connection with the purchase of certain of the properties, the respective sellers and/or tenants have indemnified the Company against future remediation costs. In addition, the Company carries environmental liability insurance on its properties that provides limited coverage for remediation liability and pollution liability for third-party bodily injury and property damage claims. The Company does not believe that the environmental matters identified at such properties are reasonably possible to have a material effect on its results of operations, financial condition or liquidity, nor is it aware of any environmental matters at other properties which it believes is reasonably possible to have a material effect on its results of operations, financial condition or liquidity.

NOTE 7 − RELATED-PARTY TRANSACTIONS AND ARRANGEMENTS

The Company has incurred, and will continue to incur, commissions, fees and expenses payable to CR IV Advisors and certain of its affiliates in connection with the Offering, and the acquisition, management and disposition of its assets.

Offering

In connection with the Offering, Cole Capital Corporation ("Cole Capital"), the Company' s dealer-manager, which is affiliated with its advisor, receives a selling commission of up to 7.0% of gross offering proceeds before reallowance of commissions earned by participating broker-dealers. Cole Capital has reallowed and intends to continue to reallow 100% of selling commissions earned to participating broker-dealers. In addition, Cole Capital receives up to 2.0% of gross offering proceeds before reallowance to participating broker-dealers as a dealer-manager fee in connection with the Offering. Cole Capital, in its sole discretion, may reallow all or a portion of its dealer-manager fee to such participating broker-dealers. No selling commissions or dealer manager fees are paid to Cole Capital or other broker-dealers with respect to shares sold pursuant to the DRIP.

All other organization and offering expenses associated with the sale of the Company' s common stock (excluding selling commissions and the dealer-manager fee) are paid by CR IV Advisors or its affiliates and are reimbursed by the Company up to 2.0% of aggregate gross offering proceeds. A portion of the other organization and offering expenses may be underwriting compensation. As of June 30, 2012, CR IV Advisors had paid organization and offering costs of $2.1 million in connection with the Offering, of which $1.2 million was not included in the financial statements of the Company because such costs were not a liability of the Company as they exceeded 2.0% of gross proceeds from the Offering. This amount may become payable to CR IV Advisors as the Company continues to raise additional proceeds in the Offering.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
June 30, 2012

The Company incurred commissions, fees and expense reimbursements as shown in the table below for services provided by CR IV Advisors or its affiliates related to the services described above during the periods indicated:

	Three Months Ended June 30, 2012	Six Months Ended June 30, 2012
Offering:		
Selling commissions	$ 2,979,558	$ 2,979,558
Selling commissions reallowed by Cole Capital	$ 2,979,558	$ 2,979,558
Dealer manager fees	$ 905,191	$ 905,191
Dealer manager fees reallowed by Cole Capital	$ 317,719	$ 317,719
Other organization and offering expenses	$ 906,121	$ 906,121

Acquisitions and Operations

CR IV Advisors or its affiliates also receive acquisition fees of up to 2.0% of: (1) the contract purchase price of each property or asset the Company acquires; (2) the amount paid in respect of the development, construction or improvement of each asset the Company acquires; (3) the purchase price of any loan the Company acquires; and (4) the principal amount of any loan the Company originates. Additionally, CR IV Advisors or its affiliates are reimbursed for acquisition expenses incurred in the process of acquiring properties, so long as the total acquisition fees and expenses relating to the transaction does not exceed 6.0% of the contract purchase price.

The Company pays CR IV Advisors a monthly advisory fee based upon the Company' s monthly average invested assets, which is equal to the following amounts: (1) an annualized rate of 0.75% will be paid on the Company' s average invested assets that are between $0 to $2.0 billion; (2) an annualized rate of 0.70% will be paid on the Company' s average invested assets that are between $2.0 billion to $4.0 billion; and (3) an annualized rate of 0.65% will be paid on the Company' s average invested assets that are over $4.0 billion.

The Company reimburses CR IV Advisors for the expenses it paid or incurred in connection with the services provided to the Company, subject to the limitation that the Company will not reimburse for any amount by which its operating expenses (including the advisory fee) at the end of the four preceding fiscal quarters exceeds the greater of: (1) 2.0% of average invested assets, or (2) 25.0% of net income other than any additions to reserves for depreciation, bad debts or other similar non-cash reserves and excluding any gain from the sale of assets for that period. The Company will not reimburse for personnel costs in connection with services for which CR IV Advisors receives acquisition fees.

The Company recorded fees and expense reimbursements as shown in the table below for services provided by CR IV Advisors or its affiliates related to the services described above during the periods indicated:

	Three Months Ended June 30, 2012	Six Months Ended June 30, 2012
Acquisition and Operations:		
Acquisition fees and expenses	$ 1,303,721	$ 1,303,721
Advisory fees and expenses	$ 99,251	$ 99,251
Operating expenses	$ 48,039	$ 48,039

COLE CREDIT PROPERTY TRUST IV, INC.
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June 30, 2012

Liquidation/Listing

If CR IV Advisors or its affiliates provide a substantial amount of services (as determined by a majority of the Company' s independent directors) in connection with the sale of properties, the Company will pay CR IV Advisors or its affiliate a disposition fee in an amount equal to up to one-half of the brokerage commission paid on the sale of property, not to exceed 1.0% of the contract price of the property sold; provided, however, in no event may the disposition fee paid to CR IV Advisors or its affiliates, when added to the real estate commissions paid to unaffiliated third parties, exceed the lesser of the customary competitive real estate commission or an amount equal to 6.0% of the contract sales price.

If the Company is sold or its assets are liquidated, CR IV Advisors will be entitled to receive a subordinated performance fee equal to 15.0% of the net sale proceeds remaining after investors have received a return of their net capital invested and an 8.0% annual cumulative, non-compounded return. Alternatively, if the Company' s shares are listed on a national securities exchange, CR IV Advisors will be entitled to a subordinated performance fee equal to 15.0% of the amount by which the market value of the Company' s outstanding stock plus all distributions paid by the Company prior to listing, exceeds the sum of the total amount of capital raised from investors and the amount of distributions necessary to generate an 8.0% annual cumulative, non-compounded return to investors. As an additional alternative, upon termination of the advisory agreement, CR IV Advisors may be entitled to a subordinated performance fee similar to that to which CR IV Advisors would have been entitled had the portfolio been liquidated (based on an independent appraised value of the portfolio) on the date of termination.

During the six months ended June 30, 2012, no commissions or fees were incurred for any such services provided by CR IV Advisors and its affiliates related to the services described above.

Due to Affiliates

As of June 30, 2012, $130,000 had been incurred primarily for operating and acquisition expenses, by CR IV Advisors or its affiliates, but had not yet been reimbursed by the Company and were included in due to affiliates on the condensed consolidated unaudited balance sheets.

Transactions

During the six months ended June 30, 2012, the Company acquired 100% of the membership interests in two commercial properties from Series C for an aggregate purchase price of $4.3 million. A majority of the Company' s board of directors (including a majority of the Company' s independent directors) not otherwise interested in the transactions approved the acquisitions as being fair and reasonable to the Company and determined that the cost to the Company of each property was equal to the cost of the respective property to Series C (including acquisition related expenses). In addition, the purchase price of each property, exclusive of closing costs, was not in excess of the current appraised value of the respective property as determined by an independent third party appraiser.

In connection with the real estate assets acquired from Series C during the six months ended June 30, 2012, the Company entered into the Series C Loan. Refer to Note 5 to these condensed consolidated unaudited financial statements in this prospectus for the terms of the Series C Loan. The Series C Loan was repaid in full during the six months ended June 30, 2012, with gross offering proceeds. The Company paid $39,000 of interest to CR IV Advisors related to the Series C Loan during the three and six months ended June 30, 2012.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
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NOTE 8 − ECONOMIC DEPENDENCY

Under various agreements, the Company has engaged or will engage CR IV Advisors and its affiliates to provide certain services that are essential to the Company, including asset management services, supervision of the management and leasing of properties owned by the Company, asset acquisition and disposition decisions, the sale of shares of the Company' s common stock available for issuance, as well as other administrative responsibilities for the Company including accounting services and investor relations. As a result of these relationships, the Company is dependent upon CR IV Advisors and its affiliates. In the event that these companies are unable to provide the Company with these services, the Company would be required to find alternative providers of these services.

NOTE 9 − OPERATING LEASES

The Company' s real estate properties are leased to tenants under operating leases for which the terms and expirations vary. As of June 30, 2012, the leases have a weighted-average remaining term of 16.0 years. The leases may have provisions to extend the lease agreements, options for early termination after paying a specified penalty, rights of first refusal to purchase the property at competitive market rates, and other terms and conditions as negotiated. The Company retains substantially all of the risks and benefits of ownership of the real estate assets leased to tenants. As of June 30, 2012, the future minimum rental income from the Company' s investment in real estate assets under non-cancelable operating leases, assuming no exercise of renewal options, is as follows:

	Future Minimum Rental Income
July 1, 2012 through December 31, 2012	$ 2,312,703
2013	4,625,405
2014	4,625,405
2015	4,586,080
2016	4,573,908
2017	4,459,102
Thereafter	48,641,993
	$ 73,824,596

NOTE 10 − SUBSEQUENT EVENTS

Status of the Offering

As of August 9, 2012, the Company had received $86.2 million in gross offering proceeds through the issuance of approximately 8.6 million shares of its common stock in the Offering (including shares issued pursuant to the DRIP).

Amended Credit Facility

Subsequent to June 30, 2012, the Company entered into the Amended Credit Facility, which increased the maximum allowable borrowings to $250.0 million. Also subsequent to June 30, 2012, the Amended Borrowing Base was increased to $41.5 million and $17.7 million was repaid under the Amended Credit Facility. As of August 9, 2012, the Company had $10.0 million outstanding under the Amended Credit Facility. Refer to Note 5

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to these condensed consolidated unaudited financial statements in this prospectus for the terms of the Amended Credit Facility.

Investment in Real Estate Assets

Subsequent to June 30, 2012, the Company acquired one commercial real estate property for an aggregate purchase price of $1.6 million. The acquisition was funded with net proceeds of the Offering. Acquisition related expenses totaling $98,000 were expensed as incurred.

SUMMARY FINANCIAL DATA
ADVANCE AUTO PARTS, INC.

We have acquired a single-tenant retail building located in North Ridgeville, Ohio (the AA North Ridgeville Property), which is leased to a wholly-owned subsidiary of Advance Auto Parts, Inc. (Advance Auto):

Property Location	Date Acquired	Year Built	Purchase Price	Square Feet
North Ridgeville, OH	April 13, 2012	2008	$1,673,000	6,000

In evaluating the AA North Ridgeville Property as a potential acquisition, including the determination of the appropriate purchase price for the AA North Ridgeville Property, the Company considered a variety of factors, including the condition and financial performance of the property; the terms of the existing lease and the creditworthiness of the tenant; property location, visibility and access; age of the property, physical condition and curb appeal; neighboring property uses; local market conditions, including vacancy rates; area demographics, including trade area population and average household income; and neighborhood growth patterns and economic conditions. After reasonable inquiry, the Company is not aware of any material factors relating to the AA North Ridgeville Property that would cause the reported financial information not to be indicative of future operating results.

Because the AA North Ridgeville Property is 100% leased to a single tenant on a long-term basis under a net lease whereby substantially all of the operating costs are the responsibility of the tenant, the Company believes that the financial condition and results of operations of the tenant are more relevant to investors than the financial statements of the AA North Ridgeville Property, and enable investors to evaluate the creditworthiness of the lessee. Additionally, because the AA North Ridgeville Property is subject to a net lease, the historical property financial statements provide limited information other than rental income. As a result, pursuant to the guidance provided by the SEC, we have provided summarized consolidated financial information of the lessee of the acquired property.

Advance Auto currently files its financial statements in reports filed with the SEC, and the following summary financial data regarding Advance Auto are taken from its previously filed public reports (dollar amounts in thousands):

	For the Sixteen Week Period Ended	For the Fiscal Year Ended		
	April 21, 2012	December 31, 2011	January 1, 2011	January 2, 2010
Consolidated Statements of Operations:				
Net sales	$ 1,957,292	$ 6,170,462	$ 5,925,203	$ 5,412,623
Earnings before income taxes	215,212	633,236	557,055	431,655
Net earnings	133,506	394,682	346,053	270,373

	As of	As of the Fiscal Year Ended		
	April 21, 2012	December 31, 2011	January 1, 2011	January 2, 2010
Consolidated Balance Sheets:				
Total assets	$ 4,045,112	$ 3,655,754	$ 3,354,217	$ 3,072,963
Long-term debt	599,841	415,136	300,851	202,927
Stockholders' equity	978,649	847,914	1,039,374	1,282,365

For more detailed financial information regarding Advance Auto, please refer to its financial statements and other public filings, which are publicly available on the SEC' s web site, *http://www.sec.gov*.

SUMMARY FINANCIAL DATA
PETSMART, INC.

We have acquired a single-tenant retail building located in Wilkesboro, North Carolina (the PM Wilkesboro Property), which is leased to PetSmart, Inc. (PetSmart):

Property Location	Date Acquired	Year Built	Purchase Price	Square Feet
Wilkesboro, NC	April 13, 2012	2011	$2,650,000	12,259

In evaluating the PM Wilkesboro Property as a potential acquisition, including the determination of the appropriate purchase price for the PM Wilkesboro Property, the Company considered a variety of factors, including the condition and financial performance of the property; the terms of the existing leases and the creditworthiness of the tenant; property location, visibility and access; age of the property, physical condition and curb appeal; neighboring property uses; local market conditions, including vacancy rates; area demographics, including trade area population and average household income; and neighborhood growth patterns and economic conditions. After reasonable inquiry, the Company is not aware of any material factors relating to the PM Wilkesboro Property that would cause the reported financial information not to be indicative of future operating results.

Because the PM Wilkesboro Property is 100% leased to a single tenant on a long-term basis under a net lease whereby substantially all of the operating costs are the responsibility of the tenant, the Company believes that the financial condition and results of operations of the tenant are more relevant to investors than the financial statements of the PM Wilkesboro Property, and enable investors to evaluate the creditworthiness of the lessee. Additionally, because the PM Wilkesboro Property is subject to a net lease, the historical property financial statements provide limited information other than rental income. As a result, pursuant to the guidance provided by the SEC, we have provided summarized consolidated financial information of the lessee of the acquired property.

PetSmart currently files its financial statements in reports filed with the SEC, and the following summary financial data regarding PetSmart are taken from its previously filed public reports (dollar amounts in thousands):

	For the Thirteen Weeks Ended April 29, 2012	For the Fiscal Year Ended		
		January 29, 2012	January 30, 2011	January 31, 2010
Consolidated Statements of Operations:				
Net sales	$1,629,893	$ 6,113,304	$ 5,693,797	$ 5,336,392
Income before income taxes	142,855	457,203	380,263	315,879
Net income	94,683	290,243	239,867	198,325

	As of April 29, 2012	As of the Fiscal Year Ended		
		January 29, 2012	January 30, 2011	January 31, 2010
Consolidated Balance Sheets:				
Total assets	$2,466,400	$ 2,544,084	$ 2,470,220	$ 2,461,986
Long-term debt	496,004	505,273	521,552	553,635
Stockholders' equity	1,099,476	1,153,829	1,170,642	1,172,715

For more detailed financial information regarding PetSmart, please refer to its financial statements and other public filings, which are publicly available on the SEC' s web site, *http://www.sec.gov*.

SUMMARY FINANCIAL DATA
NORDSTROM, INC.

We have acquired a single-tenant retail building located in Tampa, Florida (the NR Tampa Property), which is leased to Nordstrom, Inc. (Nordstrom):

Property Location	Date Acquired	Year Built	Purchase Price	Square Feet
Tampa, FL	April 16, 2011	2010	$11,998,039	44,925

In evaluating the NR Tampa Property as a potential acquisition, including the determination of the appropriate purchase price for the NR Tampa Property, the Company considered a variety of factors, including the condition and financial performance of the property; the terms of the existing leases and the creditworthiness of the tenant; property location, visibility and access; age of the property, physical condition and curb appeal; neighboring property uses; local market conditions, including vacancy rates; area demographics, including trade area population and average household income; and neighborhood growth patterns and economic conditions. After reasonable inquiry, the Company is not aware of any material factors relating to the NR Tampa Property that would cause the reported financial information not to be indicative of future operating results.

Because the NR Tampa Property is 100% leased to a single tenant on a long-term basis under a net lease whereby substantially all of the operating costs are the responsibility of the tenant, the Company believes that the financial condition and results of operations of the tenant are more relevant to investors than the financial statements of the NR Tampa Property, and enable investors to evaluate the creditworthiness of the lessee. Additionally, because the NR Tampa Property is subject to a net lease, the historical property financial statements provide limited information other than rental income. As a result, pursuant to the guidance provided by the SEC, we have provided summarized consolidated financial information of the lessee of the acquired property.

Nordstrom currently files its financial statements in reports filed with the SEC, and the following summary financial data regarding Nordstrom are taken from its previously filed public reports (dollar amounts in millions):

	For the Three Months Ended	For the Fiscal Year Ended		
	April 28, 2012	January 28, 2012	January 29, 2011	January 30, 2010
Consolidated Statements of Operations:				
Net sales	$ 2,535	$ 10,497	$ 9,310	$ 8,258
Income before income taxes	240	1,119	991	696
Net income	149	683	613	441

	As of April 28,	As of the Fiscal Year Ended		
	2012	January 28, 2012	January 29, 2011	January 30, 2010
Consolidated Balance Sheets:				
Total assets	$ 8,258	$ 8,491	$ 7,462	$ 6,579
Long-term debt	3,137	3,141	2,775	2,257
Stockholders' equity	2,083	1,956	2,021	1,572

For more detailed financial information regarding Nordstrom, please refer to its financial statements and other public filings, which are publicly available on the SEC' s web site, *http://www.sec.gov*.

SUMMARY FINANCIAL DATA
WALGREEN CO.

We have acquired four single-tenant retail buildings located in Blair, Nebraska (the WG Blair Property), Suffolk, Virginia (the WG Suffolk Property), Springville, Illinois (the WG Springville Property) and Montgomery, Alabama (the WG Montgomery Property and, collectively with the WG Blair Property, the WG Suffolk Property and the WG Springville Property, the Walgreens Properties), which are leased to Walgreen Co. (Walgreens):

Property Location	Date Acquired	Year Built	Purchase Price	Square Feet
Blair, NE	April 18, 2012	2008	$4,242,424	14,820
Suffolk, VA	May 14, 2012	2007	4,925,000	14,820
Springville, IL	May 14, 2012	2007	5,223,000	14,820
Montgomery, AL	May 14, 2012	2006	4,477,000	14,820
			$18,867,424	

In evaluating the Walgreens Properties as potential acquisitions, including the determination of the appropriate purchase price for each of the Walgreens Properties, the Company considered a variety of factors, including the condition and financial performance of each property; the terms of the existing leases and the creditworthiness of the tenant; property location, visibility and access; age of each property, physical condition and curb appeal; neighboring property uses; local market conditions, including vacancy rates; area demographics, including trade area population and average household income; and neighborhood growth patterns and economic conditions. After reasonable inquiry, the Company is not aware of any material factors relating to the Walgreens Properties that would cause the reported financial information not to be indicative of future operating results.

Because the Walgreens Properties are 100% leased to a single tenant on a long-term basis under a net lease whereby substantially all of the operating costs are the responsibility of the tenant, the Company believes that the financial condition and results of operations of the tenant are more relevant to investors than the financial statements of the Walgreens Properties, and enable investors to evaluate the creditworthiness of the lessee. Additionally, because the Walgreens Properties are subject to a net lease, the historical property financial statements provide limited information other than rental income. As a result, pursuant to the guidance provided by the SEC, we have provided summarized consolidated financial information of the lessee of the acquired properties.

Walgreens currently files its financial statements in reports filed with the SEC, and the following summary financial data regarding Walgreens are taken from its previously filed public reports (dollar amounts in millions):

	For the Six Months Ended February 29, 2012	For the Fiscal Year Ended August 31, 2011	August 31, 2010	August 31, 2009
Consolidated Statements of Operations:				
Net sales	$ 36,808	$ 72,184	$ 67,420	$ 63,335
Earnings before income tax provision	1,971	4,294	3,373	3,164
Net earnings	1,237	2,714	2,091	2,006

	As of February 29, 2012	As of the Fiscal Year Ended August 31, 2011	August 31, 2010	August 31, 2009
Consolidated Balance Sheets:				
Total assets	$ 26,622	$ 27,454	$ 26,275	$ 25,142
Long-term debt	2,381	2,396	2,389	2,336
Total shareholders' equity	14,816	14,847	14,400	14,376

For more detailed financial information regarding Walgreens, please refer to its financial statements and other public filings, which are publicly available on the SEC' s web site, *http://www.sec.gov*.

SUMMARY FINANCIAL DATA
CVS CAREMARK CORPORATION

We have acquired three single-tenant retail buildings located in Corpus Christi, Texas (the CV Corpus Christi Property), Charleston, South Carolina (the CV Charleston Property) and Asheville, North Carolina (the CV Asheville Property and, collectively with the CV Corpus Christi Property and the CV Charleston Property, the CVS Properties), which are guaranteed by CVS Caremark Corporation (CVS):

Property Location	Date Acquired	Year Built	Purchase Price	Square Feet
Corpus Christi, TX	April 19, 2012	1998	$3,400,000	11,306
Charleston, SC	April 26, 2012	1998	2,137,778	10,125
Asheville, NC	April 26, 2012	1998	2,365,249	10,125
			$7,903,027	

In evaluating the CVS Properties as potential acquisitions, including the determination of the appropriate purchase price for each of the CVS Properties, the Company considered a variety of factors, including the condition and financial performance of each property; the terms of the existing leases and the creditworthiness of the tenant; property location, visibility and access; age of each property, physical condition and curb appeal; neighboring property uses; local market conditions, including vacancy rates; area demographics, including trade area population and average household income; and neighborhood growth patterns and economic conditions. After reasonable inquiry, the Company is not aware of any material factors relating to the CVS Properties that would cause the reported financial information not to be indicative of future operating results.

Because the CVS Properties are 100% leased to a single tenant on a long-term basis under a net lease whereby substantially all of the operating costs are the responsibility of the tenant, the Company believes that the financial condition and results of operations of the tenant are more relevant to investors than the financial statements of the CVS Properties, and enable investors to evaluate the creditworthiness of the lessee. Additionally, because the CVS Properties are subject to a net lease, the historical property financial statements provide limited information other than rental income. As a result, pursuant to the guidance provided by the SEC, we have provided summarized consolidated financial information of the guarantor of the acquired properties.

CVS currently files its financial statements in reports filed with the SEC, and the following summary financial data regarding CVS are taken from its previously filed public reports (dollar amounts in millions):

	For the Three Months Ended March 31, 2012	For the Fiscal Year Ended December 31, 2011	December 31, 2010	December 31, 2009
Consolidated Statements of Operations:				
Net revenues	$ 30,798	$ 107,100	$ 95,778	$ 98,215
Income before income tax provision	1,272	5,715	5,603	5,896
Net income	775	3,457	3,424	3,696

	As of March 31, 2012	As of the Fiscal Year Ended December 31, 2011	December 31, 2010	December 31, 2009
Consolidated Balance Sheets:				
Total assets	$ 66,006	$ 64,543	$ 62,169	$ 61,641
Long-term debt	9,206	9,208	8,652	8,756
Shareholders' equity	38,053	38,051	37,700	35,768

For more detailed financial information regarding CVS, please refer to its financial statements and other public filings, which are publicly available on the SEC' s web site, *http://www.sec.gov*.

COLE CREDIT PROPERTY TRUST IV, INC.
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
March 31, 2012
(Unaudited)

The following unaudited Pro Forma Condensed Consolidated Balance Sheet is presented as if the Company had acquired the AA North Ridgeville Property, the PM Wilkesboro Property, the NR Tampa Property, the Walgreens Properties and the CVS Properties (collectively, the Pro Forma Properties) on March 31, 2012.

This Pro Forma Condensed Consolidated Balance Sheet should be read in conjunction with the Company' s historical financial statements and notes thereto for the quarter ended March 31, 2012, as contained in our Quarterly Report on Form 10-Q filed on May 15, 2012. The Pro Forma Condensed Consolidated Balance Sheet is unaudited and is not necessarily indicative of what the actual financial position would have been had the Company completed the above acquisitions on March 31, 2012, nor does it purport to represent its future financial position. This Pro Forma Condensed Consolidated Balance Sheet only includes the significant property acquisitions pursuant to SEC Rule 3-14 of Regulation S-X.

	March 31, 2012 As Reported (a)	Acquisition Pro Forma Adjustments		Pro Forma March 31, 2012
Investment in real estate assets:				
Land	$–	$ 10,197,566	(b)	$10,197,566
Buildings and improvements	–	27,618,583	(b)	27,618,583
Acquired intangible lease assets	–	6,613,755	(b)	6,613,755
Total investment in real estate assets	–	44,429,904		44,429,904
Cash and cash equivalents	198,874	–		198,874
Restricted cash	975,950	–		975,950
Deferred financing costs	–	581,566	(e)	581,566
Total assets	$1,174,824	$ 45,011,470		$46,186,294
Credit facility	$–	$ 29,743,324	(c)	$29,743,324
Line of credit with affiliate	–	8,700,000	(d)	8,700,000
Accrued expenses	34,062	–		34,062
Escrowed investor proceeds	975,950	–		975,950
Acquired below market lease intangibles	–	1,338,413	(b)	1,338,413
Total liabilities	1,010,012	39,781,737		40,791,749
Preferred stock, $0.01 par value; 10,000,000 shares authorized, none issued and outstanding	–	–		–
Common stock, $0.01 par value; 490,000,000 shares authorized, 20,000 and 734,074 shares issued and outstanding, respectively	200	7,141	(f)	7,341
Capital in excess of par value	199,800	6,490,930	(f)	6,690,730
Accumulated deficit	(35,188)	(1,268,338)	(g)	(1,303,526)
Total stockholders' equity	164,812	5,229,733		5,394,545
Total liabilities and stockholders' equity	$1,174,824	$ 45,011,470		$46,186,294

See accompanying Notes to Pro Forma Condensed Consolidated Financial Statements (Unaudited).

COLE CREDIT PROPERTY TRUST IV, INC.
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
For the Three Months Ended March 31, 2012
(Unaudited)

The following unaudited Pro Forma Condensed Consolidated Statement of Operations is presented as if the Company had acquired the Pro Forma Properties on January 1, 2011.

This Pro Forma Condensed Consolidated Unaudited Statement of Operations should be read in conjunction with the Company' s historical financial statements and notes thereto for its quarter ended March 31, 2012, included in the Company' s Quarterly Report on Form 10-Q filed on May 15, 2012. This Pro Forma Condensed Consolidated Unaudited Statement of Operations is not necessarily indicative of what actual results of operations would have been had the Company completed the above acquisitions on January 1, 2011, nor does it purport to represent its future operations. This Pro Forma Condensed Consolidated Unaudited Statement of Operations only includes the significant property acquisitions pursuant to SEC Rule 3-14 of Regulation S-X.

	For the Three Months Ended March 31, 2012 As Reported (a)	Acquisition Pro Forma Adjustments (b)	Pro Forma for the Three Months Ended March 31, 2012
Revenues:			
Rental income	$ –	$ 775,904 (c)	$ 775,904
Tenant reimbursement income	–	26,048 (d)	26,048
Total revenues	–	801,952	801,952
Expenses:			
General and administrative	35,188	133,161 (e)	168,349
Property operating expenses	–	26,048 (f)	26,048
Advisory fee	–	80,797 (g)	80,797
Depreciation	–	188,082 (h)	188,082
Amortization	–	124,221 (h)	124,221
Total operating expenses	35,188	552,309	587,497
Operating (loss) income	(35,188)	249,643	214,455
Other expense:			
Interest expense	–	(345,619)(i)	(345,619)
Total other expense	–	(345,619)	(345,619)
Net loss	$ (35,188)	$(95,976)	$ (131,164)
Weighted average number of common shares outstanding:			
Basic and diluted	20,000	714,074 (j)	734,074
Net loss per common share:			
Basic and diluted	$ (1.76)		$ (0.18)

See accompanying Notes to Pro Forma Condensed Consolidated Financial Statements (Unaudited).

COLE CREDIT PROPERTY TRUST IV, INC.
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended
December 31, 2011
(Unaudited)

The following unaudited Pro Forma Condensed Consolidated Statement of Operations is presented as if the Company had acquired the Pro Forma Properties on January 1, 2011.

This Pro Forma Condensed Consolidated Unaudited Statement of Operations should be read in conjunction with the Company' s historical financial statements and notes thereto for its quarter ended March 31, 2012, included in the Company' s Quarterly Report on Form 10-Q filed on May 15, 2012. This Pro Forma Condensed Consolidated Unaudited Statement of Operations is not necessarily indicative of what actual results of operations would have been had the Company completed the above acquisitions on January 1, 2011, nor does it purport to represent its future operations. This Pro Forma Condensed Consolidated Unaudited Statement of Operations only includes the significant property acquisitions pursuant to SEC Rule 3-14 of Regulation S-X.

	For the Year Ended December 31, 2011 (a)	Acquisition Pro Forma Adjustments (b)		Pro Forma for the Year Ended December 31, 2011
Revenues:				
Rental income	$ –	$3,103,615	(c)	$ 3,103,615
Tenant reimbursement income	–	104,192	(d)	104,192
Total revenues	–	3,207,807		3,207,807
Expenses:				
General and administrative	–	586,893	(e)	586,893
Property operating expenses	–	104,192	(f)	104,192
Advisory fee	–	323,186	(g)	323,186
Depreciation	–	752,330	(h)	752,330
Amortization	–	496,885	(h)	496,885
Total operating expenses	–	2,263,486		2,263,486
Operating income	–	944,321		944,321
Other expense:				
Interest expense	–	(1,433,040)	(i)	(1,433,040)
Total other expense	–	(1,433,040)		(1,433,040)
Net loss	$ –	$(488,719)		$ (488,719)
Weighted average number of common shares outstanding:				
Basic and diluted	20,000	714,074	(j)	734,074
Net loss per common share:				
Basic and diluted	$ –			$ (0.67)

See accompanying Notes to Pro Forma Condensed Consolidated Financial Statements (Unaudited).

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012
(Unaudited)

Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet as of March 31, 2012

a. Reflects the Company' s historical balance sheet as of March 31, 2012.

b. Reflects the preliminary purchase price allocations incurred related to the acquisition of the Pro Forma Properties.

c. Represents the Company' s borrowings incurred on the Credit Facility, to finance the purchase of the Pro Forma Properties. The Credit Facility provides for up to $50.0 million of borrowings pursuant to a credit agreement. The Credit Facility will bear interest at rates depending on the type of loan specified, which at the time of acquisition was 2.95% for Eurodollar rate loans and 4.95% for floating rate loans.

d. Represents the Company' s borrowings incurred on the Series C Loan, to finance the purchase of the Pro Forma Properties. The Series C Loan provides for up to $10.0 million of available borrowings and bears a fixed interest rate of 4.5%.

e. Represents the Company' s related loan costs incurred on the Credit Facility and Series C Loan to finance the purchase of the Pro Forma Properties.

f. Represents the issuance of common shares required to generate sufficient offering proceeds to fund the purchase of the Pro Forma Properties, as the Company had insufficient capital at March 31, 2012 to acquire the Pro Forma Properties which are included in the pro forma balance sheet.

g. Adjustment reflects the expensing of acquisition-related costs as required under GAAP. The amount represents costs incurred to complete the Pro Forma Properties, including title, legal, accounting and other related costs.

Notes to Unaudited Pro Forma Condensed Consolidated Statement of Operations for the Three Months Ended March 31, 2012

a. Reflects the Company' s historical results of operations for the three months ended March 31, 2012.

b. In connection with the purchase of the Pro Forma Properties, the Company incurred $1.3 million of acquisition related transaction costs, which have been excluded from the Pro Forma results of operations for the three months ended March 31, 2012, as these amounts represent non-recurring charges.

c. Represents the straight-line rental revenue and amortization of the below market leases in accordance with the respective lease agreements for the Pro Forma Properties.

d. Reflects the tenant reimbursement income for the Pro Forma Properties based on historical operating results of each property.

e. Reflects management' s estimate of the general and administrative expenses for the Pro Forma Properties based on the Company' s historical results.

f. Reflects the property operating expenses for the Pro Forma Properties based on historical operating results of each property.

g. Reflects the advisory fee, calculated based on an annual rate of 0.75% of the Company' s average invested assets, payable to the Company' s advisor. The advisory fee was calculated based on the purchase price of the Pro Forma Properties.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS − (Continued)
March 31, 2012
(Unaudited)

h. Represents depreciation and amortization expenses for the Pro Forma Properties. Depreciation and amortization expenses are based on the Company' s preliminary purchase price allocation. All assets are depreciated on a straight-line basis. The estimated useful lives of the Company' s assets by class are generally as follows:

Building and capital improvements	40 years
Tenant improvements	Lesser of useful life or lease term
Intangible lease assets	Lesser of useful life or lease term

i. Represents interest expense and deferred financing cost amortization associated with the borrowings on the Company' s Credit Facility and Series C Loan incurred to finance the acquisition of the Pro Forma Properties.

j. Represents the weighted average common shares required to generate sufficient offering proceeds to fund the purchase of the Pro Forma Properties, because the Company had insufficient capital to acquire the Pro Forma Properties on January 1, 2011, which are included in the pro forma results of operations. The calculation assumes the common shares were issued on January 1, 2011.

Notes to Unaudited Pro Forma Condensed Consolidated Statement of Operations for the Year Ended December 31, 2011

a. Reflects the Company' s historical results of operations for the year ended December 31, 2011.

b. In connection with the purchase of the Pro Forma Properties, the Company incurred $1.3 million of acquisition related transaction costs, which have been excluded from the Pro Forma results of operations for the year ended December 31, 2011, as these amounts represent non-recurring charges.

c. Represents the straight-line rental revenue and amortization of the below market leases in accordance with the respective lease agreements for the Pro Forma Properties.

d. Reflects the tenant reimbursement income for the Pro Forma Properties based on historical operating results of each property.

e. Reflects management' s estimate of the general and administrative expenses for the Pro Forma Properties based on the Company' s historical results.

f. Reflects the property operating expenses for the Pro Forma Properties based on historical operating results of each property.

g. Reflects the advisory fee, calculated based on an annual rate of 0.75% of the Company' s average invested assets, payable to the Company' s advisor. The advisory fee was calculated based on the purchase price of the Pro Forma Properties.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS − (Continued)
March 31, 2012
(Unaudited)

h. Represents depreciation and amortization expenses for the Pro Forma Properties. Depreciation and amortization expenses are based on the Company' s preliminary purchase price allocation. All assets are depreciated on a straight-line basis. The estimated useful lives of the Company' s assets by class are generally as follows:

Building and capital improvements	40 years
Tenant improvements	Lesser of useful life or lease term
Intangible lease assets	Lesser of useful life or lease term

i. Represents interest expense and deferred financing cost amortization associated with the borrowings on the Company' s Credit Facility and Series C Loan incurred to finance the acquisition of the Pro Forma Properties.

j. Represents the weighted average common shares required to generate sufficient offering proceeds to fund the purchase of the Pro Forma Properties, because the Company had insufficient capital to acquire the Pro Forma Properties on January 1, 2011, which are included in the pro forma results of operations. The calculation assumes the common shares were issued on January 1, 2011.

APPE NDIX A

PRIOR PERFORMANCE TABLES

The prior performance tables that follow present certain information regarding certain real estate programs previously sponsored by entities affiliated with our sponsor, Cole Real Estate Investments. The Company has presented all prior programs subject to public reporting requirements ("Prior Public Real Estate Programs") that have similar investment objectives to this offering. In determining which Prior Public Real Estate Programs have similar investment objectives to this offering, the Company considered factors such as the type of real estate acquired by the program, the extent to which the program was designed to provide current income through the payment of cash distributions or to protect and preserve capital contributions, and the extent to which the program seeks to increase the value of the investments made in the program. The information in this section should be read together with the summary information in this prospectus under "Prior Performance Summary."

These tables contain information that may aid a potential investor in evaluating the program presented. However, the information contained in these tables does not relate to the properties held or to be held by us, and the purchase of our shares will not create any ownership interest in the programs included in these tables.

The following tables are included in this section:

Table I − Experience in Raising and Investing Funds;

Table II − Compensation to Sponsor;

Table III − Operating Results of Prior Programs; and

Table V − Sales or Disposals of Properties.

Table IV (Results of Completed Programs) has been omitted since none of the Prior Public Real Estate Programs sponsored by Cole Real Estate Investments have completed their operations and sold all of their properties during the five years ended December 31, 2011.

For information regarding the acquisitions of properties by Prior Public Real Estate Programs sponsored by Cole Real Estate Investments during the three years ended December 31, 2011, see Table VI contained in Part II of our registration statement, which is not a part of this prospectus. We will provide a copy of Table VI to you upon written request and without charge.

Past performance is not necessarily indicative of future results.

TABLE I

EXPERIENCE IN RAISING AND INVESTING FUNDS (UNAUDITED)

This table provides a summary of the experience of the sponsors of Prior Public Real Estate Programs for which offerings have been closed since January 1, 2009. Information is provided with regard to the manner in which the proceeds of the offerings have been applied. Also set forth below is information pertaining to the timing and length of these offerings and the time period over which the proceeds have been invested in the properties. All figures are as of December 31, 2011.

	Cole Credit Property Trust II, Inc.(5)		Cole Credit Property Trust III, Inc.(6)	
Dollar amount offered	$2,270,000,000		$5,227,500,000	
Dollar amount raised	2,222,545,871		3,892,478,547	
Percentage amount raised	100.0	%	100.0	%
Less offering expenses:				
Selling commissions and discounts retained by affiliates	6.1	%	6.7	%
Organizational expenses(1)	0.7	%	1.3	%
Other(2)	1.6	%	1.9	%
Reserves	0.1	%	0.1	%
Percent available for investment	91.5	%	90.0	%
Acquisition costs:(3)				
Prepaid items and fees related to purchase of property	1.1	%	0.5	%
Cash down payment	88.4	%	87.5	%
Acquisition fees(4)	2.0	%	2.0	%
Other	–		–	
Total acquisition cost	91.5	%	90.0	%
Percent leverage	51	%	44	%
Date offering began	6/27/2005		10/15/2008	
Length of offering (in months)	Ongoing		Ongoing	
Months to invest 90% of amount available for investment	40		23	

(1) Organizational expenses include legal, accounting, printing, escrow, filing, recording and other related expenses associated with the formation and original organization of the program.

(2) These amounts include fees paid to our dealer manager, an affiliate of our sponsor.

(3) Acquisition costs expressed as a percentage represent the costs incurred to acquire real estate with the initial capital raised in the respective offerings and do not include the costs incurred to acquire additional real estate with the proceeds from financing transactions and excess working capital.

(4) Acquisition fees include fees paid to the sponsor or its affiliates based upon the terms of the prospectus.

(5) These amounts include Cole Credit Property Trust II, Inc.' s initial, follow-on and distribution reinvestment plan offerings. Cole Credit Property Trust II, Inc. began its initial offering on June 27, 2005 and closed its initial offering on May 22, 2007. The total dollar amount registered and available to be offered in the initial offering was $552.8 million. The total dollar amount raised in the initial offering was $547.4 million. Cole Credit Property Trust II, Inc. began its follow-on offering on May 23, 2007 and closed its follow-on offering on January 2, 2009. The total dollar amount registered and available to be offered in the follow-on offering was $1.5 billion. The total dollar amount raised in the follow-on offering was $1.5 billion. It took Cole Credit Property Trust II, Inc. 40 months to invest 90% of the amount available for investment in its initial and follow-on offerings. Cole Credit Property Trust II, Inc. began its distribution reinvestment plan offering on September 18, 2008 and was currently offering shares under this distribution reinvestment plan offering

Past performance is not necessarily indicative of future results.

TABLE I

EXPERIENCE IN RAISING AND INVESTING FUNDS (UNAUDITED) − (Continued)

as of December 31, 2011. The total initial dollar amount registered and available to be offered in the distribution reinvestment plan offering is $285.0 million. The total dollar amount raised in the distribution reinvestment plan offering was $204.2 million as of December 31, 2011.

(6) These amounts include Cole Credit Property Trust III, Inc.' s initial and follow-on offerings. Cole Credit Property Trust III, Inc. began its initial offering on October 1, 2008 and closed its initial offering on October 1, 2010. The total dollar amount registered and available to be offered in the initial offering was $2.49 billion. The total dollar amount raised in the initial offering was $2.2 billion. Cole Credit Property Trust III, Inc. began its follow-on offering on October 1, 2010. The total dollar amount registered and available to be offered in the follow-on offering was $2.7 billion. The total dollar amount raised in the follow-on offering was $1.7 billion as of December 31, 2011. It took Cole Credit Property Trust III, Inc. 23 months to invest 90% of the amount available for investment in its initial and follow-on offerings.

Past performance is not necessarily indicative of future results.

TABLE II

COMPENSATION TO SPONSOR AND AFFILIATES (UNAUDITED)

This table sets forth the compensation paid to our sponsor and its affiliates, including compensation paid out of the offering proceeds and compensation paid in connection with the ongoing operations of Prior Public Real Estate Programs. Prior Public Real Estate Programs whose offerings have closed since January 1, 2009 are shown separately with amounts as of December 31, 2011. All other Public Real Estate Programs have been aggregated to show compensation paid during such period. Each of the Prior Public Real Estate Programs for which information is presented below has similar investment objectives to this program.

	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust III, Inc.
Date offering commenced	6/27/2005	10/15/2008
Dollar amount raised	$2,222,545,871	$3,892,478,547
Amount paid to sponsor from proceeds of offering:		
Underwriting fees	25,741,562	50,392,069
Acquisition fees and real estate commissions(1)	70,308,375	108,034,147
Advisory fees	–	–
Other(2)	39,496,993	74,680,416
Amount of cash generated from operations before deducting payments to sponsor	531,579,717	234,418,113
Amount paid to sponsor from operations:		
Property management fees	21,244,134	10,842,636
Partnership management fees(3)	34,755,350	29,233,760
Reimbursements	8,971,615	12,869,394
Leasing commissions	546,695	–
Other(4)	125,260	26,829
Amount of property sales and refinancing before deducting payments to sponsor		
Cash(5)	101,160,077	–
Notes	–	–
Amount paid to sponsor from property sales and refinancing		
Incentive fees	–	–
Real estate commissions	382,000	–
Other	–	–

Past performance is not necessarily indicative of future results.

TABLE II

COMPENSATION TO SPONSOR AND AFFILIATES (UNAUDITED) − (Continued)

	3 Other Programs (6)
Date offering commenced	N/A
Dollar amount raised	$23,494,979
Amount paid to sponsor from proceeds of offering:	
Underwriting fees	1,082,121
Acquisition fees and real estate commissions(1)	657,000
Advisory fees	–
Other(2)	204,516
Amount of cash generated from operations before deducting payments to sponsor	21,714,856
Amount paid to sponsor from operations:	
Property management fees	1,429,894
Partnership management fees(3)	–
Reimbursements	–
Leasing commissions	–
Other(4)	–
Amount of property sales and refinancing before deducting payments to sponsor	
Cash(7)	4,544,733
Notes	14,175,000
Amount paid to sponsor from property sales and refinancing	
Incentive fees	–
Real estate commissions	191,000
Other	–

(1) Properties are acquired with a combination of funds from offering proceeds and debt. The acquisition and real estate commissions reported in this table include the total amount of fees paid to the sponsor or its affiliates regardless of the funding source for these costs.

(2) Amounts primarily relate to loan coordination fees, a development fee and reimbursement of certain offering costs paid by the sponsor.

(3) Amounts primarily relate to asset management fees and expenses.

(4) Amounts primarily relate to construction management fees.

(5) Amounts herein include gross proceeds received in connection with the sale of one unconsolidated joint venture of $19.1 million and the sale of marketable securities of $82.1 million.

(6) Three of the offerings of the Prior Public Real Estate programs aggregated herein were not closed within the past three years and therefore are not shown separately. Amounts presented represent aggregate payments to the sponsor in the most recent three years for Cole Credit Property Trust, Inc., Cole Corporate Income Trust, Inc. and Cole Retail Income Strategy (Daily NAV), Inc. The programs have similar investment objectives to this program.

(7) Amounts herein include gross proceeds received in connection with the sale of one property.

Past performance is not necessarily indicative of future results.

TABLE III

ANNUAL OPERATING RESULTS OF PRIOR REAL ESTATE PROGRAMS (UNAUDITED)

The following sets forth the operating results of Prior Public Real Estate Programs sponsored by the sponsor of our program, the offerings of which have been closed since January 1, 2007. The information relates only to public programs with investment objectives similar to this program. All figures are as of December 31 of the year indicated.

	Cole Credit Property Trust II, Inc. June 2005 (Unaudited)				
	2007	**2008**	**2009**	**2010**	**2011**
Gross Revenues	$92,100,308	$202,282,667	$276,026,961	$269,274,321	$279,520,082
Equity in income of unconsolidated joint venture	–	470,978	612,432	964,828	665,645
Profit (loss) on sale of properties	–	–	–	–	20,749,303 (7)
Less:					
Operating expenses(1)	12,662,270	32,191,062	50,986,169	47,170,233	50,693,841
Interest expense	39,075,748	78,063,338	98,996,703	102,976,724	108,185,870
Depreciation and amortization(2)	30,482,273	63,858,422	90,750,170	85,162,219	88,246,266
Impairment of real estate assets	5,400,000	3,550,000	13,500,000	4,500,435	–
Net Income (loss) – GAAP Basis(3)	$4,480,017	$25,090,823	$22,406,351	$30,429,538	$53,809,053
Taxable income					
– from operations(4)	$15,703,828	$42,432,587	$53,168,771	$45,529,029	$47,403,410 (5)
– from gain on sale	–	–	–	–	22,750,362
Cash generated					
– from operations	43,366,041	96,073,918	116,871,698	105,627,000	114,449,000
– from sales	–	–	–	–	100,830,000
– from refinancing	–	–	–	–	–
Cash generated from operations, sales and refinancing	43,366,041	96,073,918	116,871,698	105,627,000	215,279,000
Less: Cash distributions to investors					
– from operating cash flow	37,727,364	96,051,343	116,871,698	105,627,000	114,449,000
– from sales and refinancing	–	–	–	–	11,195,000
– from other(6)	–	–	18,111,554 (8)	23,623,894 (9)	5,359,000 (10)
Cash generated (deficiency) after cash distributions	5,638,677	22,575	(18,111,554)	(23,623,894)	84,276,000
Less: Special items (not including sales and refinancing)	–	–	–	–	–
Cash generated (deficiency) after cash distributions and special items	$5,638,677	$22,575	$(18,111,554)	$(23,623,894)	$84,276,000
Tax and distribution data per $1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
– from operations	$16.80	$21.02	$27.24	$22.03	$25.15
– from recapture	–	–	–	–	–
Capital gain (loss)	–	–	–	–	12.07
Cash distributions to investors					
Source (on a GAAP basis)					
– Investment income	25.00	30.00	26.00	21.90	22.40
– Return of capital	37.00	36.00	41.00	40.50	29.20

– Capital gain	–	–	–	–	10.90	
Source (on a cash basis)						
– Sales	–	–	–	–	5.34	
– Refinancing	–	–	–	–	–	
– Operations	62.00	66.00	58.01	50.99	54.60	
– Other(6)	–	–	8.99	11.41	2.56	
Amount (in percentage terms) remaining invested in program properties at the end of the last year reported in the table					100	%

Past performance is not necessarily indicative of future results.

TABLE III

ANNUAL OPERATING RESULTS OF PRIOR REAL ESTATE PROGRAMS (UNAUDITED) − (Continued)

	Cole Credit Property Trust III, Inc. October 2008 (Unaudited)			
	2008	2009	2010	2011
Gross Revenues	$3,621	$23,503,760	$144,833,874	$366,649,708
Equity in income of unconsolidated joint venture	−	−	(206,200)	1,474,801
Profit (loss) on sale of properties	−	−	−	−
Less:				
Operating expenses(1)	104,769	23,312,360	85,592,289	128,596,358
Interest expense	−	2,538,176	26,311,592	87,436,309
Depreciation and amortization(2)	−	5,474,070	39,326,534	106,322,593
Net (loss) income including noncontrolling interest	(101,148)	(7,820,846)	(6,602,741)	45,769,249
Net (loss) income allocated to noncontrolling interest	−	−	(309,976)	474,501
Net (loss) income attributable to company − GAAP Basis(3)	$(101,148)	$(7,820,846)	$(6,602,741)	$45,294,748
Taxable income				
− from operations(4)	$(101,148)	$(7,820,846)	$60,372,811	$121,091,397(5)
− from gain on sale	−	−	−	−
Cash generated				
− from operations	(27,507)	74,038	35,790,000	145,681,000
− from sales	−	−	−	−
− from refinancing	−	−	−	−
Cash generated from operations, sales and refinancing	(27,507)	74,038	35,792,000	145,681,000
Less: Cash distributions to investors				
− from operating cash flow	−	74,038	35,792,000	145,681,000
− from sales and refinancing	−	−	−	−
− from other(6)	−	21,689,962 (11)	76,821,000 (12)	49,196,000 (13)
Cash generated (deficiency) after cash distributions	(27,507)	(21,689,962)	(76,821,000)	(49,196,000)
Less: Special items (not including sales and refinancing)	−	−	−	−
Cash generated (deficiency) after cash distributions and special items	$(27,507)	$(21,689,962)	$(76,821,000)	$(49,196,000)
Tax and distribution data per $1,000 invested				
Federal income tax results:				
Ordinary income (loss)				
− from operations	$(505.74)	$(9.02)	$27.86	$36.40
− from recapture	−	−	−	−
Capital gain (loss)	−	−	−	−
Cash distributions to investors				
Source (on a GAAP basis)				
− Investment income	−	30.00	35.00	60.00
− Return of capital	−	24.00	29.00	37.00

Source (on a cash basis)					
− Sales	–	–	–	–	
− Refinancing	–	–	–	–	
− Operations	–	0.18	20.34	72.51	
− Other(6)	–	53.82	43.66	24.29	
Amount (in percentage terms) remaining invested in program properties at the end of the last year reported in the table				100	%

Past performance is not necessarily indicative of future results.

TABLE III

ANNUAL OPERATING RESULTS OF PRIOR REAL ESTATE PROGRAMS (UNAUDITED) − (Continued)

(1) Operating expenses include management fees and expenses paid to affiliates of the advisor for such services as accounting, property supervision, advisory and asset management services.

(2) Depreciation of commercial real property is determined on the straight-line method over an estimated useful life of 40 years. Leasehold interests are amortized over the life of the lease.

(3) Cole Credit Property Trust II, Inc. and Cole Credit Property Trust III, Inc. maintain their books on a GAAP basis of accounting.

(4) Cash generated from operation generally includes net income plus depreciation and amortization plus any decreases in accounts receivable and accrued rental income or increases in accounts payable minus any increases in accounts receivable and accrued rental income or decreases in accounts payable.

(5) Due to the timing of tax return filings, amounts shown represent estimates and may change when tax returns are filed at a future date.

(6) Cash distributions to investors from other sources may include sources such as cash flows in excess of distributions from prior periods, borrowings, and proceeds from the issuance of common stock. We consider the real estate acquisition expenses, which reduce cash flow from operations, to have been funded with proceeds from our ongoing public offering of shares of common stock in the offering because the expenses were incurred to acquire real estate investments

(7) Consists of gain on the sale of securities of $15.6 million and gain on the sale of unconsolidated joint venture interests of $5.2 million.

(8) Consists of proceeds from the offerings of $3.2 million, cash flows from operations in excess of distributions from previous periods of $6.8 million and borrowings of $8.1 million

(9) Consists of return of capital from unconsolidated joint ventures of $1.6 million, proceeds from the offerings of $3.4 million, and borrowings of $18.7 million.

(10) Consists of return of capital from unconsolidated joint ventures of $2.3 million and proceeds from the offerings of $3.0 million.

(11) Consists of proceeds from the issuance of common stock of $18.6 million and borrowings of $3.1 million.

(12) Consists of proceeds from the issuance of common stock of $58.7 million and borrowings of $18.1 million.

(13) Consists of return of capital from the unconsolidated joint ventures of $1.1 million and proceeds from the issuance of common stock of $48.1 million.

Past performance is not necessarily indicative of future results.

TABLE V

SALES OR DISPOSALS OF PROPERTIES (UNAUDITED)

This table provides summary information on the results of sales or disposals of properties since January 1, 2009 by Prior Public Real Estate Programs having similar investment objectives to those of this program. All amounts are through December 31, 2011.

			Selling Price, Net of Closing Costs and GAAP Adjustments					Including Closing and Soft Costs			
Property	Date Acquired	Date of Sale	Cash Received Net of Closing Costs	Mortgage Balance at Time of Sale (1)	Purchase Money Mortgage Taken Back by Program	Adjustments Resulting from Application of GAAP	Total (2)	Original Mortgage Financing	Total Acquisition Cost, Capital Improvements, Closing and Soft Costs (3)	Total	Excess (Deficiency) of Property Operating Cash Receipts Over Cash Expenditures
Cole Credit Property Trust, Inc.											
CarMax											
Merriam, KS	04/04	12/11	$4,544,733	$14,175,000	–	–	$18,719,733(4)	$14,175,000	$ 5,237,436	$19,412,436	$ 4,262,437
Cole Credit Property Trust II, Inc.											
LBUBS											
2007-C2 AJ	09/08	05/11	29,282,000	–	–	–	29,282,000(5)	–	26,921,503	26,921,503	5,215,399
JPMCC											
2008-C2 A3	10/08	04/11	18,583,428	–	–	–	18,583,428(5)	–	15,402,491	15,402,491	2,884,531
GCCFC 2007											
GG11 AJ	11/08	05/11	8,675,000	–	–	–	8,675,000 (5)	–	5,119,125	5,119,125	1,501,086
BSCMS											
2007-GG11											
T28 AM	11/08	05/11	5,314,075	–	–	–	5,314,075 (5)	–	2,586,098	2,586,098	731,398
BSCMS											
2005-T20 AJ	01/09	03/11	6,001,875	–	–	–	6,001,875 (5)	–	2,547,450	2,547,450	695,554
BSCMS											
2005-PW10											
AM	01/09	03/11	14,203,700	–	–	–	14,203,700(5)	–	7,947,177	7,947,177	1,619,721
Cole/Spensa MS											
Portfolio											
AZ, LLC	04/09	09/11	18,769,000	–	–	–	18,769,000(6)	–	16,758,494	16,758,494	2,062,493 (7)

(1) Mortgage balance represents face amount and does not represent discounted current value.

(2) None of the amounts are being reported for tax purposes on the installment basis.

(3) The amounts shown do not include a pro rata share of the original offering costs. There were no carried interest received in lieu of commissions in connection with the acquisition of the property.

(4) Cole Credit Property Trust, Inc. recorded a taxable gain of $2.1 million related to the property sale, all of which was a capital gain.

(5) Cole Credit Property Trust II, Inc. recorded a taxable gain of $21.5 million related to the sale of six CMBS bonds, all of which was a capital gain.

(6) Cole Credit Property Trust II, Inc. recorded a taxable gain of $1.2 million related to the unconsolidated joint venture sale, all of which was a capital gain.

(7) This sale represents the disposition of a ten property self-storage portfolio that was owned by Cole Credit Property Trust II, Inc., through an unconsolidated joint venture. Amount included herein represents the distribution payments from the joint venture to Cole Credit Property Trust II, Inc.

Past performance is not necessarily indicative of future results.

APPENDIX B
NOT FOR USE IN ALABAMA

COLE CREDIT PROPERTY TRUST IV, INC.

INITIAL SUBSCRIPTION AGREEMENT FOR THE PURCHASE OF COMMON STOCK

866.907.2653

A INVESTMENT (a separate Initial Subscription Agreement is required for each initial investment)

Investors should not sign this Initial Subscription Agreement for the offering unless they have received the current final Prospectus.

1. This subscription is in the amount of $_____ ☐ Check if amount is estimated

☐ Initial Subscription (minimum $2,500)

☐ Additional Subscription (minimum $1,000) (complete all sections except for B and D *or* complete the separate simplified Additional Investment Subscription Agreement)

Existing Cole Account #_____

2. Payment will be made with: ☐ Enclosed check ☐ Funds wired ☐ Funds to follow

☐ ACH

_____ ☐ Checking ☐ Savings

Financial Institution

_____ _____

Routing/Transit # Account #

3. For purchases without selling commissions, please designate below, as applicable:

☐ RIA/WRAP Account ☐ Cole Employee, Affiliate, or their Family Member

IF A BOX IS CHECKED, COMMISSIONS WILL NOT BE PAID ON THE PURCHASE.

B TYPE OF REGISTRATION (please complete either section 1 or 2, but not both, and section 3, if applicable)

1. Non-Qualified Registration

☐ Individual (one signature required)

☐ Joint Tenants with Right of Survivorship (all parties must sign)

☐ Community Property (all parties must sign)

☐ Tenants-in-Common (all parties must sign)

☐ Transfer on Death (fill out TOD Form to effect designation)

☐ Uniform Gifts to Minors Act or Uniform Transfer to Minors Act (UGMA/ UTMA adult custodian signature required)

State of _____

Custodian for (minor' s name)_____

☐ Corporate (authorized signature and Corporate Resolution or Cole Corporate Resolution Form required)

☐ S-corp ☐ C-corp (will default to S-corp if nothing is marked)

☐ Partnership (authorized signature and Partnership paperwork or Cole Corporate Resolution Form required)

2. Qualified Registration (make check payable to the Custodian)

☐ Traditional IRA

☐ Roth IRA

☐ Keogh Plan

☐ Simplified Employee Pension/Trust (S.E.P.)

☐ Pension or Profit Sharing Plan (exempt under 401(a))

☐Non-custodial ☐ Custodial

☐ Other (specify)

_____

3. Custodian or Clearing Firm/Platform Information, if applicable (send all paperwork directly to the Custodian or Clearing Firm/Platform)

_____

Name

☐ Limited Liability Company (authorized signature and LLC paperwork or Cole Corporate Resolution Form required)

☐ Taxable Pension or Profit Sharing Plan (authorized signature and Plan paperwork required)

☐ Trust (trustee or grantor signatures and trust documents or Cole Trustee Certification of Investment Power required)

Type of Trust: (Specify i.e., Family, Living, Revocable, etc.)

Name of Trust

Date of Trust Tax ID # (if applicable)

☐ Other (specify)

Street/PO Box

City State Zip

Custodian Tax ID # (provided by Custodian)

Custodian or Clearing Firm/Platform Account #

C REGISTRATION INFORMATION (or Trustees if applicable)

Investor Name	Co-Investor Name (if applicable)
Mailing Address	Mailing Address
City State Zip	City State Zip
Phone Business Phone	Phone Business Phone
Email Address	SSN or Tax ID Date of Birth
SSN or Tax ID Date of Birth	
Street Address (if different from mailing address or mailing address is a PO Box)	
City State Zip	

Volume Discounts

I (we) are making, or previously have made, investments in the following Cole-sponsored programs that are Eligible Programs, as defined in a Cole REIT Prospectus. (You may only include any investments made by the same "purchaser," as defined in the Prospectus.) This information will help determine whether volume discounts may be applicable. All holdings are subject to verification.

Name of Cole Program	Cole Account #	SSN or Tax ID
Name of Cole Program	Cole Account #	SSN or Tax ID

D DISTRIBUTION INSTRUCTIONS (will default to Custodian or Clearing Firm/Platform or Address of Record if nothing is marked)

FOR CUSTODIAL OR CLEARING FIRM/PLATFORM ACCOUNTS:

☐ Custodian or Clearing Firm/Platform of Record

☐ Reinvest pursuant to Distribution Reinvestment Plan

FOR NON-CUSTODIAL OR NON-CLEARING FIRM/PLATFORM ACCOUNTS:

☐ Mail to Address of Record

☐ Reinvest pursuant to Distribution Reinvestment Plan

☐ Direct Deposit

Financial Institution	☐ Checking ☐ Savings
Routing/Transit #	Account #

☐ Check if banking information is same as provided in Section A-2

☐ Mail to Brokerage Account or Third Party

Payee Name	Mailing Address
Account #	City State Zip

By signing this agreement, I authorize Cole Credit Property Trust IV, Inc. (CCPT IV) to deposit distributions into the account specified in Section D, and to debit that account in the amount of any distribution deposited in error. If I withdraw deposits made in error, I authorize CCPT IV to retain future distributions until the erroneous deposits are recovered. This authorization is effective until terminated in writing by either party.

E INVESTOR(S) ACKNOWLEDGEMENTS AND SIGNATURE (Investor(s) must initial each of sections 1-4 and those sections of 5-13 as appropriate)

I (we) (or, in the case of fiduciary accounts, the person authorized to sign on my (our) behalf) hereby acknowledge and/or represent the following:

INVESTOR | CO-INVESTOR

____|____ 1. I (we) have received the final Prospectus, whether over the Internet, on a CD-ROM, paper copies, or any other delivery method, relating to the shares of CCPT IV.

____|____ 2. Excluding home, home furnishings and automobiles, I (we) either: (i) have a net worth of at least $70,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $70,000; or (ii) have a net worth of at least $250,000. In the case of sales to fiduciary accounts, the specific requirements shall be met by the beneficiary, the fiduciary account or by the donor or grantor who directly or indirectly supplies the funds for the purchase of the shares.

____|____ 3. I am (we are) purchasing the shares for my (our) own account, or if I am (we are) purchasing shares on behalf of a trust or other entity of which I am (we are) trustee(s) or authorized agent(s), I (we) have due authority to execute this Initial Subscription Agreement and do hereby legally bind the trust or other entity of which I am (we are) trustee(s) or authorized agent(s).

____|____ 4. I (we) acknowledge that the shares are not liquid.

____|____ 5. For **Arkansas** residents: By signing below, you are not representing that you have read or understood this agreement.

____|____ 6. For **California** residents: I (we) either: (i) have a net worth of at least $75,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $75,000; or (ii) have a net worth of at least $250,000. In addition, my (our) investment in CCPT IV does not exceed ten percent (10%) of my (our) net worth.

____|____ 7. For **Iowa and New Mexico** residents: My (our) aggregate investment in CCPT IV and its affiliates does not exceed ten percent (10%) of my (our) liquid net worth.

____|____ 8. For **Kansas and Massachusetts** residents: I (we) acknowledge that the Kansas and Massachusetts securities regulators recommend that I (we) should invest, in the aggregate, no more than ten percent (10%) of my (our) "liquid net worth" (as defined in the prospectus for Kansas and Massachusetts investors) in CCPT IV and the securities of similar direct participation programs.

____|____ 9. For **Kentucky, Michigan, Oregon, Pennsylvania and Tennessee** residents: My (our) liquid net worth is at least ten (10) times my (our) maximum investment in CCPT IV.

____|____ 10. For **Maine** residents: My (our) investment in CCPT IV and its affiliates does not exceed ten percent (10%) of my (our) net worth.

____|____ 11. For **Nebraska** residents: Excluding home, furnishings and automobiles, I (we) either: (i) have a minimum net worth of $100,000 and an annual income of $70,000, or (ii) have a minimum net worth of $350,000. In addition, my (our) investment in CCPT IV does not exceed ten percent (10%) of my (our) net worth.

____|____ 12. For **North Dakota** residents: My (our) liquid net worth is at least ten (10) times my (our) investment in CCPT IV and its affiliates.

____|____ 13. For **Ohio** residents: My (our) aggregate investment in CCPT IV, its affiliates and other non-traded real estate investment programs does not exceed ten percent (10%) of my (our) "liquid net worth" (as defined in the Prospectus for Ohio investors).

☐ By checking here I confirm I would like to go green and not receive in paper any documents that Cole can send to me electronically. (If you are choosing to go green, please make sure you provide your email address in Section C. If you decide later that you want to receive documents in paper, you can contact Cole Investor Services at 866.907.2653.)

SUBSTITUTE W-9: I HEREBY CERTIFY under penalty of perjury (i) that the taxpayer identification number shown on this Initial Subscription Agreement is true, correct and complete, (ii) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or distributions, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, and (iii) I am a U.S. person.

You should not invest in CCPT IV unless you have read and understood this agreement and the Prospectus referred to above and understand the risks associated with an investment in CCPT IV. In deciding to invest in CCPT IV, you should rely only on the information contained in the Prospectus, and not on any other information or representations from any other person or source. CCPT IV and each person selling shares of CCPT IV common stock shall be responsible for making every reasonable effort to determine that such purchase of shares is a suitable and appropriate investment for each investor, based on the information provided by the prospective investor regarding the investor' s financial situation and investment objectives.

A sale of the shares may not be completed until at least five business days after the date the subscriber receives the final Prospectus. If a subscriber' s subscription is accepted, CCPT IV will send the subscriber confirmation of their purchase after they have been admitted as an investor.

Notice is hereby given to each investor that by executing this agreement you are not waiving any rights you may have under the Securities Act of 1933, as amended, or any state securities laws.

Investor' s Signature	Date	Custodian Signature	Date
Co-Investor' s Signature	Date		

F FINANCIAL ADVISOR INFORMATION (please complete A or B)

A) REGISTERED REPRESENTATIVE (to be completed by selling Registered Representative)

1. _____
Name of Registered Representative

_____
Representative ID #

_____
Mailing Address

_____
City State Zip

_____
Phone Email Address

2. _____
Name of Broker-Dealer

_____
Representative CRD ID #

Have you changed firm affiliation (since last purchase)?
☐ Yes ☐ No

☐ Please check the box if the purchase is being made in the Registered Representative' s or Broker Dealer' s personal account, in the account of one of their immediate family members or in the account of any licensed employee of the Broker-Dealer.

IF THE BOX IS CHECKED, COMMISSIONS WILL NOT BE PAID ON THE PURCHASE.

B) REGISTERED INVESTMENT ADVISOR REPRESENTATIVE (to be completed by selling RIA Representative)

1. _____
Name of Registered Representative

_____
Mailing Address

_____
City State Zip

_____
Phone Email Address

Have you changed firm affiliation (since last purchase)?
☐ Yes ☐ No

2. _____
Name of RIA Office

SEC Registered ☐ Yes ☐ No
State Registered ☐ Yes ☐ No
States Registered_____

_____
RIA IARD ID #

_____
Name of Clearing Firm

_____
Name of Broker-Dealer

G REPRESENTATIVE SIGNATURES

Based on the information I obtained from the investor regarding the investor' s financial situation and investment objectives, I hereby certify to Cole Capital Corporation, Cole Holdings Corporation and Cole Credit Property Trust IV, Inc. that I have reasonable grounds for believing that the purchase of the shares by the investor in Cole Credit Property Trust IV, Inc. is a suitable and appropriate investment for this investor.

_____
Signature of Registered or RIA Representative

_____
Signature of Broker-Dealer or Clearing Firm/Platform

☐ I am completing and signing this application pursuant to a power-of-attorney from the investor. I hereby certify that such power-of-attorney is legally valid and includes within its scope my completion and execution of this application on behalf of the investor.

ONCE COMPLETE, PLEASE
DELIVER THIS FORM TO:

Via Fax:
1.877.616.1118

Via Regular Mail:
CCPT IV
DST Systems, Inc.
P.O. Box 219312
Kansas City, MO 64121-9312

Via Overnight/Express Mail:
CCPT IV
DST Systems, Inc.
430 West 7th Street
Kansas City, MO 64105

APPENDIX C

NOT FOR USE IN ALABAMA

COLE CREDIT PROPERTY TRUST IV, INC.

COLE REAL ESTATE INVESTMENTS

ADDITIONAL SUBSCRIPTION AGREEMENT FOR THE PURCHASE OF COMMON STOCK

866.907.2653

This form may be used by any current investor in Cole Credit Property Trust IV, Inc. (CCPT IV), who desires to purchase additional shares of CCPT IV and who purchased their shares directly from CCPT IV. Investors who acquired shares other than through use of an Initial Subscription Agreement (e.g., through a transfer of ownership or TOD) and who wish to make additional investments must complete the CCPT IV Initial Subscription Agreement.

A INVESTMENT (a completed Additional Subscription Agreement is required for each initial investment)

1. This subscription is in the amount of $_____ (minimum $1,000)

☐ Check if amount is estimated

2. Payment will be made with: ☐ Enclosed check ☐ Funds wired ☐ Funds to follow

☐ ACH

_____ ☐ Checking ☐ Savings

Financial Institution

_____ _____

Routing/Transit # Account #

B REGISTRATION INFORMATION

_____ _____

Existing Cole Account Registration (name of Account) SSN or Tax ID #

_____

Existing Cole Account #

Volume Discounts

I (we) are making, or previously have made, investments in the following Cole-sponsored programs that are Eligible Programs, as defined in a Cole REIT Prospectus. (You may include any investments made by the same "purchaser," as defined in the Prospectus.) This information will help determine whether volume discounts may be applicable. All holdings are subject to verification.

Name of Cole Program	Cole Account #	SSN or Tax ID
Name of Cole Program	Cole Account #	SSN or Tax ID

C INVESTOR(S) SIGNATURES (Investor(s) must initial each of sections 1-4 and those sections of 5-13 as appropriate)

I (we) (or, in the case of fiduciary accounts, the person authorized to sign on my (our) behalf) hereby acknowledge and/or represent the following:

INVESTOR | CO-INVESTOR

____|____ 1. I (we) have received the final Prospectus, whether over the Internet, on a CD-ROM, paper copies, or any other delivery method, relating to the shares of CCPT IV.

____|____ 2. Excluding home, home furnishings and automobiles, I (we) either: (i) have a net worth of at least $70,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $70,000; or (ii) have a net worth of at least $250,000. In the case of sales to fiduciary accounts, the specific requirements shall be met by the beneficiary, the fiduciary account or by the donor or grantor who directly or indirectly supplies the funds for the purchase of the shares.

____|____ 3. I am (we are) purchasing the shares for my (our) own account, or if I am (we are) purchasing shares on behalf of a trust or other entity of which I am (we are) trustee(s) or authorized agent(s), I (we) have due authority to execute this Subscription Agreement and do hereby legally bind the trust or other entity of which I am (we are) trustee(s) or authorized agent(s).

____|____ 4. I (we) acknowledge that the shares are not liquid.

____|____ 5. For **Arkansas** residents: By signing below, you are not representing that you have read or understood this agreement.

____|____ 6. For **California** residents: I (we) either: (ii) have a net worth of at least $75,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $75,000; or (i) have a net worth of at least $250,000. In addition, my (our) investment in CCPT IV does not exceed ten percent (10%) of my (our) net worth.

____|____ 7. For **Iowa and New Mexico** residents: My (our) aggregate investment in CCPT IV and its affiliates does not exceed ten percent (10%) of my (our) liquid net worth.

INVESTOR | CO-INVESTOR

____|____ 8. For **Kansas and Massachusetts** residents: I (we) acknowledge that the Kansas and Massachusetts securities regulators recommend that I (we) should invest, in the aggregate, no more than ten percent (10%) of my (our) "liquid net worth" (as defined in the prospectus for Kansas and Massachusetts investors) in CCPT IV and the securities of similar direct participation programs.

____|____ 9. For **Kentucky, Michigan, Oregon, Pennsylvania and Tennessee** residents: My (our) liquid net worth is at least ten (10) times my (our) maximum investment in CCPT IV.

____|____ 10. For **Maine** residents: My (our) investment in CCPT IV and its affiliates does not exceed ten percent (10%) of my (our) net worth.

____|____ 11. For **Nebraska** residents: Excluding home, furnishings and automobiles, I (we) either: (i) have a minimum net worth of $100,000 and an annual income of $70,000, or (ii) have a minimum net worth of $350,000. In addition, my (our) investment in CCPT IV does not exceed ten percent (10%) of my (our) net worth.

____|____ 12. For **North Dakota** residents: My (our) liquid net worth is at least ten (10) times my (our) investment in CCPT IV and its affiliates.

____|____ 13. For **Ohio** residents: My (our) aggregate investment in CCPT IV, its affiliates and other non-traded real estate investment programs does not exceed ten percent (10%) of my (our) "liquid net worth" (as defined in the Prospectus for Ohio investors).

☐ By checking here I confirm I would like to go green and no longer receive in paper any documents that Cole can send to me electronically. If I decide later that I want to receive documents in paper, I can contact Cole Investor Services at 866.907.2653.

If you are choosing to go green, please provide your email address here: _____

SUBSTITUTE W-9: I HEREBY CERTIFY under penalty of perjury (i) that the taxpayer identification number shown on this Subscription Agreement is true, correct and complete, (ii) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or distributions, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, and (iii) I am a U.S. person.

You should not invest in CCPT IV unless you have read and understood this agreement and the Prospectus referred to above and understand the risks associated with an investment in CCPT IV. In deciding to invest in CCPT IV, you should rely only on the information contained in the Prospectus, and not on any other information or representations from any other person or source. CCPT IV and each person selling shares of CCPT IV common stock shall be responsible for making every reasonable effort to determine that such purchase of shares is a suitable and appropriate investment for each investor, based on the information provided by the prospective investor regarding the investor' s financial situation and investment objectives.

A sale of the shares may not be completed until at least five (5) business days after the date the subscriber receives the final Prospectus. If a subscriber' s subscription is accepted, CCPT IV will send the subscriber confirmation of their purchase after they have been admitted as an investor.

Notice is hereby given to each investor that by executing this agreement you are not waiving any rights you may have under the Securities Act of 1933, as amended, or any state securities laws.

Investor' s Signature	Date	Custodial Signature	Date
Co-Investor' s Signature	Date		

D REGISTERED REPRESENTATIVE (to be completed by selling Registered Representative)

Name of Registered Representative	Rep and Branch ID #

E REGISTERED INVESTMENT ADVISOR (RIA) REPRESENTATIVE (to be completed by selling RIA Representative)

Name of RIA Representative

RIA IARD ID #

F REPRESENTATIVE SIGNATURES

Based on the information I obtained from the investor' s financial situation and investment objectives, I hereby certify to Cole Capital Corporation, Cole Holdings Corporation and CCPT IV that I have reasonable grounds for believing that the purchase of the shares by the investor in CCPT IV is a suitable and appropriate investment for this investor.

Signature of Registered or RIA Representative

Signature of Broker-Dealer or Clearing Firm/Platform

☐ I am completing and signing this application pursuant to a power-of-attorney from the investor. I hereby certify that such power-of-attorney is legally valid and includes within its scope my completion and execution of this application on behalf of the investor.

ONCE COMPLETE, PLEASE DELIVER THIS FORM TO:

Via Fax:
1.877.616.1118

Via Regular Mail:
CCPT IV
DST Systems, Inc.
P.O. Box 219312
Kansas City, MO 64121-9312

Via Overnight/Express Mail:
CCPT IV
DST Systems, Inc.
430 West 7th Street
Kansas City, MO 64105

CCPT IV-AI-AGMT-04(06-12)

APPENDIX D

NOT FOR USE IN ALABAMA, ARKANSAS, PENNSYLVANIA, SOUTH CAROLINA OR TENNESSEE

COLE CREDIT PROPERTY TRUST IV, INC.
COLE CORPORATE INCOME TRUST, INC.

COLE REAL ESTATE INVESTMENTS

INITIAL SUBSCRIPTION AGREEMENT FOR THE PURCHASE OF COMMON STOCK

866.907.2653

A INVESTMENT (an Initial Subscription Agreement is required for all initial investments)

1. This subscription is in the amount(s) and for the Cole Real Estate Investment Trust(s) (Cole REIT(s)) listed below. Investors should not sign this Initial Subscription Agreement for either offering unless they have received the current final Prospectuses for BOTH offerings.

a. $_____ **COLE CREDIT PROPERTY TRUST IV, INC**.

☐ Initial Subscription (Minimum is $2,500)
☐ Additional Subscription (Minimum is $1,000)
Existing Cole Account Number_____
☐ Check if amount is estimated

b. $_____ **COLE CORPORATE INCOME TRUST, INC.**

☐ Initial Subscription (Minimum is $2,500)
☐ Additional Subscription (Minimum is $1,000)
Existing Cole Account Number_____
☐ Check if amount is estimated

2. Payment will be made with: ☐ Enclosed check ☐ Funds wired ☐ Funds to follow ☐ Checking ☐ Savings ☐ ACH

Financial Institution _____ Account # _____

Routing/Transit # _____

3. For purchases without selling commissions, please designate below, as applicable:

☐ RIA/WRAP Account ☐ Cole Employee, Affiliate, or their Family Member

IF A BOX IS CHECKED, COMMISSIONS WILL NOT BE PAID ON THE PURCHASE.

B TYPE OF REGISTRATION (please complete either section 1 or 2, but not both, and section 3, if applicable)

1. Non-Qualified Registration

☐ Individual (one signature required)
☐ Joint Tenants with Right of Survivorship (all parties must sign)
☐ Community Property (all parties must sign)
☐ Tenants-in-Common (all parties must sign)
☐ Transfer on Death (fill out TOD Form to effect designation)
☐ Uniform Gifts to Minors Act or Uniform Transfer to Minors Act
(UGMA/UTMA adult custodian signature required)
State of _____
Custodian for (minor' s name)_____

2. Qualified Registration (make check payable to the Custodian)

☐ Traditional IRA
☐ Roth IRA
☐ Keogh Plan
☐ Simplified Employee Pension/Trust (S.E.P.)
☐ Pension or Profit Sharing Plan (exempt under 401(a))
☐ Non-custodial ☐ Custodial
☐ Other (specify)

_____

☐ Corporate (authorized signature and Corporate Resolution or Cole Corporate Resolution Form required)

☐ S-corp ☐ C-corp (will default to S-corp if nothing is marked)

☐ Partnership (authorized signature and Partnership paperwork or Cole Corporate Resolution Form required)

☐ Limited Liability Company (authorized signature and LLC paperwork or Cole Corporate Resolution Form required)

☐ Taxable Pension or Profit Sharing Plan (authorized signature and Plan paperwork required)

☐ Trust (trustee or grantor signatures and trust documents or Cole Trustee Certification of Investment Power required)

Type of Trust: (Specify i.e., Family, Living, Revocable, etc.)

Name of Trust

Date of Trust Tax ID # (if applicable)

☐ Other (specify)

3. Custodian or Clearing Firm/Platform Information, if applicable (send all paperwork directly to the Custodian or Clearing Firm/ Platform)

Name

Street/PO Box

City State Zip

Custodian Tax ID # (provided by Custodian)

Custodian or Clearing Firm/Platform Account #

C REGISTRATION INFORMATION (or Trustees if applicable)

Investor Name	Co-Investor Name (if applicable)
Mailing Address	Mailing Address
City State Zip	City State Zip
Phone Business Phone	Phone Business Phone
Email Address	SSN or Tax ID Date of Birth
SSN or Tax ID Date of Birth	
Street Address (if different from mailing address or mailing address is a PO Box)	
City State Zip	

☐ By checking here I confirm I would like to go green and not receive in paper any documents that Cole can send to me electronically. (If you are choosing to go green, please make sure you provide your email address in this section. If you decide later that you want to receive documents in paper, you can contact Cole Investor Services at 866.907.2653.)

Volume Discounts

I (we) are making, or previously have made, investments in the following Cole-sponsored programs that are Eligible Programs, as defined in a Cole REIT Prospectus. (You may only include any investments made by the same "purchaser," as defined in the Prospectus.) This information will help determine whether volume discounts may be applicable. All holdings are subject to verification.

Name of Cole Program	Cole Account #	SSN or Tax ID
Name of Cole Program	Cole Account #	SSN or Tax ID

D DISTRIBUTION INSTRUCTIONS (will default to Custodian or Clearing Firm/Platform or Address of Record if nothing is marked)

FOR CUSTODIAL OR CLEARING FIRM/PLATFORM ACCOUNTS:

- ☐ Custodian or Clearing Firm/Platform of Record
- ☐ Reinvest pursuant to Distribution Reinvestment Plan

FOR NON-CUSTODIAL OR NON-CLEARING FIRM/PLATFORM ACCOUNTS:

- ☐ Mail to Address of Record
- ☐ Reinvest pursuant to Distribution Reinvestment Plan
- ☐ Direct Deposit

Financial Institution ☐ Checking ☐ Savings	
Routing/Transit #	Account #

☐ Check if banking information is same as provided in Section A-2

☐ Mail to Brokerage Account or Third Party

Payee Name	Mailing Address
Account #	City State Zip

By signing this agreement, I authorize the applicable Cole REIT to deposit distributions into the account specified in Section D, and to debit that account in the amount of any distribution deposited in error. If I withdraw deposits made in error, I authorize the applicable Cole REIT to retain future distributions until the erroneous deposits are recovered. This authorization is effective until terminated in writing by either party.

E INVESTOR(S) ACKNOWLEDGEMENT AND SIGNATURE (Investor(s) must initial each of sections 1-4 and any other applicable sections)

I (we) (or, in the case of fiduciary accounts, the person authorized to sign on my (our) behalf) hereby acknowledge and/or represent the following: For Investors in Either or Both Offerings:

INVESTOR | CO-INVESTOR

____|____ 1. I (we) have received the final Prospectuses, whether over the Internet, on a CD-ROM, paper copies, or any other delivery method, relating to the shares of Cole Credit Property Trust IV, Inc. (CCPT IV) and Cole Corporate Income Trust, Inc. (CCIT).

____|____ 2. Excluding home, home furnishings and automobiles, I (we) either: (i) have a net worth of at least $70,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $70,000; or (ii) have a net worth of at least $250,000. In the case of sales to fiduciary accounts, the specific requirements shall be met by the beneficiary, the fiduciary account or by the donor or grantor who directly or indirectly supplies the funds for the purchase of the shares.

____|____ 3. I am (we are) purchasing the shares for my (our) own account, or if I am (we are) purchasing shares on behalf of a trust or other entity of which I am (we are) trustee(s) or authorized agent(s), I (we) have due authority to execute this Initial Subscription Agreement and do hereby legally bind the trust or other entity of which I am (we are) trustee(s) or authorized agent(s).

____|____ 4. I (we) acknowledge that the shares are not liquid.

For Investors in Cole Credit Property Trust IV, Inc.

INVESTOR | CO-INVESTOR

____|____ 5. For **California** residents: I (we) either: (i) have a net worth of at least $250,000; or (ii) have a net worth of at least $75,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $75,000. In addition, my (our) investment in CCPT IV does not exceed ten percent (10%) of my (our) net worth.

____|____ 6. For **Iowa and New Mexico** residents: My (our) aggregate investment in CCPT IV and its affiliates does not exceed ten percent (10%) of my (our) liquid net worth.

____|____ 7. For **Kansas and Massachusetts** residents: I (we) acknowledge that the Kansas and Massachusetts securities regulators recommend that I (we) should invest, in the aggregate, no more than ten percent (10%) of my (our) "liquid net worth" (as defined in the Prospectus for Kansas and Massachusetts investors) in CCPT IV and the securities of similar direct participation programs.

____|____ 8. For **Kentucky, Michigan, and Oregon** residents: My (our) liquid net worth is at least ten (10) times my (our) maximum investment in CCPT IV.

____|____ 9. For **Maine** residents: My (our) investment in CCPT IV and its affiliates does not exceed ten percent (10%) of my (our) net worth.

____|____ 10. For **Nebraska** residents: Excluding home, furnishings and automobiles, I (we) either: (i) have a minimum net worth of $100,000 and an annual income of $70,000, or (ii) have a minimum net worth of $350,000. In addition, my (our) investment in CCPT IV does not exceed ten percent (10%) of my (our) net worth.

____|____ 11. For **North Dakota** residents: My (our) liquid net worth is at least ten (10) times my (our) investment in CCPT IV and its affiliates.

____|____ 12. For **Ohio** residents: My (our) aggregate investment in CCPT IV, its affiliates and other non-traded real estate investment programs does not exceed ten percent (10%) of my (our) "liquid net worth" (as defined in the Prospectus for Ohio investors).

For Investors in Cole Corporate Income Trust, Inc.

INVESTOR | CO-INVESTOR

____|____ 5. For **California** residents: I (we) either: (i) have a net worth of at least $250,000; or (ii) have a net worth of at least $75,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $75,000. In addition, my (our) investment in CCIT does not exceed ten percent (10%) of my (our) net worth.

____|____ 6. For **Iowa and Ohio** residents: My (our) investment in CCIT and its affiliates does not exceed ten percent (10%) of my (our) liquid net worth.

____|____ 7. For **Kansas and Massachusetts** residents: I (we) acknowledge that the Kansas and Massachusetts securities regulators recommend that I (we) should invest, in the aggregate, no more than ten percent (10%) of my (our) "liquid net worth" (as defined in the Prospectus for Kansas and Massachusetts investors) in CCIT and the securities of similar direct participation programs.

____|____ 8. For **Kentucky, Michigan, and Oregon** residents: My (our) liquid net worth is at least ten (10) times my (our) maximum investment in CCIT.

____|____ 9. For **Maine** residents: I (we) either: (i) have a net worth of at least $250,000, or (ii) have an annual gross income of at least $70,000 and a minimum net worth of $70,000. In addition, my (our) investment in CCIT and its affiliates does not exceed ten percent (10%) of my (our) net worth.

____|____ 10. For **Nebraska** residents: Excluding home, furnishings and automobiles, I (we) either: (i) have a minimum net worth of $100,000 and an annual income of $70,000, or (ii) have a minimum net worth of $350,000. In addition, my (our) investment in CCIT does not exceed ten percent (10%) of my (our) net worth.

____|____ 11. For **North Dakota** residents: My (our) liquid net worth is at least ten (10) times my (our) investment in CCIT and its affiliates.

E INVESTOR(S) SIGNATURES (continued)

SUBSTITUTE W-9: I HEREBY CERTIFY under penalty of perjury (i) that the taxpayer identification number shown on this Initial Subscription Agreement is true, correct and complete, (ii) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or distributions, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, and (iii) I am a U.S. person.

You should not invest in a Cole REIT unless you have read and understood this agreement and the applicable Prospectuses referred to above and understand the risks associated with an investment in the Cole REIT. In deciding to invest in a Cole REIT, you should rely only on the information contained in the Prospectuses, and not on any other information or representations from any other person or source. Each Cole REIT and each person selling shares of its common stock shall be responsible for making every reasonable effort to determine that such purchase of shares is a suitable and appropriate investment for each investor, based on the information provided by the prospective investor regarding the investor' s financial situation and investment objectives.

A sale of the shares may not be completed until at least five business days after the date the subscriber receives the final Prospectus. If a subscriber' s subscription is accepted, Cole REIT will send the subscriber confirmation of their purchase after they have been admitted as an investor.

Notice is hereby given to each investor that by executing this agreement you are not waiving any rights you may have under the Securities Act of 1933, as amended, or any state securities laws.

Investor' s Signature Date

Co-Investor' s Signature Date

Custodian Signature Date

F FINANCIAL ADVISOR INFORMATION (please complete A or B)

A) REGISTERED REPRESENTATIVE (to be completed by selling Registered Representative)

1. Name of Registered Representative

Representative ID #

Mailing Address

City State Zip

Phone Email Address

2. Name of Broker-Dealer

Representative CRD #

Have you changed firm affiliation (since last purchase)?

☐ Yes ☐ No

☐ Please check the box if the purchase is being made in the Registered Representative' s or Broker-Dealer' s personal account, in the account of one of their immediate family members or in the account of any licensed employee of the Broker-Dealer. **IF THE BOX IS CHECKED, COMMISSIONS WILL NOT BE PAID ON THE PURCHASE.**

B) REGISTERED INVESTMENT ADVISOR (RIA) REPRESENTATIVE (to be completed by selling RIA Representative)

1. Name of RIA Representative

Mailing Address

City State Zip

Phone Email Address

2. Name of RIA Office

SEC Registered RIA ☐ Yes ☐ No

State Registered RIA ☐ Yes ☐ No

States Registered _____

RIA IARD #

Have you changed firm affiliation (since last purchase)?

☐ Yes ☐ No

Name of Clearing Firm

Name of Broker-Dealer

G REPRESENTATIVE SIGNATURES

Based on the information I obtained from the investor regarding the investor' s financial situation and investment objectives, I hereby certify to Cole Capital Corporation, Cole Holdings Corporation, Cole Credit Property Trust IV, Inc. and Cole Corporate Income Trust, Inc. that I have reasonable grounds for believing that the purchase of the shares by the investor in the respective Cole REIT(s) is a suitable and appropriate investment for this investor.

Signature of Registered or RIA Representative

Signature of Broker-Dealer or Clearing Firm/Platform

☐ I am completing and signing this application pursuant to a power-of-attorney from the investor. I hereby certify that such power-of-attorney is legally valid and includes within its scope my completion and execution of this application on behalf of the investor.

ONCE COMPLETE, PLEASE DELIVER THIS FORM TO:

Via Fax:
1.877.616.1118

Via Regular Mail:
COLE REIT
DST Systems, Inc.
P.O. Box 219312
Kansas City, MO 64121-9312

Via Overnight/Express Mail:
COLE REIT
DST Systems, Inc.
430 West 7th Street
Kansas City, MO 64105

JOINT-AGMT-04(10-12)

APPENDIX E

FOR USE WITH ALABAMA INVESTORS

COLE CREDIT PROPERTY TRUST IV, INC.

COLE REAL ESTATE INVESTMENTS

INITIAL SUBSCRIPTION AGREEMENT FOR THE PURCHASE OF COMMON STOCK 866.907.2653

A INVESTMENT (a separate Initial Subscription Agreement is required for each initial investment)

Investors should not sign this Initial Subscription Agreement for the offering unless they have received the current final Prospectus.

1. This subscription is in the amount of $_____ ☐ Check if amount is estimated

☐ Initial Subscription (minimum $2,500)

☐ Additional Subscription (minimum $1,000) (complete all sections except for B and D *or* complete the separate simplified Additional Investment Subscription Agreement)

Existing Cole Account #_____

2. Payment will be made with: ☐ Enclosed check ☐ Funds wired ☐ Funds to follow

☐ ACH

_____ ☐ Checking ☐ Savings

Financial Institution

_____ _____

Routing/Transit # Account #

3. For purchases without selling commissions, please designate below, as applicable:

☐ RIA/WRAP Account ☐ Cole Employee, Affiliate, or their Family Member

IF A BOX IS CHECKED, COMMISSIONS WILL NOT BE PAID ON THE PURCHASE.

B TYPE OF REGISTRATION (please complete either section 1 or 2, but not both, and section 3, if applicable)

1. Non-Qualified Registration

☐ Individual (one signature required)

☐ Joint Tenants with Right of Survivorship (all parties must sign)

☐ Community Property (all parties must sign)

☐ Tenants-in-Common (all parties must sign)

☐ Transfer on Death (fill out TOD Form to effect designation)

☐ Uniform Gifts to Minors Act or Uniform Transfer to Minors Act (UGMA/UTMA adult custodian signature required)

State of _____

Custodian for (minor' s name)_____

☐ Corporate (authorized signature and Corporate Resolution or Cole Corporate Resolution Form required)

☐ S-corp ☐ C-corp (will default to S-corp if nothing is marked)

☐ Partnership (authorized signature and Partnership paperwork or Cole Corporate Resolution Form required)

2. Qualified Registration (make check payable to the Custodian)

☐ Traditional IRA

☐ Roth IRA

☐ Keogh Plan

☐ Simplified Employee Pension/Trust (S.E.P.)

☐ Pension or Profit Sharing Plan (exempt under 401(a))

☐Non-custodial ☐ Custodial

☐ Other (specify)

_____

3. Custodian or Clearing Firm/Platform Information, if applicable (send all paperwork directly to the Custodian or Clearing Firm/Platform)

_____

Name

☐ Limited Liability Company (authorized signature and LLC paperwork or Cole Corporate Resolution Form required)

☐ Taxable Pension or Profit Sharing Plan (authorized signature and Plan paperwork required)

☐ Trust (trustee or grantor signatures and trust documents or Cole Trustee Certification of Investment Power required)

Type of Trust: (Specify i.e., Family, Living, Revocable, etc.)

Name of Trust

Date of Trust Tax ID # (if applicable)

☐ Other (specify)

Street/PO Box

City State Zip

Custodian Tax ID # (provided by Custodian)

Custodian or Clearing Firm/Platform Account #

C REGISTRATION INFORMATION (or Trustees if applicable)

Investor Name	Co-Investor Name (if applicable)
Mailing Address	Mailing Address
City State Zip	City State Zip
Phone Business Phone	Phone Business Phone
Email Address	SSN or Tax ID Date of Birth
SSN or Tax ID Date of Birth	
Street Address (if different from mailing address or mailing address is a PO Box)	
City State Zip	

Volume Discounts

I (we) are making, or previously have made, investments in the following Cole-sponsored programs that are Eligible Programs, as defined in a Cole REIT Prospectus. (You may only include any investments made by the same "purchaser," as defined in the Prospectus.) This information will help determine whether volume discounts may be applicable. All holdings are subject to verification.

Name of Cole Program	Cole Account #	SSN or Tax ID
Name of Cole Program	Cole Account #	SSN or Tax ID

D DISTRIBUTION INSTRUCTIONS (will default to Custodian or Clearing Firm/Platform or Address of Record if nothing is marked)

FOR CUSTODIAL OR CLEARING FIRM/PLATFORM ACCOUNTS:

☐ Custodian or Clearing Firm/Platform of Record

☐ Reinvest pursuant to Distribution Reinvestment Plan

FOR NON-CUSTODIAL OR NON-CLEARING FIRM/PLATFORM ACCOUNTS:

☐ Mail to Address of Record

☐ Reinvest pursuant to Distribution Reinvestment Plan

☐ Direct Deposit

☐ Checking ☐ Savings

Financial Institution

Routing/Transit #

Account #

☐ Check if banking information is same as provided in Section A-2

☐ Mail to Brokerage Account or Third Party

Payee Name

Mailing Address

Account #

City State Zip

By signing this agreement, I authorize Cole Credit Property Trust IV, Inc. (CCPT IV) to deposit distributions into the account specified in Section D, and to debit that account in the amount of any distribution deposited in error. If I withdraw deposits made in error, I authorize CCPT IV to retain future distributions until the erroneous deposits are recovered. This authorization is effective until terminated in writing by either party.

E INVESTOR(S) ACKNOWLEDGEMENTS AND SIGNATURE (Investor(s) must initial each of sections 1-5)

I (we) (or, in the case of fiduciary accounts, the person authorized to sign on my (our) behalf) hereby acknowledge and/or represent the following:

INVESTOR | CO-INVESTOR

____|____ 1. I (we) have received the final Prospectus, whether over the Internet, on a CD-ROM, paper copies, or any other delivery method, relating to the shares of CCPT IV at least five business days before signing this Subscription Agreement.

____|____ 2. Excluding home, home furnishings and automobiles, I (we) either: (i) have a net worth of at least $70,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $70,000; or (ii) have a net worth of at least $250,000. In the case of sales to fiduciary accounts, the specific requirements shall be met by the beneficiary, the fiduciary account or by the donor or grantor who directly or indirectly supplies the funds for the purchase of the shares.

____|____ 3. I am (we are) purchasing the shares for my (our) own account, or if I am (we are) purchasing shares on behalf of a trust or other entity of which I am (we are) trustee(s) or authorized agent(s), I (we) have due authority to execute this Initial Subscription Agreement and do hereby legally bind the trust or other entity of which I am (we are) trustee(s) or authorized agent(s).

____|____ 4. I (we) acknowledge that the shares are not liquid.

____|____ 5. My (our) liquid net worth is at least ten (10) times my (our) investment in this and similar programs.

☐ By checking here I confirm I would like to go green and not receive in paper any documents that Cole can send to me electronically. (If you are choosing to go green, please make sure you provide your email address in Section C. If you decide later that you want to receive documents in paper, you can contact Cole Investor Services at 866.907.2653.)

SUBSTITUTE W-9: I HEREBY CERTIFY under penalty of perjury (i) that the taxpayer identification number shown on this Initial Subscription Agreement is true, correct and complete, (ii) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or distributions, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, and (iii) I am a U.S. person.

You should not invest in CCPT IV unless you have read and understood this agreement and the Prospectus referred to above and understand the risks associated with an investment in CCPT IV. In deciding to invest in CCPT IV, you should rely only on the information contained in the Prospectus, and not on any other information or representations from any other person or source. CCPT IV and each person selling shares of CCPT IV common stock shall be responsible for making every reasonable effort to determine that such purchase of shares is a suitable and appropriate investment for each investor, based on the information provided by the prospective investor regarding the investor' s financial situation and investment objectives.

A sale of the shares may not be completed until at least five business days after the date the subscriber receives the final Prospectus. If a subscriber' s subscription is accepted, CCPT IV will send the subscriber confirmation of their purchase after they have been admitted as an investor.

Notice is hereby given to each investor that by executing this agreement you are not waiving any rights you may have under the Securities Act of 1933, as amended, or any state securities laws.

Investor' s Signature	Date	Custodian Signature	Date
Co-Investor' s Signature	Date		

F FINANCIAL ADVISOR INFORMATION (please complete A or B)

A) REGISTERED REPRESENTATIVE (to be completed by selling Registered Representative)

1. _____
Name of Registered Representative

_____
Representative ID #

_____
Mailing Address

_____
City State Zip

_____
Phone Email Address

2. _____
Name of Broker-Dealer

_____
Representative CRD ID #

Have you changed firm affiliation (since last purchase)?
☐ Yes ☐ No

☐ Please check the box if the purchase is being made in the Registered Representative' s or Broker-Dealer' s personal account, in the account of one of their immediate family members or in the account of any licensed employee of the Broker-Dealer.

IF THE BOX IS CHECKED, COMMISSIONS WILL NOT BE PAID ON THE PURCHASE.

B) REGISTERED INVESTMENT ADVISOR REPRESENTATIVE (to be completed by selling RIA Representative)

1. _____
Name of Registered Representative

_____
Mailing Address

_____
City State Zip

_____
Phone Email Address

Have you changed firm affiliation (since last purchase)?
☐ Yes ☐ No

2. _____
Name of RIA Office

SEC Registered ☐ Yes ☐ No
State Registered ☐ Yes ☐ No
States Registered_____

_____
RIA IARD ID #

_____
Name of Clearing Firm

_____
Name of Broker-Dealer

G REPRESENTATIVE SIGNATURES

Based on the information I obtained from the investor regarding the investor' s financial situation and investment objectives, I hereby certify to Cole Capital Corporation, Cole Holdings Corporation and Cole Credit Property Trust IV, Inc. that I have reasonable grounds for believing that the purchase of the shares by the investor in CCPT IV is a suitable and appropriate investment for this investor.

_____
Signature of Registered or RIA Representative

_____
Signature of Broker-Dealer or Clearing Firm/Platform

ONCE COMPLETE, PLEASE DELIVER THIS FORM TO:

Via Fax:
1.877.616.1118

Via Regular Mail:
CCPT IV
DST Systems, Inc.
P.O. Box 219312
Kansas City, MO 64121-9312

Via Overnight/Express Mail:
CCPT IV
DST Systems, Inc.
430 West 7th Street
Kansas City, MO 64105

CCPT4-AGMT-AL-02(10-12)

APPENDIX F

FOR USE WITH ALABAMA INVESTORS

COLE CREDIT PROPERTY TRUST IV, INC.

COLE REAL ESTATE INVESTMENTS

ADDITIONAL SUBSCRIPTION AGREEMENT FOR THE PURCHASE OF COMMON STOCK

866.907.2653

This form may be used by any current investor in Cole Credit Property Trust IV, Inc. (CCPT IV), who desires to purchase additional shares of CCPT IV and who purchased their shares directly from CCPT IV. Investors who acquired shares other than through use of an Initial Subscription Agreement (e.g., through a transfer of ownership or TOD) and who wish to make additional investments must complete the CCPT IV Initial Subscription Agreement.

A INVESTMENT (a completed Additional Subscription Agreement is required for each additional investment)

1. This subscription is in the amount of $_____ (minimum $1,000)

☐ Check if amount is estimated

2. Payment will be made with: ☐ Enclosed check ☐ Funds wired ☐ Funds to follow

☐ ACH

_____ ☐ Checking ☐ Savings

Financial Institution

_____ _____

Routing/Transit # Account #

B REGISTRATION INFORMATION

_____ _____

Existing Cole Account Registration (name of Account) SSN or Tax ID #

_____

Existing Cole Account #

Volume Discounts

I (we) are making, or previously have made, investments in the following Cole-sponsored programs that are Eligible Programs, as defined in a Cole REIT Prospectus. (You may include any investments made by the same "purchaser," as defined in the Prospectus.) This information will help determine whether volume discounts may be applicable. All holdings are subject to verification.

Name of Cole Program	Cole Account #	SSN or Tax ID
Name of Cole Program	Cole Account #	SSN or Tax ID

C INVESTOR(S) SIGNATURES (Investor(s) must initial each of sections 1-5)

I (we) (or, in the case of fiduciary accounts, the person authorized to sign on my (our) behalf) hereby acknowledge and/or represent the following:

INVESTOR | CO-INVESTOR

____|____ 1. I (we) have received the final Prospectus, whether over the Internet, on a CD-ROM, paper copies, or any other delivery method, relating to the shares of CCPT IV at least five business days before signing this Subscription Agreement.

____|____ 2. Excluding home, home furnishings and automobiles, I (we) either: (i) have a net worth of at least $70,000 and had during the last year or estimate that I (we) will have in the current year gross income of at least $70,000; or (ii) have a net worth of at least $250,000. In the case of sales to fiduciary accounts, the specific requirements shall be met by the beneficiary, the fiduciary account or by the donor or grantor who directly or indirectly supplies the funds for the purchase of the shares.

____|____ 3. I am (we are) purchasing the shares for my (our) own account, or if I am (we are) purchasing shares on behalf of a trust or other entity of which I am (we are) trustee(s) or authorized agent(s), I (we) have due authority to execute this Subscription Agreement and do hereby legally bind the trust or other entity of which I am (we are) trustee(s) or authorized agent(s).

____|____ 4. I (we) acknowledge that the shares are not liquid.

____|____ 5. My (our) liquid net worth is at least ten (10) times my (our) investment in this and similar programs.

☐ By checking here I confirm I would like to go green and no longer receive in paper any documents that Cole can send to me electronically. If I decide later that I want to receive documents in paper, I can contact Cole Investor Services at 866.907.2653.

If you are choosing to go green, please provide your email address here: _____

SUBSTITUTE W-9: I HEREBY CERTIFY under penalty of perjury (i) that the taxpayer identification number shown on this Subscription Agreement is true, correct and complete, (ii) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or distributions, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, and (iii) I am a U.S. person.

You should not invest in CCPT IV unless you have read and understood this agreement and the Prospectus referred to above and understand the risks associated with an investment in CCPT IV. In deciding to invest in CCPT IV, you should rely only on the information contained in the Prospectus, and not on any other information or representations from any other person or source. CCPT IV and each person selling shares of CCPT IV common stock shall be responsible for making every reasonable effort to determine that such purchase of shares is a suitable and appropriate investment for each investor, based on the information provided by the prospective investor regarding the investor' s financial situation and investment objectives.

A sale of the shares may not be completed until at least five (5) business days after the date the subscriber receives the final Prospectus. If a subscriber' s subscription is accepted, CCPT IV will send the subscriber confirmation of their purchase after they have been admitted as an investor.

Notice is hereby given to each investor that by executing this agreement you are not waiving any rights you may have under the Securities Act of 1933, as amended, or any state securities laws.

Investor' s Signature	Date	Custodial Signature	Date
Co-Investor' s Signature	Date		

D REGISTERED REPRESENTATIVE (to be completed by selling Registered Representative)

Name of Registered Representative	Rep and Branch ID #

E REGISTERED INVESTMENT ADVISOR (RIA) REPRESENTATIVE (to be completed by selling RIA Representative)

Name of RIA Representative	RIA IARD ID #

F REPRESENTATIVE SIGNATURES

Based on the information I obtained from the investor regarding the investor' s financial situation and investment objectives, I hereby certify to Cole Capital Corporation, Cole Holdings Corporation and CCPT IV that I have reasonable grounds for believing that the purchase of the shares by the investor in CCPT IV is a suitable and appropriate investment for this investor.

Signature of Registered or RIA Representative	Signature of Broker-Dealer or Clearing Firm/Platform

ONCE COMPLETE, PLEASE DELIVER THIS FORM TO:

Via Fax:

1.877.616.1118

Via Regular Mail:

CCPT IV

DST Systems, Inc.

P.O. Box 219312

Kansas City, MO 64121-9312

Via Overnight/Express Mail:

CCPT IV

DST Systems, Inc.

430 West 7th Street

Kansas City, MO 64105

APPENDIX G

DISTRIBUTION REINVESTMENT PLAN
COLE CREDIT PROPERTY TRUST IV, INC.
EFFECTIVE AS OF JANUARY 20, 2012
AS AMENDED EFFECTIVE JULY 16, 2012

Cole Credit Property Trust IV, Inc., a Maryland corporation (the "Company"), has adopted this Distribution Reinvestment Plan (the "Plan"), to be administered by the Company or an unaffiliated third party (the "Administrator") as agent for participants in the Plan ("Participants"), on the terms and conditions set forth below.

1. *Election to Participate.* Any holder of shares of common stock of the Company, par value $.01 per share (the "Shares"), and, subject to Section 8(b) herein, any participant in any previous or subsequent publicly offered limited partnership, real estate investment trust or other real estate program sponsored by an affiliate of Cole REIT Advisors IV, LLC, the Company' s advisor (an "Affiliated Program"), may become a Participant in the Plan by making a written election to participate in the Plan on such purchaser' s subscription agreement at the time of subscription for Shares or by completing and executing an authorization form obtained from the Administrator or any other appropriate documentation as may be acceptable to the Administrator. Participants in the Plan generally are required to have the full amount of their cash distributions (other than "Excluded Distributions" as defined below) with respect to all Shares or shares of stock or units of limited partnership interest of an Affiliated Program (collectively, "Securities") owned by them reinvested pursuant to the Plan. However, the Administrator shall have the sole discretion, upon the request of a Participant, to accommodate a Participant' s request for less than all of the Participant' s Securities to be subject to participation in the Plan.

2. *Distribution Reinvestment.* The Administrator will receive all cash distributions (other than Excluded Distributions) paid by the Company or an Affiliated Program with respect to Securities of Participants (collectively, the "Distributions"). Participation will commence with the next Distribution payment after receipt of the Participant' s election pursuant to Paragraph 1 hereof, provided it is received on or prior to the last day of the period to which such Distribution relates. The election will apply to all Distributions attributable to such period and to all periods thereafter, unless and until termination of participation in the Plan, in accordance with Section 9. As used in this Plan, the term "Excluded Distributions" shall mean those cash or other distributions designated as Excluded Distributions by the Company' s board of directors (the "Board") or the board or general partner of an Affiliated Program, as applicable. A written election to participate must be received by the Administrator prior to the last business day of the month, in order to become a Plan Participant with respect to that month' s Distributions. If the period for Distribution payments shall be changed, then this paragraph shall also be changed, without the need for advance notice to Participants.

3. *General Terms of Plan Investments.*

The Administrator will apply all Distributions subject to this Plan, as follows:

(a) During the Company' s public offering (the "Offering") of Shares pursuant to the Company' s registration statement on Form S-11 (File No. 333-169533 as amended or supplemented (the "Registration Statement"), and until such time as the Board determines a reasonable estimate of the value of the Shares, the Administrator will invest Distributions in Shares at a price equal to $9.50 less the aggregate distributions per Share of any net sale proceeds from the sale of one or more of the Company' s assets, or other special distributions so designated by the Board, distributed to stockholders, regardless of the price per Share paid by the Participant for the Shares in respect of which the Distributions are paid. On or after the date the Board determines a reasonable estimate of the value of the Shares (the "Initial Board Valuation") under the Company' s valuation policy, as such valuation policy is amended from time to time (the "Valuation Policy"), the Administrator will invest Distributions in Shares at a price equal to the most recently disclosed

estimated value as determined in accordance with the Valuation Policy less the aggregate distributions per Share of any net sale proceeds from the sale of one or more of the Company' s assets, or other special distributions so designated by the Board, distributed to stockholders. No advance notice of pricing pursuant to this Paragraph 3(a) shall be required other than to the extent the issue is a material event requiring the public filing of a Form 8-K.

(b) After termination of the Registration Statement, the Administrator will invest Distributions in Shares that are registered with the Securities and Exchange Commission (the "Commission") pursuant to an effective registration statement for Shares for use in the Plan (a "Future Registration"). No advance notice of pricing pursuant to this Paragraph 3(b) shall be required other than to the extent the issue is a material event requiring the public filing of a Form 8-K.

(c) Selling commissions will not be paid for the Shares purchased pursuant to the Plan.

(d) Dealer manager fees will not be paid for the Shares purchased pursuant to the Plan.

(e) For each Participant, the Administrator will maintain an account which shall reflect for each period in which Distributions are paid (a "Distribution Period") the Distributions received by the Administrator on behalf of such Participant. A Participant' s account shall be reduced as purchases of Shares are made on behalf of such Participant.

(f) Distributions shall be invested in Shares by the Administrator promptly following the payment date with respect to such Distributions to the extent Shares are available for purchase under the Plan. If sufficient Shares are not available, any such funds that have not been invested in Shares within 30 days after receipt by the Administrator and, in any event, by the end of the fiscal quarter in which they are received, will be distributed to Participants. Any interest earned on such accounts will be returned to the respective Participant.

(g) Participants may acquire fractional Shares, computed to three decimal places, so that 100% of the Distributions will be used to acquire Shares. The ownership of the Shares shall be reflected on the books of the Company or its transfer agent.

(h) A Participant will not be able to acquire Shares under the Plan to the extent that such purchase would cause the Participant to exceed the ownership limits set forth in the Company' s charter, as amended, unless exempted by the Board.

4. *Absence of Liability.* Neither the Company nor the Administrator shall have any responsibility or liability as to the value of the Shares or any change in the value of the Shares acquired for the Participant' s account. Neither the Company nor the Administrator shall be liable for any act done in good faith, or for any good faith omission to act hereunder.

5. [intentionally omitted]

6. *Reports to Participants.* Within ninety (90) days after the end of each calendar year, the Administrator will mail to each Participant a statement of account describing, as to such Participant, the Distributions received, the number of Shares purchased and the per Share purchase price for such Shares pursuant to the Plan during the prior year. Each statement also shall advise the Participant that, in accordance with Section 5 hereof, the Participant is required to notify the Administrator in the event there is any material change in the Participant' s financial condition or if any representation made by the Participant under the subscription agreement for the Participant' s initial purchase of Securities becomes inaccurate. Tax information regarding a Participant' s participation in the Plan will be sent to each Participant by the Company or the Administrator at least annually.

7. *Taxes.* Taxable Participants may incur a tax liability for Distributions even though they have elected not to receive their Distributions in cash but rather to have their Distributions reinvested in Shares under the Plan.

8. *Reinvestment in Subsequent Programs.*

(a) After the termination of the Company' s Offering of Shares pursuant to the Registration Statement, as may be amended or supplemented, the Company may determine, in its sole discretion, to cause the Administrator to provide to each Participant notice of the opportunity to have some or all of such Participant' s Distributions (at the discretion of the Administrator and, if applicable, the Participant) invested through the Plan in any publicly offered Affiliated Program (a "Subsequent Program"). If the Company makes such an election, Participants may invest Distributions in equity securities issued by such Subsequent Program through the Plan only if the following conditions are satisfied:

(i) prior to the time of such reinvestment, the Participant has received the final prospectus and any supplements thereto offering interests in the Subsequent Program and such prospectus allows investment pursuant to a distribution reinvestment plan;

(ii) a registration statement covering the interests in the Subsequent Program has been declared effective under the Securities Act of 1933, as amended;

(iii) the offering and sale of such interests are qualified for sale under the applicable state securities laws;

(iv) the Participant executes the subscription agreement included with the prospectus for the Subsequent Program; and

(v) the Participant qualifies under applicable investor suitability standards as contained in the prospectus for the Subsequent Program.

(b) The Company may determine, in its sole discretion, to cause the Administrator to allow one or more participants of an Affiliated Program to become a "Participant." If the Company makes such an election, such Participants may invest distributions received from the Affiliated Program in Shares through this Plan, if the following conditions are satisfied:

(i) prior to the time of such reinvestment, the Participant has received the final prospectus and any supplements thereto offering interests in the Plan and such prospectus allows investment pursuant to the Plan;

(ii) a registration statement covering the interests in the Plan has been declared effective under the Securities Act of 1933, as amended;

(iii) the offering and sale of such interests are qualified for sale under the applicable state securities laws;

(iv) the Participant executes the subscription agreement included with the prospectus for the Plan; and

(v) the Participant qualifies under applicable investor suitability standards as contained in the prospectus for the Plan.

9. *Termination.*

(a) A Participant may terminate or modify his participation in the Plan at any time by written notice to the Administrator. To be effective for any Distribution, such notice must be received by the Administrator on or prior to the last day of the Distribution Period to which it relates.

(b) As the Distribution Period is presently monthly, a written election to terminate must be received by the Administrator prior to the last business day of the month, in order to terminate participation in the Plan for that month. If the period for Distribution payments shall be changed, then this paragraph shall also be changed, without the need for advance notice to Participants.

(c) A Participant' s transfer of Shares will terminate participation in the Plan with respect to such transferred Shares as of the first day of the Distribution Period in which such transfer is effective, unless the transferee of such Shares in connection with such transfer demonstrates to the Administrator that such transferee meets the requirements for participation hereunder and affirmatively elects participation by delivering an executed authorization form or other instrument required by the Administrator.

(d) In the event that a Participant requests a redemption of all of the Participant' s Shares, the Participant will be deemed to have given written notice to the Administrator, at the time the redemption request is submitted, that the Participant is terminating his or her participation in the Plan, and is electing to receive all future distributions in cash. This election will continue in effect even if less than all of the Participant' s Shares are redeemed unless the Participant notifies the Administrator that he or she elects to resume participation in the Plan.

10. *State Regulatory Restrictions.* The Administrator is authorized to deny participation in the Plan to residents of any state or foreign jurisdiction that imposes restrictions on participation in the Plan that conflict with the general terms and provisions of this Plan, including, without limitation, any general prohibition on the payment of broker-dealer commissions for purchases under the Plan.

11. *Amendment or Termination by Company.*

(a) The terms and conditions of this Plan may be amended by the Company at any time, including but not limited to an amendment to the Plan to substitute a new Administrator to act as agent for the Participants, by mailing an appropriate notice at least ten (10) days prior to the effective date thereof to each Participant, provided, however, the Company may not amend the Plan to (a) provide for selling commissions or dealer manager fees to be paid for shares purchased pursuant to this Plan or (b) to revoke a Participant' s right to terminate or modify his participation in the Plan.

(b) The Administrator may terminate a Participant' s individual participation in the Plan and the Company may terminate the Plan itself, at any time by providing ten (10) days' prior written notice to a Participant, or to all Participants, as the case may be.

(c) After termination of the Plan or termination of a Participant' s participation in the Plan, the Administrator will send to each Participant a check for the amount of any Distributions in the Participant' s account that have not been invested in Shares. Any future Distributions with respect to such former Participant' s Shares made after the effective date of the termination of the Participant' s participation will be sent directly to the former Participant.

12. *Participation by Limited Partners of Cole Corporate Income Partnership, LP.* For purposes of this Plan, "stockholders" shall be deemed to include limited partners of Cole Corporate Income Operating Partnership, LP (the "Partnership"), "Participants" shall be deemed to include limited partners of the Partnership that elect to participate in the Plan, and "Distribution," when used with respect to a limited partner of the Partnership, shall mean cash distributions on limited partnership interests held by such limited partner.

13. *Governing Law.* This Plan and the Participants' election to participate in the Plan shall be governed by the laws of the State of Maryland.

14. *Notice.* Any notice or other communication required or permitted to be given by any provision of this Plan shall be in writing and, if to the Administrator, addressed to Investor Services Department, 2325 East Camelback Road, Suite 1100, Phoenix, Arizona 85016, or such other address as may be specified by the Administrator by written notice to all Participants. Notices to a Participant may be given by letter addressed to the Participant at the Participant' s last address of record with the Administrator. Each Participant shall notify the Administrator promptly in writing of any changes of address.

Cole Credit Property Trust IV, Inc.

Prospectus
Up to 300,000,000 Shares of Common Stock
Offered to the Public

ALPHABETICAL INDEX

We have not authorized any dealer, salesperson or other individual to give any information or to make any representations that are not contained in this prospectus. If any such information or statements are given or made, you should not rely upon such information or representation. This prospectus does not constitute an offer to sell any securities other than those to which this prospectus relates, or an offer to sell, or a solicitation of an offer to buy, to any person in any jurisdiction where such an offer or solicitation would be unlawful. This prospectus speaks as of the date set forth below. You should not assume that the delivery of this prospectus or that any sale made pursuant to this prospectus implies that the information contained in this prospectus will remain fully accurate and correct as of any time subsequent to the date of this prospectus.

Cole Capital Corporation

October 24, 2012

CCPT4-PRO-03

COLE CREDIT PROPERTY TRUST IV, INC.
SUPPLEMENT NO. 5 DATED JANUARY 10, 2013
TO THE PROSPECTUS DATED OCTOBER 24, 2012

This document supplements, and should be read in conjunction with, the prospectus of Cole Credit Property Trust IV, Inc. dated October 24, 2012. This Supplement No. 5 supersedes and replaces all previous supplements to the prospectus. Unless otherwise defined in this supplement, capitalized terms used in this supplement shall have the same meanings as set forth in the prospectus.

The purpose of this supplement is to describe the following:

(1) the status of the offering of shares of Cole Credit Property Trust IV, Inc.;

(2) recent real property investments and placement of debt on certain real property investments;

(3) potential real property investments;

(4) updates to disclosure regarding our operating partnership agreement;

(5) updates to our risk factor disclosure

(6) the renewal of our advisory agreement;

(7) compensation, fees and reimbursements payable to CR IV Advisors and its affiliates as of September 30, 2012;

(8) selected financial data as of September 30, 2012;

(9) updates to our prior performance summary;

(10) distributions and share redemptions as of September 30, 2012;

(11) a "Management' s Discussion and Analysis of Financial Condition and Results of Operations" section, substantially the same as that which was included in our Quarterly Report on Form 10-Q filed on November 13, 2012; and

(12) our condensed consolidated unaudited financial statements for the three and nine month periods ended September 30, 2012 and the notes thereto, substantially the same as that which was included in our Quarterly Report on Form 10-Q filed on November 13, 2012.

Status of Our Public Offering

The registration statement for our initial public offering of 300,000,000 shares of common stock was declared effective by the Securities and Exchange Commission on January 26, 2012. Of these shares, we are offering 250,000,000 shares in a primary offering and up to 50,000,000 shares pursuant to our distribution reinvestment plan. During the month of December, we accepted investors' subscriptions for, and issued, approximately 5.2 million shares of our common stock in the offering (including shares issued pursuant to our distribution reinvestment plan), resulting in gross proceeds to us of approximately $52.3 million. As of January 7, 2013, we had accepted investors' subscriptions for, and issued, approximately 30.8 million shares of our common stock in the offering, resulting in gross proceeds to us of approximately $306.8 million.

We will offer shares of our common stock pursuant to the offering until January 26, 2014, unless all shares being offered have been sold, in which case the offering will be terminated. If all of the shares we are offering have not been sold by January 26, 2014, we may extend the offering as permitted under applicable law. In addition, at the discretion of our board of directors, we may elect to extend the termination date of our offering of shares reserved for issuance pursuant to our distribution reinvestment plan until we have sold all shares allocated to such plan through the reinvestment of distributions, in which case participants in the plan will be notified. The offering must be registered in every state in which we offer or sell shares. Generally, such registrations are for a period of one year. Thus, we may have to stop selling shares in any state in which our registration is not renewed or otherwise extended annually. We reserve the right to terminate this offering at any time prior to the stated termination date.

Recent Real Property Investments

The following information supplements, and should be read in conjunction with, the section of our prospectus captioned "Prospectus Summary – Description of Real Estate Investments" on page 10 of the prospectus.

Description of Real Estate Investments

As of January 7, 2013, our investment portfolio consisted of 91 properties located in 27 states, consisting of approximately 2.5 million gross rentable square feet of commercial space. We acquired 59 properties between October 4, 2012 and January 7, 2013, which are listed below in order of their date of acquisition.

Property Description	Type	Number of Tenants	Tenant(s)	Rentable Square Feet (1)	Purchase Price
Ross – Ft. Worth, TX	Discount Store	1	Ross Dress for Less, Inc.	32,400	$4,900,000
CVS – Irving, TX	Drugstore	1	CVS Pharmacy, Inc.	10,908	3,917,557
Mattress Firm – Jonesboro, AR	Furniture Store	1	Mattress Firm, Inc.	6,000	2,189,000
Petsmart – Baton Rouge, LA	Pet Supplies	1	Petsmart, Inc.	25,265	4,100,000
Walgreens – Lubbock (82nd), TX	Drugstore	1	Walgreens Co.	15,120	4,240,500
Walgreens – Lubbock (Indiana), TX	Drugstore	1	Walgreens Co.	13,905	3,698,500
Kohl's – Hutchinson, KS	Department Store	1	Kohl's Illinois, Inc.	55,000	3,385,000
CVS – Cartersville, GA	Drugstore	1	Georgia CVS Pharmacy, LLC	13,225	2,616,000
Logan's Roadhouse – Lancaster, TX	Restaurant	1	Logan's Roadhouse, Inc.	6,555	3,165,000
Logan's Roadhouse – Opelika, AL	Restaurant	1	Logan's Roadhouse, Inc.	8,140	2,959,813
Logan's Roadhouse – Sanford, FL	Restaurant	1	Logan's Roadhouse, Inc.	8,670	3,625,744
Logan's Roadhouse – Troy, OH	Restaurant	1	Logan's Roadhouse, Inc.	6,533	3,105,000
Advance Auto – Corydon, IN	Automotive	1	Advance Stores Company, Incorporated	6,895	1,513,393
Mattress Firm – Pineville, NC	Furniture Store	1	Mattress Firm, Inc.	10,837	3,389,000
Tractor Supply – Newnan, GA	Home and Garden	1	Tractor Supply Company	19,097	3,943,000
Cost Plus Shopping Center – Kansas City, MO	Discount Store	1	Cost Plus, Inc.	26,967	3,865,000
Michael's – Bowling Green, KY	Sports and Hobby	1	Michaels Stores, Inc.	18,391	3,110,000
Tractor Supply – Spencer, WV	Home and Garden	1	Tractor Supply Company	19,127	2,945,000
Dollar General – Hanceville, AL	Discount Store	1	Dolgencorp, LLC	20,707	3,310,312
Dollar General – Piedmont, AL	Discount Store	1	Dolgencorp, LLC	20,707	3,234,688
Kirkland's – Jonesboro, AR	Home Furnishings	1	Kirkland's Stores, Inc.	9,000	2,903,226
Dollar General – Maynardville, TN	Discount Store	1	Dolgencorp, LLC	9,026	1,227,464
Dollar General – Lima, OH	Discount Store	1	Dolgen Midwest, LLC	9,002	1,341,781
Dollar General – Whitwell, TN	Discount Store	1	Dolgencorp, LLC	12,406	1,441,315
Dollar General – Cleveland, TX	Discount Store	1	Dolgencorp of Texas, Inc.	9,026	1,130,795
Dollar General – Brownsville, TX	Discount Store	1	Dolgencorp of Texas, Inc.	9,026	1,359,521
Dollar General – Greenwell Springs, LA	Discount Store	1	Dolgencorp, LLC	9,026	1,437,205

Dollar General – Breaux Bridge, LA	Discount Store	1	Dolgencorp, LLC	9,100	1,385,918
Tire Kingdom – Tarpon Springs, FL	Automotive	1	Tire Kingdom, Inc.	6,100	2,087,325
Tractor Supply – Canon City, CO	Home and Garden	1	Tractor Supply Company	21,924	3,717,186
Hobby Lobby – Mooresville, NC	Sports and Hobby	1	Hobby Lobby Stores, Inc.	55,000	5,500,000

Property Description	Type	Number of Tenants	Tenant(s)	Rentable Square Feet (1)	Purchase Price
Canarsie Plaza - Brooklyn, NY	Shopping Center	15	Various	273,878	$124,000,000
Kohl's - Cedar Falls, IA	Department Store	1	Kohl's Department Stores, Inc.	86,584	8,050,000
Big Lots - Waco, TX	Discount Store	1	PNS Stores, Inc.	28,526	2,600,000
Costco - Tallahassee, FL	Warehouse Club	1	Costco Wholesale Corporation	150,896	9,710,000
Wal-Mart - Tallahassee, FL	Discount Store	1	Wal-Mart Stores East, LP	196,812	15,390,000
Golden Corral - Houston, TX	Restaurant	1	Golden Corral Corporation	14,284	3,944,000
Old Navy & PetSmart - Reynoldsburg, OH	Apparel/Pet Supply	2	Old Navy, LLC/ PetSmart, Inc.	28,970	6,050,286
National Tire & Battery - Cedar Hill, TX	Automotive	1	NTW, Incorporated	6,912	2,624,000
Hickory Flat Commons - Canton, GA	Various	15	Various	114,751	19,000,000
Dollar General - Independence, MO	Discount Store	1	Dolgencorp, LLC	9,100	1,368,151
Dollar General - Rayne, LA	Discount Store	1	Dolgencorp, LLC	9,026	1,157,589
Dollar General - Conroe, TX	Discount Store	1	Dolgencorp of Texas, Inc.	9,026	1,249,973
Dollar General - Houston, TX	Discount Store	1	Dolgencorp of Texas, Inc.	9,026	1,600,767
Dollar General - Lubbock, TX	Discount Store	1	Dolgencorp of Texas, Inc.	9,026	1,229,863
Big Lots - San Angelo, TX	Discount Store	1	PNS Stores, Inc.	35,584	3,250,000
Home Depot - North Canton, OH	Home and Garden	1	Home Depot U.S.A, Inc.	111,803	14,450,000
Walgreens - Danville, VA	Drugstore	1	Walgreen Co.	14,820	5,890,625
Dollar General - Ashville, AL	Discount Store	1	Dolgencorp, LLC.	9,026	1,122,742
Dollar General - Geneva, AL	Discount Store	1	Dolgencorp, LLC.	9,026	1,249,378
Dollar General - Harvest, AL	Discount Store	1	Dolgencorp, LLC	9,002	1,151,081
Dollar General - Huntsville, AL	Discount Store	1	Dolgencorp, LLC	9,026	1,253,906
Dollar General - Kinston, AL	Discount Store	1	Dolgencorp, LLC	9,026	1,081,206
Fairview Village - Cary, NC	Various	6	Various	50,643	6,626,044
Dick's - Oklahoma City (3rd Street), OK	Sports and Hobby	1	Dick's Sporting Goods, Inc.	50,018	8,972,306
Wallace Commons - Salisbury, NC	Various	9	Various	98,509	12,000,000
Dick's - Oklahoma City, OK	Sports and Hobby	1	Dick's Sporting Goods, Inc.	60,500	12,100,000
Dollar General - Park Hill, OK	Discount Store	1	Dolgencorp, LLC	9,026	1,087,000
Dollar General - Pueblo, CO	Discount Store	1	DG Retail, LLC	9,026	1,274,000
				1,934,937	$360,227,160

(1) Includes square feet of buildings that are on land subject to ground leases.

The following information supplements, and should be read in conjunction with, the section of our prospectus captioned "Investment Objectives and Policies - Real Property Investments" beginning on page 107 of the prospectus.

Real Property Investments

As of January 7, 2013, we, through separate wholly-owned limited liability companies and limited partnerships, owned 91 properties located in 27 states, consisting of approximately 2.5 million gross rentable square feet of commercial space. The properties generally were acquired through the use of proceeds from our initial public offering and proceeds from our $250.0 million Credit Facility. We acquired 59 properties between October 4, 2012 and January 7, 2013, which are listed below in order of their date of acquisition.

Property Description	Date Acquired	Year Built	Purchase Price	Fees Paid to Sponsor (1)	Initial Yield (2)	Average Yield (3)	Physical Occupancy
Ross - Ft. Worth, TX	October 4, 2012	2010	$4,900,000	$98,000	7.27 %	7.27 %	100 %
CVS - Irving, TX	October 5, 2012	2000	3,917,557	78,351	6.55 %	6.55 %	100 %
Mattress Firm - Jonesboro, AR	October 5, 2012	2012	2,189,000	43,780	8.20 %	8.85 %	100 %
Petsmart - Baton Rouge, LA	October 11, 2012	1999	4,100,000	82,000	8.21 %	8.21 %	100 %
Walgreens - Lubbock (82nd), TX	October 11, 2012	2000	4,240,500	84,810	7.11 %	7.11 %	100 %
Walgreens - Lubbock (Indiana), TX	October 11, 2012	1998	3,698,500	73,970	7.17 %	7.17 %	100 %
Kohl's - Hutchinson, KS	October 19, 2012	2012	3,385,000	67,700	6.50 %	6.50 %	100 %
CVS - Cartersville, GA	October 22, 2012	N/A (4)	2,616,000	52,320	6.25 %	6.25 %	100 %
Logan's Roadhouse - Lancaster, TX	October 23, 2012	2011	3,165,000	63,300	7.70 %	8.97 %	100 %
Logan's Roadhouse - Opelika, AL	October 23, 2012	2005	2,959,813	59,196	7.86 %	8.96 %	100 %
Logan's Roadhouse - Sanford, FL	October 23, 2012	1999	3,625,744	72,515	7.86 %	8.97 %	100 %
Logan's Roadhouse - Troy, OH	October 23, 2012	2011	3,105,000	62,100	7.70 %	8.98 %	100 %
Advance Auto - Corydon, IN	October 26, 2012	2012	1,513,393	30,268	7.75 %	7.75 %	100 %
Mattress Firm - Pineville, NC	October 29, 2012	2000	3,389,000	67,780	8.25 %	8.78 %	100 %
Tractor Supply - Newnan, GA	November 6, 2012	2009	3,943,000	78,860	7.10 %	8.04 %	100 %
Cost Plus Shopping Center - Kansas City, MO	November 13, 2012	2001	3,865,000	77,300	7.66 %	7.80 %	93 %
Michael's - Bowling Green, KY	November 20, 2012	2012	3,110,000	62,200	7.70 %	8.01 %	100 %
Tractor Supply - Spencer, WV	November 20, 2012	2012	2,945,000	58,900	7.13 %	7.88 %	100 %
Dollar General - Hanceville, AL	November 21, 2012	2012	3,310,312	66,206	7.40 %	7.47 %	100 %
Dollar General - Piedmont, AL	November 21, 2012	2012	3,234,688	64,694	7.40 %	7.48 %	100 %
Kirkland's - Jonesboro, AR	November 27, 2012	2012	2,903,226	58,065	7.75 %	8.13 %	100 %
Dollar General - Maynardville, TN	November 30, 2012	2012	1,227,464	24,549	7.65 %	7.73 %	100 %
Dollar General - Lima, OH	November 30, 2012	2012	1,341,781	26,836	7.30 %	7.38 %	100 %
Dollar General - Whitwell, TN	November 30, 2012	2012	1,441,315	28,826	7.30 %	7.38 %	100 %

Dollar General - Cleveland, TX	November 30, 2012	2012	1,130,795	22,616	7.30 %	7.37 %	100	%
Dollar General - Brownsville, TX	November 30, 2012	2012	1,359,521	27,190	7.30 %	7.37 %	100	%
Dollar General - Greenwell Springs, LA	November 30, 2012	2012	1,437,205	28,744	7.30 %	7.37 %	100	%
Dollar General - Breaux Bridge, LA	November 30, 2012	2012	1,385,918	27,718	7.30 %	7.37 %	100	%
Tire Kingdom - Tarpon Springs, FL	November 30, 2012	2003	2,087,325	41,747	7.35 %	8.18 %	100	%
Tractor Supply - Canon City, CO	November 30, 2012	2012	3,717,186	74,344	7.25 %	7.81 %	100	%

Property Description	Date Acquired	Year Built	Purchase Price	Fees Paid to Sponsor (1)	Initial Yield (2)	Average Yield (3)	Physical Occupancy
Hobby Lobby - Mooresville, NC	November 30, 2012	2012	$5,500,000	$110,000	7.50 %	8.00 %	100 %
Canarsie Plaza - Brooklyn, NY	December 5, 2012	2011	124,000,000	2,480,000	6.50 %	7.40 %	96 %
Kohl' s - Cedar Falls, IA	December 7, 2012	2001	8,050,000	161,000	7.29 %	7.29 %	100 %
Big Lots - Waco, TX	December 10, 2012	2012	2,600,000	52,000	7.68 %	7.95 %	100 %
Costco - Tallahassee, FL	December 11, 2012	N/A (4)	9,710,000	194,200	6.20 %	6.20 %	100 %
Wal-Mart - Tallahassee, FL	December 11, 2012	N/A (4)	15,390,000	307,800	6.20 %	6.20 %	100 %
Golden Corral - Houston, TX	December 12, 2012	2012	3,944,000	78,880	8.00 %	8.57 %	100 %
Old Navy & PetSmart - Reynoldsburg, OH	December 14, 2012	2012	6,050,286	121,006	7.47 %	7.68 %	100 %
National Tire & Battery - Cedar Hill, TX	December 18, 2012	2006	2,624,000	52,480	6.85 %	6.85 %	100 %
Hickory Flat Commons - Canton, GA	December 18, 2012	2008	19,000,000	380,000	6.13 %	6.84 %	96 %
Dollar General - Independence, MO	December 18, 2012	2012	1,368,151	27,363	7.30 %	7.37 %	100 %
Dollar General - Rayne, LA	December 18, 2012	2012	1,157,589	23,152	7.30 %	7.37 %	100 %
Dollar General - Conroe, TX	December 18, 2012	2012	1,249,973	24,999	7.30 %	7.37 %	100 %
Dollar General - Houston, TX	December 18, 2012	2012	1,600,767	32,015	7.30 %	7.37 %	100 %
Dollar General - Lubbock, TX	December 18, 2012	2012	1,229,863	24,597	7.30 %	7.37 %	100 %
Big Lots - San Angelo, TX	December 19, 2012	2012	3,250,000	65,000	7.66 %	8.04 %	100 %
Home Depot - North Canton, OH	December 20, 2012	1998	14,450,000	289,000	6.62 %	6.88 %	100 %
Walgreens - Danville, VA	December 21, 2012	2012	5,890,625	117,813	6.40 %	6.40 %	100 %
Dollar General - Ashville, AL	December 21, 2012	2012	1,122,742	22,455	7.40 %	7.40 %	100 %
Dollar General - Geneva, AL	December 21, 2012	2012	1,249,378	24,988	7.40 %	7.47 %	100 %
Dollar General - Harvest, AL	December 21, 2012	2012	1,151,081	23,022	7.40 %	7.47 %	100 %
Dollar General - Huntsville, AL	December 21, 2012	2012	1,253,906	25,078	7.40 %	7.40 %	100 %
Dollar General - Kinston, AL	December 21, 2012	2012	1,081,206	21,624	7.40 %	7.47 %	100 %
Fairview Village - Cary, NC	December 21, 2012	2010	6,626,044	132,521	8.93 %	9.07 %	88 %
Dick' s - Oklahoma City (3rd Street), OK	December 21, 2012	2012	8,972,306	179,446	7.11 %	7.11 %	100 %
Wallace Commons - Salisbury, NC	December 31, 2012	2009	12,000,000	240,000	6.52 %	8.02 %	100 %
Dick' s - Oklahoma City, OK	December 31, 2012	2012	12,100,000	242,000	7.25 %	7.36 %	100 %
Dollar General - Park Hill, OK	January 4, 2013	2012	1,087,000	21,740	7.40 %	7.47 %	100 %
Dollar General - Pueblo, CO	January 4, 2013	2012	1,274,000	25,480	7.41 %	7.48 %	100 %
			$360,227,160	$7,204,544			

(1) Fees paid to sponsor are payments made to an affiliate of our advisor for acquisition fees in connection with the property acquisition. For more detailed information on fees paid to our advisor or its affiliates, see the section captioned "Management Compensation" beginning on page 76 of the prospectus.

(2) Initial yield is calculated as the current annualized rental income, adjusted for any rent incentives, for the in-place leases at the respective property divided by the property purchase price, exclusive of acquisition costs and acquisition fees paid to our advisor or its affiliates. In general, our properties are subject to long-term triple net or double net leases, and the future costs associated with the double net leases are unpredictable and may reduce the yield. Accordingly, our management believes that current annualized rental income is a more appropriate figure from which to calculate initial yield than net operating income.

(3) Average yield is calculated as the average annual rental income, adjusted for any rent incentives, for the in-place leases over the non-cancellable lease term at the respective property divided by the property purchase price, exclusive of acquisition costs and acquisition fees paid to our advisor or its affiliates. In general, our properties are subject to long-term triple net or double net leases, and the future costs associated with the

double net leases are unpredictable and may reduce the yield. Accordingly our management believes that average annual rental income is a more appropriate figure from which to calculate average yield than net operating income.

(4) Subject to ground lease and therefore year built is not applicable.

The following table sets forth the principal provisions of the lease term for the major tenants at each of the properties listed above:

Property	Major Tenants (1)	Total Square Feet Leased	% of Total Rentable Square Feet	Renewal Options (2)	Current Annual Base Rent	Base Rent per Square Foot	Lease Term (3)
Ross - Ft. Worth, TX	Ross Dress for Less, Inc.	32,400	100 %	3/5 yr.	$356,400	$ 11.00	10/5/2012 - 1/31/2023
CVS - Irving, TX	CVS Pharmacy, Inc.	10,908	100 %	5/5 yr.	256,600	23.52	10/5/2012 - 10/31/2037
Mattress Firm - Jonesboro, AR	Mattress Firm, Inc.	6,000	100 %	3/5 yr.	179,500 (4)	29.92	10/5/2012 - 5/31/2024
Petsmart - Baton Rouge, LA	Petsmart, Inc.	25,265	100 %	5/5 yr.	336,518	13.32	10/11/2012 - 4/30/2024
Walgreens - Lubbock (82nd), TX	Walgreens Co.	15,120	100 %	8/5 yr.	301,500	19.94	10/11/2012 - 10/31/2032
Walgreens - Lubbock (Indiana), TX	Walgreens Co.	13,905	100 %	7/5 yr.	265,307	19.08	10/11/2012 - 10/31/2032
Kohl' s - Hutchinson, KS	Kohl' s Illinois, Inc.	55,000	100 %	8/5 yr.	220,000	4.00	10/19/2012 - 1/31/2033
CVS - Cartersville, GA	Georgia CVS Pharmacy, LLC	– (5)	100 %	3/5 yr.	163,500	3.11	10/22/2012 - 1/31/2035
Logan' s Roadhouse - Lancaster, TX	Logan' s Roadhouse, Inc.	6,555	100 %	3/5 yr.	243,560 (6)	37.16	10/23/2012 - 1/31/2032
Logan' s Roadhouse - Opelika, AL	Logan' s Roadhouse, Inc.	8,140	100 %	5/5 yr.	232,618 (7)	28.58	10/23/2012 - 11/29/2026
Logan' s Roadhouse - Sanford, FL	Logan' s Roadhouse, Inc.	8,670	100 %	5/5 yr.	285,030 (7)	32.88	10/23/2012 - 11/29/2026
Logan' s Roadhouse - Troy, OH	Logan' s Roadhouse, Inc.	6,533	100 %	3/5 yr.	239,040 (6)	36.59	10/23/2012 - 1/31/2032
Advance Auto - Corydon, IN	Advance Stores Company, Incorporated	6,895	100 %	3/5 yr.	117,258	17.01	10/26/2012 - 7/31/2027
Mattress Firm - Pineville, NC	Mattress Firm, Inc.	10,837	100 %	2/5 yr.	279,595 (4)	25.80	10/29/2012 - 10/31/2023
Tractor Supply - Newnan, GA	Tractor Supply Company	19,097	100 %	4/5 yr.	279,996 (4)	14.66	11/6/2012 - 7/31/2024
Cost Plus Shopping Center - Kansas City, MO	Cost Plus, Inc.	24,989	93 %	1/5 yr.	295,870 309,365	11.88 12.43	11/13/2012 - 1/31/2018 2/1/2018 - 1/31/2023

Michael' s - Bowling Green, KY	Michaels Stores, Inc.	18,391	100	%	4/5 yr.	239,450 257,474	13.02 14.00	11/20/2012 - 9/30/2017 10/1/2017 - 2/28/2023
Tractor Supply - Spencer, WV	Tractor Supply Company	19,127	100	%	4/5 yr.	210,000 231,000 254,100	10.98 12.08 13.28	11/20/2012 - 8/31/2017 9/1/2017 - 8/31/2022 9/1/2022 - 8/31/2027
Dollar General - Hanceville, AL	Dolgencorp, LLC	20,707	100	%	5/5 yr.	244,963 252,312	11.83 12.18	11/21/2012 - 8/31/2022 9/1/2022 - 8/31/2027
Dollar General - Piedmont, AL	Dolgencorp, LLC	20,707	100	%	5/5 yr.	239,367 246,548	11.56 11.91	11/21/2012 - 5/31/2022 6/1/2022 - 5/31/2027
Kirkland' s - Jonesboro, AR	Kirkland' s Stores, Inc.	9,000	100	%	2/5 yr.	225,000 247,500	25.00 27.50	11/27/2012 - 1/31/2018 2/1/2018 - 1/31/2023
Dollar General - Maynardville, TN	Dolgencorp, LLC	9,026	100	%	5/5 yr.	93,901 96,718	10.40 10.72	11/30/2012 - 10/31/2022 11/1/2022 - 10/31/2027
Dollar General - Lima, OH	Dolgen Midwest, LLC	9,002	100	%	4/5 yr.	97,950 100,889	10.88 11.21	11/30/2012 - 7/31/2022 8/1/2022 - 7/31/2027
Dollar General - Whitwell, TN	Dolgencorp, LLC	12,406	100	%	5/5 yr.	105,216 108,373	8.48 8.74	11/30/2012 - 4/30/2022 5/1/2022 - 4/30/2027

Property	Major Tenants (1)	Total Square Feet Leased	% of Total Rentable Square Feet	Renewal Options (2)	Current Annual Base Rent	Base Rent per Square Foot	Lease Term (3)
Dollar General - Cleveland, TX	Dolgencorp of Texas, Inc.	9,026	100 %	4/5 yr.	$82,548	$9.15	11/30/2012 - 8/31/2022
					85,032	9.42	9/1/2022 - 8/31/2027
Dollar General - Brownsville, TX	Dolgencorp of Texas, Inc.	9,026	100 %	4/5 yr.	99,245	11.00	11/30/2012 - 8/31/2022
					102,222	11.33	9/1/2022 - 8/31/2027
Dollar General - Greenwell Springs, LA	Dolgencorp, LLC	9,026	100 %	4/5 yr.	104,916	11.62	11/30/2012 - 9/30/2022
					108,060	11.97	10/1/2022 - 9/30/2027
Dollar General - Breaux Bridge, LA	Dolgencorp, LLC	9,100	100 %	4/5 yr.	101,172	11.12	11/30/2012 - 10/31/2022
					104,208	11.45	11/1/2022 - 10/31/2027
Tire Kingdom - Tarpon Springs, FL	Tire Kingdom, Inc.	6,100	100 %	2/5 yr.	153,480 (8)	25.16	11/30/2012 - 4/30/2023
Tractor Supply - Canon City, CO	Tractor Supply Company	21,924	100 %	4/5 yr.	269,496	12.29	11/30/2012 - 11/30/2017
					289,716	13.21	12/1/2017 - 11/30/2022
					311,442	14.21	12/1/2022 - 11/30/2027
Hobby Lobby - Mooresville, NC	Hobby Lobby Stores, Inc.	55,000	100 %	3/5 yr.	412,500	7.50	11/30/2012 - 10/31/2017
					440,000	8.00	11/1/2017 - 10/31/2022
					467,500	8.50	11/1/2022 - 10/31/2027
Canarsie Plaza - Brooklyn, NY	BJ' s Wholesale Club, Inc.	172,770	63 %	2/10 yr. & 1/5 yr.	5,100,000	29.52	12/5/2012 - 11/30/2015
					5,508,000	31.88	12/1/2015 - 11/30/2020
					5,948,640	34.43	12/1/2020 - 11/30/2025
					6,543,504	37.87	12/1/2025 - 11/30/2030
	The City of New York	33,048	12 %	2/5 yr.	991,440	30.00	12/5/2012 - 1/25/2016
					1,090,584	33.00	1/26/2016 - 1/25/2021
					1,199,642	36.30	1/26/2021 - 1/25/2026
					1,319,607	39.93	1/26/2026 - 1/25/2031
Kohl' s - Cedar Falls, IA	Kohl' s Department Stores, Inc.	86,584	100 %	5/5 yr.	587,040	6.78	12/7/2012 - 1/31/2022
Big Lots - Waco, TX	PNS Stores, Inc.	28,526	100 %	2/5 yr.	199,682 (9)	7.00	12/10/2012 - 1/31/2017
					219,650	7.70	2/1/2017 - 1/31/2022
Costco - Tallahassee, FL	Costco Wholesale Corporation	– (5)	100 %	5/5 yr.	602,000	1.11	12/11/2012 - 4/30/2033
Wal-Mart - Tallahassee, FL	Wal-Mart Stores East, LP	– (5)	100 %	16/5 yr.	954,000	1.16	12/11/2012 - 9/6/2027
Golden Corral - Houston, TX	Golden Corral Corporation	14,284	100 %	4/5 yr.	315,520	22.09	12/12/2012 - 12/31/2017
					331,296	23.19	1/1/2018 - 12/31/2022
					347,861	24.35	1/1/2023 - 12/31/2027

Old Navy & PetSmart - Reynoldsburg, OH	Old Navy, LLC	15,112	52	%	3/5 yr.	219,124 230,458		14.50 15.25	12/14/2012 - 10/31/2017 11/1/2017 - 10/31/2022
	PetSmart, Inc.	13,858	48	%	5/5 yr.	232,814 246,672		16.80 17.80	12/14/2012 - 9/30/2017 10/1/2017 - 9/30/2022
National Tire & Battery - Cedar Hill, TX	NTW, Incorporated	6,912	100	%	3/5 yr.	179,755	(10)	26.01	12/18/2012 - 9/30/2031
Hickory Flat Commons - Canton, GA	The Kroger Co.	78,846	69	%	6/5 yr.	644,701		8.18	12/18/2012 - 11/30/2028
Dollar General - Independence, MO	Dolgencorp, LLC	9,100	100	%	4/5 yr.	99,875 102,871		10.98 11.30	12/18/2012 - 9/30/2022 10/1/2022 - 9/30/2027
Dollar General - Rayne, LA	Dolgencorp, LLC	9,026	100	%	4/5 yr.	84,504 87,036		9.36 9.64	12/18/2012 - 10/31/2022 11/1/2022 - 10/31/2027
Dollar General - Conroe, TX	Dolgencorp of Texas, Inc.	9,026	100	%	4/5 yr.	91,248 93,984		10.11 10.41	12/18/2012 - 9/30/2022 10/1/2022 - 9/30/2027
Dollar General - Houston, TX	Dolgencorp of Texas, Inc.	9,026	100	%	4/5 yr.	116,856 120,360		12.95 13.33	12/18/2012 - 10/31/2022 11/1/2022 - 10/31/2027
Dollar General - Lubbock, TX	Dolgencorp of Texas, Inc.	9,026	100	%	4/5 yr.	89,780 92,473		9.95 10.25	12/18/2012 - 10/31/2022 11/1/2022 - 10/31/2027
Big Lots - San Angelo, TX	PNS Stores, Inc.	35,584	100	%	4/5 yr.	249,088 273,997		7.00 7.70	12/19/2012 - 1/31/2018 2/1/2018 - 1/31/2023
Home Depot - North Canton, OH	Home Depot U.S.A, Inc.	111,803	100	%	4/5 yr.	955,942 1,027,638		8.55 9.19	12/20/2012 - 12/31/2019 1/1/2020 - 12/31/2027

Property	Major Tenants (1)	Total Square Feet Leased	% of Total Rentable Square Feet	Renewal Options (2)	Current Annual Base Rent	Base Rent per Square Foot	Lease Term (3)
Walgreens - Danville, VA	Walgreen Co.	14,820	100 %	10/5 yr.	$377,000	$25.44	12/21/2012 - 10/31/2037
Dollar General - Ashville, AL	Dolgencorp, LLC.	9,026	100 %	5/5 yr.	83,083	9.20	12/21/2012 - 12/31/2027
Dollar General - Geneva, AL	Dolgencorp, LLC.	9,026	100 %	5/5 yr.	92,454 95,227	10.24 10.55	12/21/2012 - 12/31/2022 1/1/2023 - 12/31/2027
Dollar General - Harvest, AL	Dolgencorp, LLC	9,002	100 %	5/5 yr.	85,180 87,735	9.46 9.75	12/21/2012 - 12/31/2022 1/1/2023 - 12/31/2027
Dollar General - Huntsville, AL	Dolgencorp, LLC	9,026	100 %	5/5 yr.	92,789	10.28	12/21/2012 - 12/31/2027
Dollar General - Kinston, AL	Dolgencorp, LLC	9,026	100 %	5/5 yr.	80,009 82,410	8.86 9.13	12/21/2012 - 12/31/2022 1/1/2023 - 12/31/2027
Fairview Village - Cary, NC	Food Lion, LLC	– (5)	75 %	6/5 yr.	460,216	12.11	12/21/2012 - 12/8/2034
Dick' s - Oklahoma City (3rd Street), OK	Dick' s Sporting Goods, Inc.	50,018	100 %	4/5 yr.	637,730	12.75	12/21/2012 - 1/31/2023
Wallace Commons - Salisbury, NC	Kohl' s Department Stores, Inc.	– (5)	70 %	8/5 yr.	497,632	7.25	12/31/2012 - 1/31/2029
Dick' s - Oklahoma City, OK	Dick' s Sporting Goods, Inc.	60,500	100 %	4/5 yr.	877,250 907,500	14.50 15.00	12/31/2012 - 1/31/2018 2/1/2018 - 1/31/2023
Dollar General - Park Hill, OK	Dolgencorp, LLC	9,026	100 %	3/5 yr.	80,393 82,804	8.91 9.17	1/4/2013 - 10/31/2022 11/1/2022 - 10/31/2027
Dollar General - Pueblo, CO	DG Retail, LLC	9,026	100 %	3/5 yr.	94,372 97,204	10.46 10.77	1/4/2013 - 10/31/2022 11/1/2022 - 10/31/2027

(1) Major tenants include those tenants that occupy greater than 10% of the rentable square feet of the respective property.
(2) Represents number of renewal options and the term of each option.
(3) Represents lease term beginning with the later of the purchase date or the rent commencement date through the end of the non-cancellable lease term, assuming no renewals are exercised. Pursuant to each of the leases, the tenants are required to pay substantially all operating expenses in addition to base rent.
(4) The annual base rent under the lease increases every five years by approximately 10% of the then-current annual base rent.
(5) Subject to a ground lease.
(6) The annual base rent under the lease increases every five years by the lesser of one and a half times the cumulative percentage increase in the Consumer Price Index over the preceding five-year period or 10% of the then-current annual base rent.
(7) The annual base rent under the lease increases every year by the lesser of one and a quarter times the cumulative percentage increase in the Consumer Price Index over the preceding annual period or 1.75% of the then-current annual base rent.
(8) The annual base rent under the lease increases every year by 2% of the then-current annual base rent.
(9) Lease term beginning December 10, 2012 through April 18, 2013 includes an adjustment for a rent incentive received on the purchase date.
(10) The annual base rent under the lease increases every five years by the lesser of the cumulative percentage increase in the Consumer Price Index over the preceding five-year period or 11% of the then-current annual base rent.

Tenant Lease Expirations

The following table sets forth the aggregate lease expirations for each of our properties that have been acquired as of January 7, 2013 for each of the next ten years and thereafter, assuming no renewal options are exercised. For purposes of the table, the Total Annual Base Rent column represents annualized base rent, based on rent in effect on January 1 of the respective year, for each lease that expires during the respective year.

Year Ending December 31,	Number of Leases Expiring	Square Feet Expiring	Total Annual Base Rent Expiring	% of Total Annual Base Rent
2013	1	1,200	$ 36,840	* %
2014	6	15,700	343,512	1 %
2015	6	11,320	211,191	1 %
2016	5	9,793	180,643	* %
2017	9	17,905	341,782	1 %
2018	3	15,525	184,139	* %
2019	2	15,588	425,397	1 %
2020	1	44,925	889,515	2 %
2021	8	13,159	607,628	2 %
2022	9	220,455	2,451,497	6 %
2023	9	247,819	3,400,689	9 %
Thereafter	80	1,879,266	29,124,232	76 %
	139	2,492,655	$ 38,197,065	100 %

* Represents less than 1% of the total annual base rent.

Depreciable Tax Basis

For federal income tax purposes, the aggregate depreciable basis in the 59 properties described in this prospectus supplement is approximately $261.2 million. When we calculate depreciation expense for federal income tax purposes, we depreciate buildings and improvements over a 40-year recovery period, land improvements over a 20-year recovery period and furnishings and equipment over a 12-year recovery period using a straight-line method and a mid-month convention. The preliminary depreciable basis in these 59 properties is estimated, as of January 7, 2013, as follows:

Wholly-owned Property	Depreciable Tax Basis
Ross - Ft. Worth, TX	$ 4,018,000
CVS - Irving, TX	3,212,397
Mattress Firm - Jonesboro, AR	1,794,980
Petsmart - Baton Rouge, LA	3,362,000
Walgreens - Lubbock (82nd), TX	3,477,210
Walgreens - Lubbock (Indiana), TX	3,032,770
Kohl's - Hutchinson, KS	2,775,700
CVS - Cartersville, GA	– (1)
Logan's Roadhouse - Lancaster, TX	2,595,300
Logan's Roadhouse - Opelika, AL	2,427,047
Logan's Roadhouse - Sanford, FL	2,973,110
Logan's Roadhouse - Troy, OH	2,546,100
Advance Auto - Corydon, IN	1,240,982
Mattress Firm - Pineville, NC	2,778,980
Tractor Supply - Newnan, GA	3,233,260

Cost Plus Shopping Center – Kansas City, MO	3,169,300
Michael' s – Bowling Green, KY	2,550,200

Wholly-owned Property	Depreciable Tax Basis	
Tractor Supply - Spencer, WV	$ 2,414,900	
Dollar General - Peidmont, AL	2,714,456	
Dollar General - Hanceville, AL	2,652,444	
Kirkland' s - Jonesboro, AR	2,380,645	
Dollar General - Maynardville, TN	1,006,520	
Dollar General - Lima, OH	1,100,260	
Dollar General - Whitwell, TN	1,181,878	
Dollar General - Cleveland, TX	927,252	
Dollar General - Brownsville, TX	1,114,807	
Dollar General - Greenwell Springs, LA	1,178,508	
Dollar General - Breaux Bridge, LA	1,136,453	
Tire Kingdom - Tarpon Springs, FL	1,711,607	
Tractor Supply - Canon City, CO	3,048,093	
Hobby Lobby - Mooresville, NC	4,510,000	
Canarsie Plaza - Brooklyn, NY	101,680,000	
Kohl' s - Cedar Falls, IA	6,601,000	
Big Lots - Waco, TX	2,132,000	
Costco - Tallahassee, FL	–	(1)
Wal-Mart - Tallahassee, FL	–	(1)
Golden Corral - Houston, TX	3,234,080	
Old Navy & PetSmart - Reynoldsburg, OH	4,961,235	
National Tire & Battery - Cedar Hill, TX	2,151,680	
Hickory Flat Commons - Canton, GA	15,580,000	
Dollar General - Independence, MO	1,121,884	
Dollar General - Rayne, LA	949,223	
Dollar General - Conroe, TX	1,024,978	
Dollar General - Houston, TX	1,312,629	
Dollar General - Lubbock, TX	1,008,488	
Big Lots - San Angelo, TX	2,665,000	
Home Depot - North Canton, OH	11,849,000	
Walgreens - Danville, VA	4,830,313	
Dollar General - Ashville, AL	920,648	
Dollar General - Geneva, AL	1,024,490	
Dollar General - Harvest, AL	943,886	
Dollar General - Huntsville, AL	1,028,203	
Dollar General - Kinston, AL	886,589	
Fairview Village - Cary, NC	1,354,611	(1)
Dick' s - Oklahoma City (3rd Street), OK	7,357,291	
Wallace Commons - Salisbury, NC	2,427,311	(1)
Dick' s - Oklahoma City, OK	9,922,000	
Dollar General - Park Hill, OK	891,340	
Dollar General - Pueblo, CO	1,044,680	
	$ 261,167,718	

(1) Depreciable basis excludes any ground leases.

We currently have no plan for any renovations, improvements or development of the properties listed above, and we believe all of our properties are adequately insured. We intend to obtain adequate insurance coverage for all future properties that we acquire.

Placement of Debt on Certain Real Property Investments

Bridge Facility

On December 14, 2012, our operating partnership, CCPT IV OP, entered into an unsecured bridge facility (the Bridge Facility) providing for up to $75.0 million of borrowings pursuant to a credit agreement (the Bridge Credit Agreement) with J.P. Morgan Securities LLC, as lead arranger and sole book manager, JPMorgan Chase as administrative agent and syndication agent, and other lending institutions that may become parties to the Bridge Credit Agreement.

The Bridge Facility allows CCPT IV OP to borrow up to $75.0 million in revolving loans (the Bridge Revolving Loans), with the maximum amount outstanding not to exceed the lesser of (a) 50% of the aggregate value allocated to each qualified unencumbered property comprising the borrowing base and (b) the aggregate mortgageability of each qualified unencumbered property, as defined in the Bridge Credit Agreement, comprising the borrowing base (the Bridge Borrowing Base). Up to 15% of the total amount available may be used for issuing letters of credit and up to $15.0 million may be used for issuing swing line loans (the Swing Line Loans). The Bridge Facility matures on June 14, 2013.

The Bridge Revolving Loans will bear interest at rates depending upon the type of loan specified by CCPT IV OP. For a Eurodollar rate loan, as defined in the Bridge Credit Agreement, the interest rate will be equal to the one-month LIBOR for the interest period multiplied by the statutory reserve rate, as defined in the Bridge Credit Agreement (the Adjusted LIBO Rate), plus 2.75%. For base rate committed loans, the interest rate will be a per annum amount equal to the greater of (a) JPMorgan Chase' s Prime Rate (b) the Federal Funds Effective Rate plus 0.50%; or (c) the Adjusted LIBO Rate plus 1.0% (the Base Rate) plus 1.75%. The Swing Line Loans will bear interest at a rate equal to the Base Rate plus 2.75%.

CCPT IV OP has the right to prepay the Eurodollar rate loans and base rate committed loans, in whole or in part, without premium or penalty provided that (i) prior written notice is received by the administrative agent; (ii) any prepayment of Eurodollar Rate loans must be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof; and (iii) any prepayment of Base Rate committed loans must be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof, or in each case, if less, the entire principal amount then outstanding. CCPT IV OP also has the right to prepay the Swing Line Loans, in whole or part, without premium or penalty provided that (i) prior written notice is received by the lender and administrative agent and (ii) any such prepayment shall be in a minimum principal amount of $100,000.

The Bridge Credit Agreement contains customary representations, warranties, borrowing conditions and affirmative, negative and financial covenants, including minimum net worth, debt service coverage and leverage ratio requirements and dividend payout requirements. The Bridge Credit Agreement also includes usual and customary events of default and remedies for facilities of this nature. Upon the occurrence of any event of default, the base rate committed loans and Swing Line Loans will bear interest payable at an interest rate equal to the Base Rate plus 3.75% per annum and the Eurodollar rate loans will bear interest payable at an interest rate equal to 2.0% per annum above the interest rate that would otherwise be applicable at the time, until such default is cured. Similarly, the letter of credit fees described above will be increased to a rate of 4.75% above the letter of credit fee that would otherwise be applicable at that time.

As of January 7, 2013, the Bridge Borrowing Base under the Bridge Facility based on the underlying collateral pool for qualified unencumbered properties was approximately $62.7 million.

Potential Real Property Investments

Our advisor has identified certain properties as potential suitable investments for us. The acquisition of each such property is subject to a number of conditions. A significant condition to acquiring any one of these properties is our ability to raise sufficient proceeds in this offering to pay all or a portion of the purchase price,

including any expenses or closing costs in connection with closing the acquisitions. An additional condition to acquiring these properties may be securing debt financing to pay the balance of the purchase price. Such financing may not be available on acceptable terms or at all.

Other properties may be identified in the future that we may acquire prior to or instead of these properties. Due to the considerable conditions that must be satisfied in order to acquire these properties, we cannot make any assurances that the closing of these acquisitions is probable. The properties currently identified are listed below:

Property	Expected Acquisition Date	Approximate Purchase Price	Approximate Fees to be Paid to Sponsor (1)
Trader Joe' s - Columbia, SC	January 2013	$6,037,500	$ 120,750
Petsmart - Edmond, OK	January 2013	4,100,000	82,000
National Tire & Battery - Montgomery, IL	January 2013	3,421,000	68,420
		$13,558,500	$ 271,170

(1) Approximate fees paid to sponsor upon closing represent amounts payable to an affiliate of our advisor for acquisition fees in connection with the property acquisition.

The potential property acquisitions are subject to net leases, pursuant to which a tenant is generally required to pay substantially all operating expenses in addition to base rent.

Property	Number of Tenants	Tenant	Rentable Square Feet	Physical Occupancy
Trader Joe' s - Columbia, SC	1	Trader Joe' s East, Inc.	13,800	100 %
Petsmart - Edmond, OK	1	Petsmart, Inc.	26,040	100 %
National Tire & Battery - Montgomery, IL	1	NTB Incorporated	7,964	100 %
			47,804	

The table below provides leasing information for the major tenants at each property:

Property	Major Tenants (1)	Renewal Options (2)	Current Annual Base Rent	Base Rent per Square Foot	Lease Term (3)
Trader Joe' s - Columbia, SC	Trader Joe' s East, Inc.	4/5 yr.	$410,550 (4)	$ 29.75	9/15/2012 - 9/30/2022
Petsmart - Edmond, OK	Petsmart, Inc.	6/5 yr.	344,249	13.22	7/7/1998 - 1/31/2024
National Tire & Battery - Montgomery, IL	NTB Incorporated	3/5 yr.	239,473 (5)	30.07	12/6/2007 - 12/31/2032

(1) Major tenants include those tenants that occupy greater than 10% of the rentable square feet of the property.
(2) Represents number of renewal options and the term of each option.
(3) Represents lease term beginning with the current rent period through the end of the non-cancellable lease term. assuming no renewals are exercised.

(4) The annual base rent under the lease increases every five years by the lesser of the cumulative percentage increase in the Consumer Price Index over the preceding five-year period or 10% of the then-current annual base rent.

(5) The annual base rent under the lease increases every five years by the lesser of the cumulative percentage increase in the Consumer Price Index over the preceding five-year period or 12% of the then-current annual base rent.

We expect to purchase the properties with proceeds from our ongoing offering of our common stock and available debt proceeds from our $250.0 million Credit Facility and Bridge Facility. We may use the properties as collateral in future financings.

Updates to the Disclosure Regarding our Operating Partnership

All references to our advisor being the sole limited partner of our operating partnership including, but not limited to, the organizational chart in the "Prospectus Summary – Conflicts of Interest" section on page 13 of our prospectus, are hereby replaced with references to CRI REIT IV, LLC, which is a wholly-owned subsidiary of ours, as the sole limited partner. Additionally, all references to our operating partnership being treated as a partnership for federal income tax purposes are replaced with references to our operating partnership being treated as a disregarded entity for federal income tax purposes.

The following risk factor supersedes and replaces the first risk factor on page 54 in the section of our prospectus captioned "Risk Factors – Federal Income Tax Risks."

If our operating partnership fails to maintain its status as a disregarded entity or partnership, its income may be subject to taxation, which would reduce the cash available to us for distribution to you.

Our operating partnership is a disregarded entity for U.S. federal income tax purposes. Our operating partnership would lose its status as a disregarded entity for U.S. federal income tax purposes if it issues interests to a person other than us or any subsidiary we establish that is disregarded for tax purposes. If our operating partnership issues interests to a person other than us or any subsidiary we establish that is disregarded for tax purposes, we would characterize our operating partnership as a partnership for federal income tax purposes. As a disregarded entity or partnership, our operating partnership is not subject to U.S. federal income tax on its income. However, if the Internal Revenue Service were to successfully challenge the status of our operating partnership as a disregarded entity or partnership, CCPT IV OP would be taxable as a corporation. In such event, this would reduce the amount of distributions that the operating partnership could make to us. This could also result in our losing REIT status, and becoming subject to a corporate level tax on our income. This would substantially reduce the cash available to us to make distributions to you and the return on your investment.

If any of the partnerships or limited liability companies through which CCPT IV OP owns its properties, in whole or in part, loses its characterization as a partnership for federal income tax purposes, it would be subject to taxation as a corporation, thereby reducing distributions to our operating partnership. Such a re-characterization of an underlying property owner also could threaten our ability to maintain REIT status.

The following information supersedes and replaces the first paragraph of the "Our Operating Partnership Agreement – General" section on page 153 of our prospectus:

CCPT IV OP, our operating partnership, was formed in July 2010 to acquire, own and operate properties on our behalf. All of the limited partnership interests are owned by us or one of our wholly-owned subsidiaries. CCPT IV OP is structured to be an UPREIT if and when all or a portion of its limited partnership interests are held by persons other than us or any subsidiary we establish that is disregarded for tax purposes. A property owner may contribute property to an UPREIT in exchange for limited partnership units on a tax-free basis. This enables us to acquire real property from owners who desire to defer taxable gain that would otherwise be recognized by such owners upon the disposition of their property. This structure may also be attractive for property owners that desire to diversify their investments and gain benefits afforded to owners of stock in a REIT. In addition, CCPT IV OP is structured to ultimately make distributions with respect to limited partnership units that will be equivalent to the distributions made to holders of our common stock. A limited partner in CCPT IV OP may later exchange his or her limited partnership units in CCPT IV OP for shares of our common stock in a taxable transaction. For purposes of satisfying the asset and income tests for qualification as a REIT for tax purposes, the REIT' s proportionate share of the assets and income of an UPREIT, such as CCPT IV OP, will be

deemed to be assets and income of the REIT. We control, and intend to continue to control, our operating partnership and intend to operate it consistently with the requirements for our qualification as a REIT whether our operating partnership is a disregarded entity or a partnership for federal income tax purposes.

The following information supersedes and replaces the sole paragraph in the "Federal Income Tax Considerations – Requirements for Qualification as a REIT – Ownership Interests in Partnerships and Qualified REIT Subsidiaries" section on page 160 of our prospectus:

In the case of a REIT that is a partner in a partnership, Treasury Regulations provide that the REIT is deemed to own its proportionate share, based on its interest in partnership capital, of the assets of the partnership and is deemed to have earned its allocable share of partnership income. Also, if a REIT owns a qualified REIT subsidiary, which is defined as a corporation wholly-owned by a REIT that does not elect to be taxed as a "taxable REIT subsidiary" (TRS) under the Internal Revenue Code, the REIT will be deemed to own all of the subsidiary' s assets and liabilities and it will be deemed to be entitled to treat the income of that subsidiary as its own. In addition, the character of the assets and gross income of the partnership or qualified REIT subsidiary shall retain the same character in the hands of the REIT for purposes of satisfying the gross income tests and asset tests set forth in the Internal Revenue Code. Our operating partnership is currently a disregarded entity and will remain so unless and until it issues limited partnership interests to a person other than us or any subsidiary we establish that is disregarded for tax purposes.

The following information supersedes and replaces the first full paragraph in the "Federal Income Tax Considerations – Tax Aspects of Our Operating Partnership – Classification as a Partnership" section on page 171 of our prospectus:

Even though CCPT IV OP will be treated as a partnership for federal income tax purposes at such time, if any, that it has two or more "regarded" owners for tax purposes, it may be taxed as a corporation if it is deemed to be a publicly traded partnership (PTP). A PTP is a partnership whose interests are traded on an established securities market or are readily tradable on a secondary market, or the substantial equivalent thereof. However, a PTP will not be treated as a corporation for federal income tax purposes if at least 90% of such partnership' s gross income for a taxable year consists of "qualifying income" under Section 7704(d) of the Internal Revenue Code. Qualifying income generally includes any income that is qualifying income for purposes of the 95% Income Test applicable to REITs (the 90% Passive-Type Income Exception). See "– Requirements for Qualification as a REIT – Operational Requirements – Gross Income Tests" above.

The following information supersedes and replaces the sole paragraph in the "Federal Income Tax Considerations – Tax Aspects of Our Operating Partnership – Classification as a Partnership – Income Taxation of the Operating Partnership and Its Partners – Partnership Allocations" section on page 172 of our prospectus:

Although a partnership agreement generally determines the allocation of income and losses among partners, such allocations will be disregarded for tax purposes if they do not comply with the provisions of Section 704(b) of the Internal Revenue Code and the applicable Treasury Regulations. If an allocation is not recognized for federal income tax purposes after the time, if any, at which the operating partnership becomes a partnership for tax purposes, the item subject to the allocation will be reallocated in accordance with the partners' interests in the partnership, which will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners with respect to such item. CCPT IV OP' s allocations of taxable income and loss are intended to comply with the requirements of Section 704(b) of the Internal Revenue Code and the applicable Treasury Regulations at such time, if any, that the operating partnership becomes a partnership for tax purposes.

Updates to Risk Factor Disclosure

The following information supplements, and should be read in conjunction with, the last risk factor on page 24 of the section of the prospectus captioned "Risk Factors – Risks Related to an Investment in Cole Credit Property Trust IV, Inc."

As of September 30, 2012, cumulative since inception, we have declared approximately $1.8 million of distributions and we have paid approximately $1.1 million, all of which was paid using proceeds from the issuance of common stock. As of September 30, 2012, cumulative since inception, net cash used in operating activities was $3.4 million and reflects a reduction for real estate acquisition fees and related costs incurred and expensed of $4.6 million, in accordance with GAAP. As set forth in the "Estimated Use of Proceeds" section of the prospectus, we treat our real estate acquisition related expenses as funded by proceeds from our offering. Therefore, for consistency, as of September 30, 2012, cumulative since inception, proceeds from the issuance of common stock are considered a source of our distributions to the extent that acquisition expenses have reduced net cash flows from operating activities. The payment of distributions from sources other than cash provided by operating activities may reduce the amount of proceeds available for investment and operations or cause us to incur additional interest expense as a result of borrowed funds, and may cause subsequent investors to experience dilution.

Renewal of Advisory Agreement

The following information supplements, and should be read in conjunction with, the section of our prospectus captioned "Management – The Advisory Agreement" beginning on page 72 of the prospectus.

Our board of directors has approved the renewal of our advisory agreement with Cole REIT Advisors IV, LLC, for a term ending November 30, 2013, and the agreement may be renewed for an unlimited number of successive one-year periods thereafter.

Compensation, Fees and Reimbursements Payable to CR IV Advisors and its Affiliates

The following data supplements, and should be read in conjunction with, the section of our prospectus captioned "Management Compensation" beginning on page 76 of the prospectus:

The following table summarizes the compensation, fees and reimbursements paid to our advisor and its affiliates related to the offering stage during the following periods:

	For the Nine Months Ended September 30, 2012	For the Year Ended December 31, 2011
Offering Stage:		
Selling commissions	$ 10,361,511	$ –
Selling commissions reallowed by Cole Capital Corporation	$ 10,361,511	$ –
Dealer manager fee	$ 3,060,070	$ –
Dealer manager fee reallowed by Cole Capital Corporation	$ 1,599,810	$ –
Other organization and offering expenses	$ 3,070,443	$ –

As of September 30, 2012, our advisor had paid organization and offering costs of $3.5 million in connection with our ongoing public offering, of which $451,000 was not included in our financial statements because such costs were not a liability to us as they exceeded 2% of gross proceeds from our ongoing public offering. As we raise additional proceeds from our ongoing public offering, the $451,000 in costs may become payable.

The following table summarizes any compensation, fees and reimbursements paid to our advisor and its affiliates related to the acquisition and operations stage during the respective periods reflected below.

	For the Nine Months Ended September 30, 2012	For the Year Ended December 31, 2011
Acquisition and Operations Stage:		
Acquisition fees and expenses	$ 3,184,334	$ –
Advisory fees and expenses	$ 297,260	$ –

Operating expenses	$ 137,573	$ –

We did not incur any advisory fees or operating expense reimbursements from April 13, 2012, when we commenced principal operations, through May 31, 2012 as CR IV Advisors agreed to waive its rights to these fees and expense reimbursements during such period. During the nine months ended September 30, 2012 and for the year ended December 31, 2011, no compensation, fees or reimbursements were incurred for services provided by our advisor and its affiliates related to the liquidity/listing stage.

Selected Financial Data

The following data supersedes and replaces the section of our prospectus captioned "Selected Financial Data" on page 113 of the prospectus:

The following data should be read in conjunction with our consolidated financial statements for the nine months ended September 30, 2012 and the notes thereto included in this prospectus. As of December 31, 2011, we had not yet commenced material operations or entered into any arrangements to acquire any specific investments. Refer to the audited consolidated balance sheet for the year ended December 31, 2011 and related notes thereto included in this prospectus. Also, see the section of this prospectus captioned "Management' s Discussion and Analysis of Financial Condition and Results of Operations."

The selected financial data presented below has been derived from our condensed consolidated unaudited interim financial statements as of and for the nine months ended September 30, 2012 and our audited consolidated balance sheet as of December 31, 2011.

	September 30, 2012	December 31, 2011
Balance Sheet Data:		
Total investment in real estate assets, net	$159,105,020	$ –
Cash and cash equivalents	$12,022,794	$ 200,000
Total assets	$175,735,483	$ –
Credit facility	$39,000,000	$ –
Acquired below market lease intangibles, net	$2,965,355	$ –
Redeemable common stock	$538,823	$ –
Stockholders' equity	$129,676,993	$ 200,000
Operating Data:		
Total revenue	$2,494,820	$ –
General and administrative expenses	$811,982	$ –
Advisory fees and expenses	$297,260	$ –
Acquisition related expenses	$4,559,418	$ –
Depreciation and amortization	$938,226	$ –
Operating loss	$(4,268,621)	$ –
Interest expense	$(617,635)	$ –
Net loss	$(4,885,769)	$ –
Cash Flow Data:		
Net cash used in operating activities	$(3,384,093)	$ –
Net cash used in investing activities	$ (157,699,082)	$ –
Net cash provided by financing activities	$172,905,969	$ –
Per Common Share Data:		
Net loss - basic and diluted	$(1.29)	$ –
Weighted average shares outstanding - basic and diluted	3,789,868	–

Updates to our Prior Performance Summary

The following information supersedes and replaces the fourth paragraph of the section in our prospectus captioned "Prior Performance Summary – Adverse Business and Other Developments – Distributions and Redemptions" on page 131 of the prospectus.

As of December 31, 2011, CCPT II had paid approximately $536.0 million in cumulative distributions since inception. These distributions were funded by net cash provided by operating activities of approximately $484.6 million, net proceeds in excess of CCPT II' s investment from its sale of marketable securities of approximately $21.5 million, offering proceeds of approximately $9.7 million, distributions received in excess of income from CCPT II' s unconsolidated joint venture and cash received from mortgage notes receivable and real estate assets under direct financing leases of $13.6 million, net proceeds in excess of CCPT II' s investment from its sale of an unconsolidated joint venture of $2.0 million and net borrowings of approximately $4.6 million. As of December 31, 2011, CCPT II had expensed approximately $9.7 million in cumulative real estate acquisition expenses, which reduced operating cash flows. CCPT II treats its real estate acquisition expenses as funded by offering proceeds. Therefore, for consistency, real estate acquisition expenses are treated in the same manner in describing the sources of distributions, to the extent that distributions paid exceed net cash provided by operating activities.

The following information supplements, and should be read in conjunction with, the fifth paragraph of the section of our prospectus captioned "Prior Performance Summary – Adverse Business and Other Developments – Distributions and Redemptions" on page 131 of the prospectus, and the second paragraph of the Risk Factor captioned "You are limited in your ability to sell your shares pursuant to our share redemption program and may have to hold your shares for an indefinite period of time." on page 23 of the prospectus:

On December 6, 2012, CCPT II suspended its share redemption program in anticipation of a potential liquidity event.

Distributions and Share Redemptions

The following data supplements, and should be read in conjunction with, the section of our prospectus captioned "Description of Shares – Distribution Policy and Distributions" beginning on page 137 of the prospectus.

Our board of directors authorized a daily distribution, based on 365 days in the calendar year, of $0.001712523 per share (which equates to 6.25% on an annualized basis calculated at the current rate, assuming a $10.00 per share purchase price) for stockholders of record as of the close of business on each day of the period commencing on January 1, 2013 and ending on March 31, 2013.

As of September 30, 2012, cumulative since inception, we have declared approximately $1.8 million of distributions and we have paid approximately $1.1 million, of which approximately $552,000 was paid in cash and approximately $539,000 was reinvested in shares of our common stock pursuant to the distribution reinvestment plan. Our net loss was $4.9 million as of September 30, 2012, cumulative since inception and for the nine months ended September 30, 2012.

The following table presents distributions and source of distributions for the periods indicated below:

	Cumulative Paid Since Inception		Nine Months Ended September 30, 2012	
	Amount	Percent	Amount	Percent
Distributions paid in cash	$552,000	51 %	$552,000	51 %
Distributions reinvested	539,000	49 %	539,000	49 %
Total distributions	$1,091,000	100 %	$1,091,000	100 %
Source of distributions:				
Proceeds from issuance of common stock	$1,091,000	100 %	$1,091,000	100 %

Net cash used in operating activities for the nine months ended September 30, 2012 was $3.4 million and reflects a reduction for real estate acquisition fees and related costs incurred and expensed of $4.6 million, in accordance with GAAP. As set forth in the "Estimated Use of Proceeds" section of the prospectus, we treat our real estate acquisition related expenses as funded by proceeds from our offering. Therefore, for consistency, proceeds from the issuance of common stock for the nine months ended September 30, 2012 are considered a source of our distributions to the extent that acquisition expenses have reduced net cash flows from operating activities. As such, all of our 2012 distributions were funded from proceeds from our offering. For the year ended December 31, 2011, no distributions were paid as we had not commenced principal operations.

The following information supplements, and should be read in conjunction with, the last paragraph of the section of our prospectus captioned "Description of Shares – Share Redemption Program" on page 145 of the prospectus:

As of September 30, 2012, we have not received any redemption requests relating to our shares.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The prospectus is hereby supplemented with the following "Management's Discussion and Analysis of Financial Condition and Results of Operations," which is substantially the same as that which was included in our Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2012. Unless otherwise defined in this supplement, capitalized terms are defined in such Quarterly Report.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated unaudited financial statements, the notes thereto and the other unaudited financial data included in this prospectus supplement. The following discussion should also be read in conjunction with our audited consolidated balance sheet, and the notes thereto, and "Management' s Discussion and Analysis of Financial Condition and Results of Operations" included in our Registration Statement on Form S-11, as amended. The terms "we," "us," "our" and the "Company" refer to Cole Credit Property Trust IV, Inc. and unless otherwise defined herein, capitalized terms used herein shall have the same meanings as set forth in our condensed consolidated unaudited financial statements and the notes thereto.

Forward-Looking Statements

Except for historical information, this section contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including discussion and analysis of our financial condition and our subsidiaries, our anticipated capital expenditures, amounts of anticipated cash distributions to our stockholders in the future and other matters. These forward-looking statements are not historical facts but are the intent, belief or current expectations of our management based on their knowledge and understanding of our business and industry. Words such as "may," "will," "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "would," "could," "should" or comparable words, variations and similar expressions are intended to identify forward-looking statements. All statements not based on historical fact are forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict, and could cause actual results to differ materially from those expressed or implied in the forward-looking statements. A full discussion of our risk factors may be found in the "Risk Factors" section in our prospectus relating to the Offering.

Forward-looking statements that were true at the time made may ultimately prove to be incorrect or false. Investors are cautioned not to place undue reliance on forward-looking statements, which reflect our management' s view only as of the date of our Quarterly Report on Form 10-Q. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results. Factors that could cause actual results to differ materially from any

forward-looking statements made in this prospectus supplement include, among others, changes in general economic conditions, changes in real estate conditions, construction costs that may exceed estimates, construction delays, increases in interest rates, lease-up risks, rent relief, inability to obtain new tenants upon the expiration or termination of existing leases, inability to obtain financing or refinance existing debt, and the potential need to fund tenant improvements or other capital expenditures out of operating cash flows. The forward-looking statements should be read in light of the risk factors identified in the "Risk Factors" section of our prospectus relating to the Offering.

Management' s discussion and analysis of financial condition and results of operations are based upon our condensed consolidated unaudited financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires our management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On a regular basis, we evaluate these estimates. These estimates are based on management' s historical industry experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Overview

We were formed on July 27, 2010, and we intend to elect to be taxed as a REIT for federal income tax purposes beginning with the taxable year ending December 31, 2012. We commenced our principal operations on April 13, 2012, when we issued the initial 308,000 shares of our common stock. We have no paid employees and are externally advised and managed by CR IV Advisors. We intend to use substantially all of the net proceeds from our Offering to acquire and operate a diverse portfolio of retail and other income-producing commercial properties, which are leased to creditworthy tenants under long-term leases. We expect that most of the properties will be strategically located throughout the United States and U.S. protectorates and subject to long-term triple net or double net leases, whereby the tenant will be obligated to pay for all or most of the expenses of maintaining the property (including real estate taxes, special assessments and sales and use taxes, utilities, insurance, building repairs and common area maintenance related to the property). We generally intend to hold each property we acquire for an extended period, of more than seven years.

Our operating results and cash flows are primarily influenced by rental income from our commercial properties, interest expense on our property indebtedness and acquisition and operating expenses. Rental and other property income accounted for 93% and 94% of our total revenue for the three and nine months ended September 30, 2012, respectively. As 99.8% of our rentable square feet was under lease as of September 30, 2012, with a weighted average remaining lease term of 16.2 years, we believe our exposure to changes in commercial rental rates on our portfolio is substantially mitigated, except for vacancies caused by tenant bankruptcies or other factors. CR IV Advisors regularly monitors the creditworthiness of our tenants by reviewing the tenant' s financial results, credit rating agency reports, when available, on the tenant or guarantor, the operating history of the property with such tenant, the tenant' s market share and track record within its industry segment, the general health and outlook of the tenant' s industry segment, and other information for changes and possible trends. If CR IV Advisors identifies significant changes or trends that may adversely affect the creditworthiness of a tenant, it will gather a more in-depth knowledge of the tenant' s financial condition and, if necessary, attempt to mitigate the tenant credit risk by evaluating the possible sale of the property, or identifying a possible replacement tenant should the current tenant fail to perform on the lease. In addition, as of September 30, 2012, the debt leverage ratio of our consolidated real estate assets, which is the ratio of debt to total gross real estate and related assets net of gross intangible lease liabilities, was 25%.

As we acquire additional commercial real estate, we will be subject to changes in real estate prices and changes in interest rates on any new indebtedness used to acquire the properties. We may manage our risk of changes in real estate prices on future property acquisitions, when applicable, by entering into purchase agreements and loan commitments simultaneously, or through loan assumption, so that our operating yield is determinable at the time we enter into a purchase agreement, by contracting with developers for future delivery

of properties or by entering into sale-leaseback transactions. We manage our interest rate risk by monitoring the interest rate environment in connection with our future property acquisitions, when applicable, or upcoming debt maturities to determine the appropriate financing or refinancing terms, which may include fixed rate loans, variable rate loans or interest rate hedges. If we are unable to acquire suitable properties or obtain suitable financing terms for future acquisitions or refinancing, our results of operations may be adversely affected.

Recent Market Conditions

Beginning in late 2007, domestic and international financial markets experienced significant disruptions that were brought about in large part by challenges in the world-wide banking system. These disruptions severely impacted the availability of credit and contributed to rising costs associated with obtaining credit. Since 2010, the volume of mortgage lending for commercial real estate has been increasing and lending terms have improved and they continue to improve; however, such lending activity continues to be significantly less than previous levels. Although lending market conditions have improved, certain factors continue to negatively affect the lending environment, including the sovereign credit issues of certain countries in the European Union. We may experience more stringent lending criteria, which may affect our ability to finance certain property acquisitions or refinance any debt at maturity. Additionally, for properties for which we are able to obtain financing, the interest rates and other terms on such loans may be unacceptable. We expect to manage the current mortgage lending environment by considering alternative lending sources, including the securitization of debt, utilizing fixed rate loans, borrowings on our Credit Facility, short-term variable rate loans, assuming existing mortgage loans in connection with property acquisitions, or entering into interest rate lock or swap agreements, or any combination of the foregoing.

The economic downturn led to high unemployment rates and a decline in consumer spending. These economic trends have adversely impacted the retail and real estate markets by causing higher tenant vacancies, declining rental rates and declining property values. In 2011 and through September 30, 2012, the economy improved and continues to show signs of recovery. Additionally, the real estate markets have experienced an improvement in property values, occupancy and rental rates; however, in many markets property values, occupancy and rental rates continue to be below those previously experienced before the economic downturn. As of September 30, 2012, 99.8% of our rentable square feet was under lease. However, if the recent improvements in economic conditions do not continue, we may experience vacancies or be required to reduce rental rates on occupied space. If we do experience vacancies, CR IV Advisors will actively seek to lease our vacant space, however, such space may be leased at lower rental rates and for shorter lease terms than our current leases provide.

Results of Operations

On April 13, 2012 we commenced principal operations and as of September 30, 2012, we owned 32 properties, of which 99.8% of the gross rentable square feet was leased. As we did not commence principal operations until April 13, 2012, comparative financial data is not presented for the three and nine months ended September 30, 2011.

Three Months Ended September 30, 2012

Revenue for the three months ended September 30, 2012 totaled $1.8 million. Our revenue consisted primarily of rental and other property income of $1.7 million related to the 2012 Acquisitions, which accounted for 93% of total revenue. We also paid certain operating expenses subject to reimbursement by our tenants, which resulted in $123,000 in tenant reimbursement income during the three months ended September 30, 2012.

General and administrative expenses for the three months ended September 30, 2012 totaled $589,000, primarily consisting of unused Credit Facility fees, insurance, advisor operating expense reimbursements, accounting fees, board of directors fees, legal fees, organization fees and state income and franchise taxes. For

the three months ended September 30, 2012, property operating expenses were $130,000, primarily related to property taxes, repairs and maintenance and property related insurance. Depreciation and amortization expenses were $678,000 and acquisition expenses totaled $2.6 million during the three months ended September 30, 2012, related to the 2012 Acquisitions.

Pursuant to the advisory agreement with CR IV Advisors and based upon the amount of our current invested assets, we are required to pay to CR IV Advisors a monthly advisory fee equal to one-twelfth of 0.75% of the average invested assets. Additionally, we may be required to reimburse certain expenses incurred by CR IV Advisors in providing such advisory services, subject to limitations as set forth in the advisory agreement. Advisory fees and expenses for the three months ended September 30, 2012 totaled $207,000.

Our 2012 Acquisitions were financed with proceeds from our Offering and borrowings from our Credit Facility. During the three months ended September 30, 2012, we incurred interest expense of $364,000, which included $189,000 in amortization of deferred financing costs. Our debt financing costs in future periods will vary based on our level of future borrowings, which will depend on the level of investor proceeds raised, the cost and availability of borrowings, and the opportunity to acquire real estate assets in accordance with our investment strategy.

Nine Months Ended September 30, 2012

Revenue for the nine months ended September 30, 2012 totaled $2.5 million. Our revenue consisted primarily of rental and other property income of $2.3 million related to the 2012 Acquisitions, which accounted for 94% of total revenue. We also paid certain operating expenses subject to reimbursement by our tenants, which resulted in $150,000 in tenant reimbursement income during the nine months ended September 30, 2012.

General and administrative expenses for the nine months ended September 30, 2012 totaled $812,000, primarily consisting of unused Credit Facility fees, insurance, advisor operating expense reimbursements, board of directors fees, accounting fees, legal fees, organization fees and state income and franchise taxes. For the nine months ended September 30, 2012, property operating expenses were $157,000, primarily related to property taxes, repairs and maintenance and property related insurance. Depreciation and amortization expenses were $938,000 and acquisition expenses totaled $4.6 million during the nine months ended September 30, 2012 related to the 2012 Acquisitions.

Pursuant to the advisory agreement with CR IV Advisors and based upon the amount of our current invested assets, we are required to pay to CR IV Advisors a monthly advisory fee equal to one-twelfth of 0.75% of the average invested assets. Additionally, we may be required to reimburse certain expenses incurred by CR IV Advisors in providing such advisory services, subject to limitations as set forth in the advisory agreement. Advisory fees and expenses for the nine months ended September 30, 2012 totaled $297,000.

Our 2012 Acquisitions were financed with proceeds from our Offering and borrowings from our Credit Facility. During the nine months ended September 30, 2012, we incurred interest expense of $618,000, which included $226,000 in amortization of deferred financing costs. Our debt financing costs in future periods will vary based on our level of future borrowings, which will depend on the level of investor proceeds raised, the cost and availability of borrowings, and the opportunity to acquire real estate assets in accordance with our investment strategy.

Distributions

Our board of directors authorized a daily distribution, based on 366 days in the calendar year, of $0.001707848 per share for stockholders of record as of each day of the period commencing on April 14, 2012, the first day following the release from escrow of the subscription proceeds received in the Offering, and ending on December 31, 2012.

During the nine months ended September 30, 2012, we paid distributions of $1.1 million, including $539,000 through the issuance of shares pursuant to our DRIP. Net cash used in operating activities for the nine months ended September 30, 2012 was $3.4 million and reflects a reduction for real estate acquisition fees and related costs incurred and expensed of $4.6 million, in accordance with GAAP. As set forth in the "Estimated Use of Proceeds" section of the prospectus for the Offering, we treat our real estate acquisition related expenses as funded by proceeds from the Offering. Therefore, for consistency, proceeds from the issuance of common stock for the nine months ended September 30, 2012 are considered a source of our distributions to the extent that acquisition expenses have reduced net cash flows from operating activities. As such, all of our 2012 distributions were funded from proceeds from our Offering. For the nine months ended September 30, 2011, no distributions were paid as we had not commenced principal operations.

Liquidity and Capital Resources

General

Our principal demands for funds will be for real estate and real estate-related investments, for the payment of operating expenses and distributions, for the payment of principal and interest on any outstanding indebtedness and to satisfy redemption requests. Generally, we expect to meet cash needs for items other than acquisitions from our cash flow from operations, and we expect to meet cash needs for acquisitions from the net proceeds of our Offering and from debt financings. The sources of our operating cash flows will primarily be provided by the rental income received from our leased properties. We expect to continue to raise capital through our Offering and to utilize such funds and proceeds from secured or unsecured financing to complete future property acquisitions.

Short-term Liquidity and Capital Resources

On a short-term basis, our principal demands for funds will be for operating expenses, distributions and interest and principal on current and any future indebtedness. We expect to meet our short-term liquidity requirements through net cash provided by operations and proceeds from the Offering, as well as secured or unsecured borrowings from banks and other lenders to finance our expected future acquisitions.

We expect our operating cash flows to increase as we acquire properties. Assuming a maximum offering and assuming all shares available under our DRIP are sold, we expect that approximately 88.1% of the gross proceeds from the sale of our common stock will be invested in real estate and real estate-related assets, while the remaining approximately 11.9% will be used for working capital and to pay costs of the offering, including sales commissions, dealer manager fees, organization and offering expenses and fees and expenses of CR IV Advisors in connection with acquiring properties. CR IV Advisors pays the organizational and other offering costs associated with the sale of our common stock, which we reimburse in an amount up to 2.0% of the gross proceeds of our Offering. As of September 30, 2012, CR IV Advisors had paid offering and organization costs of $3.5 million in connection with our Offering, of which we had reimbursed $3.1 million. The remaining $451,000 of costs related to the organization of our Offering were not included in the our financial statements as of September 30, 2012 because such costs were not a liability to us as they exceeded 2.0% of gross proceeds from the Offering. This amount may become payable to CR IV Advisors as we continue to raise additional proceeds in the Offering.

Long-term Liquidity and Capital Resources

On a long-term basis, our principal demands for funds will be for the acquisition of real estate and real estate-related investments and the payment of acquisition related expenses, operating expenses, distributions and redemptions to stockholders and interest and principal on any future indebtedness. Generally, we expect to meet our long-term liquidity requirements through proceeds from the sale of our common stock, borrowings on our Credit Facility or the Series C Loan, proceeds from secured or unsecured financings from banks and other lenders and net cash flows from operations.

We expect that substantially all net cash flows from operations will be used to pay distributions to our stockholders after certain capital expenditures, including tenant improvements and leasing commissions, are paid; however, we may use other sources to fund distributions, as necessary, including proceeds from our Offering, borrowings on the Credit Facility and/or future borrowings on our unencumbered assets. To the extent that cash flows from operations are lower due to fewer properties being acquired or lower than expected returns on the properties, distributions paid to our stockholders may be lower. We expect that substantially all net cash flows from the Offering or debt financings will be used to fund acquisitions, certain capital expenditures identified at acquisition, repayments of outstanding debt or distributions to our stockholders.

As of September 30, 2012, we had issued approximately 15.4 million shares of our common stock in the Offering resulting in gross proceeds of $153.2 million. As of September 30, 2012, we have not received any redemption requests or redeemed any shares of our common stock.

As of September 30, 2012, we had $39.0 million of debt outstanding on our Credit Facility and an additional $23.0 million of availability based on the current borrowing base assets. See Note 5 to our condensed consolidated unaudited financial statements in this prospectus supplement for certain terms of the Credit Facility. As of September 30, 2012, the ratio of our debt to gross real estate and related assets, net of gross intangible lease liabilities, was 25%.

Our contractual obligations as of September 30, 2012 were as follows:

	Payments due by period (1)				
	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Principal payments – credit facility	$39,000,000	$–	$39,000,000	$–	$–
Interest payments – credit facility (2)	3,343,000	1,194,000	2,149,000	–	–
Principal payments – fixed rate debt (3)	522,933	–	–	5,316	517,617
Interest payments – fixed rate debt	622,243	28,929	88,611	89,340	415,363
Total	$43,488,176	$1,222,929	$41,237,611	$94,656	$932,980

(1) The table above does not include amounts due to CR IV Advisors or its affiliates pursuant to our advisory agreement because such amounts are not fixed and determinable.

(2) Payment obligations for the Revolving Loans outstanding under the Credit Facility are based on an interest rate in effect as of September 30, 2012 of 3.06%.

(3) Principal payment amounts reflect actual payments based on the face amount of bond obligations assumed in connection with a property acquisition. As of September 30, 2012, the fair value adjustments, net of amortization, of bond obligations were $68,000.

We expect to incur additional borrowings in the future to acquire additional properties and make other real estate related investments. There is no limitation on the amount we may borrow against any single improved property. Our future borrowings will not exceed 300% of our net assets as of the date of any borrowing, which is the maximum level of indebtedness permitted under the North American Securities Administrators Association REIT Guidelines; however, we may exceed that limit if approved by a majority of our independent directors. Our board of directors has adopted a policy to further limit our borrowings to 60% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our gross assets, unless excess borrowing is approved by a majority of our independent directors and disclosed to our stockholders in the next quarterly report along with the justification for such excess borrowing.

Cash Flow Analysis

Operating Activities. Net cash used in operating activities was $3.4 million for the nine months ended September 30, 2012, primarily due to a net loss of $4.9 million, which resulted from $4.6 million of acquisition

costs for the 2012 Acquisitions, offset by depreciation and amortization expenses totaling $1.1 million and an increase in accounts payable and accrued expenses of $751,000. See "– Results of Operations" for a more complete discussion of the factors impacting our operating performance.

Investing Activities. Net cash used in investing activities was $157.7 million for the nine months ended September 30, 2012, primarily resulting from the purchase of the 2012 Acquisitions.

Financing Activities. Net cash provided by financing activities was $172.9 million for the nine months ended September 30, 2012, primarily due to net proceeds from the issuance of common stock of $136.1 million and net proceeds from the line of credit of $39.0 million.

Election as a REIT

We believe we qualify and intend to elect to be taxed as a REIT for federal income tax purposes under the Internal Revenue Code of 1986, as amended beginning with the year ending December 31, 2012. To qualify and maintain our status as a REIT, we must meet certain requirements relating to our organization, sources of income, nature of assets, distributions of income to our stockholders and recordkeeping. As a REIT, we generally would not be subject to federal income tax on taxable income that we distribute to our stockholders so long as we distribute at least 90% of our annual taxable income (computed without regard to the dividends paid deduction and excluding net capital gains).

If we fail to qualify as a REIT for any reason in a taxable year and applicable relief provisions do not apply, we will be subject to tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates. We will not be able to deduct distributions paid to our stockholders in any year in which we fail to qualify as a REIT. We also will be disqualified for the four taxable years following the year during which qualification is lost, unless we are entitled to relief under specific statutory provisions. Such an event could materially adversely affect our net income and net cash available for distribution to stockholders. However, we believe that we are organized and operate in such a manner as to qualify for treatment as a REIT for federal income tax purposes. No provision for federal income taxes has been made in our accompanying condensed consolidated unaudited financial statements. We will be subject to certain state and local taxes related to the operations of properties in certain locations. We are subject to certain state and local taxes related to the operations of properties in certain locations, which have been provided for in our accompanying condensed consolidated unaudited financial statements.

Critical Accounting Policies and Estimates

Our accounting policies have been established to conform to GAAP. The preparation of financial statements in conformity with GAAP requires us to use judgment in the application of accounting policies, including making estimates and assumptions. These judgments affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. If our judgment or interpretation of the facts and circumstances relating to the various transactions had been different, it is possible that different accounting policies would have been applied, thus resulting in a different presentation of the financial statements. Additionally, other companies may utilize different estimates that may impact comparability of our results of operations to those of companies in similar businesses. We consider our critical accounting policies to be the following:

Investment in and Valuation of Real Estate and Related Assets;

Allocation of Purchase Price of Real Estate and Related Assets;

Revenue Recognition; and

Income Taxes.

A complete description of such policies and our considerations as of December 31, 2011 is contained in our Registration Statement on Form S-11, as amended, and our critical accounting policies have not changed during the nine months ended September 30, 2012. The information included in this prospectus supplement should be read in conjunction with our audited consolidated balance sheet as of December 31, 2011 and related notes thereto.

Commitments and Contingencies

We may be subject to certain commitments and contingencies with regard to certain transactions. Refer to Note 6 to our condensed consolidated unaudited financial statements in this prospectus supplement for further explanations.

Related-Party Transactions and Agreements

We have entered into agreements with CR IV Advisors and its affiliates, whereby we agree to pay certain fees to, or reimburse certain expenses of, CR IV Advisors or its affiliates such as acquisition fees, disposition fees, organization and offering costs, sales commissions, dealer manager fees, advisory fees and reimbursement of certain operating costs. See Note 7 to our condensed consolidated unaudited financial statements in this prospectus supplement for a discussion of the various related-party transactions, agreements and fees.

Subsequent Events

Certain events occurred subsequent to September 30, 2012 through the filing date of our Quarterly Report on Form 10-Q. Refer to Note 10 to our condensed consolidated unaudited financial statements included in this prospectus supplement for further explanation. Such events are:

Status of the Offering;

Credit Facility; and

Investment in Real Estate Assets.

New Accounting Pronouncements

Refer to Note 2 to our condensed consolidated unaudited financial statements included in this prospectus supplement for further explanation. There have been no accounting pronouncements issued, but not yet applied by us, that will significantly impact our financial statements.

Off Balance Sheet Arrangements

As of September 30, 2012 and December 31, 2011, we had no material off-balance sheet arrangements that had or are reasonably likely to have a current or future effect on our financial condition, results of operations, liquidity or capital resources.

Updated Financial Information

The prospectus is hereby supplemented with the following financial information, which is excerpted from our Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2012.

INDEX TO CONDENSED CONSOLIDATED

UNAUDITED FINANCIAL STATEMENTS

COLE CREDIT PROPERTY TRUST IV, INC.
CONDENSED CONSOLIDATED UNAUDITED BALANCE SHEETS

	September 30, 2012	December 31, 2011
ASSETS		
Investment in real estate assets:		
Land	$33,775,775	$ –
Buildings and improvements, less accumulated depreciation of $604,459 and $0, respectively	106,253,772	–
Acquired intangible lease assets, less accumulated amortization of $341,203 and $0, respectively	19,075,473	–
Total investment in real estate assets, net	159,105,020	–
Cash and cash equivalents	12,022,794	200,000
Restricted cash	1,247,370	–
Rents and tenant receivables	250,758	–
Prepaid expenses and other assets	457,788	–
Deferred financing costs, less accumulated amortization of $225,701 and $0, respectively	2,651,753	–
Total assets	$ 175,735,483	$ 200,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Credit facility	$39,000,000	$ –
Accounts payable and accrued expenses	751,009	–
Escrowed investor proceeds	1,247,370	–
Due to affiliates	99,299	–
Acquired below market lease intangibles, less accumulated amortization of $42,777 and $0, respectively	2,965,355	–
Distributions payable	691,081	–
Bond obligations, deferred rental income and other liabilities	765,553	–
Total liabilities	45,519,667	–
Commitments and contingencies		
Redeemable common stock	538,823	–
STOCKHOLDERS' EQUITY		
Preferred stock, $0.01 par value, 10,000,000 shares authorized, none issued and outstanding	–	–
Common stock, $0.01 par value; 490,000,000 shares authorized, 15,375,050 and 20,000 shares issued and outstanding, respectively	153,751	200
Capital in excess of par value	136,190,623	199,800
Accumulated distributions in excess of earnings	(6,667,381)	–
Total stockholders' equity	129,676,993	200,000
Total liabilities and stockholders' equity	$175,735,483	$ 200,000

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

COLE CREDIT PROPERTY TRUST IV, INC.
CONDENSED CONSOLIDATED UNAUDITED STATEMENTS OF OPERATIONS

	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2012
Revenues:		
Rental and other property income	$ 1,723,130	$ 2,345,143
Tenant reimbursement income	123,374	149,677
Total revenue	1,846,504	2,494,820
Expenses:		
General and administrative expenses	588,679	811,982
Property operating expenses	130,055	156,555
Advisory fees and expenses	207,065	297,260
Acquisition related expenses	2,610,841	4,559,418
Depreciation	448,258	604,459
Amortization	229,331	333,767
Total operating expenses	4,214,229	6,763,441
Operating loss	(2,367,725)	(4,268,621)
Other income (expense):		
Interest and other income	114	487
Interest expense	(364,417)	(617,635)
Total other expense	(364,303)	(617,148)
Net loss	$ (2,732,028)	$ (4,885,769)
Weighted average number of common shares outstanding:		
Basic and diluted	9,628,953	3,789,868
Net loss per common share:		
Basic and diluted	$ (0.28)	$ (1.29)
Distributions declared per common share	$ 0.16	$ 0.47

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

COLE CREDIT PROPERTY TRUST IV, INC.
CONDENSED CONSOLIDATED UNAUDITED STATEMENT OF STOCKHOLDERS' EQUITY

	Common Stock				
	Number of Shares	Par Value	Capital in Excess of Par Value	Accumulated Distributions in Excess of Earnings	Total Stockholders' Equity
Balance, January 1, 2012	20,000	$200	$199,800	$ –	$200,000
Issuance of common stock	15,355,050	153,551	153,021,670	–	153,175,221
Distributions to investors	–	–	–	(1,781,612)	(1,781,612)
Commissions on stock sales and related dealer manager fees	–	–	(13,421,581)	–	(13,421,581)
Other offering costs	–	–	(3,070,443)	–	(3,070,443)
Changes in redeemable common stock	–	–	(538,823)	–	(538,823)
Net loss	–	–	–	(4,885,769)	(4,885,769)
Balance, September 30, 2012	15,375,050	$153,751	$136,190,623	$ (6,667,381)	$129,676,993

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

COLE CREDIT PROPERTY TRUST IV, INC.
CONDENSED CONSOLIDATED UNAUDITED STATEMENT OF CASH FLOWS

	Nine Months Ended September 30, 2012
Cash flows from operating activities:	
Net loss	$(4,885,769)
Adjustments to reconcile net loss to net cash used in operating activities	
Depreciation	604,459
Amortization of intangible lease assets and below market lease intangible, net	298,426
Amortization of deferred financing costs	225,701
Changes in assets and liabilities	
Rents and tenant receivables	(250,758)
Prepaid Expenses and other assets	(407,788)
Accounts payable and accrued expenses	751,009
Deferred rental income and other liabilities	181,328
Due to affiliates	99,299
Net cash used in operating activities	(3,384,093)
Cash flows from investing activities:	
Investment in real estate assets	(156,451,712)
Change in restricted cash	(1,247,370)
Net cash used in investing activities	(157,699,082)
Cash flows from financing activities:	
Proceeds from credit facility	80,460,324
Repayments of credit facility	(41,460,324)
Proceeds from affiliate line of credit	11,700,000
Repayments of affiliate line of credit	(11,700,000)
Repayment of bond obligations	(6,613)
Proceeds from issuance of common stock	152,636,398
Offering costs on issuance of common stock	(16,492,024)
Distributions to investors	(551,708)
Payment of loan deposit	(50,000)
Change in escrowed investor proceeds	1,247,370
Deferred financing costs paid	(2,877,454)
Net cash provided by financing activities	172,905,969
Net increase in cash and cash equivalents	11,822,794
Cash and cash equivalents, beginning of period	200,000
Cash and cash equivalents, end of period	$12,022,794
Supplemental Disclosures of Non-Cash Investing and Financing Activities:	
Distributions declared and unpaid	$691,081
Common stock issued through distribution reinvestment plan	$538,823
Fair value of assumed bond obligation	$590,838
Supplemental Cash Flow Disclosures:	
Interest Paid	$311,568

The accompanying notes are an integral part of these condensed consolidated unaudited financial statements.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
September 30, 2012

NOTE 1 – ORGANIZATION AND BUSINESS

Cole Credit Property Trust IV, Inc. (the "Company") was formed on July 27, 2010 and is a Maryland corporation that intends to qualify as a real estate investment trust ("REIT") for federal income tax purposes beginning with the year ending December 31, 2012. The Company is the sole general partner of and owns a 99.9% partnership interest in Cole Operating Partnership IV, LP, a Delaware limited partnership ("CCPT IV OP"). Cole REIT Advisors IV, LLC ("CR IV Advisors"), the advisor to the Company, is the sole limited partner and owner of an insignificant noncontrolling partnership interest of 0.1% of CCPT IV OP. Substantially all of the Company' s business is conducted through CCPT IV OP.

On January 26, 2012, pursuant to a Registration Statement on Form S-11 filed under the Securities Act of 1933, as amended (Registration No. 333-169533) (the "Registration Statement"), the Company commenced its initial public offering on a "best efforts" basis of up to a maximum of 250.0 million shares of its common stock at a price of $10.00 per share, and up to 50.0 million additional shares to be issued pursuant to a distribution reinvestment plan (the "DRIP") under which the Company' s stockholders may elect to have distributions reinvested in additional shares of common stock at a price of $9.50 per share (the "Offering").

On April 13, 2012, the Company issued 308,000 shares of its common stock in the Offering and commenced principal operations. As of September 30, 2012, the Company had issued approximately 15.4 million shares of its common stock in the Offering for gross offering proceeds of $153.2 million before offering costs and selling commissions of $16.5 million. The Company intends to continue to use substantially all of the net proceeds from the Offering to acquire and operate a diversified portfolio of core commercial real estate investments primarily consisting of necessity retail properties located throughout the United States, including U.S. protectorates. The Company expects that the retail properties primarily will be single-tenant properties and multi-tenant "power centers" anchored by large, creditworthy national or regional retailers. The Company expects that the retail properties typically will be subject to long-term triple net or double net leases, whereby the tenant will be obligated to pay for most of the expenses of maintaining the property. As of September 30, 2012, the Company owned 32 properties, comprising 582,000 rentable square feet of commercial space located in 15 states. As of September 30, 2012, the rentable space at these properties was 99.8% leased.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The condensed consolidated unaudited financial statements of the Company have been prepared in accordance with the rules and regulations of the SEC, including the instructions to Form 10-Q and Article 10 of Regulation S-X, and do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the statements for the interim periods presented include all adjustments, which are of a normal and recurring nature, necessary for a fair presentation of the results for such periods. Results for these interim periods are not necessarily indicative of full year results. The information included in this prospectus supplement should be read in conjunction with the Company' s audited consolidated balance sheet and related notes thereto included in the Company' s Registration Statement on Form S-11, as amended. Consolidated results of operations and cash flows for the periods ended September 30, 2011 have not been presented because the Company had not commenced its principal operations during such periods.

The condensed consolidated unaudited financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

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Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in and Valuation of Real Estate and Related Assets

Real estate and related assets are stated at cost, less accumulated depreciation and amortization. Amounts capitalized to real estate and related assets consist of the cost of acquisition, excluding acquisition related expenses, construction and any tenant improvements, major improvements and betterments that extend the useful life of the real estate and related assets and leasing costs. All repairs and maintenance are expensed as incurred.

The Company is required to make subjective assessments as to the useful lives of its depreciable assets. The Company considers the period of future benefit of each respective asset to determine the appropriate useful life of the assets. Real estate and related assets, other than land, are depreciated or amortized on a straight-line basis. The estimated useful lives of the Company' s real estate and related assets by class are generally as follows:

Building and capital improvements	40 years
Tenant improvements	Lesser of useful life or lease term
Intangible lease assets	Lease term

The Company continually monitors events and changes in circumstances that could indicate that the carrying amounts of its real estate and related assets may not be recoverable. Impairment indicators that the Company considers include, but are not limited to, bankruptcy or other credit concerns of a property' s major tenant, such as a history of late payments, rental concessions and other factors, a significant decrease in a property' s revenues due to lease terminations, vacancies, co-tenancy clauses, reduced lease rates or other circumstances. When indicators of potential impairment are present, the Company assesses the recoverability of the assets by determining whether the carrying amount of the assets will be recovered through the undiscounted future cash flows expected from the use of the assets and their eventual disposition. In the event that such expected undiscounted future cash flows do not exceed the carrying amount, the Company will adjust the real estate and related assets to their respective fair values and recognize an impairment loss. Generally, fair value is determined using a discounted cash flow analysis and recent comparable sales transactions. No impairment indicators were identified and no impairment losses were recorded during the nine months ended September 30, 2012.

When developing estimates of expected future cash flows, the Company makes certain assumptions regarding future market rental income amounts subsequent to the expiration of current lease agreements, property operating expenses, terminal capitalization and discount rates, the expected number of months it takes to re-lease the property, required tenant improvements and the number of years the property will be held for investment. The use of alternative assumptions in estimating expected future cash flows could result in a different determination of the property' s expected future cash flows and a different conclusion regarding the existence of an impairment, the extent of such loss, if any, as well as the fair value of the real estate and related assets.

When a real estate asset is identified by the Company as held for sale, the Company will cease depreciation and amortization of the assets related to the property and estimate the fair value, net of selling costs. If, in management' s opinion, the fair value, net of selling costs, of the asset is less than the carrying amount of the

asset, an adjustment to the carrying amount would be recorded to reflect the estimated fair value of the property, net of selling costs. There were no assets identified as held for sale as of September 30, 2012.

Allocation of Purchase Price of Real Estate and Related Assets

Upon the acquisition of real properties, the Company allocates the purchase price to acquired tangible assets, consisting of land, buildings and improvements, and identified intangible assets and liabilities, consisting of the value of above market and below market leases and the value of in-place leases, based in each case on their respective fair values. Acquisition related expenses are expensed as incurred. The Company utilizes independent appraisals to assist in the determination of the fair values of the tangible assets of an acquired property (which includes land and building). The Company obtains an independent appraisal for each real property acquisition. The information in the appraisal, along with any additional information available to the Company' s management, is used in estimating the amount of the purchase price that is allocated to land. Other information in the appraisal, such as building value and market rents, may be used by the Company' s management in estimating the allocation of purchase price to the building and to intangible lease assets and liabilities. The appraisal firm has no involvement in management' s allocation decisions other than providing this market information.

The fair values of above market and below market lease values are recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (1) the contractual amounts to be paid pursuant to the in-place leases and (2) an estimate of fair market lease rates for the corresponding in-place leases, which is generally obtained from independent appraisals, measured over a period equal to the remaining non-cancelable term of the lease including any bargain renewal periods, with respect to a below market lease. The above market and below market lease values are capitalized as intangible lease assets or liabilities, respectively. Above market lease values are amortized as a reduction to rental income over the remaining terms of the respective leases. Below market leases are amortized as an increase to rental income over the remaining terms of the respective leases, including any bargain renewal periods. In considering whether or not the Company expects a tenant to execute a bargain renewal option, the Company evaluates economic factors and certain qualitative factors at the time of acquisition, such as the financial strength of the tenant, remaining lease term, the tenant mix of the leased property, the Company' s relationship with the tenant and the availability of competing tenant space. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of above market or below market lease values relating to that lease would be recorded as an adjustment to rental income.

The fair values of in-place leases include estimates of direct costs associated with obtaining a new tenant and opportunity costs associated with lost rental and other property income, which are avoided by acquiring a property with an in-place lease. Direct costs associated with obtaining a new tenant include commissions and other direct costs and are estimated in part by utilizing information obtained from independent appraisals and management' s consideration of current market costs to execute a similar lease. The intangible values of opportunity costs, which are calculated using the contractual amounts to be paid pursuant to the in-place leases over a market absorption period for a similar lease, are capitalized as intangible lease assets and are amortized to expense over the remaining term of the respective leases. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of in-place lease assets relating to that lease would be expensed.

The Company will estimate the fair value of assumed mortgage notes payable based upon indications of current market pricing for similar types of debt financing with similar maturities. Assumed mortgage notes payable will initially be recorded at their estimated fair value as of the assumption date, and the difference between such estimated fair value and the mortgage note' s outstanding principal balance will be amortized to interest expense over the term of the respective mortgage note payable.

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The determination of the fair values of the real estate and related assets and liabilities acquired requires the use of significant assumptions with regard to the current market rental rates, rental growth rates, capitalization and discount rates, interest rates and other variables. The use of alternative estimates may result in a different allocation of the Company' s purchase price, which could impact the Company' s results of operations.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities when purchased of three months or less to be cash equivalents. The Company considers investments in highly liquid money market accounts to be cash equivalents.

Restricted Cash

Restricted cash as of September 30, 2012 consisted of escrowed investor proceeds of $1.2 million for which shares of common stock had not been issued. The Company had no restricted cash as of December 31, 2011.

Deferred Financing Costs

Deferred financing costs are capitalized and amortized on a straight-line basis over the term of the related financing arrangement, which approximates the effective interest method. Amortization of deferred financing costs was $189,000 and $226,000 for the three and nine months ended September 30, 2012, respectively. There were no deferred financing costs or related amortization as of December 31, 2011.

Concentration of Credit Risk

As of September 30, 2012, the Company had no cash on deposit in excess of federally insured levels. The Company limits significant cash deposits to accounts held by financial institutions with high credit standing; therefore, the Company believes it is not exposed to any significant credit risk on its cash deposits.

As of September 30, 2012, two of the Company' s tenants, Walgreen Co. and Town & Country Food Stores, Inc., each accounted for 11% of the Company' s 2012 gross annualized rental revenues. The Company also had certain geographic concentrations in its property holdings. In particular, as of September 30, 2012, 12 of the Company' s properties were located in Texas, two were located in Virginia and two were located in Florida, which accounted for 32%, 12% and 11%, respectively, of the Company' s 2012 gross annualized rental revenues. In addition, the Company had tenants in the convenience store, drugstore, restaurant and discount store industries, which comprised 25%, 17%, 14% and 10%, respectively, of the Company' s 2012 gross annualized rental revenues.

Revenue Recognition

Certain properties have leases where minimum rental payments increase during the term of the lease. The Company records rental income for the full term of each lease on a straight-line basis. When the Company acquires a property, the terms of existing leases are considered to commence as of the acquisition date for the purpose of determining this calculation. The Company defers the recognition of contingent rental income, such as percentage rents, until the specific target that triggers the contingent rental income is achieved. Expected reimbursements from tenants for recoverable real estate taxes and operating expenses are included in tenant reimbursement income in the period when such costs are incurred.

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Income Taxes

The Company intends to qualify and elect to be taxed as a REIT for federal income tax purposes under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended, commencing with its taxable year ending December 31, 2012. If the Company qualifies for taxation as a REIT, the Company generally will not be subject to federal corporate income tax to the extent it, among other things, distributes its taxable income to its stockholders and it distributes at least 90% of its annual taxable income (computed without regard to the dividends paid deduction and excluding net capital gains). REITs are subject to a number of other organizational and operational requirements. Even if the Company qualifies for taxation as a REIT, it or its subsidiaries may be subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed income.

Offering and Related Costs

CR IV Advisors funds all of the organization and offering costs on the Company' s behalf (excluding selling commissions and the dealer-manager fee) and may be reimbursed for such costs up to 2.0% of gross proceeds from the Offering. As of September 30, 2012, CR IV Advisors had incurred $3.5 million of costs related to the organization of the Company and the Offering, of which the Company had reimbursed $3.1 million. The remaining $451,000 of costs related to the organization of the Company and the Offering were not included in the financial statements of the Company as of September 30, 2012 because such costs were not a liability of the Company as they exceeded 2.0% of gross proceeds from the Offering. This amount will become payable to CR IV Advisors as the Company raises additional proceeds in the Offering. When recorded by the Company, organization costs are expensed as incurred and the offering costs, which include items such as legal and accounting fees, marketing and personnel, promotional and printing costs, are recorded as a reduction of capital in excess of par value along with selling commissions and dealer manager fees in the period in which they become payable.

Due to Affiliates

Certain affiliates of the Company' s advisor received, and will continue to receive fees, reimbursements and compensation in connection with services provided relating to the Offering and the acquisition, management, financing and leasing of the properties of the Company. As of September 30, 2012, $99,000 was due to CR IV Advisors for such services, as discussed in Note 7 to these condensed consolidated unaudited financial statements.

Stockholders' Equity

As of September 30, 2012 and December 31, 2011, the Company was authorized to issue 490.0 million shares of common stock and 10.0 million shares of preferred stock. All shares of such stock have a par value of $0.01 per share. On August 11, 2010, the Company sold 20,000 shares of common stock, at $10.00 per share, to Cole Holdings Corporation, the indirect owner of the Company' s advisor and dealer-manager. As of September 30, 2012, the Company had approximately 15.4 million shares of common stock issued and outstanding. The Company' s board of directors may amend the charter to authorize the issuance of additional shares of capital stock without obtaining shareholder approval. The par value of investor proceeds raised from the Offering is classified as common stock, with the remainder allocated to capital in excess of par value.

Reportable Segments

The Company' s operating segment consists of commercial properties, which include activities related to investing in real estate such as retail, office and distribution properties and other real estate related assets. The

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commercial properties are geographically diversified throughout the United States, and the Company evaluates operating performance on an overall portfolio level. These commercial properties have similar economic characteristics; therefore, the Company' s properties are one reportable segment.

Interest

Interest is charged to interest expense as it accrues. No interest costs were capitalized during the nine months ended September 30, 2012.

Distributions Payable and Distribution Policy

In order to qualify and maintain its status as a REIT, the Company is required to, among other things, make distributions each taxable year equal to at least 90% of its taxable income (computed without regard to the dividends paid deduction and excluding net capital gains). To the extent that funds are available, the Company intends to pay regular distributions to stockholders. Distributions are paid to stockholders of record as of applicable record dates. The Company intends to qualify and elect to be taxed as a REIT for federal income tax purposes commencing with its taxable year ending December 31, 2012; however, the Company has not yet elected, and has not yet qualified, to be taxed as a REIT.

The Company' s board of directors authorized a daily distribution, based on 366 days in the calendar year, of $0.001707848 per share for stockholders of record as of the close of business on each day of the period commencing April 14, 2012, the first day following the release from escrow of the subscription proceeds received in the Offering, and ending on December 31, 2012. As of September 30, 2012, the Company had distributions payable of $691,000. The distributions were paid in October 2012, of which $345,000 was reinvested in shares through the DRIP. As of December 31, 2011, the Company had no distributions payable.

Redeemable Common Stock

Under the Company' s share redemption program, the Company' s requirement to redeem its shares is limited to the net proceeds received by the Company from the sale of shares under the DRIP, net of shares redeemed to date. The Company records amounts that are redeemable under the share redemption program as redeemable common stock outside of permanent equity in its consolidated balance sheet. As of September 30, 2012, the Company had issued approximately 57,000 shares of common stock under the DRIP for cumulative proceeds of $539,000. As of September 30, 2012, the Company had not received any requests for redemptions. As of December 31, 2011, the Company had not issued shares of common stock under the DRIP and had not redeemed any shares. Changes in the amount of redeemable common stock from period to period are recorded as an adjustment to capital in excess of par value.

New Accounting Pronouncements

In June 2011, the U.S. Financial Accounting Standards Board issued Accounting Standards Update 2011-05, *Presentation of Comprehensive Income* ("ASU 2011-05"), which requires the presentation of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. ASU 2011-05 became effective for the Company beginning January 1, 2012. The adoption of ASU 2011-05 did not have a material effect on the Company' s consolidated financial statements or disclosures, because the Company' s net loss equals its comprehensive loss.

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NOTE 3 − FAIR VALUE MEASUREMENTS

GAAP defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. GAAP emphasizes that fair value is intended to be a market-based measurement, as opposed to a transaction-specific measurement.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Depending on the nature of the asset or liability, various techniques and assumptions can be used to estimate the fair value. Assets and liabilities are measured using inputs from three levels of the fair value hierarchy, as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. An active market is defined as a market in which transactions for the assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active (markets with few transactions), inputs other than quoted prices that are observable for the asset or liability (i.e. interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data correlation or other means (market corroborated inputs).

Level 3 – Unobservable inputs, which are only used to the extent that observable inputs are not available, reflect the Company' s assumptions about the pricing of an asset or liability.

The following describes the methods the Company uses to estimate the fair value of the Company' s financial assets and liabilities:

Cash and cash equivalents and restricted cash – The Company considers the carrying values of these financial assets to approximate fair value because of the short period of time between their origination and their expected realization.

Credit Facility – The fair value is estimated by discounting the expected cash flows based on estimated borrowing rates available to the Company as of September 30, 2012. The estimated fair value of the Company' s debt was $39.0 million as of September 30, 2012, which approximated the carrying value on such date. The Company had no amounts outstanding on the credit facility as of December 31, 2011. The fair value of the Company' s debt is estimated using Level 2 inputs.

Bond Obligations – The Company has bond obligations pursuant to a special assessment from a municipality that were assumed in connection with a property acquisition. The fair value is estimated by discounting the expected cash flows on the bond obligations at rates for similar obligations that management believes would be available to the Company as of September 30, 2012. The estimated fair value of the Company' s bond obligations was $584,000 as of September 30, 2012, which approximated the carrying value on such date. The Company had no bond obligations as of December 31, 2011. The fair value of the Company' s bond obligations is estimated using Level 2 inputs.

Considerable judgment is necessary to develop estimated fair values of financial assets and liabilities. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize, or be liable for, on disposition of the financial assets and liabilities. As of September 30, 2012, there have been no transfers of financial assets or liabilities between levels.

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NOTE 4 − REAL ESTATE ACQUISITIONS

During the nine months ended September 30, 2012, the Company acquired 32 commercial properties for an aggregate purchase price of $157.0 million (the "2012 Acquisitions"). The Company purchased the 2012 Acquisitions with net proceeds from the Offering and proceeds from the Company' s revolving credit facility and line of credit with an affiliate of the Company' s advisor. The Company allocated the purchase price of these properties to the fair value of the assets acquired and liabilities assumed. The following table summarizes the purchase price allocation:

	September 30, 2012
Land	$33,775,775
Building and Improvements	106,858,231
Acquired in-places leases	18,326,349
Acquired above-market leases	1,090,327
Acquired below-market leases	(3,008,132)
Total purchase price	$ 157,042,550

During the three and nine months ended September 30, 2012, the Company recorded revenue of $1.8 million and $2.5 million, respectively, and a net loss of $1.8 million and $3.4 million, respectively, related to the 2012 Acquisitions.

The following information summarizes selected financial information of the Company as if all of the 2012 Acquisitions were completed on January 1, 2011 for each period presented below. The table below presents the Company' s estimated revenue and net income (loss), on a pro forma basis, for the three and nine months ended September 30, 2012 and 2011, respectively.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Pro forma basis (unaudited):				
Revenue	$ 3,053,386	$ 3,053,386	$ 9,098,700	$9,098,700
Net income (loss)	$500,499	$569,773	$2,586,868	$ (1,787,088)

The unaudited pro forma information for the three and nine months ended September 30, 2012 was adjusted to exclude $2.6 million and $4.6 million, respectively, of acquisition costs recorded during the current period related to the 2012 Acquisitions. These costs were recognized in the unaudited pro forma information for the nine months ended September 30, 2011. The unaudited pro forma information is presented for informational purposes only and may not be indicative of what actual results of operations would have been had the transactions occurred at the beginning of 2011, nor does it purport to represent the results of future operations.

NOTE 5 − CREDIT FACILITY

As of September 30, 2012, the Company had $39.0 million of debt outstanding under its secured revolving credit facility (the "Credit Facility") with JPMorgan Chase Bank, N.A. ("JPMorgan Chase") as administrative agent pursuant to an amended and restated credit agreement (the "Credit Agreement"). The Credit Facility allows the Company to borrow up to $250.0 million in revolving loans (the "Revolving Loans"), with the maximum amount outstanding not to exceed 65% of the cost or appraised value of qualified properties as determined by the administrative agent (the "Borrowing Base"). As of September 30, 2012, the allowable borrowings under the

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Borrowing Base of the Credit Facility was approximately $62.0 million based on the underlying collateral pool for qualified properties. Subject to meeting certain conditions described in the Credit Agreement and the payment of certain fees, the amount of the Credit Facility may be increased up to a maximum of $400.0 million. The Credit Facility matures on July 13, 2015.

The Revolving Loans will bear interest at rates depending upon the type of loan specified by the Company. For a Eurodollar rate loan, as defined in the Credit Agreement, the interest rate will be equal to the one-month LIBOR for the interest period, plus 2.35%. For floating rate loans, the interest rate will be a per annum amount equal to 1.35% plus the greatest of (1) the Federal Funds Rate plus 0.5%; (2) JPMorgan Chase' s Prime Rate; or (3) the one-month LIBOR plus 1.0%. As of September 30, 2012, the Revolving Loans had a weighted average interest rate 2.69%.

The Credit Agreement contains customary representations, warranties, borrowing conditions and affirmative, negative and financial covenants, including minimum net worth, debt service coverage and leverage ratio requirements and dividend payout and REIT status requirements. Based on the Company' s analysis and review of its results of operations and financial condition, the Company believes it was in compliance with the covenants of the Credit Facility as of September 30, 2012.

In addition, during the nine months ended September 30, 2012, the Company entered into a $10.0 million subordinate revolving line of credit with Series C, LLC, an affiliate of CR IV Advisors ("Series C"), (the "Series C Loan"). The Series C Loan has a fixed interest rate of 4.5% with accrued interest payable monthly in arrears and principal due upon maturity on April 12, 2013. The Series C Loan was approved by a majority of the directors (including a majority of the independent directors) not otherwise interested in the transaction as being fair, competitive and commercially reasonable and no less favorable to the Company than a comparable loan between unaffiliated parties under the same circumstances. As of September 30, 2012, there were no amounts outstanding on the Series C Loan.

NOTE 6 − COMMITMENTS AND CONTINGENCIES

Litigation

In the ordinary course of business, the Company may become subject to litigation or claims. The Company is not aware of any pending legal proceedings of which the outcome is reasonably possible to have a material effect on its results of operations, financial condition or liquidity.

Environmental Matters

In connection with the ownership and operation of real estate, the Company potentially may be liable for costs and damages related to environmental matters. The Company owns certain properties that are subject to environmental remediation. In each case, the seller of the property, the tenant of the property and/or another third party has been identified as the responsible party for environmental remediation costs related to the respective property. Additionally, in connection with the purchase of certain of the properties, the respective sellers and/or tenants have indemnified the Company against future remediation costs. In addition, the Company carries environmental liability insurance on its properties that provides limited coverage for remediation liability and pollution liability for third-party bodily injury and property damage claims. Accordingly, the Company does not believe that it is reasonably possible that the environmental matters identified at such properties will have a material effect on its results of operations, financial condition or liquidity, nor is it aware of any environmental matters at other properties which it believes are reasonably possible to have a material effect on its results of operations, financial condition or liquidity.

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NOTE 7 − RELATED-PARTY TRANSACTIONS AND ARRANGEMENTS

The Company has incurred, and will continue to incur, commissions, fees and expenses payable to CR IV Advisors and certain of its affiliates in connection with the Offering, and the acquisition, management and disposition of its assets.

Offering

In connection with the Offering, Cole Capital Corporation ("Cole Capital"), the Company' s dealer-manager, which is affiliated with its advisor, receives a selling commission of up to 7.0% of gross offering proceeds before reallowance of commissions earned by participating broker-dealers. Cole Capital has reallowed and intends to continue to reallow 100% of selling commissions earned to participating broker-dealers. In addition, Cole Capital receives up to 2.0% of gross offering proceeds before reallowance to participating broker-dealers as a dealer-manager fee in connection with the Offering. Cole Capital, in its sole discretion, may reallow all or a portion of its dealer-manager fee to such participating broker-dealers. No selling commissions or dealer manager fees are paid to Cole Capital or other broker-dealers with respect to shares sold pursuant to the DRIP.

All other organization and offering expenses associated with the sale of the Company' s common stock (excluding selling commissions and the dealer-manager fee) are paid by CR IV Advisors or its affiliates and are reimbursed by the Company up to 2.0% of aggregate gross offering proceeds. A portion of the other organization and offering expenses may be underwriting compensation. As of September 30, 2012, CR IV Advisors had paid organization and offering costs of $3.5 million in connection with the Offering, of which $451,000 was not included in the financial statements of the Company because such costs were not a liability of the Company as they exceeded 2.0% of gross proceeds from the Offering. This amount may become payable to CR IV Advisors as the Company continues to raise additional proceeds in the Offering.

The Company incurred commissions, fees and expense reimbursements as shown in the table below for services provided by CR IV Advisors or its affiliates related to the services described above during the periods indicated:

	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2012
Offering:		
Selling commissions	$ 7,381,953	$ 10,361,511
Selling commission reallowed by Cole Capital	$ 7,381,953	$ 10,361,511
Dealer manager fees	$ 2,154,879	$ 3,060,070
Dealer manager fees reallowed by Cole Capital	$ 1,282,091	$ 1,599,810
Other organization and offering expenses	$ 2,164,322	$ 3,070,443

Acquisitions and Operations

CR IV Advisors or its affiliates also receive acquisition fees of up to 2.0% of: (1) the contract purchase price of each property or asset the Company acquires; (2) the amount paid in respect of the development, construction or improvement of each asset the Company acquires; (3) the purchase price of any loan the Company acquires; and (4) the principal amount of any loan the Company originates. Additionally, CR IV Advisors or its affiliates are reimbursed for acquisition expenses incurred in the process of acquiring properties, so long as the total acquisition fees and expenses relating to the transaction does not exceed 6.0% of the contract purchase price.

The Company pays CR IV Advisors a monthly advisory fee based upon the Company' s monthly average invested assets, which is equal to the following amounts: (1) an annualized rate of 0.75% will be paid on the

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Company' s average invested assets that are between $0 to $2.0 billion; (2) an annualized rate of 0.70% will be paid on the Company' s average invested assets that are between $2.0 billion to $4.0 billion; and (3) an annualized rate of 0.65% will be paid on the Company' s average invested assets that are over $4.0 billion.

The Company reimburses CR IV Advisors for the expenses it paid or incurred in connection with the services provided to the Company, subject to the limitation that the Company will not reimburse for any amount by which its operating expenses (including the advisory fee) at the end of the four preceding fiscal quarters exceeds the greater of: (1) 2.0% of average invested assets, or (2) 25.0% of net income other than any additions to reserves for depreciation, bad debts or other similar non-cash reserves and excluding any gain from the sale of assets for that period. The Company will not reimburse for personnel costs in connection with services for which CR IV Advisors receives acquisition fees.

The Company recorded fees and expense reimbursements as shown in the table below for services provided by CR IV Advisors or its affiliates related to the services described above during the periods indicated:

	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2012
Acquisition and Operations:		
Acquisition fees and expenses	$ 1,880,613	$ 3,184,334
Advisory fees and expenses	$ 207,065	$ 297,260
Operating expenses	$ 80,478	$ 137,573

The Company did not incur any advisory fees or operating expense reimbursements from April 13, 2012, when the Company commenced principal operations, through May 31, 2012 as CR IV Advisors agreed to waive its rights to these fees and expense reimbursements during such period.

Liquidation/Listing

If CR IV Advisors or its affiliates provide a substantial amount of services (as determined by a majority of the Company' s independent directors) in connection with the sale of properties, the Company will pay CR IV Advisors or its affiliate a disposition fee in an amount equal to up to one-half of the brokerage commission paid on the sale of property, not to exceed 1.0% of the contract price of the property sold; provided, however, in no event may the disposition fee paid to CR IV Advisors or its affiliates, when added to the real estate commissions paid to unaffiliated third parties, exceed the lesser of the customary competitive real estate commission or an amount equal to 6.0% of the contract sales price.

If the Company is sold or its assets are liquidated, CR IV Advisors will be entitled to receive a subordinated performance fee equal to 15.0% of the net sale proceeds remaining after investors have received a return of their net capital invested and an 8.0% annual cumulative, non-compounded return. Alternatively, if the Company' s shares are listed on a national securities exchange, CR IV Advisors will be entitled to a subordinated performance fee equal to 15.0% of the amount by which the market value of the Company' s outstanding stock plus all distributions paid by the Company prior to listing, exceeds the sum of the total amount of capital raised from investors and the amount of distributions necessary to generate an 8.0% annual cumulative, non-compounded return to investors. As an additional alternative, upon termination of the advisory agreement, CR IV Advisors may be entitled to a subordinated performance fee similar to that to which CR IV Advisors would have been entitled had the portfolio been liquidated (based on an independent appraised value of the portfolio) on the date of termination.

During the nine months ended September 30, 2012, no commissions or fees were incurred for any such services provided by CR IV Advisors and its affiliates related to the services described above.

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NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
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Due to Affiliates

As of September 30, 2012, $99,000 had been incurred primarily for operating and acquisition expenses by CR IV Advisors or its affiliates, but had not yet been reimbursed by the Company and were included in due to affiliates on the condensed consolidated unaudited balance sheets.

Transactions

During the nine months ended September 30, 2012, the Company acquired 100% of the membership interests in two commercial properties from Series C for an aggregate purchase price of $4.3 million. A majority of the Company' s board of directors (including a majority of the Company' s independent directors) not otherwise interested in the transactions approved the acquisitions as being fair and reasonable to the Company and determined that the cost to the Company of each property was equal to the cost of the respective property to Series C (including acquisition related expenses). In addition, the purchase price of each property, exclusive of closing costs, was not in excess of the current appraised value of the respective property as determined by an independent third party appraiser.

In connection with the real estate assets acquired from Series C during the nine months ended September 30, 2012, the Company entered into the Series C Loan. Refer to Note 5 to these condensed consolidated unaudited financial statements for the terms of the Series C Loan. The Series C Loan was repaid in full during the nine months ended September 30, 2012, with gross offering proceeds. The Company paid $39,000 of interest to CR IV Advisors related to the Series C Loan during the nine months ended September 30, 2012.

NOTE 8 − ECONOMIC DEPENDENCY

Under various agreements, the Company has engaged or will engage CR IV Advisors and its affiliates to provide certain services that are essential to the Company, including asset management services, supervision of the management and leasing of properties owned by the Company, asset acquisition and disposition decisions, the sale of shares of the Company' s common stock available for issuance, as well as other administrative responsibilities for the Company including accounting services and investor relations. As a result of these relationships, the Company is dependent upon CR IV Advisors and its affiliates. In the event that these companies are unable to provide the Company with these services, the Company would be required to find alternative providers of these services.

COLE CREDIT PROPERTY TRUST IV, INC.
NOTES TO CONDENSED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS − (Continued)
September 30, 2012

NOTE 9 − OPERATING LEASES

The Company' s real estate properties are leased to tenants under operating leases for which the terms and expirations vary. As of September 30, 2012, the leases have a weighted-average remaining term of 16.2 years. The leases may have provisions to extend the lease agreements, options for early termination after paying a specified penalty, rights of first refusal to purchase the property at competitive market rates, and other terms and conditions as negotiated. The Company retains substantially all of the risks and benefits of ownership of the real estate assets leased to tenants. As of September 30, 2012, the future minimum rental income from the Company' s investment in real estate assets under non-cancelable operating leases, assuming no exercise of renewal options, is as follows:

	Future Minimum Rental Income
October 1, 2012 through December 31, 2012	$ 2,858,594
2013	11,434,374
2014	11,434,374
2015	11,395,049
2016	11,382,877
2017	11,268,071
Thereafter	125,360,590
	$ 185,133,929

NOTE 10 − SUBSEQUENT EVENTS

Status of the Offering

As of November 12, 2012, the Company had received $221.3 million in gross offering proceeds through the issuance of approximately 22.2 million shares of its common stock in the Offering (including shares issued pursuant to the DRIP).

Credit Facility

Subsequent to September 30, 2012, the Borrowing Base was increased to $71.1 million. As of November 12, 2012, the Company had $39.0 million outstanding under the Credit Facility.

Investment in Real Estate Assets

Subsequent to September 30, 2012, the Company acquired 15 commercial real estate properties for an aggregate purchase price of $50.7 million. The acquisitions were funded with net proceeds of the Offering. Acquisition related expenses totaling $1.5 million were expensed as incurred.

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 31. *Other Expenses of Issuance and Distribution.*

The following table itemizes the expenses incurred by us in connection with the issuance and registration of the securities being registered hereunder. All amounts shown are estimates except the SEC registration fee and the FINRA filing fee.

SEC registration fee	$285,200
FINRA filing fee	75,500
Printing expenses	2,383,500
Legal fees and expenses	1,500,000
Accounting fees and expenses	1,500,000
Blue sky fees and expenses	805,000
Due diligence expenses	700,000
Literature	7,356,500
Advertising and sales expenses	9,486,382
Transfer agent and escrow fees	4,550,000
Miscellaneous expenses	381,150
Total expenses	$29,023,232

Item 32. *Sales to Special Parties.*

Our executive officers and directors, as well as officers and employees of CR IV Advisors and their family members (including spouses, parents, grandparents, children and siblings) or other affiliates, may purchase shares offered in this offering at a discount. The purchase price for such shares will be $9.10 per share, reflecting the fact that the 7% selling commission and the 2% dealer manager fee will not be payable in connection with such sales. The net offering proceeds we receive will not be affected by such sales of shares at a discount. In addition, volume discounts are permitted as set forth in the "Plan of Distribution" section of the prospectus.

Item 33. *Recent Sales of Unregistered Securities.*

On August 11, 2010, Cole Holdings Corporation purchased 20,000 shares of our common stock for total cash consideration of $200,000 to provide our initial capitalization. The issuance and purchase of such shares was effected in reliance upon an exemption from registration provided by Section 4(2) under the Securities Act of 1933, as amended (the Securities Act).

Item 34. *Indemnification of the Officers and Directors*

The Maryland General Corporation Law, as amended (the MGCL), permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty established by a final judgment as being material to the cause of action. Our charter contains a provision that eliminates directors' and officers' liability for money damages to the maximum extent permitted by Maryland law, provided that certain conditions are met, and subject to the NASAA REIT Guidelines.

The MGCL requires a Maryland corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made a party by reason of his service in that capacity. The MGCL permits a

Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made a party by reason of their service in those or other capacities unless it is established that (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) the director or officer actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. However, under the MGCL a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that personal benefit was improperly received, unless in either case a court orders indemnification and then only for expenses. In addition, the MGCL permits a corporation to advance reasonable expenses to a director or officer upon the corporation' s receipt of (a) a written affirmation by the director or officer of his good faith belief that he or she has met the standard of conduct necessary for indemnification and (b) a written undertaking by or on his behalf to repay the amount paid or reimbursed if it shall ultimately be determined that the standard of conduct was not met. It is the position of the Securities and Exchange Commission that indemnification of directors and officers for liabilities arising under the Securities Act is against public policy and is unenforceable pursuant to Section 14 of the Securities Act.

Our charter provides that we shall indemnify and hold harmless a director, officer, advisor or affiliate against any and all losses or liabilities reasonably incurred by such director, officer, advisor or affiliate in connection with or by reason of any act or omission performed or omitted to be performed on our behalf in such capacity. We may, with the approval of our board of directors or any duly authorized committee thereof, provide such indemnification to our employees and agents, subject to the limitations of Maryland law and the NASAA REIT Guidelines.

However, under our charter, we shall not indemnify the directors, officers, employees, agents, advisor or any affiliate for any liability or loss suffered by the directors, officers, employees, agents, advisors or affiliates, nor shall we provide that the directors, officers, employees, agents, advisors or affiliates be held harmless for any loss or liability suffered by us, unless all of the following conditions are met: (i) the directors, our advisor or its affiliates have determined, in good faith, that the course of conduct which caused the loss or liability was in our best interests; (ii) the directors, our advisor or its affiliates were acting on our behalf or performing services for us; (iii) such liability or loss was not the result of (A) negligence or misconduct by the non-independent directors, our advisor or its affiliates; or (B) gross negligence or willful misconduct by the independent directors; and (iv) such indemnification or agreement to hold harmless is recoverable only out of our net assets and not from stockholders. Notwithstanding the foregoing, the directors, our advisor or its affiliates and any persons acting as a broker-dealer shall not be indemnified by us for any losses, liability or expenses arising from or out of an alleged violation of federal or state securities laws by such party unless one or more of the following conditions are met: (i) there has been a successful adjudication on the merits of each count involving alleged securities law violations as to the particular indemnitee; (ii) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction as to the particular indemnitee; and (iii) a court of competent jurisdiction approves a settlement of the claims against a particular indemnitee and finds that indemnification of the settlement and the related costs should be made, and the court considering the request for indemnification has been advised of the position of the Securities and Exchange Commission and of the published position of any state securities regulatory authority in which our securities were offered or sold as to indemnification for violations of securities laws.

Our charter provides that the advancement of funds to our directors, our advisor or our advisor' s affiliates for legal expenses and other costs incurred as a result of any legal action for which indemnification is being sought is permissible only if all of the following conditions are satisfied: (i) the legal action relates to acts or omissions with respect to the performance of duties or services on our behalf; (ii) our directors, our advisor or our advisor' s affiliates provide us with written affirmation of their good faith belief that they have met the standard of conduct necessary for indemnification; (iii) the legal action is initiated by a third party who is not a

stockholder, or if the legal action is initiated by a stockholder acting in his or her capacity as such, a court of competent jurisdiction approves such advancement; and (iv) our directors, our advisor or our advisor' s affiliates agree in writing to repay the advanced funds to us together with the applicable legal rate of interest thereon, in cases in which such persons are found not to be entitled to indemnification.

We intend to purchase and maintain insurance on behalf of all of our directors and executive officers against liability asserted against or incurred by them in their official capacities with us, whether or not we are required or have the power to indemnify them against the same liability.

Item 35. ***Treatment of Proceeds from Shares Being Registered.***

Not applicable.

Item 36. ***Financial Statements and Exhibits.***

(a) *Financial Statements.*

See page FS-1 for an index of the financial statements included in the registration statement.

(b) *Exhibits.*

See the Exhibit Index on the page immediately preceding the exhibits for a list of exhibits filed as part of this registration statement on Form S-11, which Exhibit Index is incorporated herein by reference.

Item 37. ***Undertakings.***

1. The undersigned registrant hereby undertakes:

(a) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act.

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(b) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment will be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time will be deemed to be the initial bona fide offering thereof.

(c) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(d) That all post-effective amendments will comply with the applicable forms, rules and regulations of the SEC in effect at the time such post-effective amendments are filed.

(e) That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of the registration statement relating to the offering, other

than a registration statement relying on Rule 430B or other than a prospectus filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(f) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) any preliminary prospectus or prospectus of the registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) any free writing prospectus relating to the offering prepared by or on behalf of the registrant or used or referred to by the registrant;

(iii) the portion of any other free writing prospectus relating to the offering containing material information about the registrant or its securities provided by or on behalf of the registrant; and

(iv) any other communication that is an offer in the offering made by the registrant to the purchaser.

2. The registrant undertakes to send to each stockholder, at least on an annual basis, a detailed statement of any transactions with the advisor or its affiliates, and of fees, commissions, compensation and other benefits paid or accrued to the advisor or its affiliates for the fiscal year completed, showing the amount paid or accrued to each recipient and the services performed.

3. The registrant undertakes to provide to the stockholders the financial statements required by Form 10-K for the first full fiscal year of operations of the registrant.

4. The registrant undertakes to file a sticker supplement pursuant to Rule 424(c) under the Securities Act during the distribution period describing each property not identified in the prospectus at such time as there arises a reasonable probability that such property will be acquired and to consolidate all such stickers into a post-effective amendment filed at least once every three months, with the information contained in such amendment provided simultaneously to the existing stockholders. Each sticker supplement will disclose all compensation and fees received by the advisor and its affiliates in connection with any such acquisition. The post-effective amendment will include audited financial statements meeting the requirements Rule 3-14 of Regulation S-X only for properties acquired during the distribution period.

5. The registrant undertakes to file, after the end of the distribution period, a current report on Form 8-K containing the financial statements and additional information required by Rule 3-14 of Regulation S-X, to reflect each commitment (i.e., the signing of a binding purchase agreement) made after the end of the distribution period involving the use of 10% or more (on a cumulative basis) of the net proceeds of the offering and to provide the information contained in such report to the stockholders at least once each quarter after the distribution period of the offering has ended.

6. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions and otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as

expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED)

Table VI presents summary information on properties acquired in the three years ended December 31, 2011 by Prior Public Real Estate Programs with similar investment objectives. This table provides information regarding the general type and location of the properties and the manner in which the properties were acquired.

Program:	Cole Credit Property Trust II, Inc.		Cole Credit Property Trust II, Inc.	
Name, location, type of property	BJ' s Wholesale Club Woodstock, GA Warehouse Club		Chili' s Tilton, NH Restaurant	
Gross leasable square footage	115,396		5,916	(2)
Date of purchase	1/29/2009		3/27/2009	
Mortgage financing at date of purchase	$ 10,131,105		$ 1,260,000	
Cash down payment	6,239,895		75,415	
Contract purchase price plus acquisition fee	16,371,000		1,335,415	
Other cash expenditures expensed	35,072		38,693	
Other cash expenditures capitalized	–		–	
Total acquisition cost	$ 16,406,072		$ 1,374,108	

Program:	Cole Credit Property Trust II, Inc.		Cole Credit Property Trust II, Inc.	
Name, location, type of property	Kohl' s Tilton, NH Department Store		Lowe' s Tilton, NH Home Improvement	
Gross leasable square footage	68,000	(2)	169,900	(2)
Date of purchase	3/27/2009		3/27/2009	
Mortgage financing at date of purchase	$ 3,780,000		$ 12,960,000	
Cash down payment	299,382		765,248	
Contract purchase price plus acquisition fee	4,079,382		13,725,248	
Other cash expenditures expensed	85,563		240,669	
Other cash expenditures capitalized	–		–	
Total acquisition cost	$ 4,164,945		$ 13,965,917	

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	CVS Myrtle Beach, SC Drugstore	Walgreens Austin, MN Drugstore	Walgreens Canton, IL Drugstore
Gross leasable square footage	11,970	14,820	14,490
Date of purchase	3/27/2009	3/27/2009	3/27/2009
Mortgage financing at date of purchase	$ 4,788,000	$ 3,531,000	$4,428,500
Cash down payment	426,905	199,004	510,026
Contract purchase price plus acquisition fee	5,214,905	3,730,004	4,938,526
Other cash expenditures expensed	34,254	29,241	31,968
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,249,159	$ 3,759,245	$4,970,494

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Walgreens Galloway, OH Drugstore	Walgreens Humble, TX Drugstore	Walgreens Memphis, TN Drugstore
Gross leasable square footage	14,560	14,560	14,490
Date of purchase	3/27/2009	3/27/2009	3/27/2009
Mortgage financing at date of purchase	$ 4,250,000	$ 4,395,000	$5,058,000
Cash down payment	596,022	849,386	611,607
Contract purchase price plus acquisition fee	4,846,022	5,244,386	5,669,607
Other cash expenditures expensed	35,594	26,980	39,684
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,881,616	$ 5,271,366	$5,709,291

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Walgreens Parkville, MO Drugstore	Walgreens San Antonio, TX Drugstore	Walgreens Toledo, OH Drugstore
Gross leasable square footage	14,820	14,560	14,820
Date of purchase	3/27/2009	3/27/2009	3/27/2009

Mortgage financing at date of purchase	$ 4,274,000	$ 4,060,000	$ 5,400,000
Cash down payment	518,459	789,006	284,527
Contract purchase price plus acquisition fee	4,792,459	4,849,006	5,684,527
Other cash expenditures expensed	26,571	25,754	37,312
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,819,030	$ 4,874,760	$ 5,721,839

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	CVS Maynard, MA Drugstore	CVS Waynesville, NC Drugstore	Walgreens Antioch, TN Drugstore
Gross leasable square footage	12,662	10,055	14,490
Date of purchase	3/31/2009	3/31/2009	3/31/2009
Mortgage financing at date of purchase	$ 5,596,000	$ 3,966,000	$ 4,425,000
Cash down payment	247,873	331,115	424,006
Contract purchase price plus acquisition fee	5,843,873	4,297,115	4,849,006
Other cash expenditures expensed	35,716	29,908	48,728
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,879,589	$ 4,327,023	$ 4,897,734

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Walgreens Decatur, IL Drugstore	Walgreens Long Beach, MS Drugstore	Walgreens Roselle, NJ Drugstore
Gross leasable square footage	14,490	14,820	12,875
Date of purchase	3/31/2009	3/31/2009	3/31/2009
Mortgage financing at date of purchase	$ 4,003,000	$ 3,662,000	$ 5,742,000
Cash down payment	562,525	417,133	673,608
Contract purchase price plus acquisition fee	4,565,525	4,079,133	6,415,608
Other cash expenditures expensed	30,383	26,668	110,184
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,595,908	$ 4,105,801	$ 6,525,792

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Walgreens Saraland, AL Drugstore	L.A. Fitness League City, TX Fitness & Health	Tractor Supply Lowville, NY Specialty Retail
Gross leasable square footage	14,560	45,000	19,097
Date of purchase	3/31/2009	5/21/2010	6/3/2010
Mortgage financing at date of purchase	$ 5,079,000	$ –	$ –
Cash down payment	366,807	7,481,700	2,246,040
Contract purchase price plus acquisition fee	5,445,807	7,481,700	2,246,040
Other cash expenditures expensed	28,668	63,035	31,086

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,474,475	$ 7,544,735	$ 2,277,126

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Tractor Supply Malone, NY Specialty Retail	L.A. Fitness Naperville, IL Fitness & Health	CVS Indianapolis (21st St), IN Drugstore
Gross leasable square footage	19,097	45,000	12,222
Date of purchase	6/3/2010	6/30/2010	7/21/2010
Mortgage financing at date of purchase	$ –	$ –	$–
Cash down payment	2,292,960	9,384,000	3,282,386
Contract purchase price plus acquisition fee	2,292,960	9,384,000	3,282,386
Other cash expenditures expensed	31,723	66,148	19,675
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,324,683	$ 9,450,148	$3,302,061

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Tractor Supply Elletsville, IN Specialty Retail	CVS Lincoln, IL Drugstore	Ruth' s Chris Metairie, LA Restaurant
Gross leasable square footage	19,097	13,255	5,189
Date of purchase	9/13/2010	9/17/2010	9/27/2010
Mortgage financing at date of purchase	$ –	$ –	$–
Cash down payment	2,658,182	3,243,600	3,616,364
Contract purchase price plus acquisition fee	2,658,182	3,243,600	3,616,364
Other cash expenditures expensed	46,081	20,032	24,344
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,704,263	$ 3,263,632	$3,640,708

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Ruth' s Chris Sarasota, FL Restaurant	Columbus Fish Grandview, OH Restaurant	J. Jill Tilton, NH Distribution
Gross leasable square footage	7,725	7,766	573,000
Date of purchase	9/27/2010	9/27/2010	9/30/2010

Mortgage financing at date of purchase	$ –	$ –	$–
Cash down payment	3,078,998	3,327,054	23,538,461
Contract purchase price plus acquisition fee	3,078,998	3,327,054	23,538,461
Other cash expenditures expensed	20,272	23,975	218,593
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,099,270	$ 3,351,029	$23,757,054

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Childtime Childcare Cuyahoga Falls, OH Childcare & Development	Childtime Childcare Arlington, TX Childcare & Development	Childtime Childcare Oklahoma City (May), OK Childcare & Development
Gross leasable square footage	5,934	10,856	6,656
Date of purchase	12/15/2010	12/15/2010	12/15/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	837,082	997,767	529,217
Contract purchase price plus acquisition fee	837,082	997,767	529,217
Other cash expenditures expensed	34,802	38,818	28,221
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 871,884	$ 1,036,585	$ 557,438

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Childtime Childcare Oklahoma City (Penn), OK Childcare & Development	Childtime Childcare Rochester, NY Childcare & Development	Tutor Time Pittsburgh, PA Childcare & Development
Gross leasable square footage	6,671	4,801	10,071
Date of purchase	12/15/2010	12/15/2010	12/15/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	913,645	733,724	1,222,192
Contract purchase price plus acquisition fee	913,645	733,724	1,222,192
Other cash expenditures expensed	37,707	32,349	46,330
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 951,352	$ 766,073	$ 1,268,522

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Childtime Childcare Modesto (Honey), CA	CVS Azle, TX Drugstore	Logan' s Roadhouse

	Childcare & Development		Trussville, AL Restaurant
Gross leasable square footage	6,464	12,900	7,236
Date of purchase	12/15/2010	12/16/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	899,581	4,947,000	2,789,259
Contract purchase price plus acquisition fee	899,581	4,947,000	2,789,259
Other cash expenditures expensed	36,303	27,188	24,121
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 935,884	$ 4,974,188	$ 2,813,380

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Logan' s Roadhouse Wichita Falls, TX Restaurant	Ivex Packaging New Castle, PA Distribution	Walgreens Mt. Pleasant, TX Drugstore
Gross leasable square footage	8,026	135,303	14,820
Date of purchase	12/17/2010	12/20/2010	12/21/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,789,259	5,100,000	5,647,740
Contract purchase price plus acquisition fee	2,789,259	5,100,000	5,647,740
Other cash expenditures expensed	25,050	37,769	28,900
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,814,309	$ 5,137,769	$ 5,676,640

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Advance Auto Irvington, NJ Automotive Parts	Advance Auto Midwest City, OK Automotive Parts	Advance Auto Penns Grove, NJ Automotive Parts
Gross leasable square footage	6,684	7,000	7,000
Date of purchase	12/22/2010	12/22/2010	12/22/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,297,126	1,703,886	1,585,823
Contract purchase price plus acquisition fee	2,297,126	1,703,886	1,585,823
Other cash expenditures expensed	58,558	31,382	45,921
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,355,684	$ 1,735,268	$ 1,631,744

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Advance Auto St. Francis, WI Automotive Parts	Advance Auto Willingboro, NJ Automotive Parts	Advance Auto Charlotte, NC Automotive Parts
Gross leasable square footage	6,889	6,781	6,896
Date of purchase	12/22/2010	12/22/2010	12/22/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,653,698	1,822,973	1,656,805
Contract purchase price plus acquisition fee	1,653,698	1,822,973	1,656,805
Other cash expenditures expensed	25,830	48,799	25,629

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,679,528	$ 1,871,772	$ 1,682,434

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Advance Auto Dunellen, NJ Automotive Parts	Jo-Ann Fabrics Independence, MO Distribution	CVS Fairview Township, PA Drugstore
Gross leasable square footage	6,781	46,350	10,880
Date of purchase	12/22/2010	12/23/2010	1/27/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,753,375	4,625,700	3,177,300
Contract purchase price plus acquisition fee	2,753,375	4,625,700	3,177,300
Other cash expenditures expensed	61,645	28,086	62,289
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,815,020	$ 4,653,786	$ 3,239,589

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Walgreens Richmond Hill, GA Drugstore	CVS St. Augustine, FL Drugstore	L.A. Fitness West Chester, OH Fitness & Health
Gross leasable square footage	14,820	13,220	45,000
Date of purchase	2/25/2011	4/26/2011	4/27/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,666,666	4,039,117	8,402,250
Contract purchase price plus acquisition fee	5,666,666	4,039,117	8,402,250
Other cash expenditures expensed	23,894	22,244	58,740
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,690,560	$ 4,061,361	$ 8,460,990

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Burger King Durham, NC Restaurant	Office Depot Durham, NC Office Supply	Office Depot Balcones Heights, TX Office Supply
Gross leasable square footage	2,996 (2)	20,000	20,400
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	854,250	2,914,140	3,863,760

Contract purchase price plus acquisition fee	854,250	2,914,140	3,863,760
Other cash expenditures expensed	9,443	26,706	29,871
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 863,693	$ 2,940,846	$ 3,893,631

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Ryan' s Buffet Decatur, AL Restaurant	Ryan' s Buffet Florence, AL Restaurant	Ryan' s Buffet Dothan, AL Restaurant
Gross leasable square footage	10,956	10,920	10,080
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,654,683	2,568,289	2,269,500
Contract purchase price plus acquisition fee	2,654,683	2,568,289	2,269,500
Other cash expenditures expensed	24,529	21,716	22,530
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,679,212	$ 2,590,005	$ 2,292,030

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Ryan' s Buffet Carrollton, GA Restaurant	Ryan' s Buffet Hiram, GA Restaurant	Ryan' s Buffet Albany, GA Restaurant
Gross leasable square footage	10,553	10,136	10,942
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,871,700	1,994,100	3,073,280
Contract purchase price plus acquisition fee	1,871,700	1,994,100	3,073,280
Other cash expenditures expensed	18,660	18,845	19,629
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,890,360	$ 2,012,945	$ 3,092,909

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Ryan' s Buffet Dawsonville, GA Restaurant	Ryan' s Buffet Corydon, IN Restaurant	Ryan' s Buffet Bowling Green, KY Restaurant
Gross leasable square footage	10,972	10,170	10,155
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,744,200	2,040,000	4,048,666
Contract purchase price plus acquisition fee	1,744,200	2,040,000	4,048,666
Other cash expenditures expensed	18,298	21,146	27,896

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,762,498	$ 2,061,146	$ 4,076,562

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Ryan' s Buffet Lake Charles, LA Restaurant	Ryan' s Buffet Johnstown, PA Restaurant	Ryan' s Buffet Picayune, MS Restaurant
Gross leasable square footage	11,874	10,116	10,349
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,931,031	1,756,440	2,736,364
Contract purchase price plus acquisition fee	2,931,031	1,756,440	2,736,364
Other cash expenditures expensed	26,141	26,741	24,452
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,957,172	$ 1,783,181	$ 2,760,816

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Ryan' s Buffet Tupelo, MS Restaurant	Ryan' s Buffet Charleston, SC Restaurant	Ryan' s Buffet Conroe, TX Restaurant
Gross leasable square footage	10,349	11,099	10,736
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,399,550	1,943,100	4,221,607
Contract purchase price plus acquisition fee	2,399,550	1,943,100	4,221,607
Other cash expenditures expensed	23,636	19,575	39,513
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,423,186	$ 1,962,675	$ 4,261,120

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Ryan' s Buffet Princeton, WV Restaurant	Best Buy Kansas City, KS Electronics Retail	Kohl' s Olathe, KS Department Store
Gross leasable square footage	10,888	46,267	80,684
Date of purchase	4/29/2011	6/10/2011	8/23/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,967,659	8,297,700	8,770,082
Contract purchase price plus acquisition fee	2,967,659	8,297,700	8,770,082
Other cash expenditures expensed	23,501	86,842	32,047

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,991,160	$ 8,384,542	$ 8,802,129

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.	Cole Credit Property Trust II, Inc.
Name, location, type of property	Golden Corral Albuquerque, NM Restaurant	Tractor Supply Mt. Sterling, KY Specialty Retail	Chapel Hill Centre Douglasville, GA Shopping Center
Gross leasable square footage	14,100	19,097	66,970
Date of purchase	9/28/2011	10/27/2011	10/28/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,044,966	2,914,285	8,556,257
Contract purchase price plus acquisition fee	5,044,966	2,914,285	8,556,257
Other cash expenditures expensed	34,935	37,330	52,902
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,079,901	$ 2,951,615	$ 8,609,159

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS(1) Fredericksburg, VA Drugstore	Walgreens(1) Indianapolis, IN Drugstore	Walgreens(1) Tulsa, OK Drugstore
Gross leasable square footage	12,900	14,820	13,650
Date of purchase	1/6/2009	1/6/2009	1/6/2009
Mortgage financing at date of purchase	$ 5,504,000	$ 5,625,000	$ 3,512,000
Cash down payment	734,861	750,000	468,040
Contract purchase price plus acquisition fee	6,238,861	6,375,000	3,980,040
Other cash expenditures expensed	115,852	31,054	21,365
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,354,713	$ 6,406,054	$ 4,001,405

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Kohl' s(1) Burnsville, MN Department Store	Walgreens(1) Fredericksburg, VA Drugstore	Sam' s Club(1) Hoover, AL Warehouse Club
Gross leasable square footage	101,346	14,820	115,347
Date of purchase	1/9/2009	1/9/2009	1/15/2009
Mortgage financing at date of purchase	$ 9,310,000	$ 6,560,000	$ 11,070,000
Cash down payment	1,241,900	875,047	1,476,000
Contract purchase price plus acquisition fee	10,551,900	7,435,047	12,546,000
Other cash expenditures expensed	22,080	132,900	107,454

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 10,573,980	$ 7,567,947	$ 12,653,454

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Lowe' s Las Vegas, NV Home Improvement	Wal-Mart Albuquerque, NM Discount Retail	Wal-Mart Las Vegas, NV Discount Retail
Gross leasable square footage	162,557 (2)	203,982 (2)	223,901 (2)
Date of purchase	3/31/2009	3/31/2009	3/31/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	10,954,800	18,416,100	15,060,300
Contract purchase price plus acquisition fee	10,954,800	18,416,100	15,060,300
Other cash expenditures expensed	17,639	57,809	48,935
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 10,972,439	$ 18,473,909	$ 15,109,235

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Home Depot Las Vegas, NV Home Improvement	Home Depot Odessa, TX Home Improvement	Home Depot San Diego, CA Home Improvement
Gross leasable square footage	105,700 (2)	102,400 (2)	106,024 (2)
Date of purchase	4/15/2009	4/15/2009	4/15/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	8,544,802	9,444,938	12,599,724
Contract purchase price plus acquisition fee	8,544,802	9,444,938	12,599,724
Other cash expenditures expensed	54,958	62,326	55,125
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,599,760	$ 9,507,264	$ 12,654,849

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Home Depot San Jose, CA Home Improvement	Walgreens Dunkirk, NY Drugstore	Aaron Rents Oxford, AL Specialty Retail
Gross leasable square footage	122,244 (2)	13,650	7,480
Date of purchase	4/15/2009	5/29/2009	5/29/2009

Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	8,187,190	3,937,971	758,880
Contract purchase price plus acquisition fee	8,187,190	3,937,971	758,880
Other cash expenditures expensed	54,441	33,273	15,074
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,241,631	$ 3,971,244	$ 773,954

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Indianapolis, IN Specialty Retail	Aaron Rents Minden, LA Specialty Retail	Aaron Rents Shawnee, OK Specialty Retail
Gross leasable square footage	7,667	8,000	8,000
Date of purchase	5/29/2009	5/29/2009	5/29/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	998,580	1,377,000	1,250,520
Contract purchase price plus acquisition fee	998,580	1,377,000	1,250,520
Other cash expenditures expensed	17,835	16,023	15,343
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,016,415	$ 1,393,023	$ 1,265,863

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Meadville, PA Specialty Retail	Aaron Rents Humble, TX Specialty Retail	Aaron Rents Mexia, TX Specialty Retail
Gross leasable square footage	11,964	8,000	8,000
Date of purchase	5/29/2009	5/29/2009	5/29/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,158,720	1,412,700	1,096,500
Contract purchase price plus acquisition fee	1,158,720	1,412,700	1,096,500
Other cash expenditures expensed	28,998	14,427	13,524
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,187,718	$ 1,427,127	$ 1,110,024

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Odessa, TX Specialty Retail	Aaron Rents Statesboro, GA Specialty Retail	Aaron Rents Mansura, LA Specialty Retail
Gross leasable square footage	6,240	8,050	7,207
Date of purchase	5/29/2009	6/18/2009	6/18/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	748,680	1,248,480	539,580

Contract purchase price plus acquisition fee	748,680	1,248,480	539,580
Other cash expenditures expensed	12,786	13,264	14,972
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 761,466	$ 1,261,744	$ 554,552

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Battle Creek, MI Specialty Retail	Aaron Rents Columbia, SC Specialty Retail	Aaron Rents Chattanooga, TN Specialty Retail
Gross leasable square footage	8,400	12,516	11,368
Date of purchase	6/18/2009	6/18/2009	6/18/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	954,720	1,207,680	1,052,640
Contract purchase price plus acquisition fee	954,720	1,207,680	1,052,640
Other cash expenditures expensed	15,663	13,651	16,491
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 970,383	$ 1,221,331	$ 1,069,131

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Killeen, TX Specialty Retail	Aaron Rents Livingston, TX Specialty Retail	Aaron Rents Pasadena, TX Specialty Retail
Gross leasable square footage	37,500	10,000	8,000
Date of purchase	6/18/2009	6/18/2009	6/18/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,333,360	1,401,480	1,410,660
Contract purchase price plus acquisition fee	3,333,360	1,401,480	1,410,660
Other cash expenditures expensed	17,175	13,953	13,862
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,350,535	$ 1,415,433	$ 1,424,522

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Academy Sports Bossier City, LA Sporting Goods	Academy Sports Laredo, TX Sporting Goods	Academy Sports Montgomery, AL Sporting Goods
Gross leasable square footage	89,929	86,000	76,786
Date of purchase	6/19/2009	6/19/2009	6/19/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	8,670,000	9,078,000	9,588,000
Contract purchase price plus acquisition fee	8,670,000	9,078,000	9,588,000
Other cash expenditures expensed	30,810	28,182	22,860

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,700,810	$ 9,106,182	$ 9,610,860

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Academy Sports Fort Worth, TX Sporting Goods	L.A. Fitness Carmel, IN Fitness & Health	Aaron Rents El Dorado, AR Specialty Retail
Gross leasable square footage	83,741	45,000	4,860
Date of purchase	6/19/2009	6/30/2009	6/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,752,000	8,275,909	898,620
Contract purchase price plus acquisition fee	7,752,000	8,275,909	898,620
Other cash expenditures expensed	26,405	32,904	15,452
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,778,405	$ 8,308,813	$ 914,072

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Pensacola, FL Specialty Retail	Aaron Rents Benton Harbor, MI Specialty Retail	Aaron Rents Copperas Cove, TX Specialty Retail
Gross leasable square footage	8,398	6,745	8,180
Date of purchase	6/30/2009	6/30/2009	6/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	841,500	987,360	1,447,416
Contract purchase price plus acquisition fee	841,500	987,360	1,447,416
Other cash expenditures expensed	28,079	26,918	14,703
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 869,579	$ 1,014,278	$ 1,462,119

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Haltom City, TX Specialty Retail	Aaron Rents Port Lavaca, TX Specialty Retail	Aaron Rents Richmond, VA Specialty Retail
Gross leasable square footage	10,000	8,000	11,616
Date of purchase	6/30/2009	6/30/2009	6/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,653,420	1,218,900	1,759,500
Contract purchase price plus acquisition fee	1,653,420	1,218,900	1,759,500
Other cash expenditures expensed	26,975	14,457	34,034

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,680,395	$ 1,233,357	$ 1,793,534

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Cracker Barrel Braselton, GA Restaurant	Cracker Barrel Bremen, GA Restaurant	Cracker Barrel Greensboro, NC Restaurant
Gross leasable square footage	10,101	10,141	10,170
Date of purchase	6/30/2009	6/30/2009	6/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,155,867	2,883,417	3,125,730
Contract purchase price plus acquisition fee	3,155,867	2,883,417	3,125,730
Other cash expenditures expensed	6,094	6,000	6,285
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,161,961	$ 2,889,417	$ 3,132,015

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Cracker Barrel Mebane, NC Restaurant	Cracker Barrel Rocky Mount, NC Restaurant	Cracker Barrel Fort Mill, SC Restaurant
Gross leasable square footage	9,984	10,097	10,171
Date of purchase	6/30/2009	6/30/2009	6/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,702,796	2,842,812	3,135,834
Contract purchase price plus acquisition fee	2,702,796	2,842,812	3,135,834
Other cash expenditures expensed	6,690	6,188	6,269
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,709,486	$ 2,849,000	$ 3,142,103

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Cracker Barrel Piedmont, SC Restaurant	Cracker Barrel Abilene, TX Restaurant	Cracker Barrel San Antonio, TX Restaurant
Gross leasable square footage	10,173	10,101	9,984
Date of purchase	6/30/2009	6/30/2009	6/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,533,001	3,421,986	3,461,928
Contract purchase price plus acquisition fee	3,533,001	3,421,986	3,461,928
Other cash expenditures expensed	6,405	8,604	8,646

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,539,406	$ 3,430,590	$ 3,470,574

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Cracker Barrel Sherman, TX Restaurant	Cracker Barrel Bristol, VA Restaurant	Cracker Barrel Emporia, VA Restaurant
Gross leasable square footage	10,158	10,182	10,024
Date of purchase	6/30/2009	6/30/2009	6/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,345,326	2,719,791	2,769,534
Contract purchase price plus acquisition fee	3,345,326	2,719,791	2,769,534
Other cash expenditures expensed	8,521	5,957	6,524
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,353,847	$ 2,725,748	$ 2,776,058

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	
Name, location, type of property	Cracker Barrel Waynesboro, VA Restaurant	Cracker Barrel Woodstock, VA Restaurant	Kohl' s Tavares, FL Department Store	
Gross leasable square footage	10,041	10,161	89,722	(2)
Date of purchase	6/30/2009	6/30/2009	6/30/2009	
Mortgage financing at date of purchase	$ –	$ –	$ –	
Cash down payment	3,248,630	2,646,694	8,636,340	
Contract purchase price plus acquisition fee	3,248,630	2,646,694	8,636,340	
Other cash expenditures expensed	6,689	5,932	30,194	
Other cash expenditures capitalized	–	–	–	
Total acquisition cost	$ 3,255,319	$ 2,652,626	$ 8,666,534	

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	HH Gregg North Charleston, SC Specialty Retail	Walgreens Edmond, OK Drugstore	Cracker Barrel Columbus, GA Restaurant
Gross leasable square footage	30,167	13,905	10,000
Date of purchase	7/2/2009	7/7/2009	7/15/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,704,860	4,174,860	3,092,978
Contract purchase price plus acquisition fee	5,704,860	4,174,860	3,092,978

Other cash expenditures expensed	26,195	26,957	6,059
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,731,055	$ 4,201,817	$ 3,099,037

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Stillwater, OK Drugstore	Kohl' s Port Orange, FL Department Store	Walgreens Denton, TX Drugstore
Gross leasable square footage	15,120	89,249 (2)	14,820
Date of purchase	7/21/2009	7/23/2009	7/24/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,031,040	9,953,160	4,539,000
Contract purchase price plus acquisition fee	4,031,040	9,953,160	4,539,000
Other cash expenditures expensed	26,732	29,048	26,470
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,057,772	$ 9,982,208	$ 4,565,470

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Roswell, NM Specialty Retail	Tractor Supply Edinburg, TX Specialty Retail	Tractor Supply Del Rio, TX Specialty Retail
Gross leasable square footage	19,097	18,800	19,097
Date of purchase	7/27/2009	7/27/2009	7/27/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,729,520	3,152,820	2,427,600
Contract purchase price plus acquisition fee	2,729,520	3,152,820	2,427,600
Other cash expenditures expensed	19,181	19,852	19,065
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,748,701	$ 3,172,672	$ 2,446,665

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Kohl' s Monrovia, CA Department Store	Kohl' s Rancho Cordova, CA Department Store	CVS Southaven, MS Drugstore
Gross leasable square footage	76,804	76,158	13,225
Date of purchase	7/30/2009	7/30/2009	7/31/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	13,150,860	7,428,660	5,414,832
Contract purchase price plus acquisition fee	13,150,860	7,428,660	5,414,832
Other cash expenditures expensed	31,415	27,960	25,113

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 13,182,275	$ 7,456,620	$ 5,439,945

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Harris Teeter Durham, NC Grocery	CVS Edinburg, TX Drugstore	CVS Liberty, MO Drugstore
Gross leasable square footage	48,505 (2)	13,204	12,900
Date of purchase	7/31/2009	8/13/2009	8/13/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,309,900	3,977,019	5,086,903
Contract purchase price plus acquisition fee	3,309,900	3,977,019	5,086,903
Other cash expenditures expensed	32,484	24,842	18,703
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,342,384	$ 4,001,861	$ 5,105,606

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS McAllen, TX Drugstore	CVS Noblesville, IN Drugstore	CVS Oak Forest, IL Drugstore
Gross leasable square footage	13,225	12,900	13,225
Date of purchase	8/13/2009	8/13/2009	8/13/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,595,363	6,219,198	4,710,714
Contract purchase price plus acquisition fee	4,595,363	6,219,198	4,710,714
Other cash expenditures expensed	26,066	20,517	21,111
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,621,429	$ 6,239,715	$ 4,731,825

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Newport News, VA Drugstore	CVS Virginia Beach, VA Drugstore	CVS Sparks, NV Drugstore
Gross leasable square footage	13,225	13,225	13,625
Date of purchase	8/13/2009	8/13/2009	8/13/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,182,129	6,082,542	5,939,236
Contract purchase price plus acquisition fee	5,182,129	6,082,542	5,939,236
Other cash expenditures expensed	25,625	27,260	24,454

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,207,754	$ 6,109,802	$ 5,963,690

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Raymore, MO Drugstore	CVS Kyle, TX Drugstore	CVS Thomasville, NC Drugstore
Gross leasable square footage	12,900	13,225	13,225
Date of purchase	8/14/2009	8/14/2009	8/14/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,806,240	4,182,000	3,353,760
Contract purchase price plus acquisition fee	4,806,240	4,182,000	3,353,760
Other cash expenditures expensed	13,877	20,394	13,760
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,820,117	$ 4,202,394	$ 3,367,520

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Texas City, TX Specialty Retail	Best Buy Bourbannais, IL Electronics Retail	Best Buy Coral Springs, FL Electronics Retail
Gross leasable square footage	11,943	46,996	52,550
Date of purchase	8/31/2009	8/31/2009	8/31/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,032,860	6,154,354	6,364,248
Contract purchase price plus acquisition fee	2,032,860	6,154,354	6,364,248
Other cash expenditures expensed	4,728	31,360	28,870
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,037,588	$ 6,185,714	$ 6,393,118

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Best Buy Lakewood, CO Electronics Retail	Walgreens Nampa, ID Drugstore	CVS Lee' s Summit, MO Drugstore
Gross leasable square footage	45,976	14,490	12,900
Date of purchase	8/31/2009	9/18/2009	9/29/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	8,429,091	4,462,500	4,465,560
Contract purchase price plus acquisition fee	8,429,091	4,462,500	4,465,560
Other cash expenditures expensed	34,290	29,704	15,401

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,463,381	$ 4,492,204	$ 4,480,961

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Houston, TX Drugstore	Walgreens Grand Junction, CO Drugstore	Walgreens McPherson, KS Drugstore
Gross leasable square footage	13,650	14,490	13,650
Date of purchase	9/30/2009	9/30/2009	9/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,948,903	4,488,000	4,092,240
Contract purchase price plus acquisition fee	5,948,903	4,488,000	4,092,240
Other cash expenditures expensed	25,311	25,157	15,460
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,974,214	$ 4,513,157	$ 4,107,700

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens St. George, UT Drugstore	Walgreens Spearfish, SD Drugstore	Walgreens Papillion, NE Drugstore
Gross leasable square footage	14,490	14,820	14,820
Date of purchase	9/30/2009	10/6/2009	10/6/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,528,000	4,972,500	4,217,700
Contract purchase price plus acquisition fee	6,528,000	4,972,500	4,217,700
Other cash expenditures expensed	27,063	30,998	22,587
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,555,063	$ 5,003,498	$ 4,240,287

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Chickasha, OK Drugstore	Tractor Supply Irmo, SC Specialty Retail	Walgreens Warner Robins, GA Drugstore
Gross leasable square footage	14,820	19,097	14,820
Date of purchase	10/14/2009	10/15/2009	10/20/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,117,740	2,550,000	4,080,000
Contract purchase price plus acquisition fee	4,117,740	2,550,000	4,080,000
Other cash expenditures expensed	22,082	28,786	17,748

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$4,139,822	$ 2,578,786	$ 4,097,748

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Home Depot Winchester, VA Home Improvement	Home Depot Tucson, AZ Home Improvement	Walgreens Goose Creek, SC Drugstore
Gross leasable square footage	465,600	102,732 (2)	14,820
Date of purchase	10/21/2009	10/21/2009	10/29/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	29,172,000	11,566,800	5,253,000
Contract purchase price plus acquisition fee	29,172,000	11,566,800	5,253,000
Other cash expenditures expensed	61,414	31,956	35,145
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 29,233,414	$ 11,598,756	$ 5,288,145

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	L.A. Fitness Glendale, AZ Fitness & Health	Staples Iowa City, IA Office Supply	University Plaza Flagstaff, AZ Shopping Center
Gross leasable square footage	38,000	18,049	166,015
Date of purchase	10/30/2009	11/13/2009	11/17/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,528,000	4,263,600	17,508,300
Contract purchase price plus acquisition fee	6,528,000	4,263,600	17,508,300
Other cash expenditures expensed	23,668	22,885	100,027
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,551,668	$ 4,286,485	$ 17,608,327

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens South Bend, IN Drugstore	Lowe' s Kansas City, MO Home Improvement	L.A. Fitness Spring, TX Fitness & Health
Gross leasable square footage	14,550	139,905 (2)	45,000
Date of purchase	11/18/2009	11/20/2009	11/20/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,036,250	8,096,250	7,509,750
Contract purchase price plus acquisition fee	5,036,250	8,096,250	7,509,750

Other cash expenditures expensed	20,369	27,536	31,784
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,056,619	$ 8,123,786	$ 7,541,534

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Publix Mountain Brook, AL Grocery	Kohl' s Columbia, SC Department Store	Advanced Auto Webster, TX Automotive Parts
Gross leasable square footage	44,271	89,706	7,000
Date of purchase	12/1/2009	12/7/2009	12/16/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,222,000	12,138,000	1,530,642
Contract purchase price plus acquisition fee	6,222,000	12,138,000	1,530,642
Other cash expenditures expensed	33,284	31,860	21,711
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,255,284	$ 12,169,860	$ 1,552,353

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advanced Auto Houston (Aldine), TX Automotive Parts	Advanced Auto Humble, TX Automotive Parts	Advanced Auto Deer Park, TX Automotive Parts
Gross leasable square footage	7,000	7,000	6,000
Date of purchase	12/16/2009	12/16/2009	12/16/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,398,858	1,525,827	1,502,780
Contract purchase price plus acquisition fee	1,398,858	1,525,827	1,502,780
Other cash expenditures expensed	21,201	22,039	20,199
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,420,059	$ 1,547,866	$ 1,522,979

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advanced Auto Houston (Imperial), TX Automotive Parts	Advanced Auto Houston (Wallisville), TX Automotive Parts	Advanced Auto Kingwood, TX Automotive Parts
Gross leasable square footage	8,000	7,000	6,000
Date of purchase	12/16/2009	12/16/2009	12/16/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,253,574	1,540,072	1,509,810

Contract purchase price plus acquisition fee	1,253,574	1,540,072	1,509,810
Other cash expenditures expensed	19,918	20,712	19,898
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,273,492	$ 1,560,784	$ 1,529,708

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Lubbock, TX Automotive Parts	Advance Auto Huntsville, TX Automotive Parts	Walgreens Machesney Park, IL Drugstore
Gross leasable square footage	6,000	6,000	14,490
Date of purchase	12/16/2009	12/16/2009	12/16/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,244,297	1,331,203	4,256,460
Contract purchase price plus acquisition fee	1,244,297	1,331,203	4,256,460
Other cash expenditures expensed	27,923	28,335	23,160
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,272,220	$ 1,359,538	$ 4,279,620

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Gloucester, NJ Specialty Retail	Mueller Regional Retail District Austin, TX Shopping Center	Walgreens Janesville, WI Drugstore
Gross leasable square footage	22,670	350,166 (2)	14,490
Date of purchase	12/17/2009	12/18/2009	12/18/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,457,000	68,595,000	6,014,940
Contract purchase price plus acquisition fee	5,457,000	68,595,000	6,014,940
Other cash expenditures expensed	89,274	224,423	22,185
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,546,274	$ 68,819,423	$ 6,037,125

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens South Bend (Ironwood), IN Drugstore	Walgreens Brooklyn Park, MD Drugstore	FedEx Effingham, IL Distribution
Gross leasable square footage	14,820	14,560	101,240
Date of purchase	12/21/2009	12/23/2009	12/29/2009
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	6,056,250	4,925,580	14,433,000
Contract purchase price plus acquisition fee	6,056,250	4,925,580	14,433,000
Other cash expenditures expensed	22,758	138,444	31,400
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,079,008	$ 5,064,024	$ 14,464,400

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Meridianville, AL Drugstore	Walgreens St. Charles, IL Drugstore	Walgreens Elgin, IL Drugstore
Gross leasable square footage	13,225	14,490	14,490
Date of purchase	12/30/2009	12/30/2009	12/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,046,340	4,143,750	4,526,250
Contract purchase price plus acquisition fee	4,046,340	4,143,750	4,526,250
Other cash expenditures expensed	29,538	24,259	25,325
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,075,878	$ 4,168,009	$ 4,551,575

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Stripes Rio Hondo, TX Convenience Store	Stripes Pharr, TX Convenience Store	Stripes Andrews, TX Convenience Store
Gross leasable square footage	6,330	9,522	4,358
Date of purchase	12/30/2009	12/30/2009	12/30/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,619,057	2,525,901	2,413,590
Contract purchase price plus acquisition fee	2,619,057	2,525,901	2,413,590
Other cash expenditures expensed	16,955	16,820	16,922
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,636,012	$ 2,542,721	$ 2,430,512

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Stripes LaFeria, TX Convenience Store	Kum & Go Rogers, AR Convenience Store	Kum & Go Lowell, AR Convenience Store
Gross leasable square footage	4,950	3,391	4,765
Date of purchase	12/30/2009	12/31/2009	12/31/2009
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,955,554	2,142,000	2,131,200
Contract purchase price plus acquisition fee	1,955,554	2,142,000	2,131,200

Other cash expenditures expensed	16,882	33,560	33,003
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,972,436	$ 2,175,560	$ 2,164,203

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Kum & Go Bentonville, AR Convenience Store	Walgreens Twin Falls, ID Drugstore	Walgreens Loves Park, IL Drugstore
Gross leasable square footage	3,402	14,820	14,490
Date of purchase	12/31/2009	1/14/2010	1/19/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,884,000	4,926,600	4,018,800
Contract purchase price plus acquisition fee	1,884,000	4,926,600	4,018,800
Other cash expenditures expensed	32,164	27,767	25,120
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,916,164	$ 4,954,367	$ 4,043,920

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Framingham, MA Drugstore	Carmax Garland, TX Auto Dealership	Walgreens Appleton (Meade), WI Drugstore
Gross leasable square footage	14,820	82,165	16,853
Date of purchase	1/19/2010	1/29/2010	2/3/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,082,260	14,280,000	3,843,360
Contract purchase price plus acquisition fee	6,082,260	14,280,000	3,843,360
Other cash expenditures expensed	26,355	34,240	21,591
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,108,615	$ 14,314,240	$ 3,864,951

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	L.A. Fitness Highland, CA Fitness & Health	Walgreens Cleveland (Clark), OH Drugstore	Walgreens Appleton (Northland), WI Drugstore
Gross leasable square footage	45,000	14,820	14,490
Date of purchase	2/4/2010	2/10/2010	2/18/2010
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	9,399,300	5,559,000	5,407,020
Contract purchase price plus acquisition fee	9,399,300	5,559,000	5,407,020
Other cash expenditures expensed	24,631	25,467	23,603
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 9,423,931	$ 5,584,467	$ 5,430,623

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Greenville, NC Drugstore	Walgreens Lancaster, SC Drugstore	Walgreens Baytown, TX Drugstore
Gross leasable square footage	14,490	14,820	14,820
Date of purchase	2/19/2010	2/19/2010	2/23/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,314,935	6,015,134	4,901,100
Contract purchase price plus acquisition fee	6,314,935	6,015,134	4,901,100
Other cash expenditures expensed	33,705	39,359	27,914
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,348,640	$ 6,054,493	$ 4,929,014

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens North Platte, NE Drugstore	Cigna Pointe Plano, TX Fitness & Health	Kum & Go Story City, IA Convenience Store
Gross leasable square footage	14,820	209,089	3,414
Date of purchase	2/23/2010	2/24/2010	2/25/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,143,421	50,490,000	2,091,000
Contract purchase price plus acquisition fee	5,143,421	50,490,000	2,091,000
Other cash expenditures expensed	25,636	73,830	28,704
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,169,057	$ 50,563,830	$ 2,119,704

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Kum & Go Ottumwa, IA Convenience Store	Kum & Go West Branch, IA Convenience Store	Walgreens Omaha, NE Drugstore
Gross leasable square footage	4,177	3,164	14,550
Date of purchase	2/25/2010	2/25/2010	2/25/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,860,000	1,116,000	5,304,000
Contract purchase price plus acquisition fee	1,860,000	1,116,000	5,304,000

Other cash expenditures expensed	28,283	28,244	25,781
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,888,283	$ 1,144,244	$ 5,329,781

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Kingman, AZ Drugstore	Walgreens Augusta, ME Drugstore	O' Reilly Automotive New Roads, LA Automotive Parts
Gross leasable square footage	15,696	14,065	6,800
Date of purchase	2/25/2010	3/5/2010	3/12/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,145,500	6,552,727	837,041
Contract purchase price plus acquisition fee	6,145,500	6,552,727	837,041
Other cash expenditures expensed	23,940	43,781	22,658
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,169,440	$ 6,596,508	$ 859,699

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	O' Reilly Automotive La Place, LA Automotive Parts	O' Reilly Automotive Breaux Bridge, LA Automotive Parts	Cargill Blair, NE Distribution
Gross leasable square footage	7,000	6,800	30,000
Date of purchase	3/12/2010	3/15/2010	3/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,041,498	823,319	5,054,103
Contract purchase price plus acquisition fee	1,041,498	823,319	5,054,103
Other cash expenditures expensed	22,492	22,465	40,230
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,063,990	$ 845,784	$ 5,094,333

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	
Name, location, type of property	Walgreens North Mankato, MN Drugstore	Kohl' s McAllen, TX Department Store	Sunset Valley Austin, TX Shopping Center	
Gross leasable square footage	14,550	88,248	147,763	(2)
Date of purchase	3/18/2010	3/26/2010	3/26/2010	
Mortgage financing at date of purchase	$ –	$ –	$ –	

Cash down payment	5,171,400	7,446,000	36,210,000
Contract purchase price plus acquisition fee	5,171,400	7,446,000	36,210,000
Other cash expenditures expensed	28,975	36,265	111,611
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,200,375	$ 7,482,265	$ 36,321,611

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS New Port Richey, FL Drugstore	Walgreens Birmingham, AL Drugstore	L.A. Fitness Denton, TX Fitness & Health
Gross leasable square footage	13,813	13,905	45,000
Date of purchase	3/26/2010	3/30/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,381,300	3,188,520	7,981,500
Contract purchase price plus acquisition fee	3,381,300	3,188,520	7,981,500
Other cash expenditures expensed	21,015	24,251	40,265
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,402,315	$ 3,212,771	$ 8,021,765

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Valley, AL Specialty Retail	Aaron Rents Springdale, AR Specialty Retail	Aaron Rents Auburndale, FL Specialty Retail
Gross leasable square footage	6,950	8,000	148,922
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	804,000	1,330,000	5,283,000
Contract purchase price plus acquisition fee	804,000	1,330,000	5,283,000
Other cash expenditures expensed	33,843	47,444	125,645
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 837,843	$ 1,377,444	$ 5,408,645

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Redford, MI Specialty Retail	Aaron Rents Bowling Green, OH Specialty Retail	Aaron Rents North Olmsted, OH Specialty Retail
Gross leasable square footage	8,025	8,321	7,800
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	901,000	1,180,000	928,000
Contract purchase price plus acquisition fee	901,000	1,180,000	928,000

Other cash expenditures expensed	35,604	42,707	37,843
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 936,604	$ 1,222,707	$ 965,843

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Bloomsburg, PA Specialty Retail	Aaron Rents Mission, TX Specialty Retail	Aaron Rents Oneonta, AL Specialty Retail
Gross leasable square footage	12,000	8,000	8,000
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	825,000	1,091,000	1,170,000
Contract purchase price plus acquisition fee	825,000	1,091,000	1,170,000
Other cash expenditures expensed	45,227	39,324	41,455
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 870,227	$ 1,130,324	$ 1,211,455

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Lafayette, IN Specialty Retail	Aaron Rents Magnolia, MS Specialty Retail	Aaron Rents Kennett, MO Specialty Retail
Gross leasable square footage	5,935	125,000	7,276
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,102,000	2,945,000	641,000
Contract purchase price plus acquisition fee	1,102,000	2,945,000	641,000
Other cash expenditures expensed	40,369	79,936	29,783
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,142,369	$ 3,024,936	$ 670,783

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Charlotte, NC Specialty Retail	Aaron Rents Kent, OH Specialty Retail	Aaron Rents Marion, SC Specialty Retail
Gross leasable square footage	8,775	16,516	8,000
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,195,000	1,225,000	627,000
Contract purchase price plus acquisition fee	1,195,000	1,225,000	627,000

Other cash expenditures expensed	41,605	46,100	30,258
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,236,605	$ 1,271,100	$ 657,258

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Aaron Rents Kingsville, TX Specialty Retail	Advance Auto Delaware, OH Automotive Parts	Advance Auto Canton, OH Automotive Parts
Gross leasable square footage	8,000	7,000	7,000
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,193,000	1,524,900	1,390,260
Contract purchase price plus acquisition fee	1,193,000	1,524,900	1,390,260
Other cash expenditures expensed	40,424	30,690	30,788
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,233,424	$ 1,555,590	$ 1,421,048

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Twinsburg, OH Automotive Parts	Advance Auto Holland, OH Automotive Parts	Applebee' s Marion, IL Restaurant
Gross leasable square footage	6,000	6,000	5,403
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,291,320	1,349,460	1,768,680
Contract purchase price plus acquisition fee	1,291,320	1,349,460	1,768,680
Other cash expenditures expensed	30,226	30,164	22,189
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,321,546	$ 1,379,624	$ 1,790,869

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Applebee' s Madisonville, KY Restaurant	Applebee' s Joplin, MO Restaurant	Applebee' s Farmington, MO Restaurant
Gross leasable square footage	5,393	5,386	3,894
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,922,700	2,152,200	2,161,992
Contract purchase price plus acquisition fee	1,922,700	2,152,200	2,161,992

Other cash expenditures expensed	21,874	21,858	22,065
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,944,574	$ 2,174,058	$ 2,184,057

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Applebee' s Elizabeth City, NC Restaurant	Applebee' s Vincenness, IN Restaurant	Applebee' s Memphis, TN Restaurant
Gross leasable square footage	4,676	5,940	4,830
Date of purchase	3/31/2010	3/31/2010	3/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,938,000	1,882,104	2,132,820
Contract purchase price plus acquisition fee	1,938,000	1,882,104	2,132,820
Other cash expenditures expensed	18,460	20,295	20,845
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,956,460	$ 1,902,399	$ 2,153,665

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Applebee' s Rolla, MO Restaurant	Tractor Supply Pearsall, TX Specialty Retail	Walgreens Janesville (West Court), WI Drugstore
Gross leasable square footage	4,791	18,948	14,820
Date of purchase	3/31/2010	4/9/2010	4/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,239,920	2,485,953	4,360,500
Contract purchase price plus acquisition fee	2,239,920	2,485,953	4,360,500
Other cash expenditures expensed	21,225	25,629	24,595
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,261,145	$ 2,511,582	$ 4,385,095

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Summerdale, AL Specialty Retail	National Tire & Battery Nashville, TN Automotive Parts	Kum & Go Sloan, IA Convenience Store
Gross leasable square footage	19,097	8,074	4,794
Date of purchase	4/14/2010	4/21/2010	4/23/2010
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	2,517,625	1,744,047	2,652,000
Contract purchase price plus acquisition fee	2,517,625	1,744,047	2,652,000
Other cash expenditures expensed	22,885	20,821	26,132
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,540,510	$ 1,764,868	$ 2,678,132

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	FedEx Beekmantown, NY Distribution	FedEx Lafayette, IN Distribution	Advanced Auto Sylvania, OH Automotive Parts
Gross leasable square footage	49,780	22,194	6,000
Date of purchase	4/23/2010	4/27/2010	4/28/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,431,500	4,582,860	1,265,820
Contract purchase price plus acquisition fee	5,431,500	4,582,860	1,265,820
Other cash expenditures expensed	28,890	23,630	30,508
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,460,390	$ 4,606,490	$ 1,296,328

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Durham (Hwy 54), NC Drugstore	Tractor Supply Kenedy, TX Specialty Retail	Academy Sports Killeen, TX Sporting Goods
Gross leasable square footage	14,820	18,800	96,645
Date of purchase	4/28/2010	4/29/2010	4/29/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,916,000	2,526,279	6,834,000
Contract purchase price plus acquisition fee	5,916,000	2,526,279	6,834,000
Other cash expenditures expensed	22,973	26,672	30,636
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,938,973	$ 2,552,951	$ 6,864,636

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Experian Headquarters Schaumburg, IL Professional Services	Tractor Supply Glenpool, OK Specialty Retail	Tractor Supply Stillwater, OK Specialty Retail
Gross leasable square footage	177,893	19,097	19,180
Date of purchase	4/30/2010	5/4/2010	5/4/2010
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	30,600,000	2,413,320	2,475,540
Contract purchase price plus acquisition fee	30,600,000	2,413,320	2,475,540
Other cash expenditures expensed	60,672	25,297	25,591
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 30,660,672	$ 2,438,617	$ 2,501,131

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Gibsonia, PA Specialty Retail	Walgreens Lancaster, CA Drugstore	Northern Tool Ocala, FL Specialty Retail
Gross leasable square footage	19,097	13,650	26,054
Date of purchase	5/5/2010	5/17/2010	5/20/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,185,460	5,647,740	3,588,360
Contract purchase price plus acquisition fee	3,185,460	5,647,740	3,588,360
Other cash expenditures expensed	60,239	42,143	30,727
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,245,699	$ 5,689,883	$ 3,619,087

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Beloit, WI Drugstore	Tractor Supply Murphy, NC Specialty Retail	Tractor Supply Ballinger, TX Specialty Retail
Gross leasable square footage	14,820	19,097	19,097
Date of purchase	5/20/2010	5/21/2010	5/21/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,396,200	2,898,935	2,543,595
Contract purchase price plus acquisition fee	4,396,200	2,898,935	2,543,595
Other cash expenditures expensed	23,002	26,365	27,186
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,419,202	$ 2,925,300	$ 2,570,781

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Igloo Headquarters Katy, TX Distribution	Walgreens Rocky Mount, NC Drugstore	Kum & Go Tipton, IA Convenience Store
Gross leasable square footage	914,195	14,820	5,118
Date of purchase	5/21/2010	5/26/2010	5/28/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	38,862,000	5,980,260	2,544,000
Contract purchase price plus acquisition fee	38,862,000	5,980,260	2,544,000

Other cash expenditures expensed	99,997	19,953	33,070
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 38,961,997	$ 6,000,213	$ 2,577,070

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Whole Foods Hinsdale, IL Grocery	AT&T Dallas, TX Communications	AutoZone Hamilton, OH Automotive Parts
Gross leasable square footage	48,835	206,040	7,370
Date of purchase	5/28/2010	5/28/2010	6/9/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	11,842,200	29,988,000	1,668,720
Contract purchase price plus acquisition fee	11,842,200	29,988,000	1,668,720
Other cash expenditures expensed	28,837	86,703	26,959
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 11,871,037	$ 30,074,703	$ 1,695,679

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	AutoZone Mt. Orab, OH Automotive Parts	AutoZone Blanchester, OH Automotive Parts	AutoZone Trenton, OH Automotive Parts
Gross leasable square footage	6,816	7,370	6,816
Date of purchase	6/9/2010	6/9/2010	6/9/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,391,280	1,075,590	1,031,220
Contract purchase price plus acquisition fee	1,391,280	1,075,590	1,031,220
Other cash expenditures expensed	25,643	27,429	26,048
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,416,923	$ 1,103,019	$ 1,057,268

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	AutoZone Nashville, TN Automotive Parts	Home Depot Evans, GA Home Improvement	Evans Exchange Evans, GA Shopping Center
Gross leasable square footage	6,786	131,000 (2)	65,049
Date of purchase	6/9/2010	6/11/2010	6/11/2010
Mortgage financing at date of purchase	$ –	$ 5,840,667	$ –
Cash down payment	1,706,460	324,114	13,623,219
Contract purchase price plus acquisition fee	1,706,460	6,164,781	13,623,219

Other cash expenditures expensed	24,597	–	228,968
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,731,057	$ 6,164,781	$ 13,852,187

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Staples Houston, TX Office Supply	CVS Ft. Myers, FL Drugstore	Walgreens Fort Mill, SC Drugstore
Gross leasable square footage	20,060	12,900	14,820
Date of purchase	6/17/2010	6/18/2010	6/24/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,765,840	6,085,320	4,445,969
Contract purchase price plus acquisition fee	3,765,840	6,085,320	4,445,969
Other cash expenditures expensed	25,693	24,609	45,257
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,791,533	$ 6,109,929	$ 4,491,226

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Lowe' s Sanford, ME Home Improvement	Stripes San Benito, TX Convenience Store	Stripes Palmhurst, TX Convenience Store
Gross leasable square footage	138,134 (2)	4,847	2,925
Date of purchase	6/28/2010	6/29/2010	6/29/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	9,562,500	2,703,214	1,030,613
Contract purchase price plus acquisition fee	9,562,500	2,703,214	1,030,613
Other cash expenditures expensed	67,591	16,030	15,719
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 9,630,091	$ 2,719,244	$ 1,046,332

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Stripes Edinburg, TX Convenience Store	Stripes Eagle Pass, TX Convenience Store	Tractor Supply Belchertown, MA Specialty Retail
Gross leasable square footage	3,604	4,847	19,097
Date of purchase	6/29/2010	6/29/2010	6/29/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,473,655	2,912,567	3,712,438
Contract purchase price plus acquisition fee	2,473,655	2,912,567	3,712,438

Other cash expenditures expensed	15,719	15,719	28,218
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,489,374	$ 2,928,286	$ 3,740,656

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Southwick, MA Specialty Retail	Atascocita Commons Humble, TX Shopping Center	On The Border College Station, TX Restaurant
Gross leasable square footage	19,097	316,529 (2)	6,652
Date of purchase	6/29/2010	6/29/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,487,185	57,630,000	2,978,865
Contract purchase price plus acquisition fee	4,487,185	57,630,000	2,978,865
Other cash expenditures expensed	27,528	141,889	21,830
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,514,713	$ 57,771,889	$ 3,000,695

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border Columbus, OH Restaurant	On The Border Concord Mills, NC Restaurant	On The Border Denton, TX Restaurant
Gross leasable square footage	7,671	6,102	5,661
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,971,056	2,979,296	2,880,412
Contract purchase price plus acquisition fee	2,971,056	2,979,296	2,880,412
Other cash expenditures expensed	19,525	15,533	21,315
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,990,581	$ 2,994,829	$ 2,901,727

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border DeSoto, TX Restaurant	Chili' s Flanders, NJ Restaurant	On The Border Fort Worth, TX Restaurant
Gross leasable square footage	9,231	6,046	7,127
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,270,358	2,478,532	3,542,132
Contract purchase price plus acquisition fee	3,270,358	2,478,532	3,542,132

Other cash expenditures expensed	22,314	32,252	23,145
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,292,672	$ 2,510,784	$ 3,565,277

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border Garland, TX Restaurant	On The Border Kansas City, MO Restaurant	On The Border Lee' s Summit, MO Restaurant
Gross leasable square footage	5,948	6,760	5,780
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,221,582	2,564,167	2,407,823
Contract purchase price plus acquisition fee	2,221,582	2,564,167	2,407,823
Other cash expenditures expensed	18,643	15,131	15,185
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,240,225	$ 2,579,298	$ 2,423,008

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border Alpharetta, GA Restaurant	On The Border Auburn Hills, MI Restaurant	On The Border Buford, GA Restaurant
Gross leasable square footage	6,660	8,367	6,088
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,997,871	3,234,227	2,705,505
Contract purchase price plus acquisition fee	2,997,871	3,234,227	2,705,505
Other cash expenditures expensed	15,080	14,950	14,919
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,012,951	$ 3,249,177	$ 2,720,424

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border Burleson, TX Restaurant	On The Border Lubbock, TX Restaurant	On The Border Mesa, AZ Restaurant
Gross leasable square footage	6,082	6,745	6,586
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,257,494	3,313,867	2,964,131
Contract purchase price plus acquisition fee	3,257,494	3,313,867	2,964,131

Other cash expenditures expensed	22,280	22,431	13,528
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,279,774	$ 3,336,298	$ 2,977,659

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border Mt. Laurel, NJ Restaurant	On The Border Naperville, IL Restaurant	On The Border Novi, MI Restaurant
Gross leasable square footage	7,041	7,086	8,017
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,869,419	3,465,155	2,881,239
Contract purchase price plus acquisition fee	2,869,419	3,465,155	2,881,239
Other cash expenditures expensed	35,538	20,535	14,703
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,904,957	$ 3,485,690	$ 2,895,942

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border Oklahoma City, OK Restaurant	On The Border Peoria, AZ Restaurant	Chili' s Ramsey, NJ Restaurant
Gross leasable square footage	7,402	6,506	6,148
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,936,070	2,601,532	1,850,337
Contract purchase price plus acquisition fee	2,936,070	2,601,532	1,850,337
Other cash expenditures expensed	18,744	13,407	35,468
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,954,814	$ 2,614,939	$ 1,885,805

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border Rockwall, TX Restaurant	On The Border Rogers, AR Restaurant	On The Border Tulsa, OK Restaurant
Gross leasable square footage	6,668	5,782	7,559
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,081,477	1,939,417	3,395,252
Contract purchase price plus acquisition fee	3,081,477	1,939,417	3,395,252

Other cash expenditures expensed	21,805	19,997	19,057
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,103,282	$ 1,959,414	$ 3,414,309

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	On The Border West Springfield, MA Restaurant	On The Border West Windsor, NJ Restaurant	On The Border Woodbridge, VA Restaurant
Gross leasable square footage	8,248	7,913	7,878
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,954,279	3,579,566	3,569,830
Contract purchase price plus acquisition fee	3,954,279	3,579,566	3,569,830
Other cash expenditures expensed	17,808	55,155	29,054
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,972,087	$ 3,634,721	$ 3,598,884

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	AutoZone Pearl River, LA Automotive Parts	AutoZone Rapid City, SD Automotive Parts	Macaroni Grill Flanders, NJ Restaurant
Gross leasable square footage	7,370	7,370	6,847
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,428,000	1,186,770	1,343,414
Contract purchase price plus acquisition fee	1,428,000	1,186,770	1,343,414
Other cash expenditures expensed	39,006	27,731	35,695
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,467,006	$ 1,214,501	$ 1,379,109

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Macaroni Grill Mt. Laurel, NJ Restaurant	Macaroni Grill Ramsey, NJ Restaurant	Macaroni Grill West Windsor, NJ Restaurant
Gross leasable square footage	7,058	8,074	7,611
Date of purchase	6/30/2010	6/30/2010	6/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,403,122	2,537,561	1,562,341
Contract purchase price plus acquisition fee	1,403,122	2,537,561	1,562,341

Other cash expenditures expensed	37,670	39,106	27,934
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,440,792	$ 2,576,667	$ 1,590,275

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Best Buy Montgomery, AL Electronics Retail	City Center Plaza Bellevue, WA Shopping Center	AutoZone Hartville, OH Automotive Parts
Gross leasable square footage	30,505	583,179	7,370
Date of purchase	7/6/2010	7/9/2010	7/14/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,222,000	316,200,000	1,236,240
Contract purchase price plus acquisition fee	6,222,000	316,200,000	1,236,240
Other cash expenditures expensed	30,793	727,590	24,761
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,252,793	$ 316,927,590	$ 1,261,001

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Leland, NC Drugstore	Walgreens Durham (Guess), NC Drugstore	Tire Kingdom Auburndale, FL Automotive Parts
Gross leasable square footage	14,820	14,606	6,922
Date of purchase	7/15/2010	7/20/2010	7/20/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,901,100	5,513,350	2,297,040
Contract purchase price plus acquisition fee	4,901,100	5,513,350	2,297,040
Other cash expenditures expensed	22,506	50,012	20,062
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,923,606	$ 5,563,362	$ 2,317,102

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply St. John, IN Specialty Retail	Home Depot Slidell, LA Home Improvement	Stop & Shop Stamford, CT Grocery
Gross leasable square footage	24,727	108,003 (2)	69,733
Date of purchase	7/28/2010	7/28/2010	7/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ 15,000,000
Cash down payment	4,549,200	3,777,784	16,110,000
Contract purchase price plus acquisition fee	4,549,200	3,777,784	31,110,000

Other cash expenditures expensed	10,842	58,002	68,643
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,560,042	$ 3,835,786	$ 31,178,643

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Home Depot Tolleson, AZ Home Improvement	Advance Auto Sapulpa, OK Automotive Parts	Advance Auto Franklin, IN Automotive Parts
Gross leasable square footage	466,694	6,784	6,157
Date of purchase	7/30/2010	8/3/2010	8/12/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	31,054,152	1,441,266	1,490,279
Contract purchase price plus acquisition fee	31,054,152	1,441,266	1,490,279
Other cash expenditures expensed	99,537	20,805	22,545
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 31,153,689	$ 1,462,071	$ 1,512,824

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Grand Rapids, MI Automotive Parts	Tractor Supply Alton, IL Specialty Retail	Tractor Supply Union, MO Specialty Retail
Gross leasable square footage	6,133	19,097	19,097
Date of purchase	8/12/2010	8/13/2010	8/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,366,800	2,914,286	2,914,286
Contract purchase price plus acquisition fee	1,366,800	2,914,286	2,914,286
Other cash expenditures expensed	20,167	22,785	25,588
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,386,967	$ 2,937,071	$ 2,939,874

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Troy, MO Specialty Retail	L.A. Fitness Dallas, TX Fitness & Health	FedEx Northwood, OH Distribution
Gross leasable square footage	19,100	45,000	89,921
Date of purchase	8/13/2010	8/17/2010	8/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,671,429	9,792,000	4,970,460
Contract purchase price plus acquisition fee	2,671,429	9,792,000	4,970,460

Other cash expenditures expensed	25,499	34,141	28,367
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,696,928	$ 9,826,141	$ 4,998,827

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Carmax Austin, TX Auto Dealership	Academy Sports Austin, TX Sporting Goods	Manchester Highlands St. Louis, MO Shopping Center
Gross leasable square footage	55,888	89,807	354,073 (2)
Date of purchase	8/25/2010	8/26/2010	8/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	21,675,000	10,544,760	49,470,000
Contract purchase price plus acquisition fee	21,675,000	10,544,760	49,470,000
Other cash expenditures expensed	39,470	35,790	111,109
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 21,714,470	$ 10,580,550	$ 49,581,109

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Whittwood Town Center Whittier, CA Shopping Center	Lowe' s Ticonderoga, NY Home Improvement	CVS/ Tres Amigos Ringgold, GA Drugstore/ Restaurant
Gross leasable square footage	785,674 (2)	124,631 (2)	15,029 (2)
Date of purchase	8/27/2010	8/31/2010	8/31/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	85,170,000	8,899,329	4,069,800
Contract purchase price plus acquisition fee	85,170,000	8,899,329	4,069,800
Other cash expenditures expensed	198,046	52,880	39,661
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 85,368,046	$ 8,952,209	$ 4,109,461

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS/ Noble Roman Mishawaka, IN	Tractor Supply Sellersburg, IN Specialty Retail	Tractor Supply Wauseon, OH Specialty Retail

	Drugstore/ Restaurant		
Gross leasable square footage	12,376	19,097	19,097
Date of purchase	9/8/2010	9/13/2010	9/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,702,960	2,658,182	2,548,081
Contract purchase price plus acquisition fee	4,702,960	2,658,182	2,548,081
Other cash expenditures expensed	31,896	21,251	47,079
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,734,856	$ 2,679,433	$ 2,595,160

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Lakeshore Crossing Gainesville, GA Shopping Center	Tractor Supply Hamilton, OH Specialty Retail	Advance Auto Bonita Springs, FL Automotive Parts
Gross leasable square footage	123,948	40,700	6,880
Date of purchase	9/15/2010	9/17/2010	9/22/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	9,180,000	1,713,600	2,894,901
Contract purchase price plus acquisition fee	9,180,000	1,713,600	2,894,901
Other cash expenditures expensed	44,775	26,369	22,717
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 9,224,775	$ 1,739,969	$ 2,917,618

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Nixa, MO Specialty Retail	Tractor Supply Lawrence, KS Specialty Retail	Tractor Supply Dixon, CA Specialty Retail
Gross leasable square footage	19,180	19,097	24,727
Date of purchase	9/24/2010	9/24/2010	9/24/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,395,980	2,826,420	5,117,850
Contract purchase price plus acquisition fee	2,395,980	2,826,420	5,117,850
Other cash expenditures expensed	24,716	25,414	29,290
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,420,696	$ 2,851,834	$ 5,147,140

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson' s Phoenix, AZ Grocery	Albertson' s Mesa, AZ Grocery	Albertson' s Tucson (Silverbell), AZ, Grocery
Gross leasable square footage	56,742	51,393	60,315
Date of purchase	9/29/2010	9/29/2010	9/29/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,139,812	6,188,945	11,077,940

Contract purchase price plus acquisition fee	7,139,812	6,188,945	11,077,940
Other cash expenditures expensed	22,109	20,959	22,787
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,161,921	$ 6,209,904	$ 11,100,727

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Weaverville, NC Drugstore	L.A. Fitness Oakdale, MN Fitness & Health	Advance Auto Janesville, WI Automotive Parts
Gross leasable square footage	13,225	42,348	6,892
Date of purchase	9/30/2010	9/30/2010	9/30/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,260,296	8,807,700	1,726,860
Contract purchase price plus acquisition fee	6,260,296	8,807,700	1,726,860
Other cash expenditures expensed	34,653	28,524	17,218
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,294,949	$ 8,836,224	$ 1,744,078

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Appleton, WI Automotive Parts	WaWa Portsmouth, VA Convenience Store	Tractor Supply Augusta, ME Specialty Retail
Gross leasable square footage	6,892	5,940 (2)	19,097
Date of purchase	9/30/2010	9/30/2010	10/12/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,470,840	2,346,000	2,835,600
Contract purchase price plus acquisition fee	1,470,840	2,346,000	2,835,600
Other cash expenditures expensed	17,146	42,648	43,648
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,487,986	$ 2,388,648	$ 2,879,248

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Shoppes at Port Arthur Port Arthur, TX Shopping Center	CVS Lynchburg, VA Drugstore	CVS Gulf Breeze, FL Drugstore
Gross leasable square footage	95,877	10,125	13,225 (2)
Date of purchase	10/12/2010	10/12/2010	10/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	15,300,000	3,278,280	1,904,340

Contract purchase price plus acquisition fee	15,300,000	3,278,280	1,904,340
Other cash expenditures expensed	65,192	42,761	24,052
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 15,365,192	$ 3,321,041	$ 1,928,392

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Applebee's Wytheville, VA Restaurant	Applebee's West Memphis, AR Restaurant	Applebee's Swansea, IL Restaurant
Gross leasable square footage	4,352	4,237	5,728
Date of purchase	10/13/2010	10/13/2010	10/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,676,273	1,523,786	1,888,308
Contract purchase price plus acquisition fee	1,676,273	1,523,786	1,888,308
Other cash expenditures expensed	21,826	22,810	20,885
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,698,099	$ 1,546,596	$ 1,909,193

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Applebee's Owatonna, MN Restaurant	Applebee's Norton, VA Restaurant	Applebee's Adrian, MI Restaurant
Gross leasable square footage	5,459	3,670	5,589
Date of purchase	10/13/2010	10/13/2010	10/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,458,461	1,691,317	2,285,679
Contract purchase price plus acquisition fee	2,458,461	1,691,317	2,285,679
Other cash expenditures expensed	19,400	21,686	20,530
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,477,861	$ 1,713,003	$ 2,306,209

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Applebee's Chambersburg, PA Restaurant	Applebee's Horn Lake, MS Restaurant	Applebee's Kalamazoo, MI Restaurant
Gross leasable square footage	5,553	5,035	5,675
Date of purchase	10/13/2010	10/13/2010	10/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,013,574	1,687,048	2,208,849
Contract purchase price plus acquisition fee	2,013,574	1,687,048	2,208,849

Other cash expenditures expensed	24,628	21,253	20,379
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,038,202	$ 1,708,301	$ 2,229,228

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Applebee' s Lufkin, TX Restaurant	Applebee' s Bartlett, TN Restaurant	Applebee' s Tyler, TX Restaurant
Gross leasable square footage	5,199	4,360	5,895
Date of purchase	10/13/2010	10/13/2010	10/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,013,574	1,904,733	2,772,308
Contract purchase price plus acquisition fee	2,013,574	1,904,733	2,772,308
Other cash expenditures expensed	27,927	20,714	31,597
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,041,501	$ 1,925,447	$ 2,803,905

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CompUSA Arlington, TX Electronics Retail	Big O Tires Phoenix, AZ Automotive Parts	FedEx Dublin, VA Distribution
Gross leasable square footage	25,612	4,560	32,105
Date of purchase	10/18/2010	10/20/2010	10/21/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,340,500	1,511,028	3,341,772
Contract purchase price plus acquisition fee	3,340,500	1,511,028	3,341,772
Other cash expenditures expensed	57,362	19,396	49,051
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,397,862	$ 1,530,424	$ 3,390,823

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Madison Heights, VA Drugstore	Petco & Portrait Innovations Lake Charles, LA Shopping Center	Albertson' s Lake Havasu City, AZ Grocery
Gross leasable square footage	10,125	17,678	57,471
Date of purchase	10/22/2010	10/25/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,973,300	3,978,872	7,245,285

Contract purchase price plus acquisition fee	2,973,300	3,978,872	7,245,285
Other cash expenditures expensed	41,106	45,022	17,503
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,014,406	$ 4,023,894	$ 7,262,788

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson' s Yuma, AZ Grocery	Albertson' s Scottsdale, AZ Grocery	Albertson' s Tucson (Grant), AZ Grocery
Gross leasable square footage	57,835	62,119	49,491
Date of purchase	10/26/2010	10/26/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	8,966,372	11,570,435	5,551,817
Contract purchase price plus acquisition fee	8,966,372	11,570,435	5,551,817
Other cash expenditures expensed	17,837	18,191	16,144
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,984,209	$ 11,588,626	$ 5,567,961

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson' s Fort Worth (Oakmont), TX Grocery	Albertson' s Fort Worth (Beach), TX Grocery	Albertson' s Fort Worth (Clifford), TX Grocery
Gross leasable square footage	64,886	52,700	61,247
Date of purchase	10/26/2010	10/26/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,247,564	9,669,780	6,424,391
Contract purchase price plus acquisition fee	7,247,564	9,669,780	6,424,391
Other cash expenditures expensed	22,109	24,688	21,232
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,269,673	$ 9,694,468	$ 6,445,623

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson' s Fort Worth (Sycamore), TX Grocery	Albertson' s Lafayette, LA Grocery	Albertson' s Clovis, NM Grocery
Gross leasable square footage	58,723	74,493	43,484
Date of purchase	10/26/2010	10/26/2010	10/26/2010

Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,833,635	10,974,484	8,010,855
Contract purchase price plus acquisition fee	7,833,635	10,974,484	8,010,855
Other cash expenditures expensed	22,733	25,432	25,986
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,856,368	$ 10,999,916	$ 8,036,841

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson's Bossier City, LA Grocery	Albertson's Baton Rouge (George), LA Grocery	Albertson's Baton Rouge (College), LA Grocery
Gross leasable square footage	59,777	66,057	61,741
Date of purchase	10/26/2010	10/26/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,341,428	9,652,184	8,019,573
Contract purchase price plus acquisition fee	7,341,428	9,652,184	8,019,573
Other cash expenditures expensed	21,820	24,286	22,774
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,363,248	$ 9,676,470	$ 8,042,347

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson's Baton Rouge (Airline), LA Grocery	Albertson's Albuquerque (Academy), NM Grocery	Albertson's Albuquerque (Lomas), NM Grocery
Gross leasable square footage	66,430	65,413	65,145
Date of purchase	10/26/2010	10/26/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	11,066,478	9,180,554	8,996,059
Contract purchase price plus acquisition fee	11,066,478	9,180,554	8,996,059
Other cash expenditures expensed	25,857	27,705	27,159
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 11,092,335	$ 9,208,259	$ 9,023,218

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson's Abilene, TX Grocery	Albertson's Arlington, TX Grocery	Albertson's Alexandria, LA Grocery
Gross leasable square footage	67,270	63,124	62,117
Date of purchase	10/26/2010	10/26/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	8,122,046	8,580,788	8,384,352
Contract purchase price plus acquisition fee	8,122,046	8,580,788	8,384,352
Other cash expenditures expensed	22,715	23,528	22,436
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,144,761	$ 8,604,316	$ 8,406,788

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson' s Fort Collins, CO Grocery	Albertson' s El Paso, TX Grocery	Albertson' s Farmington, NM Grocery
Gross leasable square footage	51,230	55,143	57,100
Date of purchase	10/26/2010	10/26/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	8,828,668	9,054,216	5,233,715
Contract purchase price plus acquisition fee	8,828,668	9,054,216	5,233,715
Other cash expenditures expensed	21,976	23,707	23,005
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,850,644	$ 9,077,923	$ 5,256,720

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson' s Durango, CO Grocery	Albertson' s Denver, CO Grocery	Albertson' s Los Lunas, NM Grocery
Gross leasable square footage	47,481	53,208	54,349
Date of purchase	10/26/2010	10/26/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,690,091	7,834,467	8,329,111
Contract purchase price plus acquisition fee	7,690,091	7,834,467	8,329,111
Other cash expenditures expensed	21,551	21,571	26,691
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,711,642	$ 7,856,038	$ 8,355,802

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Albertson' s Midland, TX Grocery	Albertson' s Odessa, TX Grocery	Albertson' s Silver City, NM Grocery
Gross leasable square footage	66,068	61,955	39,385
Date of purchase	10/26/2010	10/26/2010	10/26/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	11,505,417	10,363,093	7,261,509
Contract purchase price plus acquisition fee	11,505,417	10,363,093	7,261,509

Other cash expenditures expensed	26,316	25,776	25,096
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 11,531,733	$ 10,388,869	$ 7,286,605

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	
Name, location, type of property	Albertson' s Weatherford, TX Grocery	Kohl' s Salina, KS Department Store	Giant Eagle Lancaster, OH Grocery	
Gross leasable square footage	57,671	64,239	92,490	(2)
Date of purchase	10/26/2010	10/29/2010	10/29/2010	
Mortgage financing at date of purchase	$ –	$ –	$ –	
Cash down payment	8,024,559	4,941,900	15,874,161	
Contract purchase price plus acquisition fee	8,024,559	4,941,900	15,874,161	
Other cash expenditures expensed	22,261	46,752	44,800	
Other cash expenditures capitalized	–	–	–	
Total acquisition cost	$ 8,046,820	$ 4,988,652	$ 15,918,961	

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	FedEx Bossier City, LA Distribution	CVS Lake Wales, FL Drugstore	CVS Auburndale, FL Drugstore
Gross leasable square footage	64,402	11,220	13,086
Date of purchase	11/1/2010	11/1/2010	11/1/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,386,020	3,244,445	2,984,744
Contract purchase price plus acquisition fee	5,386,020	3,244,445	2,984,744
Other cash expenditures expensed	47,210	34,582	34,357
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,433,230	$ 3,279,027	$ 3,019,101

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Ulta Salon Jackson, TN Specialty Retail	Tractor Supply Little Rock, AR Specialty Retail	Tractor Supply Jefferson City, MO Specialty Retail
Gross leasable square footage	9,991	19,097	19,500
Date of purchase	11/5/2010	11/9/2010	11/9/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,733,600	2,507,160	1,941,060
Contract purchase price plus acquisition fee	2,733,600	2,507,160	1,941,060

Other cash expenditures expensed	37,312	24,595	22,700
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,770,912	$ 2,531,755	$ 1,963,760

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	
Name, location, type of property	Walgreens Tucson (River), AZ Drugstore	Wal-Mart Pueblo, CO Discount Retail	Volusia Square Daytona Beach, FL Shopping Center	
Gross leasable square footage	15,120	202,847	231,996	(2)
Date of purchase	11/12/2010	11/12/2010	11/12/2010	
Mortgage financing at date of purchase	$ –	$ –	$ –	
Cash down payment	5,559,000	15,300,000	31,620,000	
Contract purchase price plus acquisition fee	5,559,000	15,300,000	31,620,000	
Other cash expenditures expensed	44,712	39,285	66,822	
Other cash expenditures capitalized	–	–	–	
Total acquisition cost	$ 5,603,712	$ 15,339,285	$ 31,686,822	

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CSAA Oklahoma City, OK Professional Services	Dell Perot Lincoln, NE IT Services	Breakfast Pointe Panama Beach City, FL Shopping Center
Gross leasable square footage	147,107	150,000	97,931
Date of purchase	11/15/2010	11/15/2010	11/18/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	29,937,000	22,542,000	16,320,000
Contract purchase price plus acquisition fee	29,937,000	22,542,000	16,320,000
Other cash expenditures expensed	48,037	36,058	90,888
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 29,985,037	$ 22,578,058	$ 16,410,888

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Stripes Carrizo Springs, TX Convenience Store	Stripes Haskell, TX Convenience Store	Stripes Laredo (La Pita Mangana), TX Convenience Store
Gross leasable square footage	6,838	6,309	4,679
Date of purchase	11/22/2010	11/22/2010	11/22/2010

Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,910,904	2,538,604	2,881,609
Contract purchase price plus acquisition fee	2,910,904	2,538,604	2,881,609
Other cash expenditures expensed	14,456	14,606	14,706
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,925,360	$ 2,553,210	$ 2,896,315

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Franklin, NC Specialty Retail	Walgreens Matteson, IL Drugstore	Walgreens New Albany, OH Drugstore
Gross leasable square footage	19,097	14,550	14,820
Date of purchase	11/30/2010	11/30/2010	12/2/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,927,400	4,182,000	4,182,000
Contract purchase price plus acquisition fee	2,927,400	4,182,000	4,182,000
Other cash expenditures expensed	25,532	21,975	28,267
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,952,932	$ 4,203,975	$ 4,210,267

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Prairie Market Oswego, IL Shopping Center	Walgreens Grayson, GA Drugstore	Walgreens Tucson (Harrison), AZ Drugstore
Gross leasable square footage	113,002 (2)	14,560	14,490
Date of purchase	12/3/2010	12/7/2010	12/7/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	25,602,000	4,712,400	5,197,920
Contract purchase price plus acquisition fee	25,602,000	4,712,400	5,197,920
Other cash expenditures expensed	171,389	23,463	23,999
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 25,773,389	$ 4,735,863	$ 5,221,919

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Pueblo, CO Drugstore	Wells Fargo / Tetronix Hillsboro, Professional Services	Stearns Crossing Bartlett, IL Shopping Center
Gross leasable square footage	13,813	212,363	96,613
Date of purchase	12/7/2010	12/8/2010	12/9/2010
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	3,564,900	27,540,000	12,622,500
Contract purchase price plus acquisition fee	3,564,900	27,540,000	12,622,500
Other cash expenditures expensed	27,576	270,111	56,321
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,592,476	$ 27,810,111	$ 12,678,821

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Sedalia, MO Specialty Retail	Sherwin Williams Muskegon, MI Specialty Retail	Kohl' s Onalaska, WI Department Store
Gross leasable square footage	19,028	8,000	86,432
Date of purchase	12/10/2010	12/10/2010	12/13/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,174,640	1,453,500	7,395,000
Contract purchase price plus acquisition fee	2,174,640	1,453,500	7,395,000
Other cash expenditures expensed	22,604	27,086	27,010
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,197,244	$ 1,480,586	$ 7,422,010

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Athens, GA Drugstore	CVS Boca Raton, FL Drugstore	CVS Brownsville, TX Drugstore
Gross leasable square footage	14,781	14,422	13,000
Date of purchase	12/14/ 2010	12/14/2010	12/14/2010
Mortgage financing at date of purchase	$–	$ –	$ –
Cash down payment	6,375,450	3,850,039	5,947,965
Contract purchase price plus acquisition fee	6,375,450	3,850,039	5,947,965
Other cash expenditures expensed	28,951	25,654	51,891
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$6,404,401	$ 3,875,693	$ 5,999,856

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Cayce, SC Drugstore	CVS City of Industry, CA Drugstore	CVS Jacksonville, FL Drugstore
Gross leasable square footage	11,982	12,837	13,204

Date of purchase	12/14/ 2010	12/14/2010	12/14/2010
Mortgage financing at date of purchase	$–	$ –	$ –
Cash down payment	5,082,330	3,614,892	6,838,403
Contract purchase price plus acquisition fee	5,082,330	3,614,892	6,838,403
Other cash expenditures expensed	31,954	22,818	27,771
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$5,114,284	$ 3,637,710	$ 6,866,174

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Minneapolis, MN Drugstore	CVS Naples, FL Drugstore	CVS Southaven (Goodman), MS Drugstore
Gross leasable square footage	13,000	12,944	13,938
Date of purchase	12/14/2010	12/14/2010	12/14/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,356,245	3,862,522	6,916,177
Contract purchase price plus acquisition fee	4,356,245	3,862,522	6,916,177
Other cash expenditures expensed	25,177	25,591	38,429
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,381,422	$ 3,888,113	$ 6,954,606

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS The Village, OK Drugstore	CVS Lawrence, KS Drugstore	CVS Lawrenceville, NJ Drugstore
Gross leasable square footage	12,939	12,900	15,260
Date of purchase	12/14/2010	12/14/2010	12/14/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,544,256	5,519,185	9,243,493
Contract purchase price plus acquisition fee	5,544,256	5,519,185	9,243,493
Other cash expenditures expensed	36,407	26,400	137,775
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,580,663	$ 5,545,585	$ 9,381,268

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Mineola, NY Drugstore	Childtime Childcare Modesto (Floyd), CA Childcare & Development	Tutor Time Downington, PA Childcare & Development
Gross leasable square footage	12,838	6,310	11,757
Date of purchase	12/14/2010	12/15/2010	12/15/2010
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	4,317,320	1,224,999	2,026,353
Contract purchase price plus acquisition fee	4,317,320	1,224,999	2,026,353
Other cash expenditures expensed	37,204	44,399	66,344
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,354,524	$ 1,269,398	$ 2,092,697

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tutor Time Austin, TX Childcare & Development	Children' s Courtyard Grand Prairie, TX Childcare & Development	Childtime Childcare Oklahoma City (Western), OK Childcare & Development
Gross leasable square footage	10,994	8,409	6,597
Date of purchase	12/15/2010	12/15/2010	12/15/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,752,110	949,683	767,359
Contract purchase price plus acquisition fee	1,752,110	949,683	767,359
Other cash expenditures expensed	57,986	37,663	33,761
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,810,096	$ 987,346	$ 801,120

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Childtime Childcare Oklahoma City (Rockwell), OK Childcare & Development	Childtime Childcare Bedford, OH Childcare & Development	Folsum Gateway II Folsum, CA Shopping Center
Gross leasable square footage	6,594	5,500	115,291
Date of purchase	12/15/2010	12/15/2010	12/15/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	714,582	796,250	36,720,000
Contract purchase price plus acquisition fee	714,582	796,250	36,720,000
Other cash expenditures expensed	32,409	35,640	139,876
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 746,991	$ 831,890	$ 36,859,876

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.

Name, location, type of property	HealthNow Buffalo, NY Fitness & Health	Thorntons Clarksville, IN Convenience Store	Thorntons Jeffersonville, IN Convenience Store
Gross leasable square footage	430,458	4,889	3,080
Date of purchase	12/16/2010	12/17/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	86,190,000	2,029,800	3,011,040
Contract purchase price plus acquisition fee	86,190,000	2,029,800	3,011,040
Other cash expenditures expensed	366,612	10,399	9,824
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 86,556,612	$ 2,040,199	$ 3,020,864

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Thorntons Franklin Park, IL Convenience Store	Thorntons Westmont, IL Convenience Store	Thorntons Springfield, IL Convenience Store
Gross leasable square footage	3,321	3,840	3,034
Date of purchase	12/17/2010	12/17/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,302,760	3,818,880	4,016,760
Contract purchase price plus acquisition fee	3,302,760	3,818,880	4,016,760
Other cash expenditures expensed	9,765	9,765	9,765
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,312,525	$ 3,828,645	$ 4,026,525

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Thorntons Ottawa, IL Convenience Store	Thorntons Bloomington, IL Convenience Store	Thorntons Joliet, IL Convenience Store
Gross leasable square footage	4,901	2,971	3,840
Date of purchase	12/17/2010	12/17/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,728,500	1,993,080	3,573,060
Contract purchase price plus acquisition fee	2,728,500	1,993,080	3,573,060
Other cash expenditures expensed	9,765	9,765	9,765
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,738,265	$ 2,002,845	$ 3,582,825

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Thorntons Summit, IL Convenience Store	Thorntons Waukegan, IL Convenience Store	Thorntons Roselle, IL Convenience Store
Gross leasable square footage	3,840	3,840	3,080
Date of purchase	12/17/2010	12/17/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,123,640	2,277,660	2,837,640
Contract purchase price plus acquisition fee	2,123,640	2,277,660	2,837,640
Other cash expenditures expensed	9,765	9,765	9,765

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,133,405	$ 2,287,425	$ 2,847,405

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Thorntons Plainfield, IL Convenience Store	Thorntons South Elgin, IL Convenience Store	Thorntons Galloway, OH Convenience Store
Gross leasable square footage	3,080	3,080	3,758
Date of purchase	12/17/2010	12/17/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,306,220	3,194,640	1,999,200
Contract purchase price plus acquisition fee	2,306,220	3,194,640	1,999,200
Other cash expenditures expensed	9,765	9,765	9,824
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,315,985	$ 3,204,405	$ 2,009,024

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Thorntons Terre Haute, IN Convenience Store	Thorntons Henderson, KY Convenience Store	Thorntons Evansville, IN Convenience Store
Gross leasable square footage	3,080	3,846	2,939
Date of purchase	12/17/2010	12/17/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,825,400	4,136,100	2,121,600
Contract purchase price plus acquisition fee	2,825,400	4,136,100	2,121,600
Other cash expenditures expensed	9,824	9,824	9,824
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,835,224	$ 4,145,924	$ 2,131,424

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Thorntons Evansville (Rosenberger), IN Convenience Store	Thorntons Henderson (Green), KY Convenience Store	Thorntons Shelbyville, KY Convenience Store
Gross leasable square footage	2,800	3,434	3,150
Date of purchase	12/17/2010	12/17/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,097,120	2,041,020	2,341,920
Contract purchase price plus acquisition fee	2,097,120	2,041,020	2,341,920

Other cash expenditures expensed	9,824	9,824	9,824
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,106,944	$ 2,050,844	$ 2,351,744

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Thorntons Louisville, KY Convenience Store	Thorntons Edinburg, IN Convenience Store	Thorntons Oaklawn, IL Convenience Store
Gross leasable square footage	4,390	3,080	2,210
Date of purchase	12/17/2010	12/17/2010	12/17/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,094,060	2,261,340	2,179,740
Contract purchase price plus acquisition fee	2,094,060	2,261,340	2,179,740
Other cash expenditures expensed	9,824	9,824	9,765
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,103,884	$ 2,271,164	$ 2,189,505

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Howell, MI Automotive Parts	Advance Auto Salem, OH Automotive Parts	Waterside Marketplace Chesterfield, MI Shopping Center
Gross leasable square footage	6,782	6,141	243,934
Date of purchase	12/20/2010	12/20/2010	12/20/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,652,301	1,298,182	27,030,000
Contract purchase price plus acquisition fee	1,652,301	1,298,182	27,030,000
Other cash expenditures expensed	29,723	28,006	429,126
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,682,024	$ 1,326,188	$ 27,459,126

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Lehigh Acres, FL Automotive Parts	Advance Auto Bethel, OH Automotive Parts	Advance Auto Crestwood, KY Automotive Parts
Gross leasable square footage	6,913	6,786	6,124
Date of purchase	12/21/2010	12/22/2010	12/22/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,391,894	1,417,399	1,759,152
Contract purchase price plus acquisition fee	2,391,894	1,417,399	1,759,152

Other cash expenditures expensed	21,498	25,501	26,321
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,413,392	$ 1,442,900	$ 1,785,473

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Hillview, KY Automotive Parts	CVS Gainesville, TX Drugstore	O' Reilly Automotive Christiansburg, VA Automotive Parts
Gross leasable square footage	6,128	13,813	7,200
Date of purchase	12/22/2010	12/23/2010	12/23/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,441,142	3,188,334	1,187,739
Contract purchase price plus acquisition fee	1,441,142	3,188,334	1,187,739
Other cash expenditures expensed	26,338	21,266	39,077
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,467,480	$ 3,209,600	$ 1,226,816

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	O' Reilly Automotive San Antonio, TX Automotive Parts	O' Reilly Automotive Highlands, TX Automotive Parts	Red Oak Village San Marcos, TX Shopping Center
Gross leasable square footage	6,800	6,000	176,528 (2)
Date of purchase	12/23/2010	12/23/2010	12/23/2010
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,331,100	955,485	22,440,000
Contract purchase price plus acquisition fee	1,331,100	955,485	22,440,000
Other cash expenditures expensed	35,022	30,321	90,950
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,366,122	$ 985,806	$ 22,530,950

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Falcon Valley Lenexa, KS Shopping Center	Best Buy Pineville, NC Electronics Retail	Walgreens Fayetteville, NC Drugstore
Gross leasable square footage	76,784	50,548	14,820
Date of purchase	12/23/2010	12/28/2010	12/30/2010
Mortgage financing at date of purchase	$ –	$ 5,528,999	$ –
Cash down payment	12,750,000	3,202,201	6,287,672
Contract purchase price plus acquisition fee	12,750,000	8,731,200	6,287,672

Other cash expenditures expensed	62,787	47,509	26,432
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 12,812,787	$ 8,778,709	$ 6,314,104

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Stripes Fort Stockton, TX Convenience Store	Stripes Portales, NM Convenience Store	Advance Auto Bedford, IN Automotive Parts
Gross leasable square footage	9,950	4,833	6,783
Date of purchase	12/30/2010	12/30/2010	1/4/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,963,934	2,629,378	1,317,555
Contract purchase price plus acquisition fee	4,963,934	2,629,378	1,317,555
Other cash expenditures expensed	20,642	20,033	23,327
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,984,576	$ 2,649,411	$ 1,340,882

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Staples Pensacola, FL Office Supply	CVS Dover, DE Drugstore	Hanesbrands Rural Hall, NC Distribution
Gross leasable square footage	20,388	13,225 (2)	930,451
Date of purchase	1/6/2011	1/7/2011	1/10/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,293,318	3,868,965	32,334,000
Contract purchase price plus acquisition fee	4,293,318	3,868,965	32,334,000
Other cash expenditures expensed	16,353	14,367	379,861
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,309,671	$ 3,883,332	$ 32,713,861

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	O' Reilly Automotive Houston, TX Automotive Parts	O' Reilly Automotive Ravenna, OH Automotive Parts	Albertson' s Las Cruces, NM Grocery
Gross leasable square footage	6,800	6,750	51,922
Date of purchase	1/13/2011	1/25/2011	1/28/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,067,175	1,121,949	11,036,400

Contract purchase price plus acquisition fee	1,067,175	1,121,949	11,036,400
Other cash expenditures expensed	10,726	10,310	41,312
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,077,901	$ 1,132,259	$ 11,077,712

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Pinehurst Square Bismarck, ND Shopping Center	Family Fare Battle Creek, MI Grocery	Lowe' s Denver, CO Home Improvement
Gross leasable square footage	69,119	46,625	122,132 (2)
Date of purchase	1/28/2011	1/31/2011	2/2/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	10,455,000	8,693,650	13,260,000
Contract purchase price plus acquisition fee	10,455,000	8,693,650	13,260,000
Other cash expenditures expensed	59,826	26,217	33,777
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 10,514,826	$ 8,719,867	$ 13,293,777

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Lowe' s Columbia, SC Home Improvement	Best Buy Marquette, MI Electronics Retail	Petco Dardenne Prairie, MO Specialty Retail
Gross leasable square footage	138,491 (2)	30,040	14,995
Date of purchase	2/10/2011	2/16/2011	2/22/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,542,900	5,051,196	2,832,540
Contract purchase price plus acquisition fee	7,542,900	5,051,196	2,832,540
Other cash expenditures expensed	42,574	27,706	28,459
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,585,474	$ 5,078,902	$ 2,860,999

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Dick' s Sporting Goods Jackson, TN Sporting Goods	Walgreens Country Club Hills, MO Drugstore	Kohl' s Palm Coast, FL Department Store

Gross leasable square footage	45,000	14,820	89,089	(2)
Date of purchase	2/25/2011	3/9/2011	3/10/2011	
Mortgage financing at date of purchase	$ –	$ –	$ –	
Cash down payment	6,146,520	4,947,000	12,246,120	
Contract purchase price plus acquisition fee	6,146,520	4,947,000	12,246,120	
Other cash expenditures expensed	37,966	28,094	57,257	
Other cash expenditures capitalized	–	–	–	
Total acquisition cost	$ 6,184,486	$ 4,975,094	$ 12,303,377	

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Kohl' s Saginaw, MI Department Store	Apollo Group Phoenix, AZ Education	Best Buy Norton Shores, MI Electronics Retail
Gross leasable square footage	80,684	599,664	30,056
Date of purchase	3/10/2011	3/24/2011	3/30/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,789,740	173,400,000	5,397,840
Contract purchase price plus acquisition fee	7,789,740	173,400,000	5,397,840
Other cash expenditures expensed	31,906	111,459	26,395
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,821,646	$ 173,511,459	$ 5,424,235

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Brownwood, TX Drugstore	L.A. Fitness Indianapolis, IN Fitness & Health	Walgreens Liberty Township, OH Drugstore
Gross leasable square footage	14,820	42,148	14,490
Date of purchase	3/30/2011	3/31/2011	3/31/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,712,464	8,313,000	5,525,000
Contract purchase price plus acquisition fee	5,712,464	8,313,000	5,525,000
Other cash expenditures expensed	28,788	42,128	19,535
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,741,252	$ 8,355,128	$ 5,544,535

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Lafayette, IN Drugstore	CVS Edison, NJ Drugstore	Northpoint Shopping Center Cape Coral, FL Shopping Center
Gross leasable square footage	14,820	13,052 (2)	115,840 (2)
Date of purchase	3/31/2011	4/13/2011	4/13/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,299,300	3,311,883	10,200,000

Contract purchase price plus acquisition fee	4,299,300	3,311,883	10,200,000
Other cash expenditures expensed	29,535	28,804	48,780
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,328,835	$ 3,340,687	$ 10,248,780

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Oxford Exchange Oxford, AL Shopping Center	Davita Dialysis Grand Rapids, MI Fitness & Health	L.A. Fitness Marana, AZ Fitness & Health
Gross leasable square footage	333,866	8,500	45,000
Date of purchase	4/18/2011	4/19/2011	4/19/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	46,410,000	1,708,500	5,974,286
Contract purchase price plus acquisition fee	46,410,000	1,708,500	5,974,286
Other cash expenditures expensed	131,336	28,673	–
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 46,541,336	$ 1,737,173	$ 5,974,286

Program:	Cole Credit Property Trust III, Inc	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Wilmington, NC Drugstore	Walgreens Roanoke, VA Drugstore	CVS St. Augustine (Tuscan), FL Drugstore
Gross leasable square footage	14,820	14,820	13,053
Date of purchase	4/21/2011	4/26/2011	4/26/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,090,857	5,464,286	5,072,009
Contract purchase price plus acquisition fee	6,090,857	5,464,286	5,072,009
Other cash expenditures expensed	46,688	42,933	22,460
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,137,545	$ 5,507,219	$ 5,094,469

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Charlotte, NC Drugstore	Walgreens Chicago (N Canfield), IL Drugstore	Office Depot Corsicana, TX Office Supply
Gross leasable square footage	12,203	19,332	20,931
Date of purchase	4/26/2011	4/28/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,238,670	4,747,080	2,517,360

Contract purchase price plus acquisition fee	3,238,670	4,747,080	2,517,360
Other cash expenditures expensed	22,748	31,039	25,541
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,261,418	$ 4,778,119	$ 2,542,901

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Office Depot Houston, TX Office Supply	Office Depot Mobile, AL Office Supply	Ryan' s Buffet Jasper, AL Restaurant
Gross leasable square footage	20,898	20,898	10,665
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,085,100	2,873,340	2,692,088
Contract purchase price plus acquisition fee	4,085,100	2,873,340	2,692,088
Other cash expenditures expensed	30,270	28,533	24,503
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,115,370	$ 2,901,873	$ 2,716,591

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Ryan' s Buffet Prattville, AL Restaurant	Fire Mountain Buffet Cullman, AL Restaurant	Ryan' s Buffet Columbus, GA Restaurant
Gross leasable square footage	10,571	11,003	10,919
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,472,855	2,575,634	3,368,664
Contract purchase price plus acquisition fee	2,472,855	2,575,634	3,368,664
Other cash expenditures expensed	23,740	23,698	20,907
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,496,595	$ 2,599,332	$ 3,389,571

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Ryan' s Buffet Commerce, GA Restaurant	Ryan' s Buffet Rome, GA Restaurant	Ryan' s Buffet Paducah, KY Restaurant
Gross leasable square footage	10,418	9,745	10,167
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,142,000	2,193,000	2,222,267
Contract purchase price plus acquisition fee	2,142,000	2,193,000	2,222,267
Other cash expenditures expensed	19,063	19,133	24,642

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,161,063	$ 2,212,133	$ 2,246,909

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Ryan' s Buffet Owensboro, KY Restaurant	Fire Mountain Buffet Bossier City, LA Restaurant	Fire Mountain Buffet Horn Lake, MS Restaurant
Gross leasable square footage	10,382	11,101	10,948
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,504,077	3,194,411	2,744,390
Contract purchase price plus acquisition fee	2,504,077	3,194,411	2,744,390
Other cash expenditures expensed	27,415	27,060	24,221
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,531,492	$ 3,221,471	$ 2,768,611

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Ryan' s Buffet Pearl, MS Restaurant	Ryan' s Buffet Asheville, NC Restaurant	Ryan' s Buffet Coon Rapids, MN Restaurant
Gross leasable square footage	10,867	10,624	9,097
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,474,374	3,043,924	2,984,010
Contract purchase price plus acquisition fee	2,474,374	3,043,924	2,984,010
Other cash expenditures expensed	23,894	19,094	20,795
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,498,268	$ 3,063,018	$ 3,004,805

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Ryan' s Buffet Sevierville, TN Restaurant	Ryan' s Buffet Texas City, TX Restaurant	Ryan' s Buffet Beckley, WV Restaurant
Gross leasable square footage	10,982	11,042	10,790
Date of purchase	4/29/2011	4/29/2011	4/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,550,400	2,898,805	3,024,090
Contract purchase price plus acquisition fee	1,550,400	2,898,805	3,024,090
Other cash expenditures expensed	19,746	33,573	24,322

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,570,146	$ 2,932,378	$ 3,048,412

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Bi-Lo Greenwood, SC Grocery	Bi-Lo Mt. Pleasant, SC Grocery	Kohl' s Rice Lake, WI Department Store
Gross leasable square footage	41,417	64,368	64,080
Date of purchase	5/3/2011	5/3/2011	5/5/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,013,700	9,393,119	6,060,926
Contract purchase price plus acquisition fee	4,013,700	9,393,119	6,060,926
Other cash expenditures expensed	30,485	39,966	15,934
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,044,185	$ 9,433,085	$ 6,076,860

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Medina, OH Drugstore	Walgreens Chicago (79th St.), IL Drugstore	Walgreens Decatur, GA Drugstore
Gross leasable square footage	14,490	11,228	14,440
Date of purchase	5/5/2011	5/5/2011	5/5/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,536,000	3,540,000	4,241,424
Contract purchase price plus acquisition fee	4,536,000	3,540,000	4,241,424
Other cash expenditures expensed	28,396	50,506	30,296
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,564,396	$ 3,590,506	$ 4,271,720

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Muscatine, IA Drugstore	Walgreens Independence, MO Drugstore	FedEx McComb, MS Distribution
Gross leasable square footage	15,120	15,120	26,878
Date of purchase	5/5/2011	5/5/2011	5/5/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,300,000	4,287,000	3,424,140
Contract purchase price plus acquisition fee	3,300,000	4,287,000	3,424,140
Other cash expenditures expensed	25,081	29,004	25,541

Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,325,081	$ 4,316,004	$ 3,449,681

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens LaCrosse, WI Drugstore	Advance Auto Charlotte (Albemarle), NC Automotive Parts	Advance Auto Rock Hill, SC Automotive Parts
Gross leasable square footage	14,550	6,874	8,049
Date of purchase	5/6/2011	5/12/2011	5/12/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,479,440	1,323,629	1,156,394
Contract purchase price plus acquisition fee	5,479,440	1,323,629	1,156,394
Other cash expenditures expensed	24,680	22,120	25,186
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,504,120	$ 1,345,749	$ 1,181,580

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Camp Creek Marketplace East Point, GA Shopping Center	L.A. Fitness Broadview, IL Fitness & Health	Glen' s Market Manistee, MI Grocery
Gross leasable square footage	424,640	50,040	38,392
Date of purchase	5/13/2011	5/18/2011	5/19/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	77,877,000	10,235,700	5,875,853
Contract purchase price plus acquisition fee	77,877,000	10,235,700	5,875,853
Other cash expenditures expensed	207,611	37,850	27,987
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 78,084,611	$ 10,273,550	$ 5,903,840

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	St. Luke' s Urgent Care Creve Coeur, MO Fitness & Health	Banner Life Insurance Urbana, MD Insurance	Riverside Centre St. Augustine, FL Shopping Center
Gross leasable square footage	14,862	115,758	62,000
Date of purchase	5/20/2011	6/1/2011	6/8/2011
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	5,559,000	38,964,000	4,819,500
Contract purchase price plus acquisition fee	5,559,000	38,964,000	4,819,500
Other cash expenditures expensed	44,542	525,603	38,274
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,603,542	$ 39,489,603	$ 4,857,774

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Century Town Center Vero Beach, FL Shopping Center	O' Reilly Automotive Central, LA Automotive Parts	Advance Auto Milwaukee, WI Automotive Parts
Gross leasable square footage	107,049 (2)	6,800	6,790
Date of purchase	6/9/2011	6/10/2011	6/10/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	15,070,500	945,540	1,842,324
Contract purchase price plus acquisition fee	15,070,500	945,540	1,842,324
Other cash expenditures expensed	97,410	24,327	40,405
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 15,167,910	$ 969,867	$ 1,882,729

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Sherman, TX Drugstore	ConAgra Milton, PA Food Production	Associated Wholesaler Grocers Johnston, IA Grocery
Gross leasable square footage	10,908	718,910	67,820
Date of purchase	6/10/2011	6/14/2011	6/15/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,242,079	29,070,000	8,568,000
Contract purchase price plus acquisition fee	4,242,079	29,070,000	8,568,000
Other cash expenditures expensed	36,689	350,445	31,581
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,278,768	$ 29,420,445	$ 8,599,581

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Associated Wholesaler Grocers Des Moines (Ingersoll), IA Grocery	Associated Wholesaler Grocers Des Moines (Beaver), IA Grocery	Associated Wholesaler Grocers Des Moines (Fleur), IA Grocery
Gross leasable square footage	74,412	26,425	53,600

Date of purchase	6/15/2011	6/15/2011	6/15/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	13,260,000	4,284,000	2,346,000
Contract purchase price plus acquisition fee	13,260,000	4,284,000	2,346,000
Other cash expenditures expensed	35,081	27,642	25,945
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 13,295,081	$ 4,311,642	$ 2,371,945

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Hobby Lobby Avon, IN Specialty Retail	Advance Auto Vermillon, OH Automotive Parts	Advance Auto Massillon, OH Automotive Parts
Gross leasable square footage	56,100	6,783	6,846
Date of purchase	6/17/2011	6/21/2011	6/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,865,000	1,174,167	1,870,083
Contract purchase price plus acquisition fee	5,865,000	1,174,167	1,870,083
Other cash expenditures expensed	43,545	21,144	58,204
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,908,545	$ 1,195,311	$ 1,928,287

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Monroe, MI Automotive Parts	Advance Auto South Lyon, MI Automotive Parts	Nature Coast Commons Spring Hill, FL Shopping Center
Gross leasable square footage	6,786	6,765	229,501 (2)
Date of purchase	6/21/2011	6/21/2011	6/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,636,173	1,649,066	29,580,000
Contract purchase price plus acquisition fee	1,636,173	1,649,066	29,580,000
Other cash expenditures expensed	17,586	17,589	240,669
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,653,759	$ 1,666,655	$ 29,820,669

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Clarkston, MI Drugstore	Walgreens Madisonville, KY Drugstore	Walgreens Springdale, AR Drugstore
Gross leasable square footage	13,905	14,820	14,550
Date of purchase	6/24/2011	6/28/2011	6/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	5,134,680	4,286,380	5,602,860
Contract purchase price plus acquisition fee	5,134,680	4,286,380	5,602,860

Other cash expenditures expensed	36,074	33,946	43,486
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 5,170,754	$ 4,320,326	$ 5,646,346

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) − (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	
Name, location, type of property	Stripes Odessa, TX Convenience Store	Kohl' s Monroe, MI Department Store	Santa Rosa Commons Pace, FL Shopping Center	
Gross leasable square footage	4,731	68,727	138,850	(2)
Date of purchase	6/30/2011	6/30/2011	6/30/2011	
Mortgage financing at date of purchase	$ −	$ 5,300,748	$ −	
Cash down payment	2,574,304	676,154	25,959,000	
Contract purchase price plus acquisition fee	2,574,304	5,976,902	25,959,000	
Other cash expenditures expensed	19,734	16,092	68,300	
Other cash expenditures capitalized	–	–	–	
Total acquisition cost	$ 2,594,038	$ 5,992,994	$ 26,027,300	

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Grayson, KY Specialty Retail	Telegraph Plaza Monroe, MI Shopping Center	California Pizza Kitchen Alpharetta, GA Restaurant
Gross leasable square footage	19,097	73,186	6,496
Date of purchase	6/30/2011	6/30/2011	7/7/2011
Mortgage financing at date of purchase	$ −	$ −	$ −
Cash down payment	2,870,280	7,181,098	4,106,976
Contract purchase price plus acquisition fee	2,870,280	7,181,098	4,106,976
Other cash expenditures expensed	31,315	49,437	17,520
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,901,595	$ 7,230,535	$ 4,124,496

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	California Pizza Kitchen Atlanta, GA Restaurant	California Pizza Kitchen Grapevine, TX Restaurant	California Pizza Kitchen Scottsdale, AZ Restaurant
Gross leasable square footage	5,996	6,150	6,182
Date of purchase	7/7/2011	7/7/2011	7/7/2011

Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,764,316	3,437,892	3,427,884
Contract purchase price plus acquisition fee	3,764,316	3,437,892	3,427,884
Other cash expenditures expensed	17,085	24,075	15,730
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,781,401	$ 3,461,967	$ 3,443,614

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	California Pizza Kitchen Schaumburg, IL Restaurant	Shelby Corners Utica, MI Shopping Center	Owens Corning Newark, OH Distribution
Gross leasable square footage	6,964	77,088	480,545
Date of purchase	7/7/2011	7/8/2011	7/8/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,877,932	4,340,100	12,138,000
Contract purchase price plus acquisition fee	3,877,932	4,340,100	12,138,000
Other cash expenditures expensed	17,587	47,927	60,248
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,895,519	$ 4,388,027	$ 12,198,248

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Dolton, IL Drugstore	CVS Lawrenceville, GA Drugstore	CVS Evansville, IN Drugstore
Gross leasable square footage	13,050	13,279	10,125
Date of purchase	7/8/2011	7/8/2011	7/11/2011
Mortgage financing at date of purchase	$–	$ –	$ –
Cash down payment	5,749,555	5,452,920	3,475,034
Contract purchase price plus acquisition fee	5,749,555	5,452,920	3,475,034
Other cash expenditures expensed	58,917	32,131	25,151
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$5,808,472	$ 5,485,051	$ 3,500,185

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Best Buy Kenosha, WI Electronics Retail	The Crossing Killeen, TX Shopping Center	Best Buy Indianapolis, IN Electronics Retail
Gross leasable square footage	30,085	60,438	30,067

Date of purchase	7/12/2011	7/15/2011	7/20/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,732,000	9,180,000	4,845,000
Contract purchase price plus acquisition fee	6,732,000	9,180,000	4,845,000
Other cash expenditures expensed	51,986	48,573	53,335
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,783,986	$ 9,228,573	$ 4,898,335

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Petsmart Westlake Village, CA Specialty Retail	Petsmart Boca Raton, FL Specialty Retail	Petsmart Lake Mary, FL Specialty Retail
Gross leasable square footage	25,895	28,389	26,118
Date of purchase	7/21/2011	7/21/2011	7/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	8,144,292	9,140,628	4,989,228
Contract purchase price plus acquisition fee	8,144,292	9,140,628	4,989,228
Other cash expenditures expensed	22,079	52,003	37,792
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,166,371	$ 9,192,631	$ 5,027,020

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Petsmart Plantation, FL Specialty Retail	Petsmart Tallahassee, FL Specialty Retail	Petsmart Evanston, IL Specialty Retail
Gross leasable square footage	26,017	26,738	26,432
Date of purchase	7/21/2011	7/21/2011	7/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,981,900	2,664,444	7,155,504
Contract purchase price plus acquisition fee	6,981,900	2,664,444	7,155,504
Other cash expenditures expensed	44,105	30,216	23,730
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,026,005	$ 2,694,660	$ 7,179,234

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Petsmart Braintree, MA Specialty Retail	Petsmart Oxon Hill, MD Specialty Retail	Petsmart Flint, MI Specialty Retail
Gross leasable square footage	26,000	26,956	26,054
Date of purchase	7/21/2011	7/21/2011	7/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	10,808,736	5,985,564	4,823,172
Contract purchase price plus acquisition fee	10,808,736	5,985,564	4,823,172

Other cash expenditures expensed	20,430	22,162	92,245
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 10,829,166	$ 6,007,726	$ 4,915,417

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Petsmart Dallas, TX Specialty Retail	Petsmart Southlake, TX Specialty Retail	Food Lion Moyock, NC Grocery
Gross leasable square footage	26,329	34,325	38,118
Date of purchase	7/21/2011	7/21/2011	7/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,476,184	8,310,348	3,527,160
Contract purchase price plus acquisition fee	6,476,184	8,310,348	3,527,160
Other cash expenditures expensed	26,653	29,380	41,007
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,502,837	$ 8,339,728	$ 3,568,167

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Denver West Plaza Lakewood, CO Shopping Center	The Forum Fort Myers, FL Shopping Center	Hobby Lobby Center Greenville, SC Shopping Center
Gross leasable square footage	71,249	189,642 (2)	68,912
Date of purchase	7/22/2011	7/22/2011	7/22/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	14,280,000	34,935,000	6,426,000
Contract purchase price plus acquisition fee	14,280,000	34,935,000	6,426,000
Other cash expenditures expensed	50,922	90,247	48,224
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 14,330,922	$ 35,025,247	$ 6,474,224

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Davita Dialysis Douglasville, GA Fitness & Health	Wal-Mart Riverside, CA Distribution Center	Walgreens Watertown, NY Drugstore
Gross leasable square footage	7,350	496,064	14,490
Date of purchase	7/22/2011	7/25/2011	7/26/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,597,320	93,330,000	5,816,040
Contract purchase price plus acquisition fee	1,597,320	93,330,000	5,816,040

Other cash expenditures expensed	23,860	71,117	44,845
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,621,180	$ 93,401,117	$ 5,860,885

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Best Buy Richmond, IN Electronics Retail	Davita Dialysis Augusta, GA Fitness & Health	Sam' s Club Douglasville, GA Warehouse Club
Gross leasable square footage	30,983	7,200	129,562
Date of purchase	7/27/2011	7/28/2011	7/28/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,870,500	1,564,680	12,590,236
Contract purchase price plus acquisition fee	4,870,500	1,564,680	12,590,236
Other cash expenditures expensed	39,817	23,854	30,989
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,910,317	$ 1,588,534	$ 12,621,225

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Wal-Mart Douglasville, GA Discount Retail	Walgreens Wichita, KS Drugstore	Walgreens Bartlett, TN Drugstore
Gross leasable square footage	222,511	15,120	14,490
Date of purchase	7/28/2011	8/1/2011	8/1/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	20,865,764	4,080,000	3,843,360
Contract purchase price plus acquisition fee	20,865,764	4,080,000	3,843,360
Other cash expenditures expensed	28,116	32,097	45,259
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 20,893,880	$ 4,112,097	$ 3,888,619

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Stripes Laredo, TX Convenience Store	Petsmart Parma, OH Specialty Retail	Stop & Shop Cranston, RI Grocery
Gross leasable square footage	4,730	26,931	52,137 (2)
Date of purchase	8/3/2011	8/4/2011	8/5/2011
Mortgage financing at date of purchase	$ –	$ –	$–
Cash down payment	2,884,980	4,296,750	13,791,897

Contract purchase price plus acquisition fee	2,884,980	4,296,750	13,791,897
Other cash expenditures expensed	18,953	36,353	63,279
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,903,933	$ 4,333,103	$13,855,176

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Dubuque, IA Drugstore	The Plaza Queen Creek, AZ Shopping Center	Walgreens Cape Carteret, NC Drugstore
Gross leasable square footage	14,568	70,973 (2)	14,820
Date of purchase	8/12/2011	8/12/2011	8/15/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,712,400	13,515,000	4,258,500
Contract purchase price plus acquisition fee	4,712,400	13,515,000	4,258,500
Other cash expenditures expensed	31,725	52,911	40,887
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,744,125	$ 13,567,911	$ 4,299,387

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Kohl' s Brownsville, TX Department Store	Highlands Ranch Highland Ranch, CO Shopping Center	Kingman Gateway Kingman, AZ Shopping Center
Gross leasable square footage	89,915 (2)	50,511	49,208
Date of purchase	8/16/2011	8/16/2011	8/16/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,701,400	6,472,920	4,851,120
Contract purchase price plus acquisition fee	6,701,400	6,472,920	4,851,120
Other cash expenditures expensed	39,114	39,722	25,823
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,740,514	$ 6,512,642	$ 4,876,943

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS & Huntington Bank Northville, MI Shopping Center	PLS Check Cashers Tucson, AZ Professional Services	PLS Check Cashers Calumet Park, IL Professional Services
Gross leasable square footage	15,816 (2)	2,550	4,135
Date of purchase	8/17/2011	8/18/2011	8/18/2011

Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,873,168	1,374,570	1,554,247
Contract purchase price plus acquisition fee	3,873,168	1,374,570	1,554,247
Other cash expenditures expensed	53,353	24,343	24,343
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,926,521	$ 1,398,913	$ 1,578,590

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	PLS Check Cashers Chicago (Diversey), IL Professional Services	PLS Check Cashers Dallas (Camp Wisdom), TX Professional Services	PLS Check Cashers Dallas (Davis), TX Professional Services
Gross leasable square footage	1,267	1,653	2,234
Date of purchase	8/18/2011	8/18/2011	8/18/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,234,986	1,419,582	1,246,279
Contract purchase price plus acquisition fee	1,234,986	1,419,582	1,246,279
Other cash expenditures expensed	24,343	24,343	24,343
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,259,329	$ 1,443,925	$ 1,270,622

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	PLS Check Cashers Fort Worth, TX Professional Services	PLS Check Cashers Grand Prairie, TX Professional Services	PLS Check Cashers Houston, TX Professional Services
Gross leasable square footage	2,492	2,400	1,681
Date of purchase	8/18/2011	8/18/2011	8/18/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,429,271	1,273,168	1,160,348
Contract purchase price plus acquisition fee	1,429,271	1,273,168	1,160,348
Other cash expenditures expensed	24,343	24,343	24,343
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,453,614	$ 1,297,511	$ 1,184,691

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	PLS Check Cashers Kenosha, WI Professional Services	PLS Check Cashers Mesa (Broadway), AZ Professional Services	PLS Check Cashers Mesquite, TX Professional Services
Gross leasable square footage	4,023	1,960	1,734

Date of purchase	8/18/2011	8/18/2011	8/18/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	884,132	1,198,432	1,679,517
Contract purchase price plus acquisition fee	884,132	1,198,432	1,679,517
Other cash expenditures expensed	24,343	24,343	24,343
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 908,475	$ 1,222,775	$ 1,703,860

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Rincon, GA Specialty Retail	Petsmart Phoenix, AZ Specialty Retail	Kohl' s Plaza Napa, CA Shopping Center
Gross leasable square footage	19,097	365,672	77,280
Date of purchase	8/23/2011	8/23/2011	8/23/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,652,000	104,550,000	20,221,500
Contract purchase price plus acquisition fee	2,652,000	104,550,000	20,221,500
Other cash expenditures expensed	32,476	103,358	49,746
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,684,476	$ 104,653,358	$ 20,271,246

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Anthony, TX Drugstore	Dick' s Sporting Goods Charleston, SC Sporting Goods	L.A. Fitness Avondale, AZ Fitness & Health
Gross leasable square footage	14,820	47,082	45,000
Date of purchase	8/29/2011	8/31/2011	8/31/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,947,000	7,650,000	8,251,263
Contract purchase price plus acquisition fee	4,947,000	7,650,000	8,251,263
Other cash expenditures expensed	34,013	83,400	49,382
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,981,013	$ 7,733,400	$ 8,300,645

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Walgreens Union City, GA Drugstore	Lowe' s Miamisburg, OH Home Improvement	CVS Chicago (103rd St), IL Drugstore
Gross leasable square footage	14,550	125,357	10,880
Date of purchase	9/9/2011	9/9/2011	9/16/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,921,679	11,883,000	7,788,006

Contract purchase price plus acquisition fee	4,921,679	11,883,000	7,788,006
Other cash expenditures expensed	39,105	84,785	88,662
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,960,784	$ 11,967,785	$ 7,876,668

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Lake Havasu, AZ Drugstore	CVS Phoenix, AZ Drugstore	Carmax Henderson, NV Auto Dealership
Gross leasable square footage	14,512	13,013	59,792
Date of purchase	9/16/2011	9/16/2011	9/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,204,368	8,616,027	18,780,240
Contract purchase price plus acquisition fee	6,204,368	8,616,027	18,780,240
Other cash expenditures expensed	28,581	29,256	108,170
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,232,949	$ 8,645,283	$ 18,888,410

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Advance Auto Brownstown, MI Automotive Parts	Advance Auto Romulus, MI Automotive Parts	Advance Auto Washington Township, MI Automotive Parts
Gross leasable square footage	7,000	7,000	7,000
Date of purchase	9/23/2011	9/23/2011	9/23/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,940,040	1,810,500	2,078,760
Contract purchase price plus acquisition fee	1,940,040	1,810,500	2,078,760
Other cash expenditures expensed	36,981	36,073	37,687
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,977,021	$ 1,846,573	$ 2,116,447

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	L.A. Fitness Duncanville, TX Fitness & Health	Best Buy Southaven, MS Electronics Retail	Dimond Crossing Anchorage, AK Shopping Center
Gross leasable square footage	45,000	30,000	85,356 (2)
Date of purchase	9/26/2011	9/26/2011	9/27/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	7,344,000	5,049,000	14,663,010

Contract purchase price plus acquisition fee	7,344,000	5,049,000	14,663,010
Other cash expenditures expensed	50,719	47,776	75,278
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,394,719	$ 5,096,776	$ 14,738,288

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Golden Corral Independence, MO Restaurant	Glynn Isles Brunswick, GA Shopping Center	Emdeon Nashville, TN Professional Services
Gross leasable square footage	12,767	193,064	54,558
Date of purchase	9/28/2011	9/29/2011	9/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,490,721	38,760,000	9,792,000
Contract purchase price plus acquisition fee	3,490,721	38,760,000	9,792,000
Other cash expenditures expensed	27,720	155,188	82,700
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,518,441	$ 38,915,188	$ 9,874,700

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Winchester Station Winchester, VA Shopping Center	BJ' s Wholesale Club Deptford, NJ Warehouse Club	BJ' s Wholesale Club Westminster, MD Warehouse Club
Gross leasable square footage	182,851 (2)	116,386	109,310
Date of purchase	9/29/2011	9/30/2011	9/30/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	27,418,652	17,045,187	21,413,419
Contract purchase price plus acquisition fee	27,418,652	17,045,187	21,413,419
Other cash expenditures expensed	204,845	40,243	40,243
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 27,623,497	$ 17,085,430	$ 21,453,662

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	BJ' s Wholesale Club Pembroke Pines, FL Warehouse Club	BJ' s Wholesale Club Lancaster, PA Warehouse Club	BJ' s Wholesale Club Greenfield, MA Warehouse Club
Gross leasable square footage	108,625	108,447	69,060
Date of purchase	9/30/2011	9/30/2011	9/30/2011

Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	14,015,195	21,058,920	13,387,138
Contract purchase price plus acquisition fee	14,015,195	21,058,920	13,387,138
Other cash expenditures expensed	40,243	40,243	40,243
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 14,055,438	$ 21,099,163	$ 13,427,381

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	BJ' s Wholesale Club Uxbridge, MA Warehouse Club	BJ' s Wholesale Club Leominster, MA Warehouse Club	BJ' s Wholesale Club Lexington Park, MD Warehouse Club
Gross leasable square footage	617,676	109,544	91,937
Date of purchase	9/30/2011	9/30/2011	9/30/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	28,874,555	20,579,915	17,727,601
Contract purchase price plus acquisition fee	28,874,555	20,579,915	17,727,601
Other cash expenditures expensed	40,743	33,447	33,447
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 28,915,298	$ 20,613,362	$ 17,761,048

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	BJ' s Wholesale Club Auburn, ME Warehouse Club	BJ' s Wholesale Club Boynton Beach, FL Warehouse Club	BJ' s Wholesale Club Portsmouth, NH Warehouse Club
Gross leasable square footage	77,046	108,758	118,850
Date of purchase	9/30/2011	9/30/2011	9/30/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	14,793,291	17,895,143	23,008,567
Contract purchase price plus acquisition fee	14,793,291	17,895,143	23,008,567
Other cash expenditures expensed	33,447	33,447	33,447
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 14,826,738	$ 17,928,590	$ 23,042,014

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	BJ' s Wholesale Club Jacksonville, FL Warehouse Club	Walgreens Xenia, OH Drugstore	Giant/Eagle Columbus, OH Grocery
Gross leasable square footage	478,898	14,550	116,238

Date of purchase	9/30/2011	10/4/2011	10/5/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	20,493,215	5,686,749	19,900,200
Contract purchase price plus acquisition fee	20,493,215	5,686,749	19,900,200
Other cash expenditures expensed	33,447	63,637	79,625
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 20,526,662	$ 5,750,386	$ 19,979,825

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Cherry Hill, NJ Drugstore	HH Gregg North Fayette, PA Electronics Retail	Hobby Lobby Logan, UT Specialty Retail
Gross leasable square footage	15,225 (2)	27,689	55,137
Date of purchase	10/13/2011	10/14/2011	10/20/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	6,636,492	4,004,385	4,998,000
Contract purchase price plus acquisition fee	6,636,492	4,004,385	4,998,000
Other cash expenditures expensed	124,627	89,197	42,736
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 6,761,119	$ 4,093,582	$ 5,040,736

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	PLS Check Cashers Compton, CA Professional Services	Davita Dialysis Willow Grove, PA Fitness & Health	Del Monte Plaza Reno, NV Shopping Center
Gross leasable square footage	1,461	10,600	82,758
Date of purchase	10/26/2011	10/28/2011	11/2/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,683,000	3,310,136	18,666,000
Contract purchase price plus acquisition fee	1,683,000	3,310,136	18,666,000
Other cash expenditures expensed	35,550	86,012	58,860
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,718,550	$ 3,396,148	$ 18,724,860

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Caremark Towers Glenview, IL Drugstore	PLS Check Cashers Phoenix, AZ Professional Services	Office Depot Alvin, TX Office Supply
Gross leasable square footage	195,116	2,234	21,000
Date of purchase	11/3/2011	11/4/2011	11/4/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	45,135,000	1,053,235	2,922,300

Contract purchase price plus acquisition fee	45,135,000	1,053,235	2,922,300
Other cash expenditures expensed	81,666	18,362	61,792
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 45,216,666	$ 1,071,597	$ 2,984,092

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	CVS Bellevue, OH Drugstore	CVS Warren, OH Drugstore	CVS Titusville, PA Drugstore
Gross leasable square footage	10,165	10,127	10,104
Date of purchase	11/4/2011	11/4/2011	11/4/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,041,020	1,726,860	2,761,140
Contract purchase price plus acquisition fee	2,041,020	1,726,860	2,761,140
Other cash expenditures expensed	31,409	31,336	48,105
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,072,429	$ 1,758,196	$ 2,809,245

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Home Depot Kennesaw, GA Home Improvement	Tractor Supply Bainbridge, GA Specialty Retail	Walgreens Albuquerque, NM Drugstore
Gross leasable square footage	– (3)	19,097	15,930
Date of purchase	11/4/2011	11/16/2011	11/17/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,640,000	2,745,840	3,439,440
Contract purchase price plus acquisition fee	1,640,000	2,745,840	3,439,440
Other cash expenditures expensed	–	23,563	32,752
Other cash expenditures capitalized	19,159	–	–
Total acquisition cost	$ 1,659,159	$ 2,769,403	$ 3,472,192

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Tractor Supply Mishawaka, IN Specialty Retail	MedAssets Plano, TX Fitness & Health	United Technologies Bradenton, FL Specialty Retail
Gross leasable square footage	19,097	– (3)	106,790
Date of purchase	11/18/2011	11/22/2011	12/8/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,808,311	6,589,060	20,502,000
Contract purchase price plus acquisition fee	2,808,311	6,589,060	20,502,000

Other cash expenditures expensed	29,921	–	80,410
Other cash expenditures capitalized	–	8,115	–
Total acquisition cost	$ 2,838,232	$ 6,597,175	$ 20,582,410

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Davita Dialysis Casselberry, FL Fitness & Health	Hobby Lobby Concord, NC Specialty Retail	Shoppes at Sugarmill Woods Homosassa, FL Shopping Center
Gross leasable square footage	6,232	60,000	53,162
Date of purchase	12/9/2011	12/12/2011	12/13/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,346,000	5,916,000	8,262,000
Contract purchase price plus acquisition fee	2,346,000	5,916,000	8,262,000
Other cash expenditures expensed	22,387	41,235	58,242
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,368,387	$ 5,957,235	$ 8,320,242

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Bellview Plaza Pensacola, FL Shopping Center	Kohl' s Fort Dodge, IA Department Store	Davita Dialysis Sanford, FL Fitness & Health
Gross leasable square footage	82,910	55,858	8,586
Date of purchase	12/13/2011	12/14/2011	12/19/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	8,364,000	4,794,000	2,924,340
Contract purchase price plus acquisition fee	8,364,000	4,794,000	2,924,340
Other cash expenditures expensed	41,157	30,675	17,347
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 8,405,157	$ 4,824,675	$ 2,941,687

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Crossroads Marketplace Warner Robbins, GA Shopping Center	Midtowne Park Anderson, SC Shopping Center	Cleveland Towne Center Cleveland, TN Shopping Center
Gross leasable square footage	77,667 (2)	167,341	153,118
Date of purchase	12/20/2011	12/20/2011	12/20/2011
Mortgage financing at date of purchase	$ –	$ –	$ –

Cash down payment	11,475,000	26,112,000	18,003,000
Contract purchase price plus acquisition fee	11,475,000	26,112,000	18,003,000
Other cash expenditures expensed	100,746	68,670	107,564
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 11,575,746	$ 26,180,670	$ 18,110,564

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	RaceTrac Atlanta, GA Convenience Store	RaceTrac Belleview, FL Convenience Store	RaceTrac Bessermer, AL Convenience Store
Gross leasable square footage	2,243	5,001	3,974
Date of purchase	12/21/2011	12/21/2011	12/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	2,550,000	4,590,000	3,315,000
Contract purchase price plus acquisition fee	2,550,000	4,590,000	3,315,000
Other cash expenditures expensed	18,971	19,682	21,274
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,568,971	$ 4,609,682	$ 3,336,274

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	RaceTrac Denton, TX Convenience Store	RaceTrac Houston (Hwy 6N), TX Convenience Store	RaceTrac Houston (Kuykendahl), TX Convenience Store
Gross leasable square footage	4,030	2,988	2,976
Date of purchase	12/21/2011	12/21/2011	12/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	3,315,000	2,244,000	2,550,000
Contract purchase price plus acquisition fee	3,315,000	2,244,000	2,550,000
Other cash expenditures expensed	29,164	28,446	26,705
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,344,164	$ 2,272,446	$ 2,576,705

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	RaceTrac Jacksonville, FL Convenience Store	RaceTrac Leesburg, FL Convenience Store	RaceTrac Mobile, AL Convenience Store
Gross leasable square footage	5,138	5,079	2,884
Date of purchase	12/21/2011	12/21/2011	12/21/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	4,335,000	4,335,000	1,836,000

Contract purchase price plus acquisition fee	4,335,000	4,335,000	1,836,000
Other cash expenditures expensed	19,792	19,792	19,562
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 4,354,792	$ 4,354,792	$ 1,855,562

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	AGCO Corporation Duluth, GA Food Production	Wal-Mart Lancaster, SC Discount Retail	VA Oceanside Clinic Oceanside, CA Fitness & Health
Gross leasable square footage	125,800	208,470	65,536
Date of purchase	12/22/2011	12/22/2011	12/22/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	18,283,500	14,943,000	55,590,000
Contract purchase price plus acquisition fee	18,283,500	14,943,000	55,590,000
Other cash expenditures expensed	84,947	75,790	47,187
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 18,368,447	$ 15,018,790	$ 55,637,187

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Silverado Plaza Tucson, AZ Shopping Center	Irving Oil Belfast, ME Convenience Store	Irving Oil Bethel, ME Convenience Store
Gross leasable square footage	77,691	4,017	5,517
Date of purchase	12/22/2011	12/29/2011	12/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	9,435,000	1,007,407	505,630
Contract purchase price plus acquisition fee	9,435,000	1,007,407	505,630
Other cash expenditures expensed	71,170	12,564	12,564
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 9,506,170	$ 1,019,971	$ 518,194

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Irving Oil Boothbay Harbor, ME Convenience Store	Irving Oil Caribou, ME Convenience Store	Irving Oil Conway, ME Convenience Store
Gross leasable square footage	3,355	2,918	1,599
Date of purchase	12/29/2011	12/29/2011	12/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	907,011	580,191	680,000

Contract purchase price plus acquisition fee	907,011	580,191	680,000
Other cash expenditures expensed	12,564	12,564	18,306
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 919,575	$ 592,755	$ 698,306

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Irving Oil Dover, NH Convenience Store	Irving Oil Fort Kent, ME Convenience Store	Irving Oil Kennebunk, ME Convenience Store
Gross leasable square footage	2,411	2,938	3,617
Date of purchase	12/29/2011	12/29/2011	12/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	1,058,735	695,678	1,091,614
Contract purchase price plus acquisition fee	1,058,735	695,678	1,091,614
Other cash expenditures expensed	18,306	12,564	12,564
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 1,077,041	$ 708,242	$ 1,104,178

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Irving Oil Lincoln, ME Convenience Store	Irving Oil Orono, ME Convenience Store	Irving Oil Rochester, NH Convenience Store
Gross leasable square footage	3,615	2,478	3,391
Date of purchase	12/29/2011	12/29/2011	12/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	701,189	495,393	1,007,407
Contract purchase price plus acquisition fee	701,189	495,393	1,007,407
Other cash expenditures expensed	12,564	12,564	18,306
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 713,753	$ 507,957	$ 1,025,713

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Irving Oil Rutland, VT Convenience Store	Irving Oil Saco, ME Convenience Store	Irving Oil Skowhegan, ME Convenience Store
Gross leasable square footage	2,478	1,500	2,999
Date of purchase	12/29/2011	12/29/2011	12/29/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	433,185	890,535	1,007,407
Contract purchase price plus acquisition fee	433,185	890,535	1,007,407

Other cash expenditures expensed	14,443	12,564	12,564
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 447,628	$ 903,099	$ 1,019,971

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.	Cole Credit Property Trust III, Inc.
Name, location, type of property	Irving Oil West Dummerston, VT Convenience Store	Irving Oil Westminister, VT Convenience Store	Kyle Marketplace Kyle, TX Shopping Center
Gross leasable square footage	2,237	3,307	219,111 (2)
Date of purchase	12/29/2011	12/29/2011	12/30/2011
Mortgage financing at date of purchase	$ –	$ –	$ –
Cash down payment	528,889	543,597	45,900,000
Contract purchase price plus acquisition fee	528,889	543,597	45,900,000
Other cash expenditures expensed	14,443	14,443	103,751
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 543,332	$ 558,040	$ 46,003,751

Program:	Cole Real Estate Income Strategy (Daily NAV), Inc.	Cole Real Estate Income Strategy (Daily NAV), Inc.	Cole Real Estate Income Strategy (Daily NAV), Inc.
Name, location, type of property	Walgreens Albuquerque (3400 Coors), NM Drugstore	Tractor Supply(1) Lockhart, TX Specialty Retail	Walgreens(1) Reidsville, NC Drugstore
Gross leasable square footage	15,525	18,800	14,550
Date of purchase	12/7/2011	12/8/2011	12/8/2011
Mortgage financing at date of purchase	$ 1,732,500	$ 2,087,400	$ 3,570,000
Cash down payment	742,500	832,600	1,555,000
Contract purchase price plus acquisition fee	2,475,000	2,920,000	5,125,000
Other cash expenditures expensed	33,726	35,588	48,632
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 2,508,726	$ 2,955,588	$ 5,173,632

Program:	Cole Real Estate Income Strategy (Daily NAV), Inc.	Cole Real Estate Income Strategy (Daily NAV), Inc.	Cole Real Estate Income Strategy (Daily NAV), Inc.
Name, location, type of property	CVS(1) Austin, TX Drugstore	CVS Mansfield, OH Drugstore	Tractor Supply Brunswick, GA Specialty Retail
Gross leasable square footage	10,906	10,722	19,097
Date of purchase	12/8/2011	12/9/2011	12/9/2011

Mortgage financing at date of purchase	$ 2,030,000	$ 1,522,500	$ 2,377,900
Cash down payment	1,024,150	776,500	1,019,100
Contract purchase price plus acquisition fee	3,054,150	2,299,000	3,397,000
Other cash expenditures expensed	47,581	52,669	23,137
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 3,101,731	$ 2,351,669	$ 3,420,137

TABLE VI

ACQUISITION OF PROPERTIES BY PROGRAMS (UNAUDITED) – (Continued)

Program:	Cole Real Estate Income Strategy (Daily NAV), Inc.	Cole Real Estate Income Strategy (Daily NAV), Inc.	Cole Real Estate Income Strategy (Daily NAV), Inc.
Name, location, type of property	The Parke San Antonio, TX Shopping Center	CVS Erie, PA Drugstore	Advance Auto Macomb Township, MI Automotive Parts
Gross leasable square footage	105,743 (2)	10,125	7,000
Date of purchase	12/9/2011	12/9/2011	12/20/2011
Mortgage financing at date of purchase	$ 5,075,000	$ 1,592,500	$ 1,452,500
Cash down payment	2,175,000	707,500	646,500
Contract purchase price plus acquisition fee	7,250,000	2,300,000	2,099,000
Other cash expenditures expensed	91,589	34,129	50,022
Other cash expenditures capitalized	–	–	–
Total acquisition cost	$ 7,341,589	$ 2,334,129	$ 2,149,022

Program:	Cole Corporate Income Trust, Inc.
Name, location, type of property	Medtronic(1) San Antonio, TX Healthcare
Gross leasable square footage	145,025
Date of purchase	6/30/2011
Mortgage financing at date of purchase	$ 23,000,000
Cash down payment	10,507,000
Contract purchase price plus acquisition fee	33,507,000
Other cash expenditures expensed	61,839
Other cash expenditures capitalized	–
Total acquisition cost	$ 33,568,839

(1) These properties were acquired at their original cost from an affiliate.

(2) Includes square feet of buildings which are on land subject to ground leases.

(3) Represents development properties under construction as of December 31, 2011.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all the requirements for filing on Form S-11 and has duly caused this amended Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Phoenix, State of Arizona, on the 10th day of January, 2013.

COLE CREDIT PROPERTY TRUST IV, INC.

By: /s/ D. Kirk McAllaster, Jr.
D. Kirk McAllaster, Jr.
Executive Vice President, Chief Financial Officer and Treasurer

Pursuant to the requirements of the Securities Act of 1933, this amended Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Name	Title	Date
* Christopher H. Cole	Chairman of the Board, Chief Executive Officer and President (Principal Executive Officer)	January 10, 2013
/s/ D. Kirk McAllaster, Jr. D. Kirk McAllaster, Jr.	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	January 10, 2013
/s/ Simon J. Misselbrook Simon J. Misselbrook	Senior Vice President of Accounting (Principal Accounting Officer)	January 10, 2013
* Lawrence S. Jones	Director	January 10, 2013
* J. Marc Myers	Director	January 10, 2013
* Marc T. Nemer	Director	January 10, 2013
* Scott P. Sealy, Sr.	Director	January 10, 2013

*By: /s/ D. Kirk McAllaster, Jr.
D. Kirk McAllaster, Jr.
Attorney-in-Fact

EXHIBIT INDEX

1.1	Dealer Manager Agreement between Cole Credit Property Trust IV, Inc. and Cole Capital Corporation dated January 26, 2012. (Incorporated by reference to Exhibit 1.1 to the Company' s post-effective amendment to Form S-11 (File No. 333-169533), filed July 13, 2012.)
3.1	First Articles of Amendment and Restatement of Cole Credit Property Trust IV, Inc. (Incorporated by reference to Exhibit 3.4 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed January 24, 2012).
3.2	Bylaws of Cole Credit Property Trust IV, Inc. (Incorporated by reference to Exhibit 3.5 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed January 24, 2012).
3.3	Certificate of Correction to the First Articles of Amendment and Restatement of Cole Credit Property Trust IV, Inc. (Incorporated by reference to Exhibit 3.6 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed January 24, 2012).
3.4	Articles of Amendment of First Article of Amendment and Restatement of Cole Credit Property Trust IV, Inc. (Incorporated by reference to Exhibit 3.1 to the Company' s current report on Form 8-K (File No. 333-169533), filed February 27, 2012).
3.5	First Amendment to the Bylaws of Cole Credit Property Trust IV, Inc. (Incorporated by reference to Exhibit 3.1 to the Company' s Current Report on Form 8-K (File No. 333-169533), filed June 27, 2012).
4.1*	Form of Initial Subscription Agreement (Included as Appendix B to the Prospectus).
4.2*	Form of Additional Subscription Agreement (Included as Appendix C to the Prospectus).
4.3*	Alternative Form of Initial Subscription Agreement (Included as Appendix D to the Prospectus).
4.4*	Form of Initial Subscription Agreement (Alabama Investors) (Included as Appendix E to the Prospectus).
4.5*	Form of Additional Subscription Agreement (Alabama Investors) (Included as Appendix F to the Prospectus).
5.1	Opinion of Venable LLP as to legality of securities (Incorporated by reference to Exhibit 5.1 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed on January 24, 2012).
8.1	Opinion of Morris, Manning & Martin, LLP as to tax matters (Incorporated by reference to Exhibit 8.1 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed on January 24, 2012).
10.1	Advisory Agreement by and between Cole Credit Property Trust IV, Inc. and Cole REIT Advisors IV, LLC, dated January 20, 2012 (Incorporated by reference to Exhibit 10.1 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed on January 24, 2012).
10.2	Amended and Restated Agreement of Limited Partnership of Cole Operating Partnership IV, LP, by and between Cole Credit Property Trust IV, Inc. and the limited partners thereto (Incorporated by reference to Exhibit 10.2 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed on January 24, 2012).
10.3*	Distribution Reinvestment Plan (Included as Appendix G to the Prospectus).
10.4	Escrow Agreement by and among Cole Credit Property Trust IV, Inc., Cole Capital Corporation and UMB Bank, N.A. dated January 20, 2012 (Incorporated by reference to Exhibit 10.4 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed on January 24, 2012).
10.5	Purchase and Sale Agreement, dated April 13, 2012, between Cole Operating Partnership IV, LP and Series C, LLC to purchase 100% of the membership interests in Cole AA North Ridgeville OH, LLC (Incorporated by reference to Exhibit 10.5 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).

10.6	Purchase and Sale Agreement, dated April 13, 2012, between Cole Operating Partnership IV, LP and Series C, LLC to purchase 100% of the membership interests in Cole PM Wilkesboro NC, LLC (Incorporated by reference to Exhibit 10.6 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.7	Borrowing Base Revolving Line of Credit Agreement dated April 13, 2012 by and among Cole Operating Partnership IV, LP as borrower, and JPMorgan Chase Bank, N.A., as administrative agent, and the lenders referenced therein, and J.P. Morgan Securities LLC, as sole lead arranger and sole bookrunner (Incorporated by reference to Exhibit 10.7 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.8	Subordinate Promissory Note, dated April 13, 2012, by Cole Credit Property Trust IV, Inc. payable to Series C, LLC (Incorporated by reference to Exhibit 10.8 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.9	Purchase and Sale Agreement by and between Cole NR Tampa FL, LLC, and VNO TRU Dale Mabry LLC, pursuant to an Assignment of Purchase and Sale Agreement dated April 16, 2012 (Incorporated by reference to Exhibit 10.9 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.10	Purchase Agreement and Escrow Instructions by and between Cole WG Blair NE, LLC, and Village Development − Blair, LLC, pursuant to an Assignment of Purchase and Sale Agreement dated April 18, 2012 (Incorporated by reference to Exhibit 10.10 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.11	Purchase Agreement and Escrow Instructions by and between Cole CV Corpus Christi TX, LLC, and Deborah May-Buffum, Trustee of the Betty Upham Gouraud Trust, pursuant to an Assignment of Purchase and Sale Agreement dated April 19, 2012 (Incorporated by reference to Exhibit 10.11 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.12	Master Purchase Agreement and Escrow Instructions between Cole CV Charleston SC, LLC, Cole CV Asheville NC, LLC, SC Charleston Investors I, LLC, and NC Asheville Investors I, LLC, pursuant to an Assignment of Purchase and Sale Agreement dated April 26, 2012 (Incorporated by reference to Exhibit 10.12 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.13	First Amendment of Advisory Agreement by and between Cole Credit Property Trust IV, Inc. and Cole REIT Advisors IV, LLC, dated February 23, 2012 (Incorporated by reference to Exhibit 10.13 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.14	Amended and Restated Escrow Agreement by and among Cole Credit Property Trust IV, Inc., Cole Capital Corporation and UMB Bank N.A., dated February 2, 2012 (Incorporated by reference to Exhibit 10.14 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed effective May 15, 2012).
10.15	Master Purchase Agreement and Escrow Instructions by and between Cole WG Montgomery AL, LLC, Cole WG Springfield IL, LLC, Cole WG Suffolk VA, LLC, and MGH ACQ LLC, pursuant to an Assignment of Purchase and Sale Agreement dated May 11, 2012 (Incorporated by reference to Exhibit 10.15 to the Company' s post-effective amendment to Form S-11 (File No. 333-169533), filed July 13, 2012).
10.16	Purchase and Sale Agreement by and between Cole MT Waxahachie TX, LLC and Lincoln Waxahachie, Ltd., pursuant to an Assignment of Purchase and Sale Agreement dated June 27, 2012 (Incorporated by reference to Exhibit 10.16 to the Company' s post-effective amendment to Form S-11 (File No. 333-169533), filed July 13, 2012).

10.17	Amended and Restated Borrowing Base Revolving Line of Credit Agreement dated as of July 13, 2012 by and among Cole Operating Partnership IV, LP and JPMorgan Chase Bank, N.A. as administrative agent and any lenders that may become a party to the Amended and Restated Credit Agreement pursuant to its terms, and Bank of America, N.A. as syndication agent and U.S. National Bank Association, as documentation agent, and J.P. Morgan Securities LLC, and Merrill Lynch, Pierce, Fenner & Smith, Incorporated as joint bookrunners and joint lead arrangers (Incorporated by reference to Exhibit 10.11 to the Company' s Quarterly Report on Form 10-Q (File No. 333-169533), filed August 13, 2012).
10.18	Agreement for Sale and Purchase by and between Cole BN Golden Valley MN, LLC, Cole BN Lauderdale FL, LLC, Cole BN Lombard IL, LLC, Cole BN Woodlands TX, LLC, The Samurai, Inc., Benihana National of Florida Corp., Benihana Lombard Corp. and Benihana Woodlands Corp., dated August 3, 2012 (Incorporated by reference to Exhibit 10.18 to the Company' s post-effective amendment to Form S-11 (File No. 333-169533), filed October 10, 2012).
10.19	Master Purchase Agreement and Escrow Instructions by and between Cole WW Cape May NJ, LLC, Cole WW Galloway NJ, LLC, Cape May CS Associates, LLC and Galloway CS Associates, LLC, pursuant to two separate Partial Assignment of Master Agreement and Escrow Instructions each dated August 29, 2012 (Incorporated by reference to Exhibit 10.19 to the Company' s post-effective amendment to Form S-11 (File No. 333-169533), filed October 10, 2012).
10.20	Master Purchase Agreement and Escrow Instructions by and between Cole VS Brownsville TX, LLC, Cole VS Mission TX, LLC, Cole VS McAllen TX, LLC, Cole VS Odessa (42nd) TX, LLC, Cole VS Midland TX, LLC, Cole VS Brownwood TX, LLC, NNN Retail Properties Fund Sub I LLC and NNN Retail Properties Fund Sub II LLC, pursuant to six separate Partial Assignment of Master Agreement and Escrow Instructions each dated August 30, 2012 (Incorporated by reference to Exhibit 10.20 to the Company' s post-effective amendment to Form S-11 (File No. 333-169533), filed October 10, 2012).
10.21*	Purchase and Sale Agreement by and between Cole MT Brooklyn NY, LLC and Canarsie Plaza, LLC, pursuant to an Assignment of Purchase and Sale Agreement dated November 26, 2012.
10.22*	Loan Agreement by and between Cole MT Brooklyn NY, LLC, as borrower and PNC Bank, National Association, as lender dated December 5, 2012.
10.23*	Credit Agreement dated as of December 14, 2012 by and among Cole Operating Partnership IV, LP, as borrower, JPMorgan Chase Bank, N.A., as administrative agent, JPMorgan Chase Bank, N.A., as syndication agent, any other lenders that may become a party to the Credit Agreement pursuant to its terms and J.P. Morgan Securities LLC, as lead arranger and book manager.
21.1	Subsidiaries of the Registrant (Incorporated by reference to Exhibit 21.1 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed August 30, 2011).
23.1*	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.
23.2	Consent of Venable LLP (included in Exhibit 5.1).
23.3	Consent of Morris, Manning & Martin, LLP (included in Exhibit 8.1).
24.1	Power of Attorney for Christopher H. Cole, D. Kirk McAllaster, Jr. and Simon J. Misselbrook (Incorporated by reference to Exhibit 24.1 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed on May 26, 2011).
24.2	Power of Attorney for J. Marc Myers and Scott P. Sealy, Sr. (Incorporated by reference to Exhibit 24.1 to the Company' s pre-effective amendment to Form S-11 (File No. 333-169533), filed on January 24, 2012).
24.3	Power of Attorney for Marc T. Nemer (Incorporated by reference to Exhibit 24.3 to the Company' s post-effective amendment to Form S-11 (File No. 333-169533), filed July 13, 2012).

24.4	Power of Attorney for Lawrence S. Jones (Incorporated by reference to Exhibit 24.4 to the Company' s post-effective amendment to Form S-11 (File No. 333-169533), filed July 13, 2012).
101.INS**	XBRL Instance Document.
101.SCH**	XBRL Taxonomy Extension Schema Document.
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document.

* Filed herewith.

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

Exhibit 10.21

PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

CANARSIE PLAZA LLC,
a Delaware limited liability company,
as Seller,

and

SERIES D, LLC,
an Arizona limited liability company,
as Purchaser

Dated: November 9, 2012

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Exhibits:

Schedules:

PURCHASE AND SALE AGREEMENT
(Canarsie Plaza)

PURCHASE AND SALE AGREEMENT ("Agreement") made this 9th day of November, 2012 ("Effective Date") between CANARSIE PLAZA LLC, a Delaware limited liability company, having an address at 1311 Mamaroneck Avenue, Suite 260, White Plains, New York 10605 ("Seller"), and SERIES D, LLC, an Arizona limited liability company, having an address at c/o Cole Real Estate Investments, 2325 E. Camelback Road, Suite 1100, Phoenix, Arizona 85016 (Series D, LLC or its permitted assignee pursuant to Section 18.7 below is hereinafter referred to as "Purchaser").

W I T N E S S E T H:

RECITALS

A. Seller owns a shopping center ("Center") known as Canarsie Plaza located in Brooklyn, New York. The land ("Land") on which the Center is located is more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (all of Seller' s right, title and interest in and to such Land and all improvements located on such Land are herein referred to as the "Property").

B. Seller desires to sell and Purchaser desires to acquire the Property on the terms and provisions hereinbelow set forth.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Agreement of Purchase and Sale. Seller hereby agrees to sell and convey and Purchaser agrees to purchase on such terms and conditions as are hereinafter set forth, all of the following:

1.1 All of Seller' s right, title and interest in and to the Property, together with all covenants, easements, rights-of-way, rights, privileges and other tenements, appurtenances and hereditaments appertaining thereto, including, without limitation, all of Seller' s right, title and interest (if any) in and to (a) any strips or gores adjoining or adjacent to the Land, (b) the streets and roads adjoining or adjacent to the Land to the center line thereof, (c) all mineral, water and irrigation rights, if any, running with or otherwise pertaining to the Land, and (d) any award made or to be made or settlement in lieu thereof for the Property by reason of condemnation, eminent domain or exercise of police power;

1.2 All of Seller' s right, title and interest in and to all apparatus, fittings and fixtures in or on the Property or which are attached thereto, if any ("Fixtures");

1.3 All of Seller' s right, title and interest in and to any equipment, machinery and personal property located in or on the Property, if any ("Personal Property");

1.4 All of Seller' s right, title and interest in and to the trademark, service mark, trade name and name "Canarsie Plaza" and all other trademarks, services marks, trade names, names and logos used in connection with the advertising and promotion of the Project (as hereinafter defined) or otherwise relating to the Project, and any variations thereof, together with all good will of the business connected with the use of and symbolized by such trademarks, service marks, trade names, names and logos, any telephone numbers and listings for the Property and any copyrights, trade secrets, intellectual property and other intangible property relating to the Property, if any ("Intangibles");

1.5 The interest of Seller, as landlord, in all leasehold estates created by those certain leases, tenancies and rental agreements and all amendments thereto and all guaranties thereof that are described in the Schedule of Leases attached hereto as Schedule "1.5" (sometimes hereinafter referred to as the "Lease Schedule") together with additional leases, tenancies and rental agreements entered into by Seller in accordance with the terms of this Agreement (herein collectively referred to as the "Leases;" and the tenants under the Leases are herein, collectively, referred to as the "Tenants");

1.6 All of Seller' s right, title and interest in and to all warranties and guaranties, if any, relating to the Property (collectively, the "Warranties");

1.7 All of Seller' s right, title and interest in and to all consents, authorizations, variances or waivers, licenses, permits and approvals from any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality (collectively, "Governmental Authority") relating to the Property (collectively, the "Approvals");

1.8 All of Seller' s right, title and interest in and to all operating and reciprocal easement agreements affecting the Property (the "REA' s"), including without limitation any rights as a declarant, operator, approving party or like authority thereunder; and

1.9 All of Seller' s right, title and interest in and to all other written agreements which affect the Property ("Contracts") including, without limitation, personal property leases and contracts, other than the Leases and Permitted Exceptions (as hereinafter defined), and other than the Contracts which Purchaser elects not to assume, provided that Purchaser shall assume those certain contracts attached hereto as Schedule "1.9A" (the "Must Assume Contracts"). A schedule of all Contracts in existence on the Effective Date is attached hereto as Schedule "1.9B";

The Property, the Fixtures, the Leases, the Personal Property, the Intangibles, the Warranties, the Approvals, the Contracts, and all other interests of Seller in and to the Property (the Property, the Fixtures, the Leases, the Personal Property, the Intangibles, the Warranties, the Approvals, the Contracts, and all other interests of Seller in and to the Property are herein collectively referred to as the "Project"). Seller and Purchaser agree that no portion of the Purchase Price (as hereinafter defined) is attributable to the Personal Property included in this sale.

Section 2. The Purchase Price. The purchase price (the "Purchase Price") for the Project is $124,000,000.00, to be paid as follows:

2.1 $5,000,000.00 (such amount, together with the Extension Deposit (as hereinafter defined), if made, and any interest earned on such amount(s), the "Deposit") shall be paid by Purchaser to First American Title Insurance Company, National Commercial Services, The Esplanade Commercial Center, 2425 E. Camelback Road, Suite 300, Phoenix, AZ 85016, Attention: Brandon Grajewski ("Escrow Agent" or "Title Company") within three (3) business days after the Effective Date. The Deposit shall be held in escrow by the Escrow Agent to be disbursed as provided in the Earnest Money Escrow Agreement, the form of which is attached hereto as Exhibit "B" (the "Earnest Money Escrow Agreement"). The parties shall execute the Earnest Money Escrow Agreement contemporaneously with the execution of this Agreement. If the purchase and sale of the Project is consummated in accordance with the terms and provisions of this Agreement, then the Deposit shall be applied fully to reduce the Purchase Price at Closing and transferred to an account or accounts designated in writing by Seller. The Deposit shall be paid to the party entitled to receive the Deposit as provided in the Earnest Money Escrow Agreement. The Deposit shall be non-refundable to Purchaser except as specifically set forth herein.

2.2 The balance of the Purchase Price after deducting the Deposit shall be paid by Purchaser at Closing, plus or minus prorations and adjustments to be made pursuant to this Agreement, in good immediately available United States funds by wire transfer to a bank account or accounts to be designated in writing by the Title Company prior to the Closing for transfer to an account or accounts designated in writing by Seller.

Notwithstanding anything in this Agreement to the contrary, a portion of the Deposit in the amount of $100.00 shall be non-refundable and shall be distributed to Seller at Closing or other termination of this Agreement as full payment and independent consideration for Seller' s performance under this Agreement and for the rights granted to Purchaser hereunder. Such $100.00 independent consideration shall be deducted from any refund or delivery of the Deposit to Purchaser pursuant to this Agreement and shall simultaneously be distributed to Seller.

Section 3. Purchaser' s Inspection.

3.1 Purchaser acknowledges that Purchaser has been given the full opportunity to inspect and investigate the Property prior to the Effective Date, either independently or through agents, representatives or experts of Purchaser' s choosing. In connection with the foregoing, prior to the Effective Date Seller has either delivered to Purchaser, or made available to Purchaser by posting on a website to which Purchaser has been given access, all of the materials described on Exhibit "E" hereto and any other documents or other information in the possession of Seller or its agents pertaining to the Project (the "Property Information"). Purchaser' s execution of this Agreement conclusively evidences Purchaser' s satisfaction with the Property Information and Purchaser' s investigation of the Property. Notwithstanding the foregoing, Seller shall have an ongoing obligation during the pendency of this Agreement to provide Purchaser with any type of document or instrument described in Exhibit "E" which is created or modified in any respect after the Effective Date.

3.2 During the term of this Agreement, Seller, upon notice, will provide Purchaser or its designated representatives continued access to the Property at reasonable times; provided that, (i) such access shall be coordinated with a representative of Seller and, at Seller' s

election, may be accompanied by a representative of Seller, (ii) any entry into any Tenant' s space shall be subject to the terms of such Tenant' s Lease, and Purchaser shall not communicate with any Tenants or occupants of the Property without, in each instance, the prior written consent of Seller, which consent may be withheld in Seller' s sole discretion (iii) Purchaser shall indemnify, defend and hold Seller harmless from and against all claims for costs, expenses, losses, damages and/or liabilities (collectively "Claims") asserted against Seller arising from Purchaser' s due diligence activities on or about the Property, excluding from the foregoing indemnity any Claims relating to Purchaser' s mere discovery of any pre-existing conditions (except to the extent the same are aggravated by Purchaser or its designated representatives) and/or the gross negligence or willful misconduct of Seller or any of Seller' s agents or representatives, (iv) Purchaser shall not damage the Property but if in such event any damage shall nonetheless result, Purchaser shall promptly repair any damage (or, at Seller' s option, credit Seller the costs thereon) resulting from any such activities and restore the Property to its condition prior to such activities, (v) Purchaser shall fully comply with all applicable laws, ordinances, rules and regulations and any conditions imposed by any insurance policy then in effect with respect to the Property of which Purchaser is given notice by Seller (collectively, the "Legal Requirements"), (vi) Purchaser shall not permit any inspections, investigations or other due diligence activities to result in any liens, judgments or other encumbrances being filed against the Property and shall, at its sole cost and expense, as promptly as possible but in no event more than thirty (30) days, discharge of record any such liens or encumbrances that are so filed or recorded, and (vii) Purchaser shall not perform any tests with respect to the Property without the prior written consent of Seller in each instance, which consent may be withheld in Seller' s reasonable discretion, provided however, if such tests are invasive Seller shall have the right to withhold its consent to such tests in its sole discretion. Purchaser' s liabilities under this Section shall survive the Closing or earlier termination of this Agreement. Purchaser shall (i) exercise reasonable care at all times that Purchaser shall be present upon the Property and (ii) not knowingly engage in any activities which would violate the provisions of any permit or license pertaining to the Property.

As a condition precedent to entering the Premises in connection with any inspection, Purchaser shall maintain or cause to be maintained, at Purchaser' s sole cost and expense, a policy of comprehensive general public liability and property damage insurance by an insurer or syndicate of insurers reasonably acceptable to Seller: (a) with a combined single limit of not less than One Million Dollars ($1,000,000.00) general liability and Five Million Dollars ($5,000,000.00) excess umbrella liability, (b) insuring Seller as an additional insured against any injuries or damages to persons or property that may result from or are related to (x) Purchaser' s entry upon the Premises and (y) any inspection or other activity conducted thereon by representatives or agents of Purchaser and (c) containing a provision to the effect that insurance provided by Purchaser hereunder shall be primary and noncontributing with any other insurance available to Seller. Purchaser shall deliver evidence of such insurance coverage to Seller prior to the commencement of the first inspection and proof of continued coverage prior to any subsequent inspection.

3.3 Intentionally Omitted.

3.4 Intentionally Omitted.

Section 4. Title.

4.1 The Property shall be sold, and title thereto conveyed, subject only to the provisions of this Article 4 and to the following matters (collectively, the "Permitted Exceptions"):

(i) the matters set forth in Schedule B-II of that certain Certificate of Title issued by First American Title Insurance Company under Title Commitment Number: NCS-562905-PHXI with an effective date of August 20, 2012, as amended by Amendment No. 1 dated September 25, 2012 (the "Title Commitment") other than items listed as items 2 (except to the extent provided in item (iv) below), 8, 9, and, unless such documents are assigned to Purchaser' s lender as provided in Section 4.2 below, items 4 and 19-24, of Schedule B-II thereof;

(ii) the Leases;

(iii) all present and future zoning, building, environmental and other laws, ordinances, codes, restrictions and regulations of all governmental authorities having jurisdiction with respect to the Property, including, without limitation, landmark designations and all zoning variances and special exceptions, if any;

(iv) All presently existing and future liens of real estate taxes or assessments and water rates, water meter charges, water frontage charges and sewer taxes, rents and charges, if any, provided that such items are not yet due and payable as of the date of the Closing, subject to adjustment as hereinbelow provided;

(v) State of facts shown on or by that certain survey of the Property prepared by LAN Associates and dated September 17, 2012, last revised September 25, 2012 (the "Survey"), and any additional facts which would be shown on or by an accurate current survey of the Premises (collectively, "Facts"), provided that, solely with respect to such additional Facts, the same shall not have a material adverse effect on the use of the Premises for its current use;

(vi) Standard exclusions from coverage contained in the form of title policy or "marked-up" title commitment employed by the Title Insurer;

(vii) Any financing statements, chattel mortgages, encumbrances or mechanics' or other liens entered into by, or arising from, any financing statements filed on a day more than five (5) years prior to the Closing and not extended or renewed since the date of original filing and any financing statements, chattel mortgages, encumbrances or mechanics' or other liens filed against property no longer contained in the Property, provided that the Title Insurer shall remove them as exceptions from the title insurance policy to be issued to Purchaser at Closing or shall affirmatively insure over them;

(viii) Any lien or encumbrance arising out of the acts or omissions of Purchaser directly or indirectly, including acts or omission of its agents, independent contractors, employees, invitees and affiliates;

(ix) Any other matter which the Title Insurer may raise as an exception to title, provided the Title Insurer will either omit or affirmatively insure against collection or enforcement of same out of the Premises;

(x) Any encumbrance that will be extinguished upon conveyance of the Property to Purchaser, provided that the Title Insurer shall remove them as exceptions from the title insurance policy to be issued to Purchaser at Closing or shall affirmatively insure over them; and

(xi) Any other matter which, pursuant to the terms of this Agreement, is a permitted condition of the transaction contemplated by this Agreement.

4.1.1. Purchaser acknowledges receipt of the Title Commitment issued by the Title Company as well as the Survey, which Purchaser shall cause to be certified to the Title Company, Purchaser, Seller and, if applicable, Purchaser' s lender. Purchaser will cause copies of the Title Commitment, all documents of record which are listed as exceptions in the Title Commitment and the Survey (collectively, the "Title Materials") to be delivered to Seller. If an update or endorsement to the Title Commitment delivered to Purchaser after the Effective Date or a revision to the Survey ("Title/Survey Update") issued after the Effective Date discloses a title or Survey matter that was not disclosed in the Title Materials or in a previous Title/Survey Update, which in each case are not Permitted Exceptions, Purchaser may deliver to Seller, within five (5) days following Purchaser' s receipt of the Title/Survey Update ("Title/ Survey Update Review Period") a written objection (an "Objection") to such defect first disclosed on the Title/Survey Update accompanied by a copy of the Title/Survey Update. Purchaser shall be deemed to have agreed to accept title subject to all matters reflected in the Title Commitment and any Title/Survey Update and to the state of facts shown on the Survey, other than Objections that have been timely given, so long as such Objections are to matters that are not Permitted Exceptions and provided that, in no event shall Purchaser be deemed to have agreed to accept title subject to (i) monetary liens, encumbrances or security interests against Seller and/or the Property that have been created, consented to or affirmatively permitted by Seller in writing (including, without limitation, the items listed as items 4 and 19-24 of Schedule B-II of the Title Commitment unless such documents are assigned to Purchaser' s lender as provided in Section 4.2 below), (ii) encumbrances that have been voluntarily placed against the Property by Seller after the Effective Date without Purchaser' s prior written consent and that will not otherwise be satisfied on or before the Closing or (iii) exceptions that can be removed from the Title Commitment by Seller' s delivery of a customary owner' s title affidavit or gap indemnity, provided same shall not require any indemnities except for such "gap" indemnity or require any escrows or holdbacks unless consented to by Seller, in each instance, in its sole and absolute discretion (all of the foregoing hereinafter collectively referred to as the "Seller' s Required Removal Items"). All title matters and exceptions set forth in the Title Commitment and any Title/Survey Update and the state of facts shown on the Survey which are not Objections, or which are thereafter deemed to be accepted or waived by Purchaser as hereinafter provided, other than the Seller' s Required Removal Items, are hereafter referred to as the "Permitted Exceptions".

4.1.2. If Purchaser notifies Seller within the Title/Survey Update Review Period of Objections which are not Permitted Exceptions, then within five (5) business days after

Seller' s receipt of Purchaser' s notice, Seller shall notify Purchaser in writing ("Seller' s Title Response Notice") of the Objections which Seller agrees to satisfy at or prior to the Closing, at Seller' s sole cost and expense, and of the Objections that Seller cannot or will not satisfy. Failure by Seller to respond to Purchaser by the expiration of said five (5) business day response period shall be deemed as Seller' s election not to cure the Objections raised by Purchaser. Notwithstanding the foregoing, Seller shall, in any event, be obligated to satisfy Seller' s Required Removal Items. If Seller chooses not to satisfy all or any of the Objections other than the Seller' s Required Removal Items, Seller shall notify Purchaser thereof within the allowed five (5) business day period, then Purchaser shall have the option to be exercised within five (5) business days following Purchaser' s receipt of the Seller' s Title Response Notice of either (i) terminating this Agreement by giving written notice of termination to Seller, whereupon (A) Purchaser shall receive a full return of the Deposit, and (B) except for obligations that this Agreement expressly states survive termination, neither party shall have any further rights against the other hereunder, or (ii) electing to consummate the purchase of the Project, in which case Purchaser shall be deemed to have waived such Objections, without any adjustment in the Purchase Price, and such Objections shall become "Permitted Exceptions" for all purposes hereunder. Failure by Purchaser to respond to Seller by the expiration of said five (5) business day response period shall be deemed its election to waive the applicable Objection(s), which shall automatically become "Permitted Exceptions". If, at or prior to the Closing, Seller is unable or unwilling to satisfy any Objections that Seller has agreed to satisfy in Seller' s Title Response Notice, subject to Seller' s rights in the immediately following sentence, Purchaser shall have the sole option, at Purchaser' s sole discretion and without having any other right or remedy, (i) to adjourn the Closing Date by giving written notice of such adjournment to Seller in order to allow Seller additional time to satisfy such Objections, (ii) to terminate this Agreement by giving written notice of termination to Seller, whereupon (A) Purchaser shall receive a full return of the Deposit, (B) except for obligations that this Agreement expressly states survive termination, neither party shall have any further rights against the other hereunder, and (C) Seller shall be obligated to reimburse Purchaser on demand all of Purchaser' s verifiable third-party, actual out-of-pocket costs and expenses in connection with its investigation of the Property and the transactions contemplated by this Agreement, up to the aggregate amount of $100,000.00, upon presentation of invoices therefor (the "Purchaser' s Reimbursement Cap"), or (iii) to close this transaction in accordance with the terms and provisions hereof and accepting title in its then existing condition with all matters set forth in the Title Commitment or on the Survey (other than Seller' s Required Removal Items and Objections that Seller has cured) being deemed to be Permitted Exceptions. Notwithstanding the foregoing, prior to Purchaser having the adjournment and/or termination rights described in subparagraphs (i)-(ii) of the immediately prior sentence, Seller shall have the right (but no obligation) to extend the Closing Date in order to cure any such Objections, in one or more adjournments, for a period not to exceed thirty (30) days in the aggregate.

4.1.3. It is a condition to Purchaser' s obligation to close that the Title Company shall be prepared to cause title to the Property to be insured with a 2006 ALTA Owners Policy of Title Insurance to Purchaser (the "Title Policy") , at Purchaser' s sole cost and expense, insuring Purchaser' s fee simple title to the Property, subject only to the Permitted Exceptions.

4.2 The Property is currently encumbered by a mortgage in the approximate outstanding principal balance of $70 million in favor of Manufacturer' s and Traders Trust Company (the "Existing Mortgage"). Seller shall reasonably cooperate and assist the Purchaser in arranging for an assignment of the Existing Mortgage to Purchaser' s designee, without representation, warranty or recourse by or to Seller, provided that (i) such cooperation by Seller shall be without charge or cost to Seller, (ii) all costs related to the assignment of the Existing Mortgage in lieu of a satisfaction of such Existing Mortgage (including, without limitation, all legal fees incurred by the holder of the Existing Mortgage), as distinguished from the amount required to pay the principal, interest, and any prepayment charges due to the holder of such Existing Mortgage in connection with such assignment, shall be Purchaser' s obligation to pay, (iii) such assignment shall not delay the Closing Date, and (iv) any net benefit to Purchaser in mortgage recording tax savings, will be split at Closing equally between Purchaser and Seller. In connection therewith, upon the assignment of the Existing Mortgage to Purchaser' s designee at Closing, Seller shall receive a credit from Purchaser for fifty percent (50%) of such mortgage recording tax savings amount at Closing, after deduction of all third party costs incurred by Purchaser related to such assignment (including, without limitation, all legal fees incurred by the holder of the Existing Mortgage). Seller shall not be responsible, in any manner whatsoever, for any failure of any holder of the Existing Mortgage to deliver an assignment of the Existing Mortgage. Purchaser acknowledges that Seller makes no representation of its ability to deliver an assignment from the holder of the Existing Mortgage encumbering the Property. If the holder of the Existing Mortgage does not assign the Existing Mortgage to Purchaser' s designee at Closing, then Seller shall be obligated, notwithstanding anything herein to the contrary, to obtain a satisfaction of the Existing Mortgage at the Closing (and Seller may use or instruct the Title Company to use any cash portion of the Purchase Price for the Property to satisfy the Existing Mortgage). If the holder of the Existing Mortgage does assign the Existing Mortgage to Purchaser' s designee at Closing, Seller shall use or instruct the Title Company to use a portion of the Purchase Price to pay the holder of the Existing Mortgage the principal, interest, and any prepayment charges due to such holder in connection with such assignment. Notwithstanding the foregoing (or anything herein to the contrary), in no event shall the Closing be contingent upon the assignment of the Existing Mortgage or any financing of the purchase of the Property by Purchaser.

Section 5. Closing Date. Provided that all of the conditions to Purchaser' s obligation to close shall be satisfied in accordance with Section 10 herein, and subject to adjournment by Seller or Purchaser, as the case may be, as provided in this Agreement, the sale contemplated by this Agreement shall be consummated and closed through an escrow arrangement with the Title Company on or before November 28, 2012, TIME OF THE ESSENCE, or such earlier or later date as the parties may mutually agree upon in writing. The terms and conditions of such escrow arrangement shall be consistent with the terms of this Agreement and shall otherwise be reasonably acceptable to Seller, Purchaser and the Title Company. The consummation and the closing of the purchase and sale of the Project as contemplated by this Agreement are herein referred to as the "Closing," and the date on which the Closing occurs is herein referred to as the "Closing Date."

Notwithstanding the foregoing, in addition to each party' s respective rights to adjourn the Closing Date pursuant to the express terms of this Agreement in the event certain of Purchaser' s conditions to Closing have not been satisfied, Purchaser shall have the

one-time right to extend the scheduled date of Closing for up to thirty (30) days by delivering written notice to Seller prior to the date on which the Closing is scheduled to occur and by depositing an additional earnest money deposit of $2,000,000.00 (the "Extension Deposit") with Title Company on or prior to the initially scheduled Closing Date (as the same previously may have been adjourned, if applicable).

Section 6. "AS IS". Purchaser acknowledges that prior to the Effective Date Purchaser has made such investigations and inspections of the Project and the books and records relating thereto as it has deemed necessary to satisfy itself as to all matters relating to its purchase of the Project. Except as otherwise expressly set forth herein, Purchaser shall purchase the Project in its "AS IS" condition as of the Effective Date, subject to reasonable wear and tear until Closing and subject to casualty damage as herein provided.

This Agreement and the Exhibits and Schedules attached hereto contain all the terms of the agreement entered into between the parties, and Purchaser acknowledges that neither Seller nor any representatives of Seller has made any representations or held out any inducements to Purchaser, other than those herein expressed. Without limiting the generality of the foregoing, Purchaser has not relied on any representations or warranties of Seller other than as expressly set forth herein or in any document executed by Seller pursuant to this Agreement, in either case express or implied, as to (i) the current or future real estate tax liability, assessment or valuation of the Property; (ii) the potential qualification of the Property for any and all benefits conferred by federal, state or municipal laws, whether for subsidies, special real estate tax treatment, insurance, mortgages, or any other benefits, whether similar or dissimilar to those enumerated; (iii) the availability of any financing for the purchase, alteration, rehabilitation or operation of the Property from any source, including but not limited to, state, city, or federal government or any institutional lender; (iv) the physical condition of the Property; or (v) compliance with any applicable law, rule or regulation, building code, zoning code and Environmental Law (defined in Section 8.1.15).

Except as set forth in Sections 8.4 and 16 herein, nothing in this Section 6 shall be deemed to limit Seller' s liability as expressly provided in this Agreement with respect to Seller' s representations, warranties, covenants and indemnities that survive the Closing.

The provisions of this Section 6 shall survive the Closing and conveyance of title to the Property.

Section 7. Satisfaction of Liens. If at the Closing there are any liens on the Property which Seller is obligated to pay and discharge, provided that Seller shall be permitted to bond over same, provided such bonded liens are omitted from the Title Policy, Seller shall have the right to instruct the Title Company to use any cash portion of the Purchase Price to satisfy the same. Provided that Seller shall have delivered to the Title Company at or before the Closing acceptable pay-off letters from any lien holders verifying the amounts to be paid at Closing to satisfy and release such liens of record and Seller authorizes the Title Company to use the Purchase Price (or a portion thereof) to pay such liens, such that the Title Company will issue at Closing the Title Policy without exception thereto, then the mere existence of any such liens to be satisfied and released out of the Purchase Price shall not be deemed unsatisfied Objections to title.

Section 8. Representations, Warranties and Covenants.

8.1 Seller hereby represents, warrants and covenants for the sole, exclusive and limited benefit of Purchaser as of the Effective Date and as of the Closing as follows:

8.1.1. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and is entitled to and has all requisite power and authority to own and operate its assets as they are presently owned and operated, to enter into this Agreement and to carry out the transactions contemplated hereby.

8.1.2. The execution of this Agreement by Seller, the consummation of the transactions herein contemplated, and the execution and delivery of all documents to be executed and delivered by Seller, have been or will be duly authorized by all requisite action on the part of Seller and this Agreement has been and all documents to be delivered by Seller pursuant to this Agreement, will be, duly executed and delivered by Seller and is or will be, as the case may be, binding upon and enforceable against Seller in accordance with their respective terms.

8.1.3. Neither the execution of this Agreement nor the carrying out of the transactions contemplated herein will result in any violation of or be in conflict with the instruments pursuant to which Seller was organized and/or operates, or any applicable law, rule or regulation of any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality (collectively, "Governmental Authority"), or of any instrument or agreement to which Seller is a party, nor will it result in the creation or imposition of any lien on the Project nor will it result in the termination or the right to terminate any agreement to which Seller is a party or which affects the Project and no consent or approval of any third party is required for the execution of this Agreement by Seller or the carrying out by Seller of the transactions contemplated herein.

8.1.4. Attached hereto as Schedule "1.5" is the Lease Schedule which (a) identifies all Tenant Leases in effect at the Project (b) contains a list of all Lease documents including the original leases, amendments, side letter agreements and guaranties, and (c) contains an aged receivables report, a list of Tenant security deposits, and a rent roll, all of which, to the best of Seller' s knowledge, are complete and accurate in all material respects.

As of the Effective Date, Seller has not entered into any Leases or other tenancies for any space in the Property other than those set forth on the Lease Schedule. As of the Effective Date, Seller has delivered or made available legible copies which, to the best of Seller' s knowledge, are true, correct and complete copies of each Lease (including all guarantees, amendments, letter agreements, addenda and/or assignments thereof) and sublease, if any, and any other agreements between Seller (or any affiliate of Seller) and a Tenant (or any affiliate of Tenant) described in the Lease Schedule.

Except as expressly set forth on the Lease Schedule:

(A) no Tenant has made any written claim or, to Seller' s knowledge, has any other claim, whether or not in writing: (i) that Seller has defaulted in performing any of its obligations under any of the Leases which has not heretofore been cured,

(ii) that any condition exists which with the passage of time or giving of notice, or both, would constitute any such default, (iii) that such Tenant is entitled to any reduction in, refund of, or counterclaim, offset, allowance, credit, rebate, concession or deduction against, or is otherwise disputing, any rents or other charges paid, payable or to become payable by such Tenant, including but not limited to CAM and other similar charges, or (iv) that such Tenant is entitled to cancel its Lease or to be relieved of its operating covenants thereunder. No Tenant has given Seller any written notice of its intention or desire to modify or terminate its Lease or requesting a reduction or abatement of rent or requesting consent to assign or terminate its Lease;

(B) all of the Leases are valid and are in full force and effect in accordance with their terms, and there is no default by the landlord or by any Tenant thereunder including, without limitation, default by a Tenant in the payment of rent, additional rent or other charges due and payable under the Leases. Seller has not sent a notice of termination with respect to any of the Leases;

(C) the Leases have not been modified, amended or supplemented and there are no other agreements or commitments (oral or written) between Seller and any of the Tenants;

(D)(i) no construction, alteration, decoration or other work remains to be performed under any Lease listed in Schedule "1.5" by the landlord thereunder, (ii) the cost of all such work to be performed by the landlord under any such Lease, including all amounts owed to all contractors, architects, and others who performed services in connection with the construction of such improvements, have been paid in full, and (iii) all construction allowances or other sums to be paid to any Tenants of the Leases listed in Schedule "1.5" have been paid in full. There are no written promises, understandings or commitments between Seller and any person or entity with respect to the foregoing which would be binding upon Purchaser other than those contained in the documents comprising the Leases listed in Schedule "1.5" hereof;

(E) all brokerage commissions and other compensation and fees payable by reason of the Leases have been fully paid for the current term of any Lease or, if not paid, shall be the obligation of Seller and either paid by Seller at or prior to Closing or credited to Purchaser at Closing. There exists no exclusive or continuing leasing or brokerage agreements as to any premises in the Property;

(F) no Tenant has paid any rent for any period of more than thirty (30) days in advance;

(G) each Tenant is now in possession of the premises leased to it under its Lease;

(H) to Seller' s knowledge, none of the Tenants has (1) filed a petition in bankruptcy in any federal or state court, (2) been the subject of a bankruptcy petition filed in any federal or state court that has not been dismissed or (3) has made an assignment for the benefit of creditors of all or a substantial portion of its assets;

(I) no renewal, extension or expansion options have been granted to any Tenant, except as set forth in such Tenant' s Lease;

(J) Subject to the rights of the holder of any existing mortgage financing on the Project, Seller has the sole right to collect rent under each Lease, and such right has not been assigned, pledged, hypothecated, or otherwise encumbered in any manner that will survive the Closing;

(K) neither Seller nor any affiliate of Seller has made a loan or other advance to, or has any ownership interest in, any Tenant or any affiliate of any Tenant;

(L) except for any security deposits as shown on Schedule "1.5", there are no security deposits that have been deposited with Seller or otherwise chargeable to Seller' s account by any party under the Leases;

(M) no Tenant is entitled to any free rent periods or rental abatements, concessions and other inducements for any period subsequent to Closing; and

(N) Seller has had no discussions with any Tenant regarding modifying or terminating its respective Lease which has not been reduced to writing.

8.1.5. Attached hereto as Schedule "1.9B" is a list of all Contracts. All amounts due and payable under Contracts have been paid and Seller has not received written notice of default under any of the Contracts nor, to Seller' s knowledge, are any parties in default under any of the Contracts.

8.1.6. There are no actions, suits or other proceedings by any person, firm, corporation, Tenant or by any Governmental Authority now pending or, to Seller' s knowledge, threatened against or affecting the Project or any part thereof, except those which are described on Schedule "8.1.6" nor, to Seller' s knowledge, are there any investigations pending or threatened against or affecting the Project by any Governmental Authority, except those which are described on Schedule "8.1.6". For purposes of Section 10.1 below, Purchaser acknowledges that the filing (or threat of filing) of any action, suit, or other proceeding of the type described herein after the Effective Date and prior to the date of Closing which is fully covered by insurance (subject to customary deductibles) shall not be considered a material adverse change.

8.1.7. Seller has no employees or employee benefit plans. Any employees at the Property are employees of the manager of the Property. Seller agrees to pay any amounts or damages which may be assessed against Seller, Purchaser or the Property for the termination of any such employee. There are no pending claims or, to Seller' s knowledge, any threatened claims against Seller by any employee whose employment is related to the Property. Purchaser shall not have any obligation with respect to any such employee, including to employ any such persons or to make any payment to them.

8.1.8. Seller has no knowledge of any pending or threatened (a) eminent domain proceedings affecting the Property, in whole or in part, or (b) action or proceeding to change road patterns or grades which would affect ingress to or egress from the Property. Seller has not and will not, without the prior written consent of Purchaser, take any action before any

Governmental Authority, the object of which would be to change the present zoning of or other land use limitations, upon the Property, or any portion thereof, or its potential use, and, to Seller' s knowledge, there are no pending proceedings, the object of which would be to change the present zoning or other land use limitations.

8.1.9. To Seller' s knowledge, there are no persons having any rights or asserting any claims for occupancy or possession of the Property, except Seller, the Tenants, as tenants only under the Leases, and benefited parties under any instruments of record, and no party has been granted by Seller any license, lease, or other right of possession of the Property, or any part thereof, except the Tenants under the Leases, and benefited parties under any instruments of record. The Lease Schedule sets forth a list of all subtenants and concessionaires of Tenants and assignees of Tenants known to or approved by Seller.

8.1.10. No amounts have been paid to Seller by Tenants, merchants and other associations for promotional funds or other similar contributions of payment. Seller does not hold any funds with respect to outstanding gift certificates.

8.1.11. Seller has received no written notice from any insurance company or board of fire underwriters requesting the performance of any work or alterations with respect to the Property that has not been performed or required an increase in insurance rates applicable to the Property as a result of work which has not been performed. Seller has received no written notice of default or cancellation under any insurance policies covering the Property.

8.1.12. On the Closing Date, there will be no contract or agreement in effect for the leasing or management of the Property for which Purchaser shall be bound.

8.1.13. All bills and claims for labor performed on behalf of Seller and materials furnished to Seller with respect to the Property for all periods prior to the Effective Date, including improvements constructed by Seller as the landlord under the Leases, which are properly due, have been (or prior to the Closing Date will be) paid in full.

8.1.14. Seller is not insolvent or bankrupt. Seller has not commenced (within the meaning of any federal or state bankruptcy law) a voluntary case, consented to the entry of an order for relief against it in an involuntary case, or consented to the appointment of a custodian of it or for all or any substantial part of its property, nor has a court of competent jurisdiction entered an order or decree under any federal or state bankruptcy law that is for relief against Seller in an involuntary case or appointed a custodian of Seller for all or any substantial part of its property.

8.1.15. Seller has not received any written notice from any Governmental Authority of the violation of any Environmental Laws (as hereinafter defined). "Environmental Laws" means all laws or regulations which relate to the manufacture, processing, distribution, use or storage of Hazardous Materials (as hereinafter defined). "Hazardous Materials" shall mean:

(i) Those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in the: Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42

U.S.C. § 9601 et. seq., as amended by the Superfund Amendments and Reauthorization Act or any equivalent state or local laws or ordinances; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 et. seq., as amended by the Hazardous and Solid Waste Amendments of 1984, or any equivalent state or local laws or ordinances; the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. § 136 et. seq. or any equivalent state or local laws or ordinances; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et. seq.; the Emergency Planning and Community Right-to-Know Act ("EPCRA"), 42 U.S.C. § 11001 et. seq. or any equivalent state or local laws or ordinances; the Toxic Substance Control Act ("TSCA"), 15 U.S.C. § 2601 et. seq. or any equivalent state or local laws or ordinances; or the Occupational Safety and Health Act, 29 U.S.C. § 651 et. seq. or any equivalent state or local laws or ordinances;

(ii) Those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto);

(iii) Any material waste or substance which is (A) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1251 et seq. (33 U.S.C. § 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 1317) or (B) radioactive materials; and

(iv) These substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substances" or "solid waste" in the Hazardous Waste Management Act of 1978.

Attached hereto as Exhibit "F" is a list of all environmental reports and any written communications with the New York State Department of Environmental Conservation in Seller' s possession relating to the Property.

8.1.16. Seller has received no written notice of any new assessments or special assessments that have not been previously charged or placed of record with respect to the Property are pending, contemplated or threatened with respect to the Property Seller has received no written notice of any proceedings pending for the increase of the assessed valuation of the Property.

8.1.17. Except as set forth on Schedule "8.1.17", there are no utility deposits posted by Seller with respect to the Property.

8.1.18. Except for the right of first refusal expressly described in Schedule "8.1.18", which has been waived by the party(ies) benefitted thereby, there are no options to purchase or rights of first refusal to purchase the Project affecting or relating to the Project or any portion thereof.

8.1.19. No construction agreements, contracts or plans or any agreements, contract or plans relating to any current or proposed capital expenditures or repairs relating to the Property have been entered into on behalf of Seller which are currently in force and effect. Seller has not entered into any undertakings or commitments with any Governmental

Authority, which require the payment of money or the performance of any duty in connection with the ownership of the Property, which will be in effect as of Closing. Seller has not received any written notice from any Governmental Authority having jurisdiction over the Property or from any other person of and, to Seller' s knowledge, there does not exist any other obligation to any such Governmental Authority for the performance of any capital improvements or other work to be performed by Seller in or about the Property or donations of monies or land (other than general real estate taxes) which has not been completely performed and paid for, which will be in effect as of Closing.

8.1.20. Except for the building code violations set forth on Schedule 8.1.20, which are the responsibility of BJ' s Wholesale under the terms of its Lease, Seller has not received any written notice that the Property is in violation in any material respect of any federal, state or local governmental order, regulation, statute, code or ordinance (including, without limitation, The Americans With Disabilities Act and zoning laws, regulations and ordinances) dealing with the ownership, use, construction, operation, safety or maintenance thereof, which has not heretofore been cured.

8.1.21. As of the Effective Date, Seller has not received any written notice that the Property or any Tenant is in violation of any restriction, condition, or agreement contained in any easement, restrictive covenant, or similar instrument or agreement affecting title to the Property or any portion thereof.

8.1.22. To Seller' s knowledge, the Property Information delivered to Purchaser pursuant to Section 3.1 constitutes true, correct and complete copies of such Property Information in Seller' s possession.

8.1.23. As used in this Agreement, the term "Seller' s knowledge" means knowledge of Robert Masters and Jeremy Hill. Seller represents and warrants that Robert Masters and Jeremy Hill are the persons within Seller' s organization having the most comprehensive knowledge of the matters set forth in this Section 8.1. Such individuals shall have no personal liability under this Agreement or otherwise with respect to the Property.

8.2 Purchaser hereby warrants and represents for the sole, exclusive and limited benefit of Seller as of the Effective Date and as of the Closing, as follows:

(a) Purchaser is and will continue at all times to be until the Closing an entity, duly and validly existing in the state of its formation.

(b) The execution of this Agreement by Purchaser, the consummation of the transactions herein contemplated, and the execution and delivery of all documents to be executed and delivered by Purchaser, have been or will be, prior to the Closing, duly authorized by all requisite action on the part of Purchaser and this Agreement has been, and all documents to be delivered by Purchaser pursuant to this Agreement, will be, duly executed and delivered by Purchaser and is or will be, as the case may be, binding upon and enforceable against Purchaser in accordance with their respective terms;

(c) Neither the execution of this Agreement nor the carrying out by Purchaser of the transactions contemplated herein will result in any violation of or be in conflict with the instruments pursuant to which Purchaser was organized and/or operates, or any

applicable law, rule or regulation of any Governmental Authority, or of any instrument or agreement to which Purchaser is a party and no consent or approval of any third party is required for the execution of this Agreement by Purchaser or the carrying out by Purchaser of the transactions contemplated herein.

8.3 Office of Foreign Asset Control and Anti-Money Laundering:

(a) Seller and Purchaser each represents and warrants to the other that: (i) they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation listed by the United States Treasury Department as a Specially Designated National and Blocked Person ("SDN List"), or for or on behalf of any person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and (ii) they are not engaged in this transaction directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity or nation.

(b) Seller and Purchaser each represents and warrants to the other that they are not a person and/or entity with whom United States Persons are restricted from doing business under the International Emergency Economic Powers Act, 50 U.S.C. §1701 et seq.; the Trading with the Enemy Act, 50 U.S.C. App. §5; any executive orders promulgated thereunder; any implementing regulations promulgated thereunder by the U.S. Department of Treasury Office of Foreign Assets Control ("OFAC") (including those persons and/or entities named on the SDN List); or any other applicable law of the United States.

(c) Seller and Purchaser each represents and warrants to the other that no person and/or entity who is named on the SDN List has any direct interest in Seller or Purchaser with the result that the direct investment in Seller or Purchaser is prohibited by any applicable law of the United States.

(d) Seller and Purchaser each represents and warrants to the other that none of the funds of Seller and Purchaser have been derived from any unlawful activity with the result that the direct investment in Seller or Purchaser is prohibited by applicable law of the United States.

(e) Seller and Purchaser each represents and warrants to the other that they are not in violation of the U.S. Federal Bank Secrecy Act, as amended by Title III (the "International Money Laundering Abatement and Financial Anti-Terrorism Act") of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "Patriot Act"), Public Law 107-56; its implementing regulations promulgated by the U.S. Department of Treasury Financial Crimes Enforcement Network ("FinCEN") (31 CFR Part 103); or any other anti-money laundering law of the United States.

(f) Seller and Purchaser each agree that in the event of a breach of this Section 8.3 or any applicable law relating to the subject of this Section 8.3, the non-breaching party may take such action as may be necessary in order to comply with this provision and/or the applicable law, including, but not limited to, terminating this Agreement.

For purposes of this Section 8.3, Purchaser' s representations and warranties as they relate to its investors is based on information provided by its U.S. broker dealer network in connection with

the normal and customary investor screening practices used by its U.S. broker dealer network. Purchaser has and will continue to rely exclusively on its U.S. broker dealer network to implement the normal and customary investor screening practices mandated by applicable law and FINRA regulations.

8.4 Between the Effective Date and the Closing, if any representation or warranty contained in Section 8.1 or 8.2 shall fail to be true and correct then the party making such representation and warranty shall promptly notify the other party; provided, however, that any liability and/or remedy to the injured party as a result thereof, if any, shall be strictly subject to the provisions of Section 16 herein.

Section 9. Operation of Property Prior to Closing; Exclusivity.

9.1 From the Effective Date until the Closing or sooner termination of this Agreement, Seller covenants as follows: (a) Seller shall continue to operate the Project in the manner in which it presently operates the Project; (b) Seller will maintain the existing insurance covering the Property or if any of such policies is expiring such policies shall be replaced with new policies containing the same coverage; (c) Seller will not remove any of the Fixtures unless it replaces the same with Fixtures of the same quality; (d) subject to the terms of Section 9.6 below, Seller will continue to maintain the Project in its present order and condition, reasonable wear and tear excepted, make all necessary repairs and replacements thereto and deliver the Project at the Closing in substantially the same condition it is in on the Effective Date, reasonable wear and tear and damage by fire or other casualty excepted; (e) Seller will give prompt written notice to Purchaser of any fire or other casualty affecting the Property after the Effective Date; (f) Seller will deliver to Purchaser, promptly after receipt by Seller, a copy of (i) all current written default and other material notices to and from Tenants; (ii) all current written default and other material notices from the service providers under any Contracts; and (iii) all written notices of any Violations and any other material notices received from any Governmental Authority with respect to the Property; (g) Seller shall not alter, amend or become a party to any new Contract unless the Contract is terminable within thirty (30) days after the Closing of the Project and such termination can occur without penalty or other cost to Purchaser, without Purchaser' s prior written consent, which Purchaser may withhold in its sole and absolute discretion; (h) without the prior written approval of Purchaser in accordance with Section 9.3 below, Seller shall not terminate the Lease of any Key Tenant (as defined in Exhibit "D-2" hereto) without Purchaser' s prior written consent; (i) Seller will not apply any security deposits held by Seller under any of the Leases except in connection with the termination of a Lease due to a material default by the Tenant thereunder; (j) Seller shall perform its obligations under all Leases and all Must Assume Contracts; (k) Seller shall not settle any condemnation claim or insurance casualty claim without Purchaser' s prior written consent not to be unreasonably withheld or delayed; and (l) Seller shall promptly notify Purchaser if Seller receives notice or knowledge of any information that would result in a misrepresentation under Section 8.1 hereof; provided, however, that any liability and/or remedy to the injured party as a result thereof, if any, shall be strictly subject to the provisions of Section 16 herein; and (m) if requested by Purchaser, Seller shall reasonably endeavor and assist with Purchaser' s request to obtain subordination, non-disturbance and attornment agreements ("SNDAs") from the Tenants pursuant to the Leases in the form provided by Purchaser or on the controlling form of such Lease; provided that (x) the receipt of the SNDAs by Purchaser shall not be a condition to Closing, and (y) the failure to receive the SNDAs shall not constitute a default by Seller hereunder or closing deliverable hereunder.

9.2 Seller covenants on or prior to the Closing to pay or satisfy (or credit to Purchaser as provided in Section 14.1.7 hereof) all commissions or referral fees with respect to all Leases listed on Schedule "1.5" hereto for the current term of any Leases. Except as otherwise provided in Section 25 hereof with respect to Leases of Suite L and Suite G5, any commission or referral fee with respect to any Lease entered into after the Effective Date with the consent of Purchaser pursuant to the provisions of Section 9.3 hereof, and any commission or referral fee with respect to any subsequent Lease term under any existing Lease, shall be the sole responsibility of Purchaser from and after Closing. The provisions of this Section shall survive Closing.

9.3 From the Effective Date until the Closing or sooner termination of this Agreement, Seller shall not enter into any new Lease without the prior written approval of Purchaser (which shall not be unreasonably withheld, delayed or conditioned) nor shall it renew, amend, modify, extend or terminate any Lease or grant any new rent abatement or concessions to existing tenants without the prior written approval of Purchaser (which shall not be unreasonably withheld, delayed or conditioned). Seller shall notify Purchaser of any proposed amendment, modification or termination of a Lease or any proposed new Lease in writing, including the identity of the proposed tenant, together with a summary of the terms thereof in reasonable detail, and Purchaser shall notify Seller in writing within five (5) business days of receipt of its consent thereto or of any objections thereto together with the reasons therefor. In the event Purchaser shall not notify Seller whether or not Purchaser consents to any such amendment, modification or termination of a Lease or any such new Lease within five (5) business days following Purchaser' s receipt of Seller' s notification thereof, such amendment, modification or termination of a Lease or such new Lease shall be deemed approved by Purchaser. From the Effective Date until the Closing, Seller will not consent to any request by a Tenant for permission to assign its Lease or sublet its leased premises (or any part thereof) to the extent Seller, as landlord, has the right to approve or consent to such assignment or subletting without obtaining Purchaser' s prior written consent thereto, which consent shall not be unreasonably withheld, conditioned or delayed.

9.4 From the Effective Date until the Closing Seller shall not enter into any construction contract, architectural agreement, or other similar agreement relating to the design, development or construction of any tenant improvements or other improvements to the Property without the prior written approval of Purchaser (which shall not be unreasonably withheld, delayed, or conditioned).

9.5 Within five (5) day after the Effective Date, Purchaser will advise Seller in writing of any Contracts which Purchaser requires that Seller terminate prior to Closing, except for any Must-Assume Contracts; provided that in any event Seller shall terminate any existing management and leasing agreement(s) with respect to the Project on or before the Closing Date and provided that Purchaser agrees that Seller shall have at least thirty (30) days to terminate any Contract, in the event that, if such Contracts still have an unfinished period to run before termination as of the Closing Date (i.e., since any Contract termination period has not then expired notwithstanding Seller having delivered such termination notice), then Purchaser shall

credit Seller at Closing monthly charges under such Contracts which are applicable, on a pro rata basis, to the period of time (but in no event for a period more than 30 days) after the Closing prior to such Contracts' termination. Seller shall be responsible for any termination fees or charges incurred in connection with any Contracts which Purchaser does not elect and is not required to assume at Closing. Purchaser shall be responsible for any termination fees or charges incurred in connection with the termination of any Must-Assume Contracts.

9.6 Prior to the Closing, Seller shall repair all damages to the Property caused by Hurricane Sandy, except to the extent that any such repairs are the responsibility of the Tenants under the terms of the Leases.

9.7 From the Effective Date until the Closing or sooner termination of this Agreement, Seller agrees that neither Seller nor any agent, partner or subsidiary or affiliate of Seller shall be permitted to enter into agreements to sell the Property.

Section 10. Conditions to Obligations to Close. The obligations of Purchaser to consummate the transactions contemplated herein shall be subject to the fulfillment of the following conditions ("Purchaser' s Conditions"), any of which may be waived by Purchaser in its sole and absolute discretion:

10.1 The representations and warranties of Seller made herein shall be true and correct in all material respects when made, and there shall not have occurred changes in any such representations or warranties prior to Closing which, together with any adverse matters disclosed in the REA Estoppel referred to in Section 10.5 below and in the Estoppel Certificates referred to in Section 11.2, are reasonably anticipated to have an adverse economic impact, in the aggregate, which would exceed the Floor (as defined in Section 16 herein).

10.2 Seller shall have performed and complied with all material covenants and agreements made herein and Seller shall have delivered to the Title Company all of the closing documents required pursuant to Section 11.1 hereof.

10.3 Purchaser' s receipt of the Required Tenant Executed Estoppels (as hereinafter defined) or Seller Estoppel Certificates, if applicable, pursuant to Section 11.2.

10.4 Delivery of possession of the Property to Purchaser subject only to the Permitted Exceptions.

10.5 Receipt of an executed estoppel certificate in the form attached as Exhibit "C-7" hereto and made a part hereof from the party named therein, or in such other form as required pursuant to the terms of the REA referenced therein, and indicating no defaults or disputes which, together with any adverse changes in the representations and warranties of Seller as referenced in Section 10.1 above and adverse matters disclosed in the Estoppel Certificates referred to in Section 11.2, are reasonably anticipated to have an adverse economic impact, in the aggregate, which would exceed the Floor (the "REA Estoppel").

10.6 As of the Closing Date, except for Tenants leasing not more than 2,800 square feet of gross leasable area in the aggregate, (a) no Tenants shall have (i) filed a petition in bankruptcy, (ii) been adjudicated insolvent or bankrupt, (iii) petitioned a court for the

appointment of any receiver of or trustee for it or any substantial part of its property, (iv) commenced any proceeding under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect, (v) become the subject of an involuntary bankruptcy petition, (vi) vacated its leased premises, or (vii) had its Lease terminated; (b) there shall not have been commenced and be pending against any Tenant any proceeding of the nature described in subparagraph (a) of this subsection; and (c) no order for relief shall have been entered with respect to any Tenant.

10.7 Delivery to Purchaser of evidence that any existing management agreement and/or leasing agreement entered into by Seller with respect to the Property has been terminated.

10.8 Delivery to Purchaser of copies of any existing warranties for the Property.

10.9 The execution by the New York City Economic Development Corporation and Seller of a Second Modification of Covenants and Restrictions in the form attached to that certain letter dated October 9, 2012 from the New York City Economic Development Corporation to the Seller, a copy of which letter is attached hereto as Schedule "10.9", and the delivery of such Second Modification to the Title Company for recording in connection with the Closing.

10.10 Satisfaction of the additional conditions set forth on Schedule "10.10" attached hereto.

In the event any of the Purchaser' s Conditions shall not be satisfied as of the Closing Date, subject to Seller' s rights to extend the Closing Date pursuant to the final sentence of this paragraph, Purchaser shall have the right, at Purchaser' s sole discretion, (i) to adjourn the Closing Date by giving written notice to Seller in order to allow Seller additional time to satisfy Purchaser' s Conditions, or (ii) to terminate this Agreement by giving written notice to Seller and receive a return of the Deposit and any amount owing under Section 16 hereof, whereupon neither party shall have any further rights or obligations hereunder except for any provisions of this Agreement that expressly survive termination, or (iii) to obtain specific performance of Seller' s performance of Seller' s obligations under this Agreement in accordance with and subject to the terms of Section 16.2 hereof, in the case of a failure of Seller to deliver to the Title Company all of the closing documents required pursuant to Section 11.1 below, or (iv) to waive such condition. In the event that Purchaser elects to adjourn the Closing Date as provided herein, subject to the following sentence, and in the event any of Purchaser' s Conditions shall remain unsatisfied at the end of such adjournment, Purchaser shall have the right at Purchaser' s sole discretion and without limiting any other right or remedy of Purchaser, to terminate this Agreement pursuant to item (ii) of the preceding sentence or to waive such condition. Notwithstanding the foregoing or anything herein to the contrary, prior to Purchaser' s right to either terminate the Agreement in accordance with this paragraph, in the event any of the Purchaser' s Conditions shall not be satisfied as of the Closing Date, Seller shall have the right, in Seller' s sole discretion, to adjourn the Closing Date one or more times, but no more than thirty (30) days in the aggregate, by giving written notice to Purchaser, in order to allow Seller additional time to satisfy such Purchaser' s Conditions.

Section 11. Closing Documents.

11.1 At the Closing, Seller shall deliver the following documents to the Title Company except for the Leases, Contracts and materials referred to in Section 11.1.13, as to which delivery at Closing shall be coordinated with Purchaser:

11.1.1. a bargain and sale deed executed by Seller and acknowledged by a notary public and in proper form for recording conveying fee title to the Property to Purchaser subject only to the Permitted Exceptions;

11.1.2. a certified schedule executed by Seller in the form of the Lease Schedule attached hereto as Schedule "1.5" updating and recertifying the information set forth in the Lease Schedule attached hereto as Schedule "1.5", including the rent roll for the Property, updated to the date and time of Closing and certified by Seller to be complete and accurate in all material respects to the best of Seller' s knowledge;

11.1.3. assignments of Seller' s interest in all the Leases in the form of Exhibit "C-1" attached hereto and made a part hereof executed by Seller;

11.1.4. a notice to all Tenants advising them of the transfer of title to the Property in the form of Exhibit "C-2" attached hereto and made a part hereof executed by Seller;

11.1.5. bill of sale in the form of Exhibit "C-3" attached hereto and made a part hereof executed by Seller;

11.1.6. an assignment transferring Seller' s right, title and interest in and to Warranties, Approvals and Intangibles, if any, in the form of Exhibit "C-4" attached hereto and made a part hereof executed by Seller;

11.1.7. a FIRPTA Affidavit executed by Seller stating that Seller is not a foreign person (as defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder);

11.1.8. an assignment of the Contracts (other than those that Purchaser has elected not to assume), in the form of Exhibit "C-5" attached hereto and made a part hereof executed by Seller;

11.1.9. a notice letter in the form of Exhibit "C-6" attached hereto and made a part hereof executed by Seller to each vendor under a Contract being assigned advising the vendor of the transfer of the Property and the assignment and assumption of the applicable Contract with stamped addressed envelopes and completed certified mail return receipt cards;

11.1.10. a closing statement setting forth the Purchase Price and all closing credits and adjustments expressly provided for in this Agreement ("Closing Statement") executed by Seller;

11.1.11. such authorization documentation of each party comprising Seller and such other instruments and documents executed by Seller (including without limitation, an owner' s title affidavit and gap indemnity) as shall be reasonably required by the Title Company to consummate this transaction;

11.1.12. subject to the terms of Section 4.1.1 hereof, a title affidavit and customary "gap indemnity" executed by Seller containing the minimum representations and agreements which the Title Company shall reasonably require in order to issue the Title Policy free of Seller' s Required Removal Items;

11.1.13. the fully executed Second Modification of Covenants and Restrictions referenced in Section 10.9 above;

11.1.14. Seller' s certification that it has completed the repairs identified on PetSmart' s Warranty List dated August 28, 2012;

11.1.15. such other instruments and documents which shall be necessary in connection with the transaction contemplated herein and which do not impose, create, or potentially create any liability or expense upon Seller not expressly required under this Agreement; and

11.1.16. to the extent not previously delivered by Seller to Purchaser, the Tenant Executed Estoppels, the REA Estoppel and any other documents contemplated by Section 10; and to the extent not previously delivered by Seller to Purchaser, (a) records and files which are in Seller' s possession or control relating to the current operation and maintenance of the Project, including, without limitation, current tax bills, current water, sewer, utility and fuel bills, payroll records, billing records for Tenants, repair and maintenance records and the like which affect or relate to the Project, (b) all documents necessary to conduct 2012 Tenant reconciliations as described in Section 14 hereof, including, without limitation, a CAM reconciliation for the period from January 1, 2012 to the Closing Date, (c) all architectural and engineering plans and specifications relating to the Property in Seller' s possession or control, and (d) all original Leases and Contracts, Approvals, and Warranties. Seller' s obligation to provide the files and materials listed herein shall survive the Closing.

Seller and Purchaser shall cooperate in preparing the Closing Statement, beginning no less than three (3) business days prior to the Closing Date.

11.2 Seller shall diligently and in good faith endeavor to obtain and deliver to Purchaser estoppel certificates dated not sooner than within thirty (30) days of the Closing Date in the form of Exhibit "D-1" attached hereto and made a part hereof (or in such form as may be prescribed under any Lease or in the form required by any Tenant' s lease, provided same are certified to Purchaser, Purchaser' s lender and their respective successors and assigns) ("Estoppel Certificate") duly executed by each of the Tenants of the Property. Estoppel Certificates in the form described above executed by Tenants and that (1) are dated not sooner than within thirty (30) days of the Closing Date, (2) have all blanks completed or marked not applicable, as appropriate, (3) have all exhibits completed and attached, as applicable, (4) do not indicate: (x) any material discrepancy from the Rent Roll or Leases, (y) any Lease amendment that was not previously provided by Seller to Purchaser pursuant to Section 3.1, or (z) any adverse claim or landlord default which, together with any adverse changes referenced in Section 10.1, any

adverse matters referred to in Section 10.5, and any adverse matters disclosed in other Estoppel Certificates, is reasonably anticipated to have an adverse economic impact, in the aggregate, which would exceed the Floor (items (1)-(4) being collectively referred to herein as the "Estoppel Requirements") are herein referred to as the "Tenant Executed Estoppels," it being agreed that the inclusion of qualifications as to knowledge shall not cause any Estoppel Certificate to be non-compliant. Claims of any Tenant set forth in any Estoppel Certificate shall not be deemed (alone or in combination with other matters), to cause such Estoppel Certificate not to be a Tenant Executed Estoppel unless the facts underlying such claims are materially inconsistent with Seller's representations or agreements under this Agreement. Without limiting the generality of the foregoing sentence, an Estoppel Certificate shall be a Tenant Executed Estoppel notwithstanding that such Estoppel Certificate may contain claims that are based on (i) facts disclosed in writing to Purchaser prior to Purchaser's execution of this Agreement or (ii) an assertion by any Tenant that there are amounts due from Seller to such Tenant allocable to periods prior to the Closing and for which amounts Seller has advised Purchaser prior to the Closing, without being under any obligation to do so, that it shall pay at or prior to Closing. It shall be a condition to Purchaser's obligation to purchase the Property that Seller shall have obtained Tenant Executed Estoppels from (i) all Tenants listed on Exhibit "D-2" annexed hereto (the "Key Tenants") and (ii) Tenants leasing at least seventy-five (75%) of the square footage of the leased portion of the remainder of the Project (after subtracting the square footage leased by the Key Tenants) (collectively, the "Required Tenant Executed Estoppels") by the Closing. In the event that Seller is unable to obtain the Required Tenant Executed Estoppels prior to the scheduled date for Closing, Seller shall have the right to extend the Closing Date for up to thirty (30) days in the aggregate to obtain such Tenant Executed Estoppels. In addition, Seller shall have the option, but in no event shall be under any obligation, to deliver an Estoppel Certificate executed by Seller that satisfies the Estoppel Requirements (a "Seller Estoppel Certificate") for each Lease, other than the Leases of the Key Tenants, for which Seller does not obtain a Tenant Executed Estoppel, and Purchaser agrees to accept same in the place of Tenant Executed Estoppels with respect to Tenants leasing up to fifty percent (50%) of the square footage in the Center not leased by the Key Tenants. Notwithstanding the foregoing, if, subsequently, Purchaser receives a Tenant Executed Estoppel for which Seller had previously delivered a Seller Estoppel Certificate, Seller shall be released from any liability in regards to its Seller Estoppel Certificate, it being acknowledged that thereafter such Tenant Executed Estoppel shall replace such Seller Estoppel Certificate. In the event that Seller fails to extend the Closing Date as permitted hereunder to obtain the Required Tenant Executed Estoppels or fails, after exercising such thirty (30) day extension, to satisfy the requirements of this Section 11.2, Purchaser shall have the right to (x) terminate this Agreement by giving written notice of termination to Seller, whereupon (A) Purchaser shall receive a full return of the Deposit, and (B) except for obligations that this Agreement expressly states survive termination, neither party shall have any further rights against the other hereunder, or (y) adjourn the Closing Date for a period not exceeding thirty (30) days by giving written notice to Seller in order to allow Seller additional time to obtain the Required Tenant Executed Estoppels. Seller agrees to forward any Tenant Executed Estoppels received by Seller from a Tenant to Purchaser promptly after Seller's receipt of same.

11.3 At the Closing, Purchaser shall deliver the following documents in addition to payment of the balance of the Purchase Price:

11.3.1. evidence reasonably satisfactory to Seller of Purchaser' s authority to execute and deliver this Agreement and the documents to be delivered by it pursuant thereto;

11.3.2. an instrument of assumption of all of Seller' s obligations under the Leases in the form of Exhibit "C-1" executed by Purchaser;

11.3.3. an instrument of assumption of all of Seller' s obligations under those Contracts being assumed by Purchaser, in the form of Exhibit "C-5" executed by Purchaser;

11.3.4. the Closing Statement executed by Purchaser; and

11.3.5. such other instruments or documents which shall be necessary in connection with the transaction herein contemplated and which do not impose, create, or potentially create any liability or expense upon Purchaser not expressly required under this Agreement, including any transfer tax forms.

The acceptance of the Deed by Purchaser shall be deemed to be full performance and discharge of any and all obligations on the part of Seller to be performed pursuant to the provisions of this Agreement, except where such agreements and obligations are specifically stated to survive.

11.4 With respect to the $2,500,000 letter of credit delivered by BJ' s Wholesale Club, Inc. to Seller under its Lease, Seller will deliver to Purchaser at Closing the original letter of credit and an executed counterpart of the related transfer request form, directing the issuer of such letter of credit to transfer such letter of credit to Purchaser in the full amount thereof. In addition, following the Closing, upon the request of Purchaser, Seller will execute and deliver any supplemental documents required by the issuer of such letter of credit in order to transfer such letter of credit to Purchaser, provided any such additional documents do not impose any additional liability or expense upon Seller.

Section 12. Brokerage. Each of Seller and Purchaser represents and warrants to the other that no brokers, finders or other parties have been involved with it in this transaction except HFF, LP ("Broker"). Seller shall pay a commission to Broker with respect to the transaction contemplated herein pursuant to a separate written agreement between Seller and Broker and shall indemnify, defend and hold Purchaser harmless against any costs, claims or expenses, including reasonable attorneys' fees, arising out of any claim by Broker for such commission. Seller and Purchaser shall indemnify, defend and hold harmless the other against any costs, claims or expenses, including reasonable attorneys' fees, arising out of the breach of their respective representations and/or agreements hereunder. The provisions of this Section shall survive the Closing.

Section 13. Notices. All notices or other communications hereunder to either party shall be (i) in writing and shall be deemed to be given on the earlier to occur of (a) actual receipt, (b) the date of electronic or facsimile transmission in the case of delivery by facsimile or electronic mail (provided that the original thereof shall be promptly sent by overnight courier for next business day delivery), (c) the following business day after the date of delivery to a nationally recognized overnight courier service, or (d) the third business day after deposit of both

the original and copy as provided below in a regularly maintained receptacle for the United States mail, by registered or certified mail, return receipt requested, postage prepaid, addressed as provided hereinafter, and (ii) addressed:

If to Purchaser:	Series D, LLC c/o Cole Real Estate Investments 2325 E. Camelback Road, Suite 1100 Phoenix, Arizona 85016 Attention: Legal Department-Real Estate Facsimile Number: 480-449-7012 E-mail: Jpons@colecapital.com
With a copy to:	Morris, Manning & Martin, LLP 1600 Atlanta Financial Center 3343 Peachtree Road, NE Atlanta, Georgia 30326 Attention: Andrew C. Williams, Esq. Facsimile Number: 404-365-9532 E-mail: Awilliams@mmmlaw.com
If to Seller:	Canarsie Plaza LLC c/o Acadia Realty Trust 1311 Mamaroneck Avenue, Suite 260 White Plains, New York 10605 Attention: Robert Masters, General Counsel Facsimile Number: 914-428-2380 E-mail: rmasters@acadiarealty.com

The time period within which a response to any notice or request must be given, if any, shall commence to run from the date of actual receipt of such notice, request, or other communication by the addressee thereof. The above address may be changed by written notice to the other party; provided that no notice of a change of address, facsimile number or e-mail address shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

Section 14. Prorations and Costs.

14.1 Prorations. Purchaser and Seller shall apportion as of midnight of the day preceding the Closing, the items hereinafter set forth. Any errors or omissions in computing apportionments at Closing shall be promptly corrected. The obligations set forth in this Section 14 shall survive the Closing. The items to be adjusted are:

14.1.1. City ad valorem taxes and other assessments for the tax year in which the Closing occurs.

14.1.2. all base rent, percentage rent and additional rent and similar charges to the extent collected by Seller. Any base rent, percentage rent, additional rent or other charges received from a Tenant after the Closing shall be applied in the following order of priority:

1. First, to the rents owing for the calendar month in which the Closing occurred;

2. Second, to any rents then owing for any calendar month or months following the calendar month in which the Closing occurred; and

3. Third, to rents owing for any calendar month or months preceding the calendar month in which the Closing occurred until the Tenant, under the applicable Lease, is current.

For a period of six (6) months after the Closing, Purchaser shall bill Tenants for all amounts due under their Leases accruing prior to the Closing (including, without limitation, base rent, additional rent, percentage rent or other Tenant charges for the year 2012) and shall use reasonable efforts to collect from Tenants any base rent, additional rent, percentage rent or other Tenant charges owing with respect to the period prior to the Closing. To the extent delinquent amounts for base rents, additional rents, percentage rents and other tenant charges for the period prior to the Closing ("Delinquent Rents") are collected by Purchaser, subject to clauses 1, 2 and 3 above, such amounts, net of reasonable costs of collection, including without limitation, reasonable attorney' s fees, shall be paid to Seller no later than ten (10) business days following the date on which such amounts have been received by Purchaser or its agent. Purchaser shall not be obligated to expend any funds or commence legal proceedings to collect any Delinquent Rents. In no event shall Seller commence or pursue any legal proceedings against any Tenant after the Closing other than actions against Key Tenants for non-payment of rent. Any such action must be commenced within sixty (60) days after Closing, and Seller shall not have the right to seek eviction. Further, in the event Seller commences any such action and the applicable Tenant names Purchaser as a third party defendant or otherwise causes Purchaser to be named in any such action, Seller shall indemnify and defend Purchaser from such claims except with respect to any claims asserted by such Tenant relating to matters arising after the Closing.

At Closing, percentage rents shall be separately apportioned based on the percentage rents actually collected by Seller. Such apportionment shall be made separately for each Tenant who is obligated to pay percentage rent on the basis of the fiscal year set forth in the Tenant' s Lease for the determination and payment of percentage rent. Any percentage rent received from a Tenant after the Closing shall be applied as follows: (a) Purchaser shall be entitled to a prorata portion of such percentage rent payment based on the number of days within the applicable percentage rent fiscal year period that Purchaser owned the Project and (b) Seller shall be entitled to a prorata portion of such percentage rent payment based on the number of days within the applicable percentage rent period that Seller owned the Project.

No later than one (1) year after the Closing Date (the "Final Adjustment Date"), Seller and Purchaser shall make a final adjustment in accordance with the provisions of this Section 14.1 of percentage rent and other items of additional rents for which final adjustments or prorations could not be determined at the Closing, if any, because of the lack of

actual statements, bills or invoices for the current period, the year end adjustment of common area maintenance, taxes and like items, the unavailability of final sales figures or amounts for percentage rent or any other reason. Except to the extent otherwise provided in Section 14.1.3, any net adjustment in favor of Purchaser or Seller is to be paid in cash by the other no later than ten (10) business days after such final adjustment has been made.

14.1.3. To the extent Tenants pay monthly estimates of common area maintenance charges, central plant charges, taxes and similar expenses (collectively, "Charges") with an adjustment at the end of each fiscal year applicable to Charges, they shall be prorated in accordance with this Section. Until the adjustment described in this Section is made, all amounts received by Seller as interim payments of Charges before the Closing Date shall be retained by Seller, except that all interim payments received by either party for the month in which the Closing Date occurs shall be prorated as between Seller and Purchaser based upon the number of days in that month and the party receiving the interim payment shall remit to (if received on or after the Closing Date) or credit (if received before the Closing Date) the other party its proportionate share. All amounts received by Purchaser as interim payments of Charges on or after the Closing Date shall be retained by Purchaser until year end adjustment and determination of Seller' s allocable share thereof except to the extent provided in Section 14.1.2 above. No later than the Final Adjustment Date, Seller' s allocable share of actual Charges for Leases in effect as of the Closing Date shall be determined by multiplying the total payments due from each Tenant for such fiscal year (the sum of estimated payments plus or minus year end adjustments) by a fraction, the numerator of which is Seller' s actual cost of providing common area maintenance services and taxes (as the case may be) prior to the Closing Date (within that portion of the fiscal year prior to the Closing Date in which the applicable Lease is in effect), and the denominator of which is the cost of providing such services and paying such taxes for the entire fiscal year (or that portion of the fiscal year in which the applicable Lease is in effect). If, on the basis of amounts actually incurred and the estimated payments received by Seller, Seller has retained amounts in excess of its allocable share, it shall remit, within thirty (30) days after notice from Purchaser of the excess owed Purchaser, such excess to Purchaser. If, on the basis of the foregoing amounts, Seller has retained less than its allocable share (the "Seller Shortfall"), Purchaser shall use reasonable efforts for a period of ninety (90) days after the Final Adjustment Date to collect the Seller Shortfall from the Tenants of the Property and, to the extent collected by Purchaser, Purchaser shall promptly remit the Seller Shortfall, net of reasonable costs of collection, including without limitation, reasonable attorney' s fees, to Seller. Purchaser shall not be obligated to expend any funds or commence legal proceedings to collect any Seller Shortfall. In no event shall Seller commence any legal proceedings against any Tenant after the Closing with respect to any Seller Shortfall.

In the event there is a dispute with any Tenant relating to Charges billed by Seller relating to the period prior to the Closing Date, Seller shall be responsible for resolving such dispute with such Tenant and, if it is determined that credits are due to such Tenant with respect to such charges, Seller shall remit such amount either to the Purchaser or directly to the Tenant within ten (10) days after determination thereof. In the event there is a dispute with any Tenant relating to Charges billed by Purchaser relating to the period after the Closing Date, Purchaser shall be responsible for resolving such dispute with such Tenant and, if it is determined that credits are due to such Tenant with respect to such charges, Purchaser shall remit such amount to the Tenant within ten (10) days after determination thereof.

Notwithstanding anything to the contrary provided in the preceding paragraph, Seller shall be entitled to receive and retain all reconciliation payments made by Tenants with respect to Charges for the calendar years preceding the calendar year of Closing, and shall be responsible for any amounts owed to Tenants in connection with the final reconciliation of Charges for such prior calendar years. If any such reconciliation payment with respect to Charges for a calendar year preceding the year in which the Closing occurs is received by Purchaser after the Closing, Purchaser shall remit such payment to Seller within ten (10) business days after receipt. If any Tenant which is owed a refund with respect to Charges for a calendar year preceding the calendar year of Closing deducts or sets off such amount against rents or other charges owed by such Tenant after the Closing, Seller shall remit such amount to Purchaser promptly following the occurrence of such set off or deduction.

14.1.4. All other income and all operating expenses of the Project for the assumed Contracts and public utility charges and charges and/or payments under the REAs with respect to the Project shall be prorated at the Closing effective as of the Closing Date, and appropriate cash adjustments shall be made by Purchaser and Seller. Seller and Purchaser shall cooperate to arrange for final utility readings as close to the Closing Date as possible and the issuance of a final bill to Seller with Purchaser being designated the billing party in lieu of Seller for all utilities that may be in the name of Seller from and after the Closing Date. Notwithstanding anything herein to the contrary, the management agreement and leasing agreement, if any, for the Property shall be terminated as of the Closing date and there shall be no apportionment of any fees or charges thereunder.

14.1.5. At Closing, any prepaid rents and security deposits under the Leases (together with any interest accrued thereon) shall be transferred to Purchaser either directly or by way of a credit in favor of Purchaser.

14.1.6. If, at Closing, the Property or any part thereof shall have been affected by an assessment or assessments, which are or may become payable in annual installments, of which the first installment is then a charge or lien, then for the purposes of this Agreement, all the unpaid installments of any such assessment due and payable in calendar years prior to the year in which the Closing occurs shall be paid by Seller and all installments becoming due and payable after the Closing shall be assumed and paid by Purchaser, except, however, that any installments which are due and payable in the calendar year in which the Closing occurs shall be adjusted pro rata. However, if such an assessment or assessments shall be due in one lump sum payment, then to the extent such assessment(s) is for improvements in place as of the date of this Agreement, then such assessment(s) shall be paid by Seller but if such assessment(s) is for improvements to be made subsequent to the date of Closing, then the same shall be paid by Purchaser.

14.1.7. All unpaid tenant improvement costs or allowances, free rent periods or rental abatements, concessions and other inducements and all brokerage commissions relating to the Leases listed on Schedule "1.5" hereto with respect to the current term of any Leases and space demised to such Tenants as of the date hereof, and any amounts owing by Seller hereunder or pursuant to Section 9.2 hereof, shall be the obligation of Seller. Except as provided in Section 25 hereof with respect to Leases of Suite L and Suite G5, Purchaser shall be responsible for all tenant improvement costs or allowances, free rent periods or rental

abatements, concessions and other inducements and all brokerage commissions relating to any Leases entered into after the Effective Date with the approval of Purchaser, as well as all tenant improvement costs or allowances, free rent periods or rental abatements, concessions and other inducements and brokerage commissions relating to or arising from any renewal, expansion, or extension of any of the existing Leases listed on Schedule "1.5" hereto. Seller' s obligations described in this Section either (i) shall be paid at Closing (or paid when due if sooner) by Seller with evidence of payment delivered to Purchaser at Closing, or (ii) Purchaser shall receive a credit against the Purchase Price for any such amount(s) not paid.

14.1.8. At Closing, Purchaser shall receive a credit against the Purchase Price for (i) amounts paid to Seller by Tenants, merchants and other associations for promotional funds, and other similar contributions or payments, if any and (ii) all funds held by Seller with respect to outstanding gift certificates, if any.

14.2 Purchaser' s Costs. Purchaser will pay:

14.2.1. The fees and disbursements of Purchaser' s counsel, inspecting architect, engineer, environmental consultant and other consultants, if any;

14.2.2. Any closing escrow fees of the Title Company;

14.2.3. The cost of the Title Commitment and the Title Policy, including any search and exam fees, as well as the cost of all endorsements thereto ;

14.2.4. Any costs relating to any financing obtained by Purchaser (including, without limitation, any mortgage taxes and any additional title premiums resulting from obtaining a loan title policy);

14.2.5. The cost of the Survey; and

14.2.6. Recording fees (other than the cost of recording any releases that Seller is required or has agreed to remove in accordance with this Agreement).

14.3 Seller' s Costs. Seller will pay:

14.3.1. The fees and disbursements of Seller' s counsel;

14.3.2. The cost of releasing all liens, judgments and other encumbrances that Seller has agreed to or is required to remove in accordance with this Agreement; and

14.3.3. Any transfer taxes relating to the conveyance of the Property to Purchaser.

Section 15. Damage or Destruction Prior to Closing and Condemnation.

15.1 If prior to the Closing the Property is damaged or destroyed but not materially damaged or destroyed, by fire or other casualty, Purchaser shall nonetheless be required to perform this Agreement and shall be entitled to the casualty insurance proceeds

payable with respect thereto (including without limitation any business income, rent loss or like insurance proceeds relating to Property income lost or abated for periods following Closing (such lost or abated income, the "Lost Income")) under the policies of insurance maintained by Seller (collectively, the "Insurance Proceeds") and to a credit against the Purchase Price in an amount equal to the deductible under any insurance policy maintained by the Seller which covers such damage or destruction, but without any further reduction or credit against the Purchase Price. If the Property is materially damaged or destroyed by fire or other casualty, Purchaser may terminate this Agreement on written notice to Seller given within ten (10) business days after receiving notice of the occurrence of such fire or casualty. If Purchaser shall exercise such option to terminate, the Purchaser shall receive a full refund of the Deposit and except for obligations that this Agreement expressly states survive termination, neither party shall have any further rights against the other hereunder. If Purchaser does not exercise such option to terminate, this Agreement shall remain in full force and effect in accordance with its terms and Purchaser shall be entitled to the Insurance Proceeds plus a credit against the Purchase Price in an amount equal to the deductible under any insurance policy maintained by Seller which covers such damage or destruction. For purposes hereof, the Project shall be deemed "materially damaged or destroyed" if (i) the cost of repair and restoration to the Property of such damage or destruction as estimated by the engineer or contractor selected by Seller and Purchaser is greater than $5 Million, in the case of the premises leased to BJ' s Wholesale, greater than $2 Million, in the case of the improvements located on Lot 5, or greater than $1 Million, in the case of the other improvements located on the Land (such amounts, a "Significant Portion"), (ii) if such damage or destruction would entitle Tenants paying rents with an aggregate capitalized value of $1,000,000 or more, based on a capitalization rate of 6.14%, to terminate their Lease(s) (to the extent such Tenants have not waived such right), (iii) if such damage or destruction would entitle Tenants to abate their rent with resulting Lost Income not covered by Insurance Proceeds which can be assigned to Purchaser after the Closing in excess of $60,000.00, or (iv) if such damage or destruction is not covered by insurance, or if such insurance is not for the full replacement cost, except for deductible amounts. This Article is an express agreement to the contrary of Section 5-1311 of the New York General Obligations Law.

15.2 In the event prior to Closing a condemnation proceeding is commenced, a condemnation proceeding is concluded, or all or any part of the Property is conveyed in lieu of condemnation, which condemnation would have a material and adverse effect on the Property, Purchaser shall have the right to terminate this Agreement, in which event the Purchaser shall receive a full refund of the Deposit, and except for obligations that this Agreement expressly states survive termination, neither party shall have any further rights against the other hereunder. In the event Purchaser does not elect to terminate this Agreement or in the event such condemnation proceeding would not have a material adverse effect on the Property, Purchaser shall thenceforth be required to close the transaction contemplated hereunder and Seller shall assign to Purchaser, at the Closing, all of Seller' s rights, title and interest in and to any condemnation claim and/or award payable with respect to the Property. For purposes of this Section 15.2, a "material and adverse effect" shall include the taking of Improvements resulting in a reduction in the value of the Property in amounts in excess of the amounts set forth in Section 15.1 as a "Significant Portion" with respect to the respective portions of the Property described therein, or a condemnation or conveyance in lieu thereof that will entitle Tenant(s) paying rents with an aggregate capitalized value of $1,000,000 or more, based on a capitalization rate of 6.14%, to terminate their Leases (to the extent that such Tenant(s) do not waive such rights), or that will entitle Tenants to abate their rent with resulting Lost Income in excess of $60,000.00.

Section 16. Remedies.

16.1 IF THE SALE IS NOT CONSUMMATED DUE TO ANY DEFAULT BY PURCHASER HEREUNDER, THEN SELLER, AS ITS SOLE AND EXCLUSIVE REMEDY FOR PURCHASER' S DEFAULT, SHALL RETAIN THE DEPOSIT, AS LIQUIDATED DAMAGES, THE PARTIES HAVING AGREED THAT SELLER' S ACTUAL DAMAGES, IN THE EVENT OF A FAILURE TO CONSUMMATE THIS SALE DUE TO PURCHASER' S DEFAULT, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE AMOUNT OF THE DEPOSIT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER WOULD INCUR IN SUCH EVENT. EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION. THE FOREGOING SHALL BE DEEMED TO BE SELLER' S UNCONDITIONAL AND IRREVOCABLE ELECTION OF A REMEDY FOR A DEFAULT BY PURCHASER UNDER THIS AGREEMENT.

16.2 A. Subject to this Section, if Seller shall default in its obligations under this Agreement, beyond any applicable notice and cure periods, or if there shall be a material breach discovered by Purchaser before Closing of any of Seller' s representations or warranties in Section 8 hereunder, the parties hereto agree that Purchaser' s sole remedy shall be limited either (a) to the termination of this Agreement, in which event Purchaser shall receive a full return of the Deposit and, in addition, Seller shall reimburse Purchaser for its actual out-of-pocket costs and expenses in connection with Purchaser' s investigation of the Property and the transactions contemplated by this Agreement up to the Purchaser' s Reimbursement Cap, or (b) to specific performance of this Agreement, provided Purchaser initiates such action no later than sixty (60) days after any rights of Purchaser arise due to such uncured Seller default or breach hereunder. For purposes of this Section, "material" shall mean any state of facts which, taken alone or together with all other untruths or inaccuracies and all such covenants with which Seller has not materially complied, can reasonably be anticipated to have an economic impact, in the aggregate, in excess of the Floor (as hereinafter defined). Seller may elect to provide Purchaser with a credit against the Purchase Price at Closing in the amount of the damage estimated by Purchaser to result or potentially result from such breach or default by delivering notice of such intention to Purchaser no later than ten (10) days from the date of Purchaser' s notice to cure any such material breach, in which case such breach shall be deemed cured and Purchaser shall no longer have the right to terminate the Agreement as a result thereof.

B. Notwithstanding the terms of Section 16.2A above, if specific performance is unavailable as a remedy to Purchaser because of Seller' s affirmative intentional act in breach of this Agreement for the purpose of avoiding the transaction described in this Agreement, Purchaser shall have the right to pursue any remedy at law or in equity including, without limitation, a claim for money damages.

C. Notwithstanding anything to the contrary contained herein, the representations of Seller set forth in Section 8 of this Agreement shall survive the Closing under this Agreement for a period of six (6) months after the Closing Date (the "Survival Period"); provided, however, that the representations of Seller set forth in this Agreement with respect to Leases shall not survive the Closing to the extent a Tenant Executed Estoppel covering substantially the same matter is delivered. Each such Seller representation shall automatically be null and void and of no further force and effect after the Survival Period unless, prior to the end of the Survival Period, Purchaser shall have asserted in writing a specific claim with respect to the particular Surviving Seller Representation and commenced a legal proceeding within forty-five (45) days thereafter against Seller alleging that Seller is in breach of such surviving Seller representation and that Purchaser has suffered actual damages as a result thereof (a "Proceeding"). In no event shall Purchaser be entitled to assert any consequential, special or punitive damages, nor shall it be entitled to any award or payment based on such damages. If Purchaser timely commences a Proceeding, and a court of competent jurisdiction, pursuant to a final, non-appealable order in connection with such Proceeding, determines that (1) the applicable surviving Seller representation was breached as of the Closing Date and (2) Purchaser suffered actual damages (the "Damages") by reason of such breach and (3) Purchaser did not have knowledge of such breach prior to the Closing, then Purchaser shall be entitled to receive an amount equal to the Damages, but in no event in an amount greater than the Ceiling (as hereinafter defined); provided, however, Purchaser shall not be entitled to pursue any claim against Seller for Damages to Purchaser that are less than the Floor (as hereinafter defined). If Purchaser has claim(s) against Seller, in excess of the Floor in the aggregate, then Purchaser shall be entitled to pursue the actual loss suffered by Purchaser in connection with such claim(s) against Seller, but in no event shall Seller' s liability for any and all claims exceed the Ceiling. For purposes of this Section 16, Purchaser shall be deemed to have knowledge of the fact in issue prior to Closing if Thomas P. Falatko or John M. Pons had actual (and not imputed or constructive) knowledge of the fact in issue prior to Closing or if such information is included in any Lease, Contract, or any other Property Information provided by Seller to Purchaser with respect to the Property. Purchaser represents that Thomas P. Falatko and John M. Pons are the persons within Purchaser' s organization with primary responsibility for Purchaser' s due diligence with respect to the Property. As used herein, "Floor" shall mean with respect to any claim or claims against Seller for breach of any Surviving Seller Representation, SEVENTY FIVE THOUSAND AND 00/100 Dollars ($75,000.00), and "Ceiling" shall mean THREE MILLION AND 00/100 Dollars ($3,000,000.00). The provisions of this Section 16 shall constitute the sole and exclusive remedy after closing for breaches of Seller' s representations and warranties.

16.3 The provisions of Sections 16.1 and 16.2 hereof shall not limit any rights or remedies that either party may have against the other after the Closing with respect to those provisions of this Agreement that survive Closing or the documents delivered pursuant to Sections 11.1 and 11.3 hereof.

Section 17. Reporting Requirements. Purchaser and Seller shall each deposit such other instruments required to close the escrow and consummate the purchase and sale of the Property in accordance with the terms hereof, including, without limitation, an agreement designating the Title Company as the "Reporting Person" for the transaction pursuant to Section 6045(e) of the Internal Revenue Code and the regulations promulgated thereunder, and executed

by Seller, Purchaser and the Title Company, but in no event shall such instruments impose, create or potentially create any liability for Seller or Purchaser not expressly provided for herein. Such agreement shall comply with the requirements of Section 6045(e) of the Internal Revenue Code and the regulations promulgated thereunder.

Section 18. Miscellaneous.

18.1 This Agreement constitutes the entire Agreement between the parties and supersedes any other previous agreement, oral or written, between the parties. This Agreement cannot be changed, modified, waived or terminated orally but only by an agreement in writing signed by the parties hereto. This Agreement shall be binding upon the parties hereto and their respective heirs, executors, personal representatives and permitted successors and assigns, subject, however, to limitations set forth herein regarding assignments of this Agreement.

18.2 In the event of a default by either party hereto which becomes the subject of litigation, the losing party agrees to pay the reasonable legal fees of the prevailing party. For purposes of this Section, a party will be considered to be the "prevailing party" if (a) such party initiated the litigation and substantially obtained the relief which it sought (whether by judgment, voluntary agreement or action of the other party, trial, or alternative dispute resolution process), (b) such party did not initiate the litigation and either (i) received a judgment in its favor, or (ii) did not receive judgment in its favor, but the party receiving the judgment did not substantially obtain the relief which it sought, or (c) the other party to the litigation withdrew its claim or action without having substantially received the relief which it was seeking. The provision of this Section shall survive the Closing or the termination of this Agreement.

18.3 This Agreement may be executed by facsimile, by email (in ".pdf" format) and/or in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same instrument.

18.4 This Agreement shall be governed, construed and enforced in accordance with the laws of the State of New York.

18.5 The headings used in this Agreement are for convenience only and do not constitute substantive matters to be considered in construing same.

18.6 The parties agree that neither this Agreement nor any memorandum or notice thereof shall be recorded.

18.7 This Agreement may be assigned by Purchaser in whole (but not in part) to an affiliate of Purchaser which Purchaser controls or which is under common control with Purchaser, without the prior written consent of the Seller provided, that Seller, within no less than three (3) business days prior to Closing, shall have received written notice of such assignment(s) together with an executed copy of each assignment and assumption instrument pursuant to which Purchaser assigns all of its right, title and interest in and to this Agreement to the assignee(s) (including all rights to the Deposit) and the assignee(s) assume and agree to be bound by all of the obligations of Purchaser under this Agreement. No assignment of this

Agreement shall release Purchaser herein; provided, however, with respect to any assignment, if Closing occurs the assigning party (but not the assignee) shall be relieved of all its obligations arising under this Agreement before, on and after Closing. For purposes of this Section 18.7, "control" shall mean the authority to make management decisions regarding the day-to-day operations of the entity and co-authority with respect to customary major decisions.

18.8 Submission of this form of Agreement for examination shall not bind Seller or Purchaser in any manner nor be construed as an offer to sell and no contract or obligations of Seller or Purchaser shall arise until this Agreement is executed by both Seller and Purchaser and delivery is made to each and the Deposit has been made by Purchaser.

18.9 Each of the parties agrees that upon request from the other party following the Closing and without further consideration, such party shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts or instruments as shall be reasonably requested by a party in order to effect or carryout the transactions contemplated herein provided same do not impose any obligations or liabilities upon the party not contemplated in this Agreement. The provisions of this Section 18.9 shall survive the Closing.

18.10 If the final date of any period set forth herein (including, but not limited to, the Closing Date) falls on a Saturday, Sunday or legal holiday under the laws of the State of Arizona, or the United States of America, the final date of such period shall be extended to the next day that is not a Saturday, Sunday or legal holiday. The term "days" as used herein shall mean calendar days, with the exception of "business days", which term shall mean each day except for any Saturday, Sunday or legal holiday under the laws of the State of New York, or the United States of America.

Section 19. Confidentiality. All Property Information provided by Seller or its agents and representatives to Purchaser with respect to the Property ("Confidential Information") shall be treated as confidential information by Purchaser, using the same degree of care with respect to the Confidential Information as Purchaser employs with respect to its own proprietary or confidential information of like importance and make no use of any such disclosed information not independently known to Purchaser except in connection with the transactions contemplated hereby. Notwithstanding the foregoing, Purchaser may disclose Confidential Information (i) to its respective consultants, investors, lenders, appraisers, attorneys, accountants, advisers, and affiliates (collectively, "Related Parties"), provided the Purchaser shall advise each parties of the confidential nature of such information and that such parties are required to maintain the confidentiality thereof, and (ii) to the extent Purchaser is required to disclose the same pursuant to a court order, applicable laws or regulations or pursuant to a legal dispute between Purchaser and Seller. Purchaser and the Related Parties shall not be obligated to keep confidential any Confidential Information that (1) is already in the public domain, (2) is or becomes generally available to the public other than as a result of a disclosure by Purchaser, or (3) is or becomes available to Purchaser on a non-confidential basis from a source other than Seller who, to Purchaser' s knowledge, is not subject to a confidentiality agreement with, or other obligation of secrecy to, Seller prohibiting such disclosure. Purchaser' s obligations under the foregoing provisions of this Section shall terminate on the earlier of (x) twelve months from the Effective Date, or (y) the Closing Date. Except as required by applicable law, each party agrees

that it shall not publicize this transaction after the Closing without the prior written approval of the other party, which approval shall not be unreasonably withheld. This provision shall survive Closing.

Section 20. Time of Essence. With respect to each party' s performance of each of its respective obligations under this Agreement involving a date for performance, whether expressly stated herein or pursuant to an extension or adjournment right, as the case may be, including, without limitation, Closing, TIME SHALL BE OF THE ESSENCE.

Section 21. Intentionally Omitted.

Section 22. Rights of First Refusal. If any of the Leases contain tenant rights of first refusal or rights of first offer to purchase the Property (either such right, a "ROFR"), Seller shall deliver a written right of first refusal or offer notice to the applicable Tenant in accordance with the requirements of the applicable ROFR within five (5) days after the Effective Date. Seller agrees that if any Tenant gives notice of its intent to exercise its ROFR under its Lease or does actually exercise such ROFR, this Agreement shall be deemed to terminate, provided that Purchaser shall receive a full return of the Deposit and Seller shall promptly reimburse to Purchaser all reasonable out-of-pocket and third party property diligence expenses incurred by Purchaser, including, without limitation, reasonable attorneys' fees and costs.

Section 23. Tenant Audit Right. In the event that any Tenant has the right to inspect and audit the books, records and other documents of the landlord under its Lease which evidence the purchase price of the Property, the development and construction costs of the improvements, and/or common area maintenance costs and expenses, Seller hereby covenants and agrees that it shall retain such books, records and other documents which will enable such Tenant to conduct a full and complete audit thereof until the date that is six (6) months after the latest date that such Tenant could demand an inspection and/or audit thereof pursuant to its Lease and, upon written request therefor from Purchaser, or any successor or assign, thereof, shall provide both Purchaser and such Tenant with reasonable access thereto and otherwise reasonably cooperate with both Purchaser and such Tenant with respect to such inspection and/or audit by such Tenant. In the event such Tenant claims any right to a credit, refund or other reimbursement as a result of such audit, Seller shall indemnify, hold harmless and defend the Indemnified Parties from any and all Claims relating thereto or arising therefrom. The provisions of this Section 23 shall survive Closing.

Section 24. SEC S-X 3-14 Audit. In order to enable Purchaser to comply with reporting requirements, Seller agrees to provide Purchaser and its representatives information sufficient for Purchaser to comply with SEC Rule 3-14 of Regulation S-X, including Seller' s most current financial statements relating to the financial operation of the Property for the current fiscal year and the most recent pre-acquisition fiscal year, and upon request, support for certain operating revenues and expenses specific to the Property. Seller understands that certain of such financial information may be included in filings required to be made by Purchaser with the U.S. Securities and Exchange Commission. This Section 24 shall survive Closing for a period of one (1) year.

Section 25. New Leases.

25.1 Purchaser acknowledges that Seller is in negotiations with Value Depot and Mama Brown' s BBQ for leases of Suite L (4,365 square feet) and Suite G5 (1,550 square feet), respectively, at the Property. Purchaser acknowledges that Seller has provided Purchaser with copies of the letters of intent entered into by Seller for such new leases. Purchaser hereby approves the terms set forth in such letters of intent, provided that the final terms and conditions of such leases shall remain subject to the approval of Purchaser, not to be unreasonably withheld.

25.2 In the event that an approved Lease is entered into by Seller with Mama Brown' s BBQ or Value Depot prior to Closing:

25.2.1. Purchaser shall receive at Closing a credit against the Purchase Price in an amount equal to the sum of (i) any unpaid or undisbursed portion of any third party leasing commissions, tenant improvement allowance or other allowances, and other out-of-pocket expenses required to be paid by the landlord in connection with such Lease (collectively, "Leasing Costs"), and (ii) pro forma rent (including base rent and triple net charges), at the monthly rate provided for in such Lease for the first full lease year following the rental commencement date and the expiration of any applicable abatements or concessions, for the period commencing on the date of Closing and continuing until the last day of the month in which payment of full base rent and triple net charges are projected to commence under such Lease ("Stub Rent").

25.2.2. Following the Closing, if the actual rent commencement date under such Lease (the "Actual Rent Commencement Date") occurs before the projected rent commencement date (the "Projected Rent Commencement Date"), Purchaser shall reimburse Seller for the difference between the Stub Rent credit received by Purchaser at Closing and the amount that the Stub Rent credit would have been if the Projected Rent Commencement Date for such Lease had been the same as the Actual Rent Commencement Date. If, however, the Actual Rent Commencement Date under such Lease does not occur on or before the Projected Rent Commencement Date, then from and after the Projected Rent Commencement Date Seller shall pay to Purchaser, on the first day of each month following the Projected Rent Commencement Date until the Actual Rent Commencement Date occurs, additional pro forma rent (including base rent and triple net charges) at the monthly rate set forth above ("Additional Stub Rent"); provided, however, such Additional Stub Rent shall be pro rated for the calendar month in which the Actual Rent Commencement Date occurs under such Lease.

25.2.3. Seller, at Seller' s sole cost and expense, shall be responsible for any improvements required to be constructed by the Landlord pursuant to the terms of any Lease entered into with Mama Brown' s BBQ or Value Depot in order to bring the applicable space to "white box" condition, as described in the approved letters of intent with Mama Brown' s BBQ and Value Depot (such improvements being herein referred to as the "Landlord Improvements"). Following the Closing, Seller and its contractors and subcontractors shall have a license to enter the applicable space for the purpose of constructing the Landlord Improvements. Any construction undertaken by Seller shall be diligently undertaken and performed in a good and workmanlike manner, with new materials, free of all liens, in accordance with all applicable laws, rules, ordinances and regulations governing construction,

and in a manner which will not unreasonably interfere with the occupancy of the other tenants of the Property or otherwise unreasonably disrupt the operations of the Property. Seller agrees to indemnify, defend and hold harmless Purchaser, its successors and assigns, from and against any loss, cost, liability, damage or expense to the extent arising from construction of the Landlord Improvements by Seller or its contractors, except to the extent arising from the gross negligence or willful misconduct of Purchaser, its agents, contractors or representatives.

25.2.4. Following the Closing and prior to commencing or continuing construction of any Landlord Improvements, Seller shall obtain or require its contractor to obtain and deliver to Purchaser evidence of, and thereafter maintain so long as such construction activity is occurring, at least the minimum insurance coverages set forth below:

(a) Commercial General Liability insurance covering all operations by or on behalf of the Seller and its contractor(s), in an amount no less than One Million Dollars ($1,000,000) per occurrence, naming Purchaser as an additional insured, covering personal injury liability, premises and operations, products and completed operations, broad form property damage (including completed operations), explosions, collapse, and underground hazards, and contractual liability;

(b) Automobile liability insurance coverage including coverage for owned, hired, and non-owned automobiles, with limits of not less than $500,000 combined single limit each accident for bodily injury or property damage;

(c) Worker' s compensation and employer' s liability insurance; and

(d) Fire and extended coverage insurance with respect to the applicable premises, naming Purchaser as the insured, in the so-called "Builder' s Risk 100% Completed Value Non-Reporting" form.

25.2.5. This Section 25 shall survive the Closing.

Section 26. Master Leases.

26.1 In the event that an approved Lease is not entered into with Mama Brown' s BBQ for Suite G5 prior to Closing, then at Closing Acadia Strategic Opportunity Fund II, LLC ("Master Lessee"), an affiliate of Seller, shall enter into an agreement with Purchaser pursuant to which Master Lessee shall master lease such premises from Purchaser for a period of five (5) years following the Closing Date (the "Master Lease Period") upon the following terms and conditions:

26.1.1. Master Lessee shall provide an allowance to Purchaser in the amount of up to $345,000 with respect to base rent, real estate taxes, operating expenses, and insurance costs attributable to Suite G5 during the Master Lease Period (the "Suite G5 Rent Allowance"), as well as an allowance of up to $105,000 for Leasing Costs (as defined in Section 25.2.1 above) in connection with the leasing of such premises (the "Suite G5 Leasing Cost Allowance").

26.1.2. Commencing on the date of Closing, and thereafter on the first day of each subsequent month during the Master Lease Period, Master Lessee shall pay to Purchaser the sum of $5,762.00, or an appropriate pro rata portion thereof for any partial month (the "Suite G5 Master Lease Rent"), in payment of base rent, real estate taxes, operating expenses, and insurance costs allocable to Suite G5. Notwithstanding the foregoing, if Purchaser enters into a Lease with a third party for Suite G5 at any time during the Master Lease Period, then from and after the date on which the tenant under such Lease commences payment of rent until the end of the Master Lease Period, Master Lessee shall be obligated to pay only the amount of the shortfall, if any, between (x) the amount of base rent and triple net charges payable by such third party tenant under such Lease, and (y) the Suite G5 Master Lease Rent, and Master Lessee shall be released of any additional liability with respect to Suite G5 Master Lease Rent (regardless of whether the third party tenant thereafter actually pays the amounts due under its Lease).

26.1.3. In the event that Purchaser enters into a Lease of Suite G5 with a third party during the Master Lease Period, Master Lessee shall reimburse Purchaser for any Leasing Costs incurred by Purchaser in connection with such Lease, up to the amount of the Suite G5 Leasing Cost Allowance. Such reimbursement shall be paid by Master Lessee to Purchaser within five (5) business days after Master Lessee' s receipt of a reimbursement request for such costs from Purchaser, together with copies of invoices or other documentation evidencing such costs. If Suite G5 is fully leased to a third party tenant during the Master Lease Period and the Leasing Costs attributable to such space are less than the full amount of the Suite G5 Leasing Cost Allowance, the Master Lessee shall be entitled to retain the unused portion of the Suite G5 Leasing Cost Allowance. To the extent Suite G5 is not fully leased within the Master Lease Period, however, any unused portion of the Suite G5 Leasing Allowance shall be paid to Purchaser by the Master Lessee at the expiration of the Master Lease Period.

26.2 In the event that an approved Lease is not entered into with Value Depot for Suite L prior to Closing, then at Closing Master Lessee shall enter into an agreement with Purchaser pursuant to which Master Lessee shall master lease such premises from Purchaser for the Master Lease Period upon the following terms and conditions:

26.2.1. Master Lessee shall provide an allowance to Purchaser in the amount of up to $1,000,000 with respect to rents, real estate taxes, operating expenses, and insurance costs attributable to Suite L during the Master Lease Period (the "Suite L Rent Allowance"), as well as an allowance of up to $200,000 for Leasing Costs in connection with the leasing of such premises (the "Suite L Leasing Cost Allowance").

26.2.2. Commencing on the date of Closing, and thereafter at the beginning of each subsequent month during the Master Lease Period, Master Lessee shall pay to Purchaser the sum of $16,871.00, or an appropriate pro rata portion thereof for any partial month (the "Suite L Master Lease Rent"), in payment of base rent, real estate taxes, operating expenses, and insurance costs allocable to Suite L. Notwithstanding the foregoing, if Purchaser enters into a Lease with a third party for Suite L at any time during the Master Lease Period, then from and after the date on which the tenant under such Lease commences payment of rent until the end of the Master Lease Period, Master Lessee shall be obligated to pay only the amount of the shortfall, if any, between (x) the amount of base rent and triple net charges payable by such third

party tenant under such Lease, and (y) the Suite L Master Lease Rent, and Master Lessee shall be released of any additional liability with respect to the Suite L Master Lease Rent (regardless of whether the third party tenant thereafter actually pays the amount due under its Lease).

26.2.3. In the event that Purchaser enters into a Lease of Suite L with a third party tenant during the Master Lease Period, Master Lessee shall reimburse Purchaser for any Leasing Cost incurred by Purchaser in connection with such Lease, up to the amount of the Suite L Leasing Cost Allowance. Such reimbursement shall be paid by Master Lessee to Purchaser within five (5) business days after Master Lessee' s receipt of a reimbursement request for such costs from Purchaser, together with copies of invoices or other documentation evidencing such costs. If Suite L is fully leased to one or more third party tenants during the Master Lease Period and the Leasing Costs attributable to such space are less than the full amount of the Suite L Leasing Cost Allowance, the Master Lessee shall be entitled to retain the unused portion of the Suite L Leasing Cost Allowance. To the extent Suite L is not fully leased within the Master Lease Period, however, any unused portion of the Suite L Leasing Cost Allowance shall be paid to Purchaser by the Master Lessee at the expiration of the Master Lease Period.

26.3 During the Master Lease Period, Purchaser shall use commercially reasonable efforts to market and lease any premises which are master leased pursuant to this Section 26 (the "Master Leased Space") in accordance with sound, reasonable and prudent leasing practices. Purchaser agrees that all new Leases of Master Leased Space entered into by Purchaser during the Master Lease Period shall be on market terms, including, without limitation, with respect to any "free rent" or reduced rent periods or other concessions provided under or in connection with such new Leases. Promptly after execution thereof, and in any event upon request, Purchaser shall provide Master Lessee with a copy of any Lease of the Master Leased Space executed by Purchaser during the Master Lease Period.

26.4 During the Master Lease Period Master Lessee shall have the non-exclusive right, but not the obligation, either directly or through Master Lessee' s agents, to solicit prospective tenants for the Master Leased Space. Purchaser shall approve or disapprove of any letter of intent or lease proposed by Master Lessee within ten (10) calendar days after receipt by Purchaser of a request for approval from Master Lessee. Approval of any such proposed letter of intent or lease shall be within Purchaser' s discretion, provided that Purchaser shall not unreasonably withhold its approval of any such proposed letter of intent or lease so long as the letter of intent or proposed lease meets the leasing guidelines attached hereto as Schedule "26.4". If Purchaser does not approve or disapprove a proposed lease or letter of intent within the ten (10) day approval period described above, such letter of intent or proposed lease shall be deemed approved.

26.5 Master Lessee, at Master Lessee' s sole cost and expense, shall be responsible for any Landlord Improvements required to be constructed by the Landlord pursuant to the terms of any Lease of the Master Leased Space. Subject to (i) Purchaser' s approval (not to be unreasonably withheld) of the contractor for the Landlord Improvements, and (ii) Purchaser' s execution of an approved Lease for the applicable space, Master Lessee and its contractors and subcontractors shall have a license to enter the applicable space for the purpose of constructing the Landlord Improvements. Any construction undertaken by Master Lessee shall be diligently

undertaken and performed in a good and workmanlike manner, with new materials, free of all liens, in accordance with all applicable laws, rules, ordinances and regulations governing construction, and in a manner which will not unreasonably interfere with the occupancy of the other tenants of the Property or otherwise unreasonably disrupt the operations of the Property. Master Lessee agrees to indemnify, defend and hold harmless Purchaser, its successors and assigns, from and against any loss, cost, liability, damage or expense to the extent arising from construction of the Landlord Improvements by Master Lessee or its contractor, except to the extent arising from the gross negligence or willful misconduct of Purchaser, its agents, contractors or representatives.

26.6 Prior to commencing construction of any Landlord Improvements, Master Lessee shall obtain or require its contractor to obtain and deliver to Purchaser evidence of, and thereafter maintain so long as such construction activity is occurring, at least the minimum insurance coverages set forth in Section 25.2.4 above.

26.7 Purchaser acknowledges and agrees that, except as may be expressly set forth to the contrary in this Section 26, Master Lessee shall have no obligations or liabilities with respect to the Master Leased Space, including, without limitation, any obligation relating to (i) utilities, (ii) occupying the Master Leased Space or conducting any business therein, (iii) repair, restoration, replacement or maintenance of the Master Leased Space, (iv) compliance with any applicable laws, rules, regulations or orders of any governmental authority (including, without limitation, any of the foregoing as they may relate to Hazardous Materials), and (v) maintenance of insurance pertaining to the Master Leased Space.

26.8 At Closing, Purchaser and Master Lessee shall enter into Master Lease(s) which incorporates the applicable terms of this Section 26.

Section 27. Jake' s Rental Support.

27.1 At Closing, Seller shall deliver an agreement from the Master Lessee to Purchaser with respect to the Lease to Jake' s Wayback Hamburgers (the "Jake' s Lease") providing as follows (the "Jake' s Rental Support Obligation")

27.1.1. If for any monthly period (or partial monthly period) between the date of Closing and the first (1st) anniversary of the date of Closing (the "Jake' s Rental Support Period"), Jake' s Wayback Hamburgers ("Jake' s") fails to pay the full amount of rent (including CAM, tax, and insurance contributions) when and as due under the terms of its Lease, and provided such failure continues after all applicable notice and cure periods set forth in the Jake' s Lease have been exhausted by Purchaser, then Master Lessee shall pay to Purchaser upon demand the unpaid amount due for such month (or an appropriate pro rata portion thereof for any partial calendar month period) under the Jake' s Lease. The liability of Master Lessee pursuant to the Jake' s Rental Support Obligation shall reduce as a result of each payment of rent made by Jake' s to Purchaser applicable to the Jake' s Rental Support Period. Purchaser shall use commercially reasonable efforts to collect the rent due from Jake' s during the Jake' s Rental Support Period, notwithstanding any payment by the Master Lessee pursuant to this Section 27. In the event Master Lessee makes a payment to Purchaser under the Jake' s Rental Support Obligation and Jake' s later pays said amount to Purchaser, Purchaser shall promptly refund to

Master Lessee the amount previously paid by Master Lessee. In the event any amounts due from Jake' s under the Jake' s Lease are abated due to casualty or condemnation, Master Lessee' s obligation under the Jake' s Rental Support Obligation shall be abated accordingly. In no event shall Master Lessee have any liability to Purchaser for rent payments which are due under the Jake' s Lease after the first (1st) anniversary of the Closing Date.

27.1.2. In order to draw upon the Jake' s Rental Support Obligation, Purchaser shall deliver written notice to Master Lessee certifying that Purchaser has exhausted all notice and cure periods under the Jake' s Lease for the applicable month and the amount of any payment shortfall for such month (a "Deficiency Notice"). Master Lessee shall pay the specified amount to Purchaser within five (5) business days after receipt of such Deficiency Notice.

27.1.3. Notwithstanding the terms of Section 27.1.2 above, if the Closing occurs after the tenth (10th) day of the calendar month of Closing and Seller has not received payment of the monthly rent due from Jake' s for such calendar month, Purchaser shall receive a credit at Closing for its pro rata share of such monthly rent, which credit shall be applied against the Jake' s Rental Support Obligation.

IN WITNESS WHEREOF, this Agreement has been entered into as of the day and year first above written.

SELLER:

CANARSIE PLAZA LLC,
a Delaware limited liability company

By: /s/ Robert Masters
Name: Robert Masters
Title: Senior Vice President

PURCHASER:

SERIES D, LLC, an Arizona limited
liability company

By: /s/ John M. Pons
John M. Pons,
Authorized Officer

JOINDER:

Provided that the Closing of the transaction described in the foregoing Agreement shall occur, the undersigned Acadia Strategic Opportunity Fund II, LLC, an affiliate of the Seller, for good and valuable consideration, the receipt of which is hereby acknowledged, agrees to and hereby unconditionally guarantees the obligations and liabilities of Seller under such Agreement and the related Closing Documents, subject to the limitations on survival and liability set forth therein.

Dated this 9th day of November, 2012.

ACADIA STRATEGIC OPPORTUNITY FUND
II, LLC, a Delaware limited liability company

By: /s/ Robert Masters
Name: Robert Masters
Title: Senior Vice President

Exhibit 10.22

Loan Number 94-0960353

LOAN AGREEMENT

Dated as of December 5, 2012

Between

COLE MT BROOKLYN NY, LLC, a Delaware limited liability company

as Borrower

and

PNC BANK, NATIONAL ASSOCIATION,
as Lender

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LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of December 5, 2012 (as amended, restated, replaced, supplemented or otherwise modified from time to time, this "***Agreement***"), is made between **PNC BANK, NATIONAL ASSOCIATION**, a national banking association (together with its successors and assigns, "***Lender***") and COLE MT BROOKLYN NY, LLC, a Delaware limited liability company, having its principal place of business at 2325 East Camelback Road, Suite 1100, Phoenix, AZ 85016 ("***Borrower***").

RECITALS:

A. Borrower desires to obtain the Loan from Lender; and

B. Lender is willing to make the Loan to Borrower, subject to and in accordance with the terms of this Agreement and the other Loan Documents.

C. Borrower acknowledges that while Lender has originated this Loan for its own account, the provisions contained herein regarding Lender' s right to sell, participate or Securitize the Loan are an important inducement to Lender making the Loan.

NOW, THEREFORE, in consideration of the making of the Loan by Lender and the covenants, agreements, representations and warranties set forth in this Agreement, and intending to be legally bound, the parties hereto hereby covenant, agree, represent and warrant as follows:

I. DEFINITIONS; PRINCIPLES OF CONSTRUCTION

Section 1.1 Definitions. For all purposes of this Agreement, except as otherwise expressly required or unless the context clearly indicates a contrary intent:

"***Acceptable Limited Liability Company***" shall have the meaning set forth in ***Section 8.1(c)*** hereof.

"***Access Laws***" shall mean the Americans with Disabilities Act of 1990, the Fair Housing Amendments Act of 1988, all similar state and local Laws and ordinances related to access and all rules, regulations, and orders issued pursuant thereto including, without limitation, the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities.

"***Account Collateral***" shall mean: (a) the Accounts, the Reserve Funds, the Triggering Event Period Reserve Funds, and any and all other amounts from time to time deposited or held in any of the Accounts; (b) any and all amounts invested in Permitted Investments; (c) all interest, dividends, Cash, checks, drafts, certificates, securities, investment property, financial assets, instruments and other property from time to time held in the Accounts, or received, receivable or otherwise payable in respect of, or in exchange for, any or all of the foregoing; and (d) to the extent not covered by clauses (a) – (c) above, all "proceeds" (as defined under the UCC), products, distributions, dividends or substitutions on or of any or all of the foregoing.

"***Accounts***" shall mean, collectively, the Lockbox Account, the Cash Management Account, the Reserve Accounts, the Triggering Event Period Reserve Accounts, and any sub-accounts established under any of the foregoing, and any other escrow accounts or reserve accounts established by the Loan Documents.

"***Act***" shall have the meaning set forth in ***Section 8.1(c)(i)*** hereof.

"***Acts of Terror***" shall have the meaning set forth in ***Section 7.1(l)*** hereof.

"***Additional Collateral***" shall have the meaning set forth in ***Section 1*** of the Assignment of Agreements.

"***Additional Insolvency Opinion***" shall mean any non-consolidation opinion acceptable to Lender and any applicable Rating Agencies required to be delivered in connection with the Loan Documents after the Closing Date.

"***Affiliate***" shall mean, as to any Person, any other Person that, directly or indirectly, is in Control of, is Controlled by or is under common Control with such Person.

"***Affiliated Manager***" shall mean any Manager which is an Affiliate of Borrower, SPC Party or any Guarantor, or in which Borrower, SPC Party, or any Guarantor has, directly or indirectly, any legal, beneficial or economic interest.

"***ALTA***" shall mean American Land Title Association, or any successor thereto.

"***Alteration Threshold***" shall mean five percent (5.0%) of the outstanding balance of the Loan.

"***Annual Budget***" shall mean the operating budget, including all planned Capital Expenditures, for the Property prepared by Borrower for the applicable Fiscal Year or other period.

"***Anti-Terrorism Laws***" shall mean any Laws relating to terrorism or money laundering including, without limitation, (i) the Executive Orders, (ii) the USA Patriot Act, (iii) the Laws comprising or implementing the Bank Secrecy Act, 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959, (iv) the Money Laundering Control Act of 1986, 18 U.S.C. § 1956 and 18 U.S.C. § 1957, and (v) the Laws now or hereafter administered by the United States Treasury Department' s Office of Foreign Asset Control, as any of the foregoing may from time to time be amended, renewed, extended or replaced.

"***Applicable Interest Rate***" shall mean a rate of three and 69/100th percent (3.69%).

"***Applicable Policies***" shall have the meaning set forth in ***Section 7.1(l)*** hereof.

"***Appraisal***" shall mean an appraisal (i) in form and substance acceptable to Lender and prepared no later than thirty (30) days prior to the date of determination of the Loan to Value Ratio and (ii) prepared in accordance with the requirements of FIRREA by an independent third party appraiser holding an MAI designation, who is licensed or state certified if required under the laws of the state where the Property is located, who meets the requirements of FIRREA and who is otherwise acceptable to Lender.

"***Approved Accountant***" shall mean an accounting firm or other independent certified public accountant reasonably acceptable to Lender.

"***Approved Bank***" means (a) a bank or other financial institution which has the Required Rating, (b) if a Securitization has not occurred, a bank or other financial institution acceptable to Lender or (c) if a Securitization has occurred, a bank or other financial institution with respect to which Lender shall have received a Rating Agency Confirmation.

"***Approved Annual Budget***" shall have the meaning set forth in ***Section 5.10(e)*** hereof.

"***Approved Lease Form***" shall have the meaning set forth in ***Section 5.17(b)(i)*** hereof.

"***Assignment of Agreements***" shall mean that certain first priority Assignment of Agreements Affecting Real Estate, dated as of the date hereof, from Borrower, as assignor, to Lender, as assignee, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Assignment of Leases***" shall mean that certain first priority Assignment of Leases and Rents, dated as of the date hereof, from Borrower, as assignor, to Lender, as assignee, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Assignment of Management Agreement***" shall mean that certain Assignment of Management Agreement and Subordination of Management Fees, dated as of the date hereof, among Lender, Borrower and Manager, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Award***" shall mean any award, payment or other compensation paid by any Governmental Authority to Borrower in connection with a Condemnation in respect of the Property, including interest thereon, which may heretofore and hereafter be made with respect to the Property, whether from the exercise of the right of eminent domain (including but not limited to any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Property.

"***Bankruptcy Action***" shall mean with respect to any Person (a) such Person filing a voluntary petition under the Bankruptcy Code or other Creditors Rights Laws; (b) the filing of an involuntary petition against such Person under the Bankruptcy Code or other Creditors Rights Laws that is not dismissed within one hundred and twenty (120) days; (c) such Person filing an answer consenting to or otherwise acquiescing in or joining in any involuntary petition filed against it by any other Person under the Bankruptcy Code or other Creditors Rights Laws; (d) such Person consenting to or acquiescing in or joining in an application for the appointment of a custodian, receiver, trustee, or examiner for such Person or the Property; or (e) such Person making an assignment for the benefit of creditors.

"***Bankruptcy Code***" shall mean Title 11 U.S.C. § 101 *et seq.,* and the regulations adopted and promulgated pursuant thereto (as the same may be amended from time to time).

"***Basel III***" shall mean the global regulatory standards issued on January 13, 2011 by members of the Basel Committee on Banking Supervision.

"***Basic Carrying Costs***" shall mean the sum of the following costs associated with the Property for the relevant Fiscal Year or payment period: (a) Taxes, (b) Other Charges, and (c) Insurance Premiums.

"***Borrower***" shall have the meaning set forth in the introductory paragraph of this Agreement.

"***Business Day***" shall mean any day other than a Saturday, Sunday or any other day on which national banks in New York, New York, Pittsburgh, Pennsylvania or Overland Park, Kansas are authorized or required to be closed.

"***Capital Expenditures***" shall mean, for any period, the amount expended for items capitalized under GAAP (or another basis of accounting acceptable to Lender and consistently applied) (including expenditures for building improvements or major repairs, leasing commissions and tenant improvements).

"***Cash***" shall mean coin or currency of the United States of America or immediately available federal funds, including such funds delivered by wire transfer.

"***Cash Management Account***" shall have the meaning set forth in ***Section 3.1.2*** hereof.

"***Cash Management Bank***" shall mean an Eligible Institution selected by Lender.

"***Cash Management Covenants***" shall mean the covenants of Borrower set forth in ***Section 3.1.1*** and ***Section 12.5*** hereof.

"***Casualty***" shall have the meaning specified in ***Section 7.2*** hereof.

"***Casualty Consultant***" shall have the meaning set forth in ***Section 7.4(b)(iii)*** hereof.

"***Casualty Retainage***" shall have the meaning set forth in ***Section 7.4(b)(iv)*** hereof.

"***Change in Law***" shall mean the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Official Body or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of Law) by any Official Body; provided however, that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, interpretations or directives thereunder or issued in connection therewith (whether or not having the force of Law) and (y) all requests, rules, regulations, guidelines, interpretations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision Practices (or any successor or similar authority) or the United States or foreign regulatory authorities (whether or not having the force of Law), in each case pursuant to Basel III, shall in each case be deemed to be a Change in Law regardless of the date enacted, adopted, issued, promulgated or implemented.

"***Closing Date***" shall mean the date of the funding of the Loan.

"***Code***" shall mean the Internal Revenue Code of 1986, as amended, and as it may be further amended from time to time, and any successor statutes thereto, and applicable U.S. Department of Treasury regulations issued pursuant thereto in temporary or final form.

"***Collateral***" shall mean the Property, the Accounts, the Account Collateral, the Guaranty, the Personal Property, the Additional Collateral, the Management Agreement as it relates to the Property, and all other real or personal property that is at any time pledged, mortgaged or otherwise given as security to Lender for the payment of the Debt or the performance of the Other Obligations.

"***Condemnation***" shall mean a temporary or permanent taking by any Governmental Authority as the result or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain, of the Property, or any interest therein or right accruing thereto, including any right of access thereto or any change of grade affecting the Property.

"***Condemnation Proceeds***" shall have the meaning set forth in ***Section 7.4(b)*** hereof.

"***Control***" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management, policies or activities of a Person, whether through ownership of voting securities, by contract or otherwise, including the power to elect a majority of the directors or trustees of a corporation or trust, as the case may be. "Controlled" and "Controlling" shall have correlative meanings.

"***Covered Rating Agency Information***" shall mean any Provided Information furnished to the Rating Agencies in connection with issuing, monitoring and/or maintaining the Securities.

"***Creditors Rights Laws***" shall mean with respect to any Person, any existing or future Law of any jurisdiction, domestic or foreign, applicable to such Person, relating to bankruptcy, insolvency, reorganization, rehabilitation, conservatorship, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to its debts or debtors.

"***Debt***" shall mean the outstanding principal amount of the Loan set forth in, and evidenced by, this Agreement, the Note and the other Loan Documents, together with all interest accrued and unpaid thereon and all other sums (including, without limitation, the Prepayment Consideration) due to Lender in respect of the Loan under the Note, this Agreement, any Security Instrument or any other Loan Document.

"***Debt Service***" shall mean, with respect to any particular period of time, scheduled principal and/or interest payments under the Note.

"***Debt Service Coverage Ratio***" shall mean a ratio determined by Lender on a quarterly basis in which: (a) the numerator is Underwritten Net Cash Flow for the twelve (12) calendar month period immediately preceding the date of calculation and (b) the denominator is the Debt Service payments due and payable for the twelve (12) calendar month period immediately preceding the date of calculation; provided, however, solely for purposes of calculating the Debt Service Coverage Ratio, Debt Service shall mean the constant derived using an interest rate equal to the Applicable Interest Rate based upon a thirty (30) year amortization schedule computed on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

"***Default***" shall mean the occurrence of any event hereunder or under any other Loan Document which, but for the giving of notice or passage of time, or both, would be an Event of Default.

"***Default Rate***" shall mean, with respect to the Loan, a rate per annum equal to the lesser of (a) the Maximum Legal Rate, or (b) five percent (5%) above the Applicable Interest Rate.

"***Disbursement Date***" shall mean the first day of each calendar month, or if such first day is not a Business Day, the next succeeding Business Day; provided that, in the event that on such day there are insufficient funds in the Cash Management Account to satisfy in full the then applicable Required Disbursement Amounts, the "Disbursement Date" shall mean the fifth day of each calendar month, or if such fifth day is not a Business Day, the next succeeding Business Day.

"***Disbursement Fee***" shall mean a nonrefundable fee equal to $200.00 payable as a condition to disbursement from certain of the Reserve Accounts, as set forth in ***Article IX*** hereof, as compensation for Lender' s review, analysis and processing of such disbursement.

"***Disclosure Document***" shall have the meaning set forth in ***Section 11.2(a)*** hereof.

"***Early Lease Termination Reserve Account***" shall have the meaning set forth in ***Section 9.3*** hereof.

"***Early Lease Termination Reserve Funds***" shall have the meaning set forth in ***Section 9.3*** hereof.

"***Eligible Account***" shall mean a separate and identifiable account from all other funds held by the holding institution that is either (a) an account or accounts maintained with a federal or state-chartered depository institution or trust company which complies with the definition of Eligible Institution or (b) a segregated trust account or accounts maintained with a federal or state-chartered depository institution or trust company acting in its fiduciary capacity which, in the case of a state-chartered depository institution or trust company, is subject to regulations substantially similar to 12 C.F.R. § 9.10(b), having in either case a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by federal or state authorities. An Eligible Account will not be evidenced by a certificate of deposit, passbook or other instrument. Notwithstanding the foregoing, any Reserve Account or Triggering Event Period Reserve Account may at Lender' s option, be (i) commingled with other monies held by Lender, or (ii) established as one or more separate accounts at an Eligible Institution (which may include one or more book-entry sub-accounts as deemed necessary by Lender).

"***Eligible Institution***" shall mean a depository institution or trust company, insured by the Federal Deposit Insurance Corporation, (a) the short term unsecured debt obligations or commercial paper of which are rated at least "A-1" by S&P, "P-1" by Moody' s and "F-1" by Fitch in the case of accounts in which funds are held for thirty (30) days or less, or (b) the long term unsecured debt obligations of which are rated at least "AA-" by S&P, "Aa3" by Moody' s and "AA-" by Fitch in the case of accounts in which funds are held for more than thirty (30) days, provided that PNC Bank shall be deemed to be an Eligible Institution for so long as it maintains (i) a short term unsecured debt obligations or commercial paper rating of at least "A-1" by S&P, "P-1" by Moody' s and "F-1" by Fitch in the case of accounts in which funds are held

for thirty (30) days or less and (ii) a long term unsecured debt obligations rating of at least "A-" by S&P, "A-1" by Moody' s and "A" by Fitch in the case of accounts in which funds are held for more than thirty (30) days.

"***Embargoed Person***" shall mean any Person or government subject to trade restrictions under United States Law including, but not limited to, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et. seq., and any executive orders or regulations promulgated thereunder.

"***Environmental Indemnity***" shall mean that certain Environmental Indemnification Agreement, dated as of the date hereof, executed by Borrower and each Guarantor on a joint and several basis for the benefit of Lender, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Environmental Law***" shall have the meaning set forth in ***Section 2(b)*** of the Environmental Indemnity.

"***Environmental Report***" shall mean that certain Phase I Environmental Site Assessment dated September 12, 2012 issued by IVI Assessment Services, Inc.

"***ERISA***" shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended or supplemented from time to time, and any successor statute of similar import, and the rules and regulations thereunder, as from time to time in effect.

"***Event of Default***" shall have the meaning set forth in ***Section 10.1(a)*** hereof.

"***Excess Cash Reserve Account***" shall have the meaning set forth in ***Section 3.5*** hereof.

"***Excess Cash Reserve Fund***" shall have the meaning set forth in ***Section 3.5*** hereof.

"***Exchange Act***" shall have the meaning set forth in ***Section 11.2(a)*** hereof.

"***Exchange Act Filing***" shall have the meaning set forth in ***Section 11.2(a)*** hereof.

"***Excluded Taxes***" shall have the meaning set forth in ***Section 2.3.7(a)*** hereof.

"***Executive Orders***" shall mean Executive Order No. 12947 (effective January 23, 1995), Executive Order 13099 (effective August 20, 1998), Executive Order No. 13372 (effective February 16, 2005), and Executive Order 13224 (effective September 24, 2001), as the same has been, or shall hereafter be, renewed, extended, amended or replaced.

"***Extraordinary Expense***" shall mean an extraordinary operating expense not set forth in the Approved Annual Budget.

"***FIRREA***" shall mean the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (as the same may have been or may hereafter be amended, restated, supplemented or otherwise modified).

"***Fiscal Year***" shall mean each twelve (12) month period commencing on January 1 and ending on December 31 during each year of the term of the Loan.

"***Fitch***" shall mean Fitch, Inc.

"***Flood Insurance Acts***" shall have the meaning set forth in ***Section 7.1(a)(vii)*** hereof.

"***Flood Insurance Policies***" shall have the meaning set forth in ***Section 7.1(a)(vii)*** hereof.

"***GAAP***" shall mean generally accepted accounting principles in the United States of America as are in effect from time to time, and applied on a consistent basis both as to classification of items and amounts.

"***Governmental Authority***" shall mean any court, board, department, agency, commission, office or other authority of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.

"***Governmental Plan***" shall have the meaning set forth in ***Section 4.1.10(b)*** hereof.

"***Gross Income From Operations***" shall mean, during any period, all cash income derived from the ownership and operation of the Property from whatever source, during such period, including, but not limited to, Rents, utility charges, escalations, forfeited security deposits, interest on credit accounts, service fees or charges, license fees, parking fees, rent concessions or credits, and other required pass-throughs but excluding (i) sales, use and occupancy or other taxes on receipts required to be accounted for by Borrower to any Governmental Authority, (ii) refunds and uncollectible accounts, (iii) proceeds from sales of furniture, fixtures and equipment, (iv) Insurance Proceeds (other than business interruption or other loss of income insurance), (v) Awards, (vi) unforfeited security deposits, (vii) utility and other similar deposits, (viii) any disbursements to Borrower from the Reserve Funds or the Triggering Event Period Reserve Funds, and (ix) any payments from any other events not related to the ordinary course of operation of the Property.

"***Guarantor***" shall mean Cole Credit Property Trust IV, Inc., a Maryland corporation, and any other Person guaranteeing any payment or performance obligation of Borrower in respect of the Loan following the date hereof, and any other Person providing any indemnity in respect of the Loan following the date hereof.

"***Guaranty***" shall mean that certain Guaranty of Recourse Obligations of Borrower, dated as of the date hereof, from Guarantor to Lender, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Hazardous Materials***" shall have the meaning set forth in ***Section 2(d)*** of the Environmental Indemnity.

"***Improvements***" shall have the meaning set forth in the Granting Clauses of the Security Instrument.

"***Indebtedness***" shall mean, as to any Person at any time the sum (without duplication) of all indebtedness, obligations or liabilities (whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, or joint or several) of such Person, for, or in respect of: (i) borrowed money, (ii) amounts raised under or liabilities in respect of any note purchase or acceptance credit facility, (iii) reimbursement obligations (contingent or otherwise)

under any letter of credit, currency swap agreement, interest rate swap, cap, collar or floor agreement or other interest rate management device, (iv) any other transaction (including, without limitation forward sale or purchase agreements, capitalized leases and conditional sales agreements) having the commercial effect of a borrowing of money entered into by such Person to finance its operations or capital requirements, or (v) any guaranty.

"***Indemnified Parties***" shall mean Lender (including Lender as holder of any Security Instrument, as mortgagee in possession, or as successor in interest to the owner of the Property by virtue of a foreclosure or acceptance of a deed in lieu of foreclosure), each Person, if any, who Controls, or is Controlled by, or is under common Control with Lender, each Servicer, any Person who may hold or acquire or will have held (either during the term of the Loan or as a part of or following a foreclosure or acceptance of a deed in lieu of foreclosure) a full or partial interest in the Loan (including, but not limited to, custodians, trustees and other fiduciaries who hold or have held a full or partial interest in the Loan for the benefit of other Persons), any receiver or other fiduciary appointed in a foreclosure or other Creditors Right Law proceeding, any Person who was involved in the origination or modification of the Loan, any Person in whose name the Lien of any Security Instrument is or will be recorded, each of their respective successors and assigns (other than any transferee of the Property that is not Lender, a successor to Lender by merger, consolidation or acquisition of all or substantially all of the assets of Lender or a subsequent holder of the Note or the owner of an interest in the Note), and each of their respective directors, officers, shareholders, partners, employees, agents, servants, representatives, contractors, and subcontractors.

"***Indemnified Taxes***" shall mean any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority.

"***Independent Director***" shall mean a natural Person who:

(a) is not at the time of initial appointment and has never been, and will not while serving as Independent Director be: (i) a stockholder (or other equity owner), director (with the exception of serving as the Independent Director of Borrower or SPC Party), officer, employee, partner, member (other than a "***special member***" or "***springing member***"), manager, attorney or counsel of Borrower, equity owners of Borrower or any Guarantor or any Affiliate of Borrower or any Guarantor; (ii) a creditor, customer, supplier, service provider (including provider of professional services) or other Person who derives any of its purchases or revenues from its activities with Borrower or any Guarantor, equity owners of Borrower or any Guarantor or any Affiliate of Borrower or any Guarantor; (iii) a member of the immediate family of any Person described in subsection (i) or subsection (ii) above that is a natural person; and (iv) any Person Controlling or under common Control with any Person described in subsection (i), subsection (ii) or subsection (iii) above; and

(b) has (i) prior experience as an independent director or independent manager for a corporation, a trust or limited liability company whose charter documents required the unanimous consent of all independent directors or independent managers thereof before such corporation, trust or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state Law relating to bankruptcy, and (ii) at least three (3) years of employment

experience with CT Corporation, Corporation Service Company, Lord Securities Corporation, National Registered Agents, Inc., Stewart Management Company, or Wilmington Trust Company, or if none of these companies is then providing professional independent directors, another nationally recognized company acceptable to Lender and any applicable Rating Agencies, that is not an Affiliate of Borrower or any Guarantor and that provides, inter alia, professional independent directors or independent managers in the ordinary course of their respective business to issuers of securitization or structured finance instruments, agreements or securities or lenders originating commercial real estate loans for inclusion in securitization or structured finance instruments, agreements or securities (a "***Professional Independent Director***") and is an employee of such a company or companies at all times during his or her service as an Independent Director. A natural Person who satisfies the foregoing definition except for being (or having been) the independent director or independent manager of a "special purpose entity" Affiliated with Borrower or SPC Party (provided such Affiliate does not or did not own a direct or indirect equity interest in Borrower or SPC Party) shall not be disqualified from serving as an Independent Director, provided that such natural Person satisfies all other criteria set forth above and that the fees such individual earns from serving as independent director or independent manager of Affiliates of Borrower or SPC Party in any given year constitute in the aggregate less than five percent (5%) of such individual' s annual income for that year. A natural Person who satisfies the foregoing definition other than subparagraph (a)(ii) shall not be disqualified from serving as an Independent Director if such individual is a Professional Independent Director and such individual complies with the requirements of the previous sentence.

"***Insolvency Opinion***" shall mean that certain non-consolidation opinion letter dated as of the date hereof delivered by in connection with the Loan.

"***Insurance Premiums***" shall have the meaning set forth in ***Section 7.1(b)*** hereof.

"***Insurance Proceeds***" shall have the meaning set forth in ***Section 7.4(b)*** hereof.

"***Interest Accrual Period***" shall mean, with respect to any Payment Date, the period beginning on and including the first (1st) day of the calendar month preceding each Payment Date through and including the last day of the calendar month preceding each Payment Date.

"***Interest Bearing Accounts***" shall have the meaning set forth in ***Section 12.2*** hereof.

"***Investor***" shall mean any purchaser, transferee, assignee, Servicer, participant or investor in all or any portion of the Loan or any Securities.

"***Land***" shall have the meaning set forth in the Granting Clause of the Security Instrument.

"***Law***" shall mean any law (including common law), constitution, statute, treaty, regulation, rule, ordinance, opinion, release, ruling, order, executive order, injunction, writ, decree, bond judgment authorization or approval, Lien or award of or any settlement arrangement with any Governmental Authority.

"***Lease***" shall mean any lease, sublease or subsublease, letting, license, concession, occupancy agreement, or other agreement (whether written or oral and whether now or hereafter

in effect) entered into by Borrower (or a predecessor-in-interest to Borrower) pursuant to which any Person is granted a possessory interest in, or right to use or occupy all or any portion of the Land or any space in the Improvements at the Property, and (a) every extension, renewal, replacement, modification, amendment, restatement or other agreement relating thereto (whether before or after the filing by or against Borrower of any petition for relief under any Creditors Rights Laws), and (b) all right title and interest of Borrower, its successors and assigns therein and thereunder, including, without limitation, any guaranty, letter of credit or other credit support given by any tenant or other Person to guarantee or secure the performance and observance of covenants to be performed by any other party thereto.

"***Lease Termination Payments***" shall mean all rents, additional rents and other payments made to Borrower in connection with any termination, rejection, cancellation, surrender, sale or other disposition of any Lease (including in any Bankruptcy Action), together with any unamortized tenant improvements or leasing commissions, lease buy-out or surrender payments, and any similar proceeds, and any settlement of claims of Borrower against third parties in connection with any Lease.

"***Leasing Requirements***" shall mean, with respect to any Lease that is not a Major Lease that such Lease (i) provides for rental rates reasonably comparable to existing local market rates for similar properties, (ii) is on commercially reasonable terms with unaffiliated third parties, and, (iii) does not contain any terms which would have a Material Adverse Effect.

"***Legal Requirements***" shall mean all federal, state, county, municipal and other governmental statutes, Laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of Governmental Authorities affecting the Property, or the construction, use, alteration or operation thereof, whether now or hereafter enacted and in force, and all Licenses and regulations relating thereto, and all covenants, agreements, restrictions and encumbrances contained in any instruments, either of record or known to Borrower, at any time in force affecting the Property, including, without limitation, any which may (a) require repairs, modifications or alterations in or to the Property, or (b) in any way limit the use and enjoyment thereof.

"***Lender***" shall have the meaning set forth in the introductory paragraph of this Agreement.

"***Letter of Credit***" shall mean an irrevocable, auto-renewing, unconditional, transferable, clean sight draft standby letter of credit having an initial term of not less than one (1) year and with automatic renewals for one (1) year periods (unless the obligation being secured by, or otherwise requiring the delivery of, such letter of credit is required to be performed at least thirty (30) days prior to the initial expiry date of such letter of credit), for which Borrower shall have no reimbursement obligation and which reimbursement obligation is not secured by any of the Collateral, in favor of Lender and entitling Lender to draw thereon in New York, New York, based solely upon presentation of a sight draft. A Letter of Credit must be issued by an Approved Bank.

"***Liabilities***" shall mean any and all claims, demands, actions, proceedings, suits, judgments, awards, liabilities (including, without limitation, strict liabilities), losses, damages, fines, penalties, charges, fees, obligations, debts, disbursements, costs and expenses of any kind

or nature whatsoever including, without limitation, amounts paid in settlement, punitive damages, foreseeable damages of whatever kind or nature, including litigation costs and reasonable attorneys' fees and expenses, and reasonable attorneys' fees and expenses imposed upon, incurred by, or asserted against any Indemnified Party or by the Underwriter Group, as applicable, in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not any such Indemnified Party or any member of the Underwriter Group, as applicable, shall be designated a party thereto.

"***Licenses***" shall have the meaning set forth in ***Section 4.1.25*** hereof.

"***Lien***" shall mean any mortgage, deed of trust, lien, pledge, hypothecation, assignment, security interest, or any other encumbrance, charge or transfer of, on or affecting Borrower, the Property, any portion thereof or any interest therein, whether voluntarily or involuntarily given, including, without limitation, any conditional sale or other title retention agreement, any financing lease, assignment or deposit arrangement having substantially the same economic effect as any of the foregoing, the filing of any financing statement, and mechanic' s, materialmen' s and other similar liens (including construction liens) and encumbrances (whether or not a lien or other encumbrance is created or exists at the time of filing).

"***LLC***" shall have the meaning set forth in ***Section 8.1(c)*** hereof.

"***LLC Agreement***" shall have the meaning set forth in ***Section 8.1(c)*** hereof.

"***Loan***" shall mean the loan made by Lender to Borrower pursuant to this Agreement.

"***Loan Documents***" shall mean, collectively, this Agreement, the Note, each Security Instrument, each Assignment of Leases, Assignment of Agreements, the Guaranty, the Environmental Indemnity, the Assignment of Management Agreement, the Lockbox Agreement, and all other documents executed and/or delivered by Borrower or Guarantor in connection with the Loan as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Loan to Value Ratio***" shall mean a percentage calculated by Lender by multiplying (i) a fraction, the numerator of which is the outstanding principal balance of the Loan, and the denominator of which is the value of the Property based on a current Appraisal thereof, by (ii) one hundred percent (100%).

"***Lockbox Account***" shall have the meaning set forth in ***Section 3.1.1(a)*** hereof.

"***Lockbox Address***" shall have the meaning set forth in ***Section 3.1.1(a)*** hereof.

"***Lockbox Agreement***" shall have the meaning set forth in ***Section 3.1.1(a)*** hereof, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Lockbox Bank***" shall mean PNC Bank, National Association, provided that it remains an Eligible Institution, and any successor Eligible Institution or other Eligible Institution selected by Lender.

"***Lockout Period***" shall have the meaning set forth in ***Section 2.4.2*** hereof.

"***Major Lease***" shall mean (a) any Lease which together with all other Leases to the same tenant and to any Affiliates of such tenant, (i) provides for gross annual rental income representing fifteen percent (15%) or more of the total annual rental income for the Property, or (ii) covers fifteen percent (15%) or more of the total rentable space at the Property, in the aggregate, or (iii) is with an Affiliate of Borrower, and (b) any instrument guaranteeing or providing credit support for any of the foregoing.

"***Management Agreement***" shall mean that certain Property Management and Leasing Agreement dated on or about the date hereof between Borrower and Manager pursuant to which the Manager is to provide management and other services with respect to the Property, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time in accordance with the terms and conditions of this Agreement.

"***Manager***" shall mean (i) Cole Realty Advisors, Inc., an Arizona corporation or (ii) such other entity selected as the manager of the Property in accordance with the terms of this Agreement or the other Loan Documents.

"***Material Action***" shall mean, with respect to any entity, (i) to consolidate or merge such entity with or into any Person, except as expressly permitted by the Loan Documents, or (ii) to sell all or substantially all of the assets of such entity, except as expressly permitted by the Loan Documents, or (iii) to the fullest extent permitted by Law, to dissolve or liquidate such entity, or (iv) to amend the organizational documents of such entity with respect to any matter required to be set forth therein by ***Article VIII*** hereof, or (v) any Bankruptcy Action, or (vi) to take action in furtherance of any of the foregoing actions.

"***Material Adverse Effect***" shall mean a material adverse effect on (i) the Property, (ii) title to the Property, (iii) the current ability of the Property to generate net cash flow sufficient to service the Loan, (iv) the business, profits, operations or financial condition of Borrower, Guarantor or Operating Partnership, taken as a whole, (v) the enforceability, validity, perfection or priority of the lien the Security Instrument or the other Loan Documents, (vi) the ability of Borrower to perform its obligations under the Security Instrument or the other Loan Documents, (vii) the current principal use of the Property, or (viii) the ability of Guarantor to perform its obligations under the Guaranty.

"***Material Agreements***" shall mean, collectively, all contracts and agreements to which Borrower is a party relating to the ownership, management, development, use, operation, leasing, maintenance, repair or improvement of the Property (other than the Management Agreement, the Leases and the REAs).

"***Maturity Date***" shall mean the Scheduled Maturity Date set forth in ***Section 2.4.2*** hereof, or such other date on which the final payment of principal of the Note becomes due and payable as therein or herein provided, whether at such stated maturity date, by declaration of acceleration, or otherwise.

"***Maximum Legal Rate***" shall mean the maximum non-usurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Debt evidenced by the Note and as provided for herein or the other Loan Documents, under the Laws of such state or states whose Laws are held by any court of competent jurisdiction to govern the interest rate provisions of the Loan.

"***Member***" shall have the meaning set forth in ***Section 8.1(c)(i)*** hereof.

"***Mezzanine Borrower(s)***" shall have the meaning set forth in ***Section 11.6*** hereof.

"***Mezzanine Lender***" shall mean PNC Bank, and any subsequent owner and holder of the Mezzanine Loan.

"***Mezzanine Loan(s)***" shall have the meaning set forth in ***Section 11.6*** hereof.

"***Monthly Debt Service Payment Amount***" shall have the meaning set forth in ***Section 2.2.3*** hereof.

"***Monthly Insurance Premium Deposit***" shall have the meaning set forth in ***Section 9.2*** hereof.

"***Monthly Reserve Fund Deposits***" shall mean all deposits required to be made by Borrower to the Reserve Funds on a monthly basis pursuant to ***Article IX*** hereof.

"***Monthly Tax Deposit***" shall have the meaning set forth in ***Section 9.2*** hereof.

"***Moody's***" shall mean Moody' s Investors Service, Inc.

"***Mortgage Loan***" shall have the meaning set forth in ***Section 11.6*** hereof.

"***Net Cash Flow***" shall mean for any period the amount obtained by subtracting Operating Expenses and Capital Expenditures for such period from Gross Income From Operations for such period.

"***Net Cash Flow Schedule***" shall have the meaning set forth in ***Section 5.10(b)*** hereof.

"***Net Operating Income***" shall mean for any period the amount obtained by subtracting Operating Expenses from Gross Income From Operations.

"***Net Proceeds***" shall have the meaning set forth in ***Section 7.4(b)*** hereof.

"***Net Proceeds Deficiency***" shall have the meaning set forth in ***Section 7.4(b)(vi)*** hereof.

"***Non-U.S. Entity***" shall have the meaning set forth in ***Section 2.3.7(b)*** hereof.

"***Note***" shall mean that certain Consolidated, Amended and Restated Promissory Note dated as of the date hereof in the principal amount of SEVENTY FIVE MILLION AND NO/100 DOLLARS ($75,000,000.00), made by Borrower in favor of Lender, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Officers' Certificate***" shall mean a certificate delivered to Lender by Borrower or any Guarantor, as applicable, which is signed by a Responsible Officer of Borrower (or its manager) or any Guarantor, as applicable.

"***Official Body***" shall mean the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority,

instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

"***Open Period Start Date***" shall have the meaning set forth in ***Section 2.4.2*** hereof.

"***Operating Account***" shall mean the operating account of Borrower (i) established in the name of Borrower and (ii) maintained by Borrower (or maintained by Guarantor or Operating Partnership acting solely on behalf of Borrower), for the purposes set forth under this Agreement. For the avoidance of doubt, no funds other than funds belonging to Borrower shall be deposited into the Operating Account.

"***Operating Expenses***" shall mean the total of all cash expenditures of whatever kind incurred by or on behalf of Borrower (other than expenditures incurred by a tenant pursuant to its Lease) relating to the operation, maintenance and management of the Property that are incurred on a regular monthly or other periodic basis, including without limitation, utilities, ordinary repairs and maintenance, insurance, License fees, property taxes and assessments, advertising expenses, management fees, payroll and related taxes, computer processing charges, operational equipment or other lease payments as approved by Lender, and other similar costs, but excluding depreciation, amortization (i.e., depreciation of lease assets), permitted prepayments of principal, Debt Service, Capital Expenditures, actual tenant improvement and leasing commission expenditures, and Monthly Reserve Fund Deposits.

"***Operating Partnership***" shall mean Cole Operating Partnership IV, LP, a Delaware limited partnership.

"***Other Charges***" shall mean all maintenance charges, impositions other than Taxes, and any other charges, including, without limitation, vault charges and License fees for the use of vaults, chutes and similar areas adjoining the Property, now or hereafter levied or assessed or imposed against the Property.

"***Other Obligations***" shall have the meaning set forth in ***Section 2.02*** of the Security Instrument.

"***Other Taxes***" shall mean all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to this Agreement or any other Loan Document.

"***Payment Date***" shall mean the first (1st) day of each calendar month during the term of the Loan, or if such day is not a Business Day, the immediately succeeding Business Day.

"***Permitted Encumbrances***" shall mean collectively, (a) the Liens and security interests created by the Loan Documents, (b) all Liens and other matters disclosed in the Title Insurance Policy, (c) Liens, if any, for Taxes imposed by any Governmental Authority not yet due or

delinquent, (d) the Leases existing as of the date hereof and any Leases entered into after the date hereof in accordance with this Agreement and any liens that the tenants under such Leases are allowed to suffer, contest or create pursuant to the express terms of such Leases, but only to the extent and for the duration so expressly allowed; and (e) such other title and survey exceptions which do not have a Material Adverse Effect or which Lender has approved or may approve in writing in Lender' s sole discretion.

"***Permitted Equipment Leases***" shall mean equipment leases or other similar instruments entered into by Borrower or Manager with respect to the Personal Property; provided, that, in each case, such equipment leases or similar instruments (i) are entered into on commercially reasonable terms and conditions in the ordinary course of Borrower' s business and (ii) relate to Personal Property which is (A) used in connection with the operation and maintenance of the Property in the ordinary course of Borrower' s business and (B) readily replaceable without material interference or interruption to the operation of the Property.

"***Permitted Investments***" shall mean any one or more of the following obligations or securities acquired at a purchase price of not greater than par, including those issued by Servicer, the trustee under any Securitization or any of their respective Affiliates, payable on demand or having a maturity date not later than the Business Day immediately prior to the first Payment Date following the date of acquiring such investment and meeting one of the appropriate standards set forth below:

(a) obligations of, or obligations fully guaranteed as to payment of principal and interest by, the United States or any agency or instrumentality thereof provided such obligations are backed by the full faith and credit of the United States of America including, without limitation, obligations of: the U.S. Treasury (all direct or fully guaranteed obligations), the Farmers Home Administration (certificates of beneficial ownership), the General Services Administration (participation certificates), the U.S. Maritime Administration (guaranteed Title XI financing), the Small Business Administration (guaranteed participation certificates and guaranteed pool certificates), the U.S. Department of Housing and Urban Development (local authority bonds) and the Washington Metropolitan Area Transit Authority (guaranteed transit bonds); provided, however, that the investments described in this clause must (i) have a predetermined fixed dollar of principal due at maturity that cannot vary or change, (ii) if rated by S&P, not have an "r" highlighter affixed to their rating, (iii) if such investments have a variable rate of interest, such interest rate must be tied to a single interest rate index plus a fixed spread (if any) and must move proportionately with that index and (iv) not be subject to liquidation prior to their maturity;

(b) Federal Housing Administration debentures;

(c) obligations of the following United States government sponsored agencies: Federal Home Loan Mortgage Corp. (debt obligations), the Farm Credit System (consolidated systemwide bonds and notes), the Federal Home Loan Banks (consolidated debt obligations), the Federal National Mortgage Association (debt obligations), the Student Loan Marketing Association (debt obligations), the Financing Corp. (debt obligations), and the Resolution Funding Corp. (debt obligations); provided, however, that the investments described in this clause must (i) have a predetermined fixed dollar of principal due at maturity that cannot vary or change, (ii) if rated by S&P, not have an "r" highlighter affixed to their rating, (iii) if

such investments have a variable rate of interest, such interest rate must be tied to a single interest rate index plus a fixed spread (if any) and must move proportionately with that index and (iv) not be subject to liquidation prior to their maturity;

(d) federal funds, unsecured certificates of deposit, time deposits, bankers' acceptances and repurchase agreements with maturities of not more than 365 days of any bank, the short term obligations of which at all times are rated in the highest short term rating category by each Rating Agency (or, if not rated by all Rating Agencies, rated by at least one Rating Agency in the highest short term rating category and otherwise acceptable to each other Rating Agency, as confirmed in writing that such investment would not, in and of itself, result in a downgrade, qualification or withdrawal of the initial, or, if higher, then current ratings assigned to the Securities); provided, however, that the investments described in this clause must (i) have a predetermined fixed dollar of principal due at maturity that cannot vary or change, (ii) if rated by S&P, not have an "r" highlighter affixed to their rating, (iii) if such investments have a variable rate of interest, such interest rate must be tied to a single interest rate index plus a fixed spread (if any) and must move proportionately with that index and (iv) not be subject to liquidation prior to their maturity;

(e) fully Federal Deposit Insurance Corporation insured demand and time deposits in, or certificates of deposit of, or bankers' acceptances issued by, any bank or trust company, savings and loan association or savings bank, the short term obligations of which at all times are rated in the highest short term rating category by each Rating Agency (or, if not rated by all Rating Agencies, rated by at least one Rating Agency in the highest short term rating category and otherwise acceptable to each other Rating Agency, as confirmed in writing that such investment would not, in and of itself, result in a downgrade, qualification or withdrawal of the initial, or, if higher, then current ratings assigned to the Securities); provided, however, that the investments described in this clause must (i) have a predetermined fixed dollar of principal due at maturity that cannot vary or change, (ii) if rated by S&P, not have an "r" highlighter affixed to their rating, (iii) if such investments have a variable rate of interest, such interest rate must be tied to a single interest rate index plus a fixed spread (if any) and must move proportionately with that index and (iv) not be subject to liquidation prior to their maturity;

(f) debt obligations with maturities of not more than 365 days and at all times rated by each Rating Agency (or, if not rated by all Rating Agencies, rated by at least one Rating Agency and otherwise acceptable to each other Rating Agency, as confirmed in writing that such investment would not, in and of itself, result in a downgrade, qualification or withdrawal of the initial, or, if higher, then current ratings assigned to the Securities) in its highest long term unsecured rating category; provided, however, that the investments described in this clause must (i) have a predetermined fixed dollar of principal due at maturity that cannot vary or change, (ii) if rated by S&P, not have an "r" highlighter affixed to their rating, (iii) if such investments have a variable rate of interest, such interest rate must be tied to a single interest rate index plus a fixed spread (if any) and must move proportionately with that index and (iv) not be subject to liquidation prior to their maturity;

(g) commercial paper (including both non-interest bearing discount obligations and interest bearing obligations payable on demand or on a specified date not more than one year after the date of issuance thereof) with maturities of not more than 365 days and

that at all times is rated by each Rating Agency (or, if not rated by all Rating Agencies, rated by at least one Rating Agency and otherwise acceptable to each other Rating Agency, as confirmed in writing that such investment would not, in and of itself, result in a downgrade, qualification or withdrawal of the initial, or, if higher, then current ratings assigned to the Securities) in its highest short term unsecured debt rating; provided, however, that the investments described in this clause must (i) have a predetermined fixed dollar of principal due at maturity that cannot vary or change, (ii) if rated by S&P, not have an "r" highlighter affixed to their rating, (iii) if such investments have a variable rate of interest, such interest rate must be tied to a single interest rate index plus a fixed spread (if any) and must move proportionately with that index and (iv) not be subject to liquidation prior to their maturity;

(h) units of taxable money market funds or mutual funds, which funds are regulated investment companies, seek to maintain a constant net asset value per share, which funds have the highest rating available from each Rating Agency (or, if not rated by all Rating Agencies, rated by at least one Rating Agency and otherwise acceptable to each other Rating Agency, as confirmed in writing that such investment would not, in and of itself, result in a downgrade, qualification or withdrawal of the initial, or, if higher, then current ratings assigned to the Securities) for money market funds or mutual funds; and

(i) any other security, obligation or investment which has been approved as a Permitted Investment in writing by Lender and, in the event that the Loan or any interest therein is included in a Securitization, by Rating Agency Confirmation;

provided, however, that no obligation or security shall be a Permitted Investment if (i) such obligation or security evidences a right to receive only interest payments or (ii) the right to receive principal and interest payments on such obligation or security are derived from an underlying investment that provides a yield to maturity in excess of 120% of the yield to maturity at par of such underlying investment.

"***Permitted Transfer***" shall mean each of the following:

(a) Permitted Encumbrances;

(b) All Transfers of worn out or obsolete furnishings, fixtures or equipment that are promptly replaced with property of equivalent value and functionality;

(c) All Leases permitted pursuant to ***Section 5.17*** hereof;

(d) A Transfer of the Property and assumption of the Loan pursuant to ***Section 6.2*** hereof; and

(e) Any Transfer permitted by ***Section 6.6*** hereof.

"***Person***" shall mean any individual, corporation, partnership (whether general or limited), joint venture, limited liability company, limited liability partnership, estate, trust, joint stock company, unincorporated association, any federal, state, county or municipal government or political subdivision or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing or any other entity.

"***Personal Property***" shall have the meaning set forth in the Granting Clauses of the Security Instrument.

"***Plan***" shall have the meaning set forth in ***Section 4.1.10(a)*** hereof.

"***Plan Assets***" shall have the meaning set forth in ***Section 4.1.10(a)*** hereof.

"***PNC Bank***" shall mean PNC Bank, National Association, a national banking association.

"***Policies***" shall have the meaning specified in ***Section 7.1(b)*** hereof.

"***Prepayment Consideration***" shall have the meaning set forth in ***Section 2.4.2*** hereof.

"***Prepayment Date***" shall have the meaning set forth in ***Section 2.4.1*** hereof.

"***Prohibited Governmental Transactions***" shall have the meaning set forth in ***Section 4.1.10(b)*** hereof.

"***Prohibited Person***" shall mean any of the following: (a) a Person that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Orders; (b) a Person owned or Controlled by, or acting for or on behalf of, any Person that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Orders; (c) a Person or government with whom Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; (d) a Person that supports, engages in, or conspires to or intends to engage in, "terrorism" as defined in any Executive Order, or engages in or conspires, attempts or intends to engage in any transaction that violates, evades or avoids, or has the purpose of violating, evading or avoiding, or attempts or intends to violate, evade or avoid, any of the prohibitions set forth in any Anti-Terrorism Laws; (e) a Person that is named as a "specially designated national or blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control at its official website or any replacement website or other replacement official publication of such list; or (f) a Person who is an Affiliate of or associated with a Person or entity listed above.

"***Prohibited Transaction***" shall have the meaning set forth in ***Section 4.1.10(a)*** hereof.

"***Property***" shall mean the parcel of real property, the Improvements thereon and all Personal Property owned by Borrower and encumbered by the Security Instrument, and any part or portion thereof, together with all rights pertaining to such property and Improvements, as more particularly described in the Granting Clauses of the Security Instrument.

"***Property Condition Report***" shall mean the Property Condition Report dated September 12, 2012 issued by IVI Assessment Services, Inc., or any new or updated report with respect to the Property prepared by a company satisfactory to Lender regarding the physical condition of the Property, satisfactory in form and substance to Lender in its sole discretion.

"***Provided Information***" shall have the meaning set forth in ***Section 11.1(a)*** hereof.

"***Purchase and Sale Agreement***" shall mean that certain Purchase and Sale Agreement dated November 9, 2012, as amended, between Canarsie Plaza, LLC, as seller, and Series D, LLC, as purchaser, as assigned to Borrower.

"***Qualified Replacement Lease***" shall mean a renewal of or a replacement for a then existing Lease for space in the Property or a Lease which is for vacant space in the Property, provided each such Lease must (i) be with a tenant reasonably satisfactory to Lender and (ii) comply with Section 5.17 hereof.

"***Rating Agencies***" shall mean (i) prior to the inclusion of the Loan or any interest therein in a Securitization, each of Moody' s and Fitch, and any other nationally-recognized statistical rating organization (as identified by the Securities and Exchange Commission) which has been designated by Lender, and (ii) if the Loan or any interest therein is included or is anticipated to be included in a Securitization, each of S&P, Moody' s, and Fitch, and any other nationally-recognized statistical rating organization (as identified by the Securities and Exchange Commission) to the extent any of the foregoing have been engaged by Lender or its designee in connection with, or in anticipation of, any Securitization.

"***Rating Agency Confirmation***" shall mean a written confirmation from each of the Rating Agencies (unless otherwise agreed by Lender) that an action shall not result in a downgrade, withdrawal or qualification of any Securities issued in connection with a Securitization. In the event that no Securities are outstanding or the Loan is not part of a Securitization, any action that would otherwise require Rating Agency Confirmation or approval by a Rating Agency shall instead require the consent of Lender. For the purposes of this Agreement, if any Rating Agency shall, in writing, waive, decline or refuse to review or otherwise engage any request for Rating Agency Confirmation or approval hereunder, such waiver, declination, or refusal shall be deemed to eliminate, for such request only, the condition that Rating Agency Confirmation or approval by such Rating Agency (only) be obtained for purposes of this Agreement.

"***REA***" shall mean any reciprocal easement agreement or similar agreement now or hereafter benefiting or burdening the Property.

"***Real Property Value to Loan Ratio***" shall mean the ratio (expressed as a percentage), in which (A) the numerator is the fair market value of the interests in real property which secure the Loan, and (B) the denominator is the adjusted issue price of the Loan. For purposes of this definition, (i) "interests in real property" and "real property" shall have the meanings assigned to such terms by 26 C.F.R. §§ 1.856-3(c) and (d), and (ii) "adjusted issue price" shall have the meaning assigned to such term by 26 C.F.R. § 1.1275-1(b). For purposes of this definition, the fair market value of the interests in real property which secure the Loan shall be determined by Lender, in Lender' s sole discretion, by any commercially reasonable method permitted to a REMIC Trust under the Code and, to the extent permitted to a REMIC Trust under the Code, the fair market value of the interests in real property for purposes of ***Section 7.4(d)*** hereof may take into account any planned Restoration. Notwithstanding the foregoing, unless Lender determines that applicable REMIC regulations or other applicable authority require a different valuation method, Lender shall determine clause (A) of the Real Property Value to Loan Ratio by capitalizing net operating income for the interests in real property which secure the Loan using a capitalization rate or range of capitalization rates that Lender has no reason to believe is incorrect.

"***Registrar***" shall have the meaning set forth in ***Section 11.5*** hereof.

"***Regulation AB***" shall mean Regulation AB under the Securities Act and the Exchange Act, as such Regulation may be amended, modified or replaced.

"***Release***" shall have the meaning set forth in ***Section 2(e)*** of the Environmental Indemnity.

"***REMIC Opinion***" shall mean an opinion of counsel in form and substance satisfactory to Lender and to the Rating Agencies, stating that the transaction which requires such opinion to be delivered will not (1) cause any REMIC Trust formed pursuant to a Securitization to fail to maintain its status as a REMIC Trust, or (2) constitute a "significant modification" of the Loan within the meaning of Treasury Regulation Section 1.1001-3(b), or (3) cause the Loan to fail to be a "qualified mortgage" within the meaning of Section 860G(a)(3) of the Code.

"***REMIC Trust***" shall mean a "real estate mortgage investment conduit" within the meaning of Section 860D of the Code that holds all or any portion of the Note.

"***Rent Roll***" shall mean a written statement from Borrower, in form and substance satisfactory to Lender, detailing the names of all tenants of the Property, the portion of the Property occupied by each tenant, the base rent and any other charges payable under each Lease, the term of each Lease, the beginning date and expiration date of each Lease, whether any tenant is in monetary default under its Lease (and detailing the nature of such default), and any other information as is required by Lender.

"***Rents***" shall mean all rents (including, without limitation percentage rents), ground rents, additional rents, rent equivalents, moneys payable as damages or in lieu of rent or rent equivalents (including, without limitation, damages and other claims arising from any rejection by a tenant of its Lease under any Creditors Rights Law), revenues, issues, royalties and profits from the Land (including, without limitation, all oil and gas or other mineral royalties and bonuses), income, receivables, receipts, deposits (including, without limitation, cash, letters of credit or securities deposited under any Lease to secure the performance by the lessee of its obligations thereunder, utility deposits and other deposits), accounts, cash, charges for services rendered, charges for electricity, oil, gas, water, steam, heat, ventilation, air-conditioning and any other energy, telecommunication, telephone, utility or similar items or time use charges, HVAC equipment charges, sprinkler charges, escalation charges, license fees, maintenance fees, charges for Taxes, operating expenses or other reimbursables payable to Borrower (or to Manager for the account of Borrower), under any Lease, all Lease Termination Payments, all other consideration of whatever form or nature received by or paid to or for the account of or benefit of Borrower or its agents or employees from any and all sources arising from or attributable to the Land or the Improvements, all proceeds, if any, payable to Borrower from business interruption or other loss of income insurance relating to the use, enjoyment or occupancy of the Land and/or the Improvements (whether paid or accruing before or after the filing by or against Borrower of any petition for relief under any Creditors Rights Laws), and all proceeds or streams of payment payable to Borrower from the sale or other disposition of any Lease or any Rents.

"***Required Disbursement Amounts***" shall mean, for any given Disbursement Date, the amounts required to be disbursed under ***Section 3.3.1(a)*** through ***Section 3.3.1(e)*** hereof.

"***Required Rating***" means (i) a rating of not less than "A-1" (or its equivalent) from each of the Rating Agencies if the term of such Letter of Credit is no longer than three (3) months or if the term of such Letter of Credit is in excess of three (3) months, a rating of not less than "AA-" (or its equivalent) from each of the Rating Agencies or (ii) such other rating with respect to which Lender shall have received a Rating Agency Confirmation.

"***Required Repairs***" shall mean (1) the deferred maintenance and existing deficiencies listed in the Property Condition Report, and (2) New York City Department of Buildings, Violation Nos. 9027/412422, 9027/412424,9027,4134300, 9027/4144301, 9027/4144302, 9027/414303, and 9027/412423.

"***Reserve Accounts***" shall mean the Tax and Insurance Escrow Account, the Early Lease Termination Reserve Account or any other escrow or reserve Account established pursuant to Article ***IX*** hereof.

"***Reserve Funds***" shall mean the Tax and Insurance Escrow Fund, the Early Lease Termination Reserve Fund or any other escrow or reserve fund established pursuant to ***Article IX*** hereof.

"***Responsible Officer***" shall mean with respect to a Person, the chairman of the board, president, chief operating officer, chief financial officer, treasurer, or vice president of such Person (or of the manager, general partner or similar authorized party of such Person, as applicable) or such other similar officer of such Person reasonably acceptable to Lender and appropriately authorized by the applicable Person in a manner reasonably acceptable to Lender.

"***Restoration***" shall have the meaning set forth in ***Section 7.2*** hereof.

"***Restoration Threshold***" shall mean an amount equal to five percent (5.0%) of the outstanding balance of the Loan.

"***Restricted Party***" shall mean collectively, Borrower, any SPC Party, any Guarantor, and Operating Partnership.

"***S&P***" shall mean Standard & Poor' s Ratings Services, a division of McGraw-Hill, Inc.

"***Sale or Pledge***" shall mean a voluntary or involuntary (including, but not limited to, any levy, seizure or attachment) sale, conveyance, assignment, alienation, mortgage, hypothecation, encumbrance, grant of a Lien on, a security interest or option in, pledge, repurchase, reverse repurchase or other transfer or disposal of a legal or beneficial interest (directly or indirectly, whether by operation of Law or otherwise, and whether or not for consideration or of record) other than (i) Leases for actual occupancy by a space tenant thereunder, and (ii) utility easements granted in the ordinary course of business that have no Material Adverse Effect.

"***Scheduled Maturity Date***" shall have the meaning set forth in ***Section 2.4.2*** hereof.

"***Secondary Market Transactions***" shall have the meaning set forth in ***Section 11.1*** hereof.

"***Securities***" shall have the meaning set forth in ***Section 11.1*** hereof.

"***Securities Act***" shall have the meaning set forth in ***Section 11.2(a)*** hereof.

"***Securitization***" shall have the meaning set forth in ***Section 11.1*** hereof.

"***Security Instrument***" shall mean the first priority Consolidated, Amended and Restated Mortgage, Assignment of Leases and Rents, and Security Agreement, dated as of the date hereof, executed and delivered by Borrower in favor of Lender as security for the payment of the Debt and the performance of the Other Obligations and encumbering the Property, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Servicer***" shall have the meaning set forth in ***Section 11.4*** hereof.

"***Servicing Fee***" shall have the meaning set forth in ***Section 11.4*** hereof.

"***Severed Loan Documents***" shall have the meaning set forth in ***Section 10.2(c)*** hereof.

"***Single Purpose Entity***" shall have the meaning set forth in ***Section 8.1(d)*** hereof.

"***SPC Party***" shall have the meaning set forth in ***Section 8.1(b)*** hereof.

"***Special Member***" shall have the meaning set forth in ***Section 8.1(c)(i)*** hereof.

"***Sponsor***" shall mean Guarantor.

"***State***" shall mean the State in which the Land (as defined in the Security Instrument) is located.

"***Survey***" shall mean a survey of the Property prepared by a surveyor licensed in the state where the Property is located and satisfactory to Lender and the company or companies issuing the Title Insurance Policy, and containing a certification of such surveyor satisfactory to Lender.

"***Tax and Insurance Escrow Account***" shall have the meaning set forth in ***Section 9.2*** hereof.

"***Tax and Insurance Escrow Fund***" shall have the meaning set forth in ***Section 9.2*** hereof.

"***Taxes***" shall mean all real estate and personal property taxes, assessments, water rates or sewer rents, now or hereafter levied or assessed or imposed against the Property.

"***TC Cap***" shall have the meaning set forth in ***Section 7.1(l)*** hereof.

"***Terminating Tenant***" shall have the meaning set forth in ***Section 9.3*** hereof.

"***Terrorism Coverage***" shall have the meaning set forth in ***Section 7.1(l)*** hereof.

"***TILC Costs***" shall mean (a) customary and reasonable third party tenant improvement costs and expenses actually incurred by Borrower and (b) customary and reasonable leasing commissions paid to any management or brokerage company in connection with any Qualified Replacement Lease.

"***Title Insurance Policy***" shall mean any ALTA mortgagee title insurance policy in form and substance satisfactory to Lender (or, if the State does not permit the issuance of such ALTA policy, such form as shall be permitted in the State and satisfactory to Lender) issued on or after the date hereof by a title insurance company satisfactory to Lender with respect to the Property and insuring the Lien of the Security Instrument, with endorsements thereto as to such matters as Lender may designate (provided that such endorsements are available in the state where the Property is located).

"***Transfer***" shall mean any Sale or Pledge of the Property or of any legal or beneficial interest therein, or any Sale or Pledge of an interest in any Restricted Party. Without limiting the generality of the foregoing, a Transfer is deemed to include: (a) an installment sales agreement wherein Borrower agrees to sell the Property for a price to be paid in installments; (b) an agreement by Borrower leasing all or a substantial part of the Property for other than actual occupancy by a space tenant thereunder; (c) a sale, assignment or other transfer of, or the grant of a security interest in, Borrower' s right, title and interest in and to any Leases or any Rents (other than pursuant to the Assignment of Leases); (d) if a Restricted Party is a corporation, any merger, consolidation or Sale or Pledge of such corporation' s stock or the creation or issuance of new stock; (e) if a Restricted Party is a limited or general partnership or joint venture, any merger or consolidation or the change, removal, resignation or addition of a general partner or the Sale or Pledge of the partnership interest of any general partner or any profits or proceeds relating to such partnership interest, or the Sale or Pledge of limited partnership interests or any profits or proceeds relating to such limited partnership interest or the creation or issuance of new limited partnership interests; (f) if a Restricted Party is a limited liability company, any merger or consolidation or the change, removal, resignation or addition of a managing member or non-member manager (or if no managing member, any member) or the Sale or Pledge of the membership interest of a managing member (or if no managing member, any member) or any profits or proceeds relating to such membership interest, or the Sale or Pledge of non-managing membership interests or the creation or issuance of new non-managing membership interests; or (g) if a Restricted Party is a trust or nominee trust, any merger, consolidation or the Sale or Pledge of the legal or beneficial interest in a Restricted Party or the creation or issuance of new legal or beneficial interests.

"***Transferee***" shall have the meaning set forth in ***Section 6.2(e)*** hereof.

"***Treasury Rate***" shall mean the yield calculated by the linear interpolation of the yields, as reported in Federal Reserve Statistical Release H.15-Selected Interest Rates under the heading U.S. Government Securities/Treasury Constant Maturities for the week ending prior to the Prepayment Date, of U.S. Treasury constant maturities with maturity dates (one longer and one shorter) most nearly approximating the Open Period Start Date. (In the event Release H.15 is no longer published, Lender shall select a comparable publication to determine the Treasury Rate.) Lender shall notify Borrower of the amount and the basis of determination of the required Prepayment Consideration.

"***TRIA***" shall have the meaning set forth in ***Section 7.1(l)*** hereof.

"***Triggering Event***" shall mean the earlier to occur of: (a) an Event of Default or (b) the date on which the Debt Service Coverage Ratio for the immediately preceding two (2) calendar quarters is less than 1.25 to 1.00.

"***Triggering Event Period***" shall mean each period commencing upon the date on which a Triggering Event occurs and ending on the earlier to occur of (a) the Payment Date following the date on which a Triggering Event Termination occurs, or (b) the date upon which the Debt has been paid and satisfied in full and the Other Obligations have been performed (other than contingent obligations which survive such payment and satisfaction).

"***Triggering Event Period Reserve Accounts***" shall mean the Excess Cash Reserve Account.

"***Triggering Event Period Reserve Funds***" shall mean the Excess Cash Reserve Fund.

"***Triggering Event Termination***" shall mean, with respect to any Triggering Event Period, the earliest to occur of: (a) if such Triggering Event was triggered by an Event of Default, Borrower' s cure of such Event of Default and Lender' s acceptance of such cure (which cure Lender is not obligated to accept and may reject or accept in its sole and absolute discretion, unless required by Law), prior to Lender accelerating the Debt and exercising any of its remedies under the Loan Documents, (b) if such Triggering Event was triggered by a Debt Service Coverage Ratio calculation, the occurrence of the Debt Service Coverage Ratio being at least 1.30 to 1.00 for two (2) consecutive calendar quarters; provided, however, that any such Triggering Event Termination shall be subject to the condition that no Event of Default shall have occurred and be continuing.

"***UCC***" or "***Uniform Commercial Code***" shall mean the Uniform Commercial Code as in effect in the state where the Land is located; provided, however, the UCC in effect in the Commonwealth of Pennsylvania shall govern the Account Collateral.

"***Underwriter Group***" shall mean any and all of the following Persons: (i) Lender (and for purposes of this definition, Lender shall include its officers and directors), (ii) the Affiliate of PNC Bank that has filed any registration statement relating to any Securitization, if applicable, each of its directors, each of its officers who have signed any such registration statement and each Person who controls the Affiliate within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, (iii) PNC Capital Markets LLC, a Pennsylvania limited liability company, each of its directors and each Person who controls PNC Bank within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act and (iv) PNC Bank, each of its directors and each Person who controls PNC Bank within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act.

"***Underwritten Net Cash Flow***" shall mean Underwritten Net Operating Income, adjusted to reflect the following:

(i) normalized capital expenditures in an amount equal to the product obtained by multiplying $0.20 by the aggregate number of rentable square feet of space at the Property;

(ii) normalized tenant improvement costs and leasing commissions equal to the product obtained by multiplying $1.34 by the aggregate number of square feet of space at the Property; and

(iii) adjustments for non-recurring or extraordinary items.

"***Underwritten Net Operating Income***" shall mean for any period the amount obtained by subtracting Operating Expenses from Gross Income From Operations, and then applying the following adjustments:

(a) Gross Income From Operations will be adjusted to exclude:

(i) Rents from any tenant subject to any Bankruptcy Action that has not affirmed its Lease in the applicable bankruptcy proceeding pursuant to a final, non-appealable order of a court of competent jurisdiction;

(ii) Rents from any tenant that is in arrears in the payment of Rent for more than ninety (90) days;

(iii) [intentionally omitted];

(iv) Rents from any tenant that is not in occupancy of, or not open for business at its demised premises (unless such tenant, or any entity which has guaranteed the obligations of such tenant under its Lease, has a long term issuer credit rating that is BBB- or better by S&P (or, if not rated by S&P, a comparable investment grade rating from another Rating Agency)), or from any tenant that has not commenced paying full unabated Rent pursuant to its Lease;

(v) Rents from any temporary or month-to-month tenant;

(vi) Rents from any tenant which is an Affiliate of Borrower;

(vii) Rents paid more than one (1) month in advance;

(viii) Lease Termination Payments;

(ix) forfeited security deposits;

(x) interest on credit accounts;

(xi) rent concessions; and

(xii) License fees.

(b) Gross Income From Operations will be adjusted to reflect:

(i) any contractual adjustments to Rent expected to occur within the twelve (12) month period following the date of calculation;

(ii) [intentionally omitted]; and

(iii) adjustments for non-recurring or extraordinary items.

(c) Operating Expenses will be adjusted to reflect:

(i) [intentionally omitted];

(ii) the greater of (x) the actual management fees paid to Manager for the most recent trailing twelve (12) calendar months and (y) four percent (4.0%) of Gross Income from Operations; and

(iii) adjustments for non-recurring or extraordinary items.

"***USA Patriot Act***" shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56 (October 26, 2001), as the same has been, or shall hereafter be amended, renewed, extended or replaced.

"***U.S. Obligations***" shall mean (i) direct obligations of the United States of America for the payment of which its full faith and credit is pledged and which are not subject to prepayment, call or early redemption, (ii) other non-callable "government securities" within the meaning of Section 2(a)(16) of the Investment Company Act of 1940, as amended which (a) will not result in a reduction, downgrade or withdrawal of the ratings for the certificates or any class thereof issued in connection with a Securitization, (b) are then outstanding and (c) are then being generally accepted by the Rating Agencies without any reduction, downgrade or withdrawal of the ratings for the certificates or any class thereof issued in connection with a Securitization or (iii) other non-callable instruments, which (w) if a Securitization has occurred, will not cause the REMIC Trust formed pursuant to such Securitization to fail to maintain its status as a "real estate mortgage investment conduit" within the meaning of Section 860D of the Code, (x) will not result in a reduction, downgrade or withdrawal of the ratings for the certificates or any class thereof issued in connection with a certificate, (y) are then outstanding and (z) are then being generally accepted by the Rating Agencies without any reduction, downgrade or withdrawal of the ratings for the certificates or any class thereof issued in connection with a Securitization.

"***Vacated Space***" shall have the meaning set forth in ***Section 9.3.1*** hereof.

"***Yield Maintenance Premium***" shall mean an amount determined by Lender equal to (a) the present value, as of the Prepayment Date, of the remaining scheduled payments of principal and interest from the Prepayment Date through the Maturity Date (including any balloon payment) determined by discounting such payments at a rate which, when compounded monthly, is equivalent to the Treasury Rate plus 50 basis points when compounded semi-annually, less (b) the principal portion of the Loan prepaid.

"***Zoning Regulations***" shall have the meaning set forth in ***Section 4.1.11*** hereof.

"***Zoning Report***" shall mean that certain Municipal Information Summary Report dated September 17, 2012 issued by IVI Assessment Services, Inc.

Section 1.2 Principles of Construction.

All references to sections and exhibits are to sections and exhibits in or to this Agreement unless otherwise specified. All uses of the word "including" shall mean "including, without limitation" unless the context shall indicate otherwise. Unless otherwise specified, the words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless otherwise specified, all meanings attributed to defined terms herein shall be equally applicable to both the singular and plural forms of the terms so defined.

II. GENERAL TERMS

Section 2.1 The Loan.

2.1.1. Agreement to Lend and Borrow. Subject to and upon the terms and conditions set forth in this Agreement, Lender hereby agrees to make and Borrower hereby agrees to accept the Loan on the Closing Date.

2.1.2. Single Disbursement to Borrower. Borrower may request and receive only one borrowing hereunder in respect of the Loan and no amount borrowed and repaid hereunder in respect of the Loan may be reborrowed.

2.1.3. The Note, Security Instrument and Other Loan Documents. The Loan shall be evidenced by the Note and secured by the Security Instrument, each Assignment of Leases and the other Loan Documents.

2.1.4. Use of Proceeds. Borrower shall use the proceeds of the Loan to (a) acquire the Property or to repay and discharge any existing loans relating to the Property, (b) pay all past due Basic Carrying Costs, if any, in respect of the Property, (c) make deposits into the Reserve Funds on the Closing Date in the amounts provided herein, (d) pay costs and expenses incurred in connection with the acquisition of the Property or the closing of the Loan, as approved by Lender, (e) fund any working capital requirements of the Property, as approved by Lender and (f) distribute the balance, if any, to Borrower.

Section 2.2 Interest Rate and Payments.

2.2.1. Interest Generally; Usury.

(a) Except as herein provided with respect to interest accruing at the Default Rate, interest on the outstanding principal balance of the Loan shall accrue at the Applicable Interest Rate from (and including) the Closing Date to (but excluding) the Maturity Date.

(b) This Agreement and the Note are subject to the express condition that at no time shall Borrower be obligated or required to pay interest on the principal balance of the Loan at a rate which could subject Lender to either civil or criminal liability as a result of being in excess of the Maximum Legal Rate. If, by the terms of this Agreement or the other Loan Documents, Borrower is at any time required or obligated to pay interest on the principal balance due hereunder at a rate in excess of the Maximum Legal Rate, the Applicable Interest Rate or the Default Rate, as the case may be, shall be deemed to be immediately reduced to the Maximum Legal Rate and all previous payments in excess of the Maximum Legal Rate shall be deemed to have been payments in reduction of principal (but not subject to any Prepayment Consideration) and not on account of the interest due hereunder. All sums paid or agreed to be paid to Lender for the use, forbearance, or detention of the sums due under the Loan, shall, to the extent permitted by applicable Law, be amortized, prorated, allocated, and spread throughout the full stated term of the Loan until payment in full so that the rate or amount of interest on account of the Loan does not exceed the Maximum Legal Rate of interest from time to time in effect and applicable to the Loan for so long as the Loan is outstanding.

2.2.2. Interest Calculation. Interest on the outstanding principal balance of the Loan shall be calculated by multiplying (a) the actual number of days elapsed in the period for which the calculation is being made by (b) a daily rate based on a three hundred sixty (360) day year by (c) the outstanding principal balance of the Loan. The accrual period for calculating interest due on each Payment Date shall be the Interest Accrual Period immediately prior to such Payment Date. Borrower understands and acknowledges that such interest accrual requirement results in more interest accruing on the Loan than if either (i) a thirty (30) day month and a three hundred sixty (360) day year or (ii) the actual number of days in a month and a three hundred and sixty five (365) day year were used to compute the accrual of interest on the Loan.

2.2.3. Payments Before Maturity Date; Monthly Debt Service Payment Amount. Borrower shall pay to Lender: (a) unless the Closing Date occurs on the first (1st) day of a calendar month, on the Closing Date, an amount equal to interest only at the Applicable Interest Rate on the outstanding principal balance of the Loan from the Closing Date up to and including December 31, 2012, calculated by multiplying (i) the actual number of days elapsed during such period by (ii) a daily rate based on a three hundred sixty (360) day year by (iii) the outstanding principal balance of the Loan on the Closing Date and (b) on the Payment Date occurring in February, 2013 and on each Payment Date thereafter up to but not including the Maturity Date, an amount equal to interest only at the Applicable Interest Rate, calculated by multiplying (i) the actual number of days elapsed in each Interest Accrual Period by (ii) a daily rate based on a three hundred sixty (360) day year by (iii) the outstanding principal balance of the Loan during each Interest Accrual Period (the "***Monthly Debt Service Payment Amount***").

2.2.4. Payment on Maturity Date. Borrower shall pay to Lender on the Maturity Date the Debt, including but not limited to, the outstanding principal balance of the Loan, all accrued and unpaid interest thereon through the end of the Interest Accrual Period immediately prior to the Maturity Date and all other amounts due hereunder and under the Note, each Security Instrument and the other Loan Documents.

2.2.5. Payments After Default. Upon the occurrence and during the continuance of an Event of Default (including, without limitation, failure to repay the Debt on the Maturity Date), interest on the outstanding principal balance of the Loan and, to the extent permitted by Law, overdue interest and other amounts due in respect of the Loan, shall accrue at the Default Rate, calculated from the date such payment was due without regard to any grace or cure periods contained herein. Interest at the Default Rate shall be computed from the occurrence of the Event of Default until the earlier of the date such Event of Default has ceased to exist or the date of actual receipt and collection of the Debt in full. To the extent permitted by applicable Law, interest at the Default Rate shall be added to the Debt, shall itself accrue interest at the same rate as the Loan and shall be secured by each Security Instrument. This paragraph shall not be construed as an agreement or privilege to extend the date of the payment of the Debt, nor as a waiver of any other right or remedy accruing to Lender by reason of the occurrence of any Event of Default. Anything herein to the contrary notwithstanding, all interest accrued at the Default Rate shall be immediately due and payable upon demand by Lender.

2.2.6. Late Payment Charge. If any principal, interest or any other sum due under the Loan Documents (other than the balloon payment due on the Maturity Date) is not paid by Borrower on or before the seventh (7th) day after the date the same is due and payable, Borrower shall pay to Lender upon demand an amount equal to the lesser of five percent (5%) of such unpaid sum or the maximum amount permitted by applicable Law in order to defray the expense incurred by Lender in handling and processing such delinquent payment and to compensate Lender for the loss of the use of such delinquent payment. Any such amount shall be secured by each Security Instrument and the other Loan Documents to the extent permitted by applicable Law.

2.2.7. Release on Payment in Full. Lender shall, upon the written request and at the sole cost and expense of Borrower, after payment in full of the Debt and the performance of the Other Obligations in accordance with the terms and provisions of each Security Instrument and the other Loan Documents, release the Lien of each Security Instrument and the other Loan Documents on the Property.

Section 2.3 Manner of Making Payments.

2.3.1. Making of Payments. Subject to ***Section 3.7*** hereof, each payment by Borrower hereunder or under the Note or any of the other Loan Documents shall be made in funds immediately available to Lender by 2:00 p.m., central time, on the date such payment is due, to PNC Bank, National Association, c/o Midland Loan Services, c/o Bank of Oklahoma, Lockbox #2585, 6242 East 41st Street, Tulsa, OK 74135, or such other place as Lender may from time to time designate in writing. Whenever any payment hereunder or under the Note shall be stated to be due on a day which is not a Business Day, such payment shall be made on the first Business Day following such scheduled due date.

2.3.2. Credit for Payment Receipt. Subject to ***Section 3.7*** hereof, no payment due under the Note, this Agreement or any of the other Loan Documents shall be deemed paid to Lender until received by Lender at its designated office on a Business Day prior to 2:00 p.m., central time. Subject to ***Section 3.7*** hereof, any payment received after the time established by the preceding sentence shall be deemed to have been paid on the immediately succeeding Business Day. Each payment that is paid to Lender within ten (10) days prior to the date on which such payment is due, and prior to its scheduled Payment Date, shall not be deemed a prepayment and shall be deemed to have been received on the Payment Date solely for the purpose of calculating interest due.

2.3.3. Invalidated Payments. If any payment received by Lender is deemed by a court of competent jurisdiction to be a voidable preference or fraudulent conveyance under any Creditors Rights Laws, and is required to be returned by Lender, then the obligation to make such payment shall be reinstated, notwithstanding that the Note may have been marked satisfied and returned to Borrower or otherwise canceled, and such payment shall be immediately due and payable upon demand.

2.3.4. No Deductions, etc. All payments made by Borrower hereunder or under the Note or the other Loan Documents shall be made irrespective of, and without any deduction for, any setoff, defense, claim or counterclaims.

2.3.5. Application of Payments. Provided no Event of Default has occurred and is continuing, payments of principal and interest due from Borrower shall be applied (a) first, to the payment or reimbursement of any expenses (including but not limited to late charges), costs or obligations (other than the principal and interest) for which Borrower shall be obligated or Lender entitled pursuant to the provisions of the Loan Documents, (b) second, to the payment of accrued but unpaid interest, (c) third, to the payment of unpaid Reserve Funds required pursuant to the provisions of the Loan Documents, and (d) fourth, to the payment of principal then outstanding. If at any time Lender receives less than the full amount due and payable on a Payment Date or upon the occurrence and during the continuance of an Event of Default, Lender may apply all payments received to amounts then due and payable in any manner and in any order determined by Lender, in its sole discretion. Lender' s acceptance of a payment from Borrower in an amount that is less than the full amount then due and Lender' s application of such payments to amounts then due from Borrower shall not constitute or be deemed to constitute a waiver of the unpaid amounts or an accord and satisfaction.

2.3.6. Increased Costs.

(a) **Increased Costs Generally**. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, Lender;

(ii) subject Lender to any tax of any kind whatsoever with respect to this Agreement, or change the basis of taxation of payments to Lender in respect thereof (except for Indemnified Taxes or Other Taxes covered by ***Section 2.3.7(c)*** hereof and the imposition of, or any change in the rate of, any Excluded Tax payable by Lender); or

(iii) impose on Lender any other condition, cost or expense affecting this Agreement;

and the result of any of the foregoing shall be to reduce the amount of any sum received or receivable by Lender hereunder (whether of principal, interest or any other amount) then, upon request of Lender, Borrower will pay to Lender such additional amount or amounts as will compensate Lender for such reduction suffered.

(b) **Capital Requirements**. If Lender determines that any Change in Law affecting Lender or any lending office of Lender or Lender' s holding company regarding capital requirements has or would have the effect of reducing the rate of return on Lender' s capital or on the capital of Lender' s holding company as a consequence of this Agreement, or the Loan to a level below that which Lender or Lender' s holding company could have achieved but for such Change in Law (taking into consideration Lender' s policies and the policies of Lender' s holding company with respect to capital adequacy), then from time to time Borrower will pay to Lender such additional amount or amounts as will compensate Lender or Lender' s holding company for any such reduction suffered.

2.3.7. Indemnified Taxes.

(a) All payments made by Borrower hereunder shall be made free and clear of, and without reduction for or on account of, Indemnified Taxes, excluding (i) Indemnified Taxes measured by Lender' s net income, and franchise taxes imposed on it, by the jurisdiction under the Laws of which Lender is resident or organized, or any political subdivision thereof, (ii) taxes measured by Lender' s overall net income, and franchise taxes imposed on it, by the jurisdiction of Lender' s lending office or any political subdivision thereof or in which Lender is resident or engaged in business, (iii) any branch profits taxes imposed by the United States of America or any similar taxes imposed by any other jurisdiction in which Borrower is located, and (iv) withholding taxes imposed by the United States of America, any state, commonwealth, protectorate territory or any political subdivision or taxing authority thereof or therein as a result of the failure of Lender which is a Non-U.S. Entity to comply with the terms of subsection (b) below (collectively, "***Excluded Taxes***"). If any non-excluded Indemnified Taxes are required to be withheld from any amounts payable to Lender hereunder, the amounts so payable to Lender shall be increased to the extent necessary to yield to Lender (after payment of all non-excluded Indemnified Taxes) interest or any such other amounts payable hereunder at the rate or in the amounts specified hereunder. Whenever any non-excluded Indemnified Tax is payable pursuant to applicable Law by Borrower, Borrower shall send to Lender an original official receipt showing payment of such non-excluded Indemnified Tax or other evidence of payment reasonably satisfactory to Lender. Borrower hereby indemnifies and hold harmless Lender for any incremental taxes, interest or penalties that may become payable by Lender which may result from any failure by Borrower to pay any such non-excluded Indemnified Tax when due to the appropriate taxing authority or any failure by Borrower to remit to Lender the required receipts or other required documentary evidence.

(b) In the event that any successor and/or assign of Lender is not incorporated under the Laws of the United States of America or a state thereof (a "***Non-U.S. Entity***") Lender agrees that, prior to the first date on which any payment is due such entity hereunder, it will deliver to Borrower two duly completed copies of United States Internal Revenue Service Form W-8BEN or W-8ECI or successor applicable form, as the case may be, certifying in each case that such entity is entitled to receive payments under the Note, without deduction or withholding of any United States federal income taxes. Each entity required to deliver to Borrower a Form W-8BEN or W-8ECI pursuant to the preceding sentence further undertakes to deliver to Borrower two further copies of such forms, or successor applicable forms, or other manner of certification, as the case may be, on or before the date that any such form expires (which, in the case of the Form W-8ECI, is the last day of each U.S. taxable year of the Non-U.S. Entity) or becomes obsolete or after the occurrence of any event requiring a change in the most recent form previously delivered by it to Borrower, and such other extensions or renewals thereof as may reasonably be requested by Borrower, certifying in the case of a Form W-8BEN or W-8ECI that such entity is entitled to receive payments under the Note without deduction or withholding of any United States federal income taxes, unless in any such case an event (including, without limitation, any change in treaty, Law or regulation) has occurred prior to the date on which any such delivery would otherwise be required which renders all such forms inapplicable or which would prevent such entity from duly completing and delivering any such form with respect to it and such entity advises Borrower that it is not capable of receiving payments without any deduction or withholding of United States federal income tax.

(c) Without limiting the generality of this Section 2.3.7, Borrower shall timely pay to the relevant Official Body in accordance with applicable Law, or at the option of Lender timely reimburse Lender for, the payment of, any Other Taxes (other than Excluded Taxes).

Section 2.4 Prepayments.

2.4.1. Voluntary Prepayments. Except as set forth in this ***Section 2.4***, Borrower shall not have the right to prepay all or any portion of the Debt. After the Lockout Period, Borrower may prepay the Debt in whole, but not in part, on any Payment Date, provided the following conditions are satisfied: (a) no Event of Default shall be occurring on either the date the required prepayment notice is received by Lender or the Prepayment Date; (b) Borrower shall give a revocable written notice to Lender specifying the date on which a prepayment is to be made (the date of any prepayment hereunder, whether pursuant to such notice or not, and whether voluntary or involuntary, being herein referred to as the "***Prepayment Date***") not more than sixty (60) days and not less than thirty (30) days prior to the Prepayment Date; and (c) the applicable Prepayment Consideration, if any, is paid by Borrower to Lender with such prepayment of the entire Debt in full. Additionally, any such prepayment not actually received by Lender before 2:00 p.m., central time, on the fifth (5th) day of the month must also include the interest which would have accrued on the amount of such prepayment during the entire Interest Accrual Period in which the prepayment is made.

BORROWER HEREBY AGREES THAT IN THE EVENT BORROWER DELIVERS A PREPAYMENT NOTICE AND FAILS TO PREPAY THE LOAN IN ACCORDANCE WITH THE PREPAYMENT NOTICE AND THE TERMS OF THIS ***SECTION 2.4.1*** (A "***PREPAYMENT FAILURE***"), BORROWER SHALL INDEMNIFY LENDER FROM AND AGAINST, AND SHALL BE RESPONSIBLE FOR, ALL LOSSES (INCLUDING ANY BREAKAGE COSTS) INCURRED BY LENDER WITH RESPECT TO ANY SUCH PREPAYMENT FAILURE, PROVIDED THAT SUCH INDEMNITY SHALL NOT BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES ARE DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NON-APPEALABLE JUDGMENT TO HAVE RESULTED FROM THE GROSS NEGLIGENCE, ILLEGAL ACTS, BAD FAITH OR WILLFUL MISCONDUCT OF LENDER.

2.4.2. Prepayment Consideration. Lender shall not be obligated to accept any prepayment of the Debt unless it is accompanied by the applicable Prepayment Consideration. The "***Prepayment Consideration***" shall be calculated by Lender as follows:

From the date hereof through December 31, 2014 (the "***Lockout Period***"):	Not applicable; No prepayment permitted.

January 1, 2015 through June 30, 2022:	The greater of (i) one percent (1.0%) of the outstanding principal balance of the Loan on a Prepayment Date; or (ii) the Yield Maintenance Premium.
July 1, 2022 (the "***Open Period Start Date***") through January 1, 2023 (the "***Scheduled Maturity Date***"):	No Prepayment Consideration (i.e., $0.00).
Prepayment After an Event of Default but before the Open Period Start Date:	The Prepayment Consideration set forth in ***Section 2.4.4*** hereof.

Borrower acknowledges that the Prepayment Consideration is a bargained for consideration and is not a penalty. Borrower recognizes that Lender would incur substantial additional costs and expenses in the event of a prepayment of the Debt and that the Prepayment Consideration compensates Lender for such costs and expenses (including without limitation, the loss of Lender' s investment opportunity during the period from the Prepayment Date until the Maturity Date). Borrower agrees that Lender shall not, as a condition to receiving the Prepayment Consideration, be obligated to actually reinvest the amount prepaid in any treasury obligation or in any other manner whatsoever. Any Prepayment Consideration shall be subject to reduction if and to the extent characterized as interest under applicable law, by the amount, if any, which would cause the interest on the Note to exceed the Maximum Legal Rate.

2.4.3. Mandatory Prepayments. If Borrower receives any Net Proceeds and if Lender is not obligated to make, and does not make, such Net Proceeds available to Borrower for the Restoration of the Property pursuant to the terms of this Agreement, then Borrower shall prepay the outstanding principal balance of the Loan in an amount equal to one hundred percent (100%) of such Net Proceeds. No Prepayment Consideration shall be due in connection with any prepayment made pursuant to this ***Section 2.4.3***. Any partial prepayment under this ***Section 2.4.3*** shall be applied to the last payments of principal due under the Loan; provided, however, if an Event of Default has occurred and is then continuing, Lender may apply such Net Proceeds to the Debt in any order or priority in its sole discretion.

2.4.4. Prepayments After Event of Default. If, during the continuance of any Event of Default (and prior to the Open Period Start Date), Borrower shall tender payment of an amount sufficient to satisfy the Debt, such tender by Borrower shall be deemed to be a voluntary prepayment in the amount tendered and in such case Borrower shall also pay to Lender, with respect to the amount tendered, Prepayment Consideration equal to the greater of (a) four percent (4.0%) of the outstanding principal balance of the Loan on the date of such tendered prepayment and (b) the Yield Maintenance Premium (provided that all references to the "Prepayment Date" contained in the definition of Yield Maintenance Premium shall mean the date of said tendered prepayment) which Prepayment Consideration shall be immediately due and payable. Lender shall not be obligated to accept any such tender unless it is accompanied by all Prepayment Consideration due in connection therewith.

III. CASH MANAGEMENT

Section 3.1 Establishment of Lockbox Account and Cash Management Account.

3.1.1. Establishment of Lockbox Account.

(a) Borrower shall, upon the occurrence of a Triggering Event (i) establish, and hereby covenants to maintain during any Triggering Event Period, a segregated account (the "***Lockbox Account***") with Lockbox Bank directly into which Borrower shall deposit or cause to be deposited all Rents (including, without limitation all Lease Termination Payments) or other revenue of any kind from the Property received by each Borrower or Manager, in accordance with ***Section 3.1.1(b)*** hereof, and (ii) execute a deposit account control agreement, in form and substance acceptable to Lender, with Lender and Lockbox Bank providing for the sole dominion and control and security interest in the Lockbox Account by Lender (the "***Lockbox Agreement***"). The Lockbox Account shall be in the name of Borrower, for the benefit of Lender. The Lockbox Agreement shall require the Lockbox Bank to maintain the Lockbox Account as an Eligible Account, and shall provide that Borrower and Lender or its Servicer shall have the right to electronic access to information regarding balances, deposits into and withdrawals from the Lockbox Account and to receive periodic reports from the Lockbox Bank with respect thereto. Borrower shall not in any way alter, modify or change the Lockbox Account or Lockbox Agreement without the prior written consent of Lender. Upon the occurrence of a Triggering Event and during the continuance of a Triggering Event Period, Borrower shall also establish, and hereby covenants to maintain with, Lockbox Bank a lockbox address at the Lockbox Bank (the "***Lockbox Address***").

(b) Borrower represents, warrants and covenants that upon the occurrence and during the continuance of a Triggering Event Period (i) Borrower shall, and shall cause Manager to, immediately deposit all Rents or other revenue of any kind from the Property received by Borrower or Manager directly into the Lockbox Account within two (2) Business Days of receipt, (ii) Borrower shall, or shall cause Manager to, send a notice, substantially in the form of ***Exhibit A***, to all tenants then under Leases directing them to pay all Rents and other sums due thereunder directly to the Lockbox Address (or to the Lockbox Account via wire transfer), and (iii) neither Borrower nor any other Person shall open any other such account with respect to the deposit of income in connection with the Property. During any Triggering Event Period, any Rents and any other revenue of any kind from the Property held by Borrower or Manager prior to being deposited into the Lockbox Account shall be deemed to be Collateral and shall be held in trust by Borrower or Manager, as applicable, for the benefit, and as the property, of Lender and shall not be commingled with any other funds or property of Borrower or Manager. Borrower warrants and covenants that it shall not rescind, withdraw or change any notices or instructions required to be sent by it pursuant to this ***Section 3.1.1(b)*** without Lender' s prior written consent.

(c) In the event the Lockbox Bank resigns or is otherwise terminated under the Lockbox Agreement, Borrower shall (i) cooperate with Lender in connection with the appointment of a replacement Lockbox Bank, and (ii) deliver to Lender a fully executed replacement Lockbox Agreement in form and substance acceptable to Lender within thirty (30) days of Lockbox Bank' s resignation or termination. In connection with any resignation or other termination of the Lockbox Bank, Borrower shall also cooperate with Lender to issue new notices or instructions to replace the notices and instructions required to be sent by it pursuant to ***Section 3.1.1(b)*** hereof.

3.1.2. Establishment of Cash Management Account. Upon the occurrence of a Triggering Event and during the continuance of any Triggering Event Period, Lender shall establish an Account (the "***Cash Management Account***") with the Cash Management Bank (which may include one or more book-entry sub-accounts as deemed necessary by Lender). The Cash Management Account shall be in the name of Lender, as lender and secured party for Borrower.

3.1.3. Accounts Generally. The Lockbox Account and the Cash Management Account shall be subject to the additional terms and conditions set forth in ***Article 12*** hereof.

Section 3.2 Daily Transfers from the Lockbox Account. The Lockbox Agreement shall provide that, so long as no Triggering Event Period is then continuing, on each Business Day on which available funds are on deposit in the Lockbox Account, Lockbox Bank shall transfer all such available funds (less a peg amount of $1,000 required by Lockbox Bank) to the Operating Account. Upon the occurrence of a Triggering Event and during the continuance of any Triggering Event Period, the Lockbox Agreement shall provide that all transfers from the Lockbox Account to the Operating Account shall immediately cease and the Lockbox Bank shall, on each Business Day on which available funds are on deposit in the Lockbox Account, transfer all such available funds (less a peg amount of $1,000 required by Lockbox Bank) to the Cash Management Account.

Section 3.3 Monthly Disbursements from the Cash Management Account. Provided no Event of Default is then continuing, Lender shall withdraw all funds on deposit in the Cash Management Account on the Disbursement Date. Lender shall disburse any amounts transferred to the Cash Management Account representing any Lease Termination Payments to Lender for deposit into the Early Lease Termination Reserve, and Lender shall disburse the balance of such funds in the following order of priority:

(a) First, to Cash Management Bank, for the payment of fees and expenses incurred in connection with this Agreement and the Cash Management Account;

(b) Next, to Lender, funds sufficient to pay the Monthly Tax Deposit if required to be made under ***Section 9.2*** hereof;

(c) Next, to Lender, funds sufficient to pay the Monthly Insurance Premium Deposit if required to be made under ***Section 9.2*** hereof;

(d) Next, to Lender, funds sufficient to pay the Monthly Debt Service Payment Amount;

(e) Next, to Lender, funds sufficient to pay any interest accruing at the Default Rate, late payment charges, and any unpaid reimbursable costs and expenses incurred by Lender on Borrower' s behalf or in the enforcement of Lender' s rights under the Loan Documents, if any;

(f) Next, to Borrower, funds sufficient to pay all Operating Expenses due pursuant to an Annual Budget, or Approved Annual Budget, as applicable, for such calendar month to Borrower, together with other amounts incurred by Borrower in connection with the operation and maintenance of the Property and approved by Lender in it sole discretion;

(g) Next, to Borrower, funds sufficient to pay for Extraordinary Expenses approved by Lender in its sole discretion, if any;

(h) Next, if the Triggering Event was an Event of Default, to Servicer, for the payment of the Servicing Fee; and

(i) Next, all amounts remaining in the Cash Management Account after deposits pursuant to clauses (a) through (h) above for the current month and all prior months to Lender, for deposit into the Excess Cash Reserve Account.

Notwithstanding the foregoing or any other provision of this Agreement or of the other Loan Documents, during the continuance of an Event of Default, Lender reserves the right, exercisable at its sole option, to apply Rents and other sums on deposit in or deposited into the Cash Management Account (and any sub-account established thereunder) to the payment of the Debt, in such order, manner, amounts, times and priority as Lender in its sole discretion determines (including to the payment of the items for which the Reserve Funds or the Triggering Event Period Reserve Funds were established, if Lender so elects in its sole discretion), and such reserved rights shall be in addition to all other rights and remedies provided to Lender under this Agreement and the other Loan Documents.

Section 3.4 Deposit and Disbursement of Funds Allocated for Payment of Monthly Reserve Fund Deposits. Provided no Event of Default is then continuing, all amounts disbursed to Lender pursuant to ***Section 3.3*** hereof to pay Monthly Reserve Fund Deposits shall be deposited by Lender into the applicable Reserve Account established by Lender pursuant to ***Article IX*** hereof, and disbursed by Lender in accordance with the applicable provisions of ***Article IX*** hereof.

Section 3.5 Deposit and Disbursement of Funds Allocated to Triggering Event Period Reserve Funds; Excess Cash Reserve Fund. All amounts disbursed to Lender pursuant to ***Section 3.3.1 (i)*** hereof shall hereinafter be referred to as the "***Excess Cash Reserve Fund***". The Excess Cash Reserve Fund shall be held by Lender in an Eligible Account (the "***Excess Cash Reserve Account***") at the Cash Management Bank. The Excess Cash Reserve Fund shall not constitute trust funds and, at Lender' s option, may be (1) commingled with other monies held by Lender, or (2) be established as a separate account at the Cash Management Bank. The Excess Cash Reserve Fund may be (x) applied by Lender to any of the items for which any Reserve Fund was established, as determined by Lender, or (y) held in the Excess Cash Reserve Account as additional Collateral for the Loan. If on any Payment Date no Triggering Event Period is continuing, Lender shall, after the application of amounts held in the Excess Cash Reserve Fund in accordance with subsection (x) above, disburse the balance of the Excess Cash Reserve Fund to the Operating Account. In the event that a Triggering Event Period is continuing solely as the result of clause (b) of the Triggering Event definition, then, to the extent that there are insufficient funds in the Cash Management Account to pay in full all amounts required to be paid from the Cash Management Account as and when due and payable or insufficient funds in the

Cash Management Account to pay Operating Expenses or Extraordinary Expenses, Borrower may request that Lender allow funds then held in the Excess Cash Reserve Fund to be used to pay such shortfalls and Lender shall not unreasonably withhold its consent to such request.

Section 3.6 Borrower' s Obligation Not Affected. Subject to the last sentence of ***Section 3.5*** and the provisions of ***Section 3.7***, the failure of Borrower to pay the Monthly Debt Service Payment Amount, the Monthly Reserve Fund Deposits or any other amounts to Lender as and when the same become due pursuant to this Agreement and the other Loan Documents shall constitute an Event of Default, and the insufficiency of funds on deposit in the Accounts shall not absolve Borrower of the obligation to make any such payments, and such obligations shall be separate and independent, and not conditioned on any event or circumstance whatsoever.

Section 3.7 Payments Received Under this Agreement. Notwithstanding anything to the contrary contained in this Agreement or the other Loan Documents, and provided no Event of Default has occurred and is continuing, Borrower' s obligations with respect to the Monthly Debt Service Payment Amount, the Monthly Reserve Fund Deposits, and any other escrows or reserves established pursuant to this Agreement or any other Loan Document, and Borrower' s obligations to pay Basic Carrying Costs shall (provided Lender is not prohibited from withdrawing or applying any funds in the Accounts by applicable Law or otherwise) be deemed satisfied to the extent sufficient amounts are deposited in the Lockbox Account or Cash Management Account to satisfy such obligations on or before the date each such payment is required, regardless of whether any of such amounts are so applied by Lender.

IV. REPRESENTATIONS AND WARRANTIES

Section 4.1 Borrower Representations.

Borrower represents and warrants as of the Closing Date that:

4.1.1. Organization. Borrower has been duly formed or organized, as applicable, and is validly existing and in good standing in the jurisdiction in which it is formed or organized, as applicable, with requisite power and authority to own its properties and to transact the businesses in which it is now engaged. Borrower is duly qualified to do business and is in good standing in each jurisdiction where it is required to be so qualified in connection with its properties, businesses and operations. Borrower possesses all rights, Licenses and authorizations, governmental or otherwise, necessary to entitle it to own its properties and to transact the businesses in which it is now engaged, and the sole business of Borrower is the ownership, management and operation of the Property. Attached hereto as ***Exhibit B*** is a true and correct copy of the organizational structure chart of Borrower relating to Borrower and certain Affiliates and other parties, which is true, complete and correct on and as of the date hereof. Neither Guarantor, nor any managing member, general partner or similar controlling Person of Borrower, nor any Person that holds a ten percent (10%) or greater direct ownership interest in Borrower (a) is the subject of a Bankruptcy Action, (b) has a prior record of having been the subject of a Bankruptcy Action, or (c) has been convicted of a felony.

4.1.2. Proceedings. Borrower has full power, authority and legal right to mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey the Property pursuant

to the terms of the Loan Documents and to keep and observe all of the terms of this Agreement and the other Loan Documents on Borrower' s part to be performed, and the Loan is permitted under the Cole Credit Property Trust IV, Inc. Investment, Disposition and Borrowing Policies dated as of August 7, 2012. Borrower taken all necessary action to authorize the execution, delivery and performance of this Agreement and the other Loan Documents. This Agreement and such other Loan Documents have been duly executed and delivered by or on behalf of Borrower and constitute legal, valid and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms, except as such enforcement may be limited by applicable Creditors Rights Laws and similar Laws affecting rights of creditors generally, and general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

4.1.3. No Conflicts. The execution, delivery and performance of this Agreement and the other Loan Documents by Borrower will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any Lien, charge or encumbrance (other than pursuant to the Loan Documents) upon any of the property or assets of Borrower pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement, partnership agreement, management agreement, or other agreement or instrument to which Borrower is a party or by which any of Borrower' s property or assets is subject, nor will such action result in any violation of the provisions of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over Borrower or any of Borrower' s properties or assets, and any consent, approval, authorization, order, registration or qualification of or with any court or any such regulatory authority or other governmental agency or body required for the execution, delivery and performance by Borrower of this Agreement or any other Loan Documents has been obtained and is in full force and effect.

4.1.4. Litigation. There is no pending, filed or, to Borrower' s actual knowledge, threatened action, suit or proceeding, arbitration or governmental investigation, at law or in equity or by or before any Governmental Authority or other agency, involving Borrower, Guarantor, or the Collateral, an adverse outcome of which would reasonably be expected to have a Material Adverse Effect.

4.1.5. Agreements. Borrower is not a party to any agreement or instrument or subject to any restriction which would have a Material Adverse Effect. Borrower is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which it is a party or by which Borrower or the Property is bound. Borrower has no financial obligation under any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which Borrower is a party or by which Borrower or the Property is otherwise bound, other than (a) obligations incurred in the ordinary course of the operation of the Property as permitted pursuant to ***Section 8.1(d)(xi)*** hereof and (b) obligations under the Loan Documents.

4.1.6. Title. Borrower has good, marketable and insurable fee simple title to the real property comprising part of the Property and good title to the balance of the Property, free and clear of all Liens whatsoever except the Permitted Encumbrances. To Borrower' s actual knowledge, the Security Instrument, when properly recorded in the appropriate records, together with any Uniform Commercial Code financing statements required to be filed in connection

therewith, will create (a) a valid, perfected first priority Lien on the Property, subject only to Permitted Encumbrances and (b) perfected first priority security interests in and to, and perfected collateral assignments of, all personalty (including the Leases of the Property), all in accordance with the terms thereof, in each case subject only to any applicable Permitted Encumbrances. To Borrower' s actual knowledge and except as set forth in the Title Insurance Policy, and there are no claims for payment for work, labor or materials affecting the Property which are or may become a Lien prior to, or of equal priority with, the Liens created by the Loan Documents. To Borrower' s actual knowledge, the Assignment of Leases, when properly recorded in the appropriate records will create perfected first priority security interests in and to, and perfected collateral assignments of, all applicable Leases and Rents for the Property, all in accordance with the terms thereof, in each case subject only to any applicable Permitted Encumbrances.

4.1.7. Solvency; No Bankruptcy Filing. Borrower (a) has not entered into the transaction contemplated hereby or executed the Note, this Agreement or any other Loan Documents with the actual intent to hinder, delay or defraud any creditor and (b) has received reasonably equivalent value in exchange for its obligations under the Loan Documents. Giving effect to the Loan, the fair saleable value of Borrower' s assets exceeds and will, immediately following the making of the Loan, exceed Borrower' s total liabilities, including, without limitation, subordinated, unliquidated, disputed and contingent liabilities. The fair saleable value of Borrower' s assets is and will, immediately following the making of the Loan, be greater than Borrower' s probable liabilities, including the maximum amount of its contingent liabilities on its debts as such debts become absolute and matured. Borrower' s assets do not and, immediately following the making of the Loan will not, constitute unreasonably small capital to carry out its business as conducted or as proposed to be conducted. Borrower does not intend to incur debt and liabilities (including contingent liabilities and other commitments) beyond its ability to pay such debt and liabilities as they mature (taking into account the timing and amounts of cash to be received by Borrower and the amounts to be payable on or in respect of obligations of Borrower). The Property is not the subject of any Bankruptcy Action. No Bankruptcy Action has been filed against any Restricted Party in the last seven (7) years, and no Restricted Party in the last seven (7) years has ever made an assignment for the benefit of creditors or taken advantage of any Creditors Rights Laws. No Restricted Party is contemplating either the filing of any Bankruptcy Action by it or the liquidation of all or a major portion of any Restricted Party' s assets or property, and Borrower has no knowledge of any Person contemplating the filing of any Bankruptcy Action against it or against any other Restricted Party.

4.1.8. Financial Information. All financial information submitted by Borrower to Lender including but not limited to all financial statements, statements of cash flow and income and operating statements, Rent Rolls, reports, certificates and other documents submitted in connection with the Loan (including the application therefor) or in satisfaction of the terms thereof and all statements of fact made by Borrower in this Agreement or in any other Loan Document, are (a) true, complete and correct in all material respects, (b) accurately represent the financial condition of the Property as of the date of such reports, and (c) to the extent prepared or audited by an independent certified public accounting firm, have been prepared in accordance with GAAP (or such other basis of accounting acceptable to Lender and consistently applied) throughout the periods covered, except as expressly disclosed therein.

4.1.9. Full and Accurate Disclosure. No statement of fact made by Borrower in this Agreement or in any of the other Loan Documents contains any untrue statement of a material fact or omits to state any material fact necessary to make statements contained herein or therein not misleading. There is no material fact presently known to Borrower which has not been disclosed to Lender which has a Material Adverse Effect, nor as far as Borrower can foresee, would have a Material Adverse Effect. There has been no material adverse change in any condition, fact, circumstance or event that would make any such information inaccurate, incomplete or otherwise misleading in any material respect or that would otherwise have a Material Adverse Effect. Borrower has disclosed to Lender all material facts and has not failed to disclose any material fact that could cause any representation or warranty made herein to be materially misleading.

4.1.10. No Plan Assets.

(a) (i) Borrower is not an "employee benefit plan," as defined in Section 3(3) of ERISA, subject to Title I of ERISA (a "***Plan***"), (ii) none of the assets of Borrower constitutes or will constitute "plan assets" of one or more such plans within the meaning of 29 C.F.R. § 2510.3-101 ("***Plan Assets***") and (iii) Borrower is not engaging in any transaction which would cause any obligation, or action taken or to be taken, hereunder (or the exercise by Lender of any of its rights under the Note, this Agreement, the Security Agreement or the other Loan Documents) to be a non-exempt (under a statutory or administrative class exemption) prohibited transaction under ERISA (a "***Prohibited Transaction***").

(b) (i) Borrower is not a "governmental plan" within the meaning of Section 3(32) of ERISA ("***Governmental Plan***") and (ii) transactions by or with Borrower are not subject to state statutes regulating investment of, and fiduciary obligations with respect to, governmental plans similar to the provisions of Section 406 of ERISA or Section 4975 of the Code currently in effect ("***Prohibited Governmental Transactions***"), which prohibit or otherwise restrict the transactions contemplated by this Agreement.

4.1.11. Compliance. To Borrower' s actual knowledge, except as disclosed in the Zoning Report, the Environmental Report and on Schedule 1 to the Environmental Indemnity, Borrower and the Property and the use thereof comply in all material respects with all applicable Legal Requirements, including, without limitation, all Environmental Laws. To Borrower' s actual knowledge and except as may be disclosed in the Zoning Report, the Improvements are in compliance in all material respects with all applicable laws, building and zoning ordinances, codes, rules, covenants, and restrictions governing the occupancy, use and operation of the Property ("***Zoning Regulations***"), or constitute a legal non-conforming use or structure, and any non-conformity with Zoning Regulations constitutes a legal non-conforming use or structure which does not materially and adversely affect the use, operation or value of the Property. In the event of Casualty or destruction, (a) the Property may be restored or repaired to the full extent necessary to maintain the use of the Improvements immediately prior to such Casualty or destruction, or (b) "Ordinance or Law Coverage" has been obtained for the Property in accordance with ***Section 7.1(a)(i)*** hereof, in amounts approved by Lender, that provides coverage for additional costs to rebuild and/or repair the Improvements to current Zoning Regulations, or (c) the inability to restore the Improvements to the full extent of the use or structure immediately prior to the Casualty or destruction would not materially and adversely

affect the use, operation or value of the Property. Borrower is not in default or violation of any order, writ, injunction, decree or demand of any Governmental Authority. There has not been committed by Borrower or, to Borrower' s actual knowledge, any other Person in occupancy of or involved with the operation or use of the Property any act or omission affording the federal government or any other Governmental Authority the right of forfeiture as against the Property or any monies paid in performance of Borrower' s obligations under any of the Loan Documents.

4.1.12. Compliance with Anti-Terrorism Laws. As of the date hereof and at all times throughout the term of the Loan, including after giving effect to any Permitted Transfers:

(a) None of Borrower, Operating Partnership, Guarantor or any Person that is an Affiliate of Borrower, Operating Partnership or Guarantor, or any Manager, is in violation of any Anti-Terrorism Laws, no such party has been charged with, or has reason to believe that such party is under investigation for violation of any Anti-Terrorism Law, no such party has been convicted of any violation of, has been subject to civil penalties pursuant to, or had any of its property seized or forfeited under any Anti-Terrorism Law.

(b) None of Borrower, Operating Partnership, Guarantor or any Person that is an Affiliate of Borrower, Operating Partnership or Guarantor, or any Manager, is a Prohibited Person; each such party is operated under policies, procedures and practices, if any, that are in compliance with Anti-Terrorism Laws and available to Lender for review and inspection during normal business hours and upon reasonable notice; no such party has received notice from the Secretary of State or the Attorney General of the United States or any other department, agency or office of the United States claiming a violation or a possible violation of any Anti-Terrorism Law; and no such party has been determined by competent authority to be subject to any of the prohibitions contained in any Anti-Terrorism Law.

(c) None of Borrower, Operating Partnership, Guarantor or any Person that is an Affiliate of Borrower, Operating Partnership or Guarantor, or any Manager, (x) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Prohibited Person, (y) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to any Executive Order or (z) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of violating, evading or avoiding, or attempts to violate, evade or avoid any of the prohibitions set forth in any Anti-Terrorism Law.

(d) To Borrower' s knowledge, as of the date hereof and at all times throughout the term of the Loan, including after giving effect to any transfers of interests permitted pursuant to the Loan Documents, (i) none of the funds or other assets of Borrower, Operating Partnership or Guarantor constitute property of, or are beneficially owned, directly or indirectly, by any Embargoed Person; (ii) unless expressly waived in writing by Lender, no Embargoed Person has any interest of any nature whatsoever in Borrower, Operating Partnership or Guarantor, as applicable, with the result that the investment in Borrower, Operating Partnership and/or Guarantor, as applicable (whether directly or indirectly), is prohibited by Legal Requirements or the Loan is in violation of Legal Requirements; and (c) to the best knowledge of Borrower, none of the funds of Borrower, Operating Partnership or Guarantor, as applicable, have been derived from any unlawful activity with the result that the investment in Borrower, Operating Partnership and/or Guarantor, as applicable (whether directly or indirectly), is prohibited by Legal Requirements or the Loan is in violation of Legal Requirements.

With respect to parties owning direct or indirect interests in Operating Partnership or Guarantor, Lender acknowledges that Borrower has relied exclusively on its U.S. broker-dealer network to implement the normal and customary investor screening practices mandated by applicable law and FINRA regulations in making the foregoing representations. Furthermore, Borrower makes no representation or warranty under this ***Section 4.1.12*** with respect to indirect owners of Borrower whose indirect ownership derives from ownership in publicly traded companies.

4.1.13. Reliance. To Borrower' s actual knowledge, the Property is not relied upon by, and does not rely upon, any building or improvement not part of the Property to fulfill any zoning, building code or other governmental or municipal requirement for structural support or the furnishing of any essential building systems or utilities, except to the extent of any valid and existing reciprocal easement agreements shown in the Title Insurance Policy.

4.1.14. No Contingent Liabilities. Borrower does not have any contingent liabilities, liabilities for taxes, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments that are known to Borrower and reasonably likely to have a Material Adverse Effect, except as expressly referred to or reflected in said financial statements.

4.1.15. Condemnation. There is no proceeding pending or, to Borrower' s actual knowledge, threatened, including any Condemnation or other proceeding, for the total or partial condemnation of the Property or for the relocation of roadways providing access to the Property.

4.1.16. Federal Reserve Regulations. Borrower executed and delivered the Loan Documents and received and applied the proceeds of the Loan for its own account (and for the account of its direct and indirect owners) and not as an agent, nominee or trustee for any other party or entity that is not a direct or indirect owner of Borrower. No part of the proceeds of the Loan will be used for the purpose of purchasing or acquiring any "margin stock" within the meaning of Regulation U of the Board of Governors of the Federal Reserve System or for any other purpose which would be inconsistent with such Regulation U or any other Regulations of such Board of Governors, or for any purposes prohibited by Legal Requirements or by the terms and conditions of this Agreement or the other Loan Documents.

4.1.17. Access; Utilities. The Property (a) is located on or adjacent to a public road and has direct legal access to such road, or has access via an irrevocable easement or irrevocable right of way permitting ingress and egress to/from a public road, (b) is served by or has uninhibited access rights to public or private water and sanitary sewer (or well and septic), storm drainage facilities, and all required utilities, all of which are appropriate for the current use of the Property. All public utilities necessary or convenient for the full use and enjoyment of the Property are located either in the public right of way abutting the Property (which are connected as to serve the Property without passing over other property) or in recorded easements servicing the Property. All roads necessary for the use of the Property for its current purposes have been completed and dedicated to public use and accepted by all Governmental Authorities.

4.1.18. Not a Foreign Person. Neither Borrower nor Guarantor, nor any Person who Controls Borrower or Guarantor, is a "foreign person", "foreign corporation", "foreign partnership", "foreign trust", or "foreign estate" under the provisions of Section 1445 of the Code.

4.1.19. Separate Lots. To Borrower' s actual knowledge, the Property is comprised of one (1) or more separate tax parcels which do not include any property which is not part of the Property.

4.1.20. Assessments. To Borrower' s actual knowledge and except as set forth in the Title Insurance Policy, there are no pending or proposed special or other assessments for public improvements or otherwise affecting the Property, nor are there any contemplated improvements to the Property that may result in such special or other assessments.

4.1.21. Enforceability. To Borrower' s actual knowledge, the Loan Documents are not subject to any right of rescission, set off, counterclaim or defense by Borrower, including the defense of usury, nor would the operation of any of the terms of the Loan Documents, or the exercise of any right thereunder, render the Loan Documents unenforceable, and Borrower has not asserted any right of rescission, set off, counterclaim or defense with respect thereto.

4.1.22. No Prior Assignment. There are no prior collateral assignments of the Leases or any portion of the Rents due and payable or to become due and payable which are presently outstanding.

4.1.23. Insurance. Borrower has obtained and has delivered to Lender certified copies of all Policies (or other evidence acceptable to Lender) reflecting the insurance coverages, amounts and other requirements set forth in this Agreement. To Borrower' s actual knowledge, no claims have been made under any such Policy, and no Person, including Borrower, has done, by act or omission, anything which would impair the coverage of any such Policy.

4.1.24. Use of Property. The Property is used exclusively for purposes and other appurtenant and related uses disclosed to Lender on or prior to the Closing Date.

4.1.25. Certificate of Occupancy; Licenses. To Borrower' s actual knowledge, all certifications, permits, licenses, franchises, consents and other approvals, including without limitation, certificates of completion, certificates of occupancy and occupancy permits necessary for the legal use, occupancy and operation of the Property as it is current used (collectively, the "***Licenses***"), have been obtained and are in full force and effect. Borrower shall keep and maintain (or cause to be kept and maintained) all Licenses necessary for the operation of the Property in full force and effect. The use being made of the Property is in conformity with the certificates of occupancy issued for the Property.

4.1.26. Flood Zone. Except as may be set forth in any flood certificate delivered to Lender in connection with the Loan, none of the Improvements on the Property are located in an area as identified by the Federal Emergency Management Agency as an area having special flood hazards or, if any portion of the Improvements on the Property are located in such an area, the Flood Insurance Policies required by ***Section 7.1(a)(vii)*** hereof are in full force and effect with respect to the Property. To Borrower' s actual knowledge and except as may be set forth on

any Survey or Phase I environmental assessment delivered to Lender in connection with the Loan, no part of the Property consists of or is classified at wetlands, tidelands or swamp and overflow lands.

4.1.27. Physical Condition.

(a) To Borrower' s actual knowledge and except as may be disclosed in the Property Condition Report, the Property, including, without limitation, all buildings, building systems for the Improvements, Improvements, parking facilities, sidewalks, storm drainage systems, roofs, plumbing systems, HVAC systems, fire protection systems, electrical systems, equipment, elevators, exterior sidings and doors, landscaping, irrigation systems and all structural components, are in good working order. To Borrower' s actual knowledge and except as disclosed in the Property Condition Report, the Property is (i) free of any material damage, (ii) in good repair and condition, and (iii) free of structural defects, or any other material defects or damages (whether latent or otherwise) except as follows: (A) any damage or deficiencies that would not materially and adversely affect the use, operation or value of the Property or the security intended to be provided by the Security Instrument or repairs with respect to such damage or deficiencies estimated to cost less than $100,000; (B) repairs that have been completed; or (C) the Required Repairs. Borrower has not received notice from any insurance company or bonding company of any structural or other defects or inadequacies in the Property which would adversely affect the insurability of the same or cause the imposition of extraordinary premiums or charges thereon or of any termination or threatened termination of any policy of insurance or bond.

(b) To Borrower' s actual knowledge, (i) all existing Improvements have been fully completed and all costs and expenses of construction have been fully paid; and (ii) complete and final payment has been made for all construction, repairs or new Improvements made to the Property within the applicable period for filing Lien claims in the State.

4.1.28. Boundaries. To Borrower' s actual knowledge and except as may be set forth on the Survey, all of the Improvements which were included in determining the appraised value of the Property lie wholly within the boundaries and building restriction lines of the Property, and no improvements on adjoining properties encroach upon the Property, and none of the Improvements encroach upon any easements, and no easements or other encumbrances upon the Property encroach upon any of the Improvements, so as to affect the value, current use or marketability of the Property except those which are insured against by the Title Insurance Policy.

4.1.29. Leases. The Property is not subject to any Leases other than the Leases described in the Rent Roll attached hereto as ***Exhibit C***, which Rent Roll is accurate and complete in all material respects as of the date hereof. Borrower is the sole owner of the entire lessor' s interest in the Leases. No Person has any possessory interest in the Property or right to occupy the same except under and pursuant to the provisions of the Leases. The Leases are valid and enforceable and have not been altered, modified or amended in any manner since copies of same were last delivered to Lender. None of the Rents (including security deposits) have been collected for more than one (1) month in advance. To Borrower' s actual knowledge and except as may be disclosed in any tenant estoppel certificates delivered to Lender or as disclosed on

Schedule 1 hereto, all work to be performed by Borrower under each Lease has been performed as required and has been accepted by the applicable tenant, and any payments, free rent, partial rent, rebate of rent or other payments, credits, allowances or abatements required to be given by Borrower to any tenant have already been received by such tenant. The current Leases are in full force and effect and, to Borrower' s actual knowledge and except as may be disclosed in any tenant estoppel certificates delivered to Lender or as disclosed on ***Schedule 1***, there are no defaults thereunder by either party and there are no conditions that, with the passage of time or the giving of notice, or both, would constitute defaults thereunder. There has been no prior Transfer of any Lease or of the Rents received therein, other than to Borrower and sales, transfers, assignments, hypothecations or pledges which may have been made by the tenants under the Leases. To Borrower' s actual knowledge and except as may be disclosed in any tenant estoppel certificates delivered to Lender or as disclosed on ***Schedule 1*** hereto, no tenant listed on ***Exhibit C*** has assigned its Lease or sublet all or any portion of the premises demised thereby, no such tenant holds its leased premises under assignment or sublease, nor does anyone except such tenant and its employees occupy such leased premises. Except as may be set forth in the Leases, no tenant under any Lease has a right or option pursuant to such Lease or otherwise to purchase all or any part of the leased premises or the building of which the leased premises are a part. Except as may be set forth in the Leases, no tenant under any Lease has any right or option for additional space in the Improvements. To Borrower' s actual knowledge no tenant intends to use its leased premises on the Property for any activity which, directly or indirectly, involves the use, generation, treatment, storage, transportation or Release of any Hazardous Materials in violation of Environmental Law. True and correct copies of all Leases in existence as of the Closing Date were delivered to Lender prior to the execution of this Agreement.

4.1.30. Survey. To Borrower' s actual knowledge, the Survey does not fail to reflect any material matter affecting the Property or the title thereto.

4.1.31. [Reserved].

4.1.32. Filing and Recording Taxes. All transfer taxes, deed stamps, intangible taxes or other amounts in the nature of transfer taxes required to be paid by any Person under applicable Legal Requirements currently in effect in connection with the transfer of the Property to Borrower have been paid. All mortgage, mortgage recording, stamp, intangible or other similar tax required to be paid by any Person under applicable Legal Requirements currently in effect in connection with the execution, delivery, recordation, filing, registration, perfection or enforcement of any of the Loan Documents, including, without limitation, the Security Instrument and the Assignment of Leases, have been paid, and, under current Legal Requirements, the Security Instrument is enforceable in accordance with its terms by Lender (or any subsequent holder thereof), except as such enforcement may be limited by applicable Creditors Rights Laws and similar Laws affecting rights of creditors generally, and general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

4.1.33. Management Agreement. The Management Agreement is in full force and effect and there is no default thereunder by any party thereto and, to Borrower' s actual knowledge, no event has occurred that, with the passage of time and/or the giving of notice would constitute a default thereunder. The Management Agreement was entered into on commercially reasonable terms.

4.1.34. Illegal Activity. To Borrower' s actual knowledge, no portion of the Property has been or will be purchased, improved, equipped or furnished with proceeds of any illegal activity and, to Borrower' s actual knowledge, there are no illegal activities or activities relating to controlled substances at the Property.

4.1.35. Investment Company Act. Borrower is not (a) an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended; or (b) subject to any other federal or state Law or regulation which purports to restrict or regulate its ability to borrow money.

4.1.36. Bank Holding Company. Borrower is not a "bank holding company" or a direct or indirect subsidiary of a "bank holding company" as defined in the Bank Holding Company Act of 1956, as amended, and Regulation Y thereunder of the Board of Governors of the Federal Reserve System.

4.1.37. Principal Place of Business; State of Organization. Borrower' s principal place of business as of the date hereof is the address set forth in the introductory paragraph of this Agreement. Borrower is organized under the Laws of the state of Delaware and Borrower' s organizational identification number is 5234438.

4.1.38. Taxpayer Identification Number. Borrower' s United States taxpayer identification number is 27-3148135 (which is the Operating Partnership' s United States taxpayer identification number).

4.1.39. Business Purposes. The Loan is solely for the business purpose of Borrower, and is not for personal, family, household, or agricultural purposes.

4.1.40. Taxes. Borrower and each Guarantor has filed all federal, state, county, municipal, and city income and other tax returns required to have been filed by it and has paid all taxes and related liabilities which have become due pursuant to such returns or pursuant to any assessments received by it. Borrower knows of no basis for any additional assessment in respect of any such taxes and related liabilities for prior years.

4.1.41. Forfeiture. Neither Borrower nor, to Borrower' s actual knowledge, any other Person in occupancy of or involved with the operation or use of the Property has committed any act or omission affording the federal government or any state or local government the right of forfeiture as against the Property or any monies paid in performance of Borrower' s obligations under the Note, this Agreement or the other Loan Documents. Borrower hereby covenants and agrees not to commit, permit or suffer to exist any act or omission affording such right of forfeiture.

4.1.42. Accounts.

(a) This Agreement creates valid and continuing security interests (as defined in the UCC) in the Lockbox Account, the Cash Management Account, each Reserve Account, and each Triggering Event Period Reserve Account, and any sub-accounts established under any

of the foregoing, in favor of Lender, which security interests are prior to all other Liens, other than Permitted Encumbrances, and are enforceable as such against creditors of and purchasers from Borrower, and other than in connection with the Loan Documents and except for Permitted Encumbrances, Borrower has not sold or otherwise conveyed the Accounts;

(b) Borrower and Lender agree that the Lockbox Account is and shall be maintained (i) as a "deposit account" (as such term is defined in Section 9-102(a)(29) of the UCC), (ii) in such a manner that Lender shall have control (within the meaning of Section 9-104(a)(2) of the UCC) over the Lockbox Account and (iii) such that neither Borrower nor Manager shall have any right of withdrawal from the Lockbox Account and except as set forth in ***Section 3.2*** hereof, no Account Collateral shall be released to Borrower or Manager from the Lockbox Account. Without limiting Borrower' s obligations under the immediately preceding sentence, Borrower shall only establish and maintain the Lockbox Account with an Eligible Institution that has executed the Lockbox Agreement;

(c) Borrower acknowledges that Lender intends to maintain each Account (other than the Lockbox Account), as follows: (i) as a "securities account" (as such term is defined in Section 8-501(a) of the UCC), (ii) in such a manner that Lender shall have control (within the meaning of Section 8-106(d)(2) of the UCC) over such Account, (iii) such that neither Borrower nor Manager shall have any right of withdrawal from such Account and, except as provided herein, no Account Collateral shall be released to Borrower or Manager from such Account, (iv) in such a manner that the applicable Eligible Institution shall agree to treat all property credited to such Account as "financial assets" and (v) such that all securities or other property underlying any financial assets credited to such Accounts shall be registered in the name of the applicable Eligible Institution, indorsed to the applicable Eligible Institution or in blank or credited to another securities account maintained in the name of the applicable Eligible Institution and in no case will any financial asset credited to such Account be registered in the name of Borrower, payable to the order of Borrower or specially indorsed to Borrower except to the extent the foregoing have been specially indorsed to the applicable Eligible Institution or in blank;

(d) [intentionally omitted]; and

(e) Other than the security interests granted to Lender pursuant to this Agreement, Borrower has not pledged, assigned, or sold, granted a security interest in, or otherwise conveyed, any Account Collateral.

4.1.43. Reciprocal Easement Agreements. With respect to each REA, Borrower hereby represents that to Borrower' s actual knowledge (a) each REA is in full force and effect and has not been amended, restated, replaced or otherwise modified (except, in each case, as expressly set forth herein or in the Title Insurance Policy), (b) there are no defaults under any REA by any party thereto and, to Borrower' s actual knowledge, no event has occurred which, but for the passage of time, the giving of notice, or both, would constitute a default under any REA, (c) all payments and other sums due and payable under any REA have been paid in full, (d) no party to any REA has commenced any action or given or received any notice for the purpose of terminating any REA, and (e) the representations made in any estoppel or similar document delivered with respect to any REA in connection with the Loan are true, complete and correct.

4.1.44. Material Agreements. With respect to each Material Agreement, Borrower hereby represents that to Borrower' s actual knowledge (a) each Material Agreement is in full force and effect and has not been amended, restated, replaced or otherwise modified (except, in each case, as expressly set forth herein), (b) there are no defaults under any Material Agreement by any party thereto and, to Borrower' s actual knowledge, no event has occurred which, but for the passage of time, the giving of notice, or both, would constitute a default under any Material Agreement, (c) all payments and other sums due and payable under any Material Agreement have been paid in full, (d) no party to any Material Agreement has commenced any action or given or received any notice for the purpose of terminating any Material Agreement, and (e) the representations made in any estoppels or similar document delivered with respect to any Material Agreement in connection with the Loan are true, complete and correct.

Section 4.2 Survival of Representations. Borrower agrees that all of the representations and warranties of Borrower set forth in Section 4.1 hereof and elsewhere in this Agreement and in the other Loan Documents shall survive for so long as any amount remains owing to Lender under this Agreement or any of the other Loan Documents by Borrower. All representations, warranties, covenants and agreements made in this Agreement or in the other Loan Documents by Borrower shall be deemed to have been relied upon by Lender notwithstanding any investigation heretofore or hereafter made by Lender or on its behalf.

V. BORROWER COVENANTS

From the date hereof and until payment and performance in full of all obligations of Borrower under the Loan Documents in accordance with the terms of this Agreement and the other Loan Documents, Borrower hereby covenants and agrees with Lender that:

Section 5.1 Existence; Compliance with Legal Requirements; Insurance. Borrower shall do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence, rights, Licenses and comply with all Legal Requirements applicable to it and the Property. There shall never be committed by Borrower and Borrower shall not permit any other Person in occupancy of or involved with the operation or use of the Property to commit any act or omission affording the federal government or any state or local government the right of forfeiture as against the Property or any monies paid in performance of Borrower' s obligations under any of the Loan Documents. Borrower hereby covenants and agrees not to commit, permit or suffer to exist any act or omission affording such right of forfeiture. Borrower shall at all times maintain, preserve and protect all franchises and trade names and preserve all the remainder of its property used or useful in the conduct of its business and shall keep the Property in good working order and repair, and from time to time make, or cause to be made, all reasonably necessary repairs, renewals, replacements, betterments and improvements thereto to allow the Property to remain consistently competitive in its market. Borrower shall cause the Property to be insured at all times in accordance with the terms and conditions of ***Article VII*** hereof. After prior written notice to Lender, Borrower, at Borrower' s expense, may contest by appropriate legal proceeding promptly initiated and conducted in good faith and with due diligence, the validity of any Legal Requirement, the applicability of any Legal Requirement to Borrower or the Property or any alleged violation of any Legal Requirement, provided that (i) no Event of Default has occurred and remains uncured; (ii) such proceeding shall be permitted under and be conducted in accordance with the provisions of any instrument to which Borrower

is subject and shall not constitute a default thereunder and such proceeding shall be conducted in accordance with all applicable statutes, Laws and ordinances; (iii) the Property and no part thereof or interest therein will be in danger of being sold, forfeited, terminated, cancelled or lost; (iv) Borrower shall promptly upon final determination thereof comply with any such Legal Requirement determined to be valid or applicable or cure any violation of any Legal Requirement; (v) such proceeding shall suspend the enforcement of the contested Legal Requirement against Borrower or the Property; and (vi) Borrower shall furnish such security as may be required in the proceeding, or as may be requested by Lender, to insure compliance with such Legal Requirement, together with all interest and penalties payable in connection therewith. Lender may apply any such security, as necessary to cause compliance with such Legal Requirement at any time when, in the reasonable judgment of Lender, the validity, applicability or violation of such Legal Requirement is finally established or the Property (or any part thereof or interest therein) shall be in danger of being sold, forfeited, terminated, cancelled or lost.

Notwithstanding the foregoing, to the extent any Lease with a tenant remains in effect and such tenant remains liable for the obligations under its Lease, such tenant shall have the right to exercise any contest rights explicitly set forth in such Lease in accordance with the express terms thereof and, to the extent such rights conflict or are inconsistent with the provisions of this ***Section 5.1***, the provisions set forth in such Lease shall govern and control.

Section 5.2 Taxes and Other Charges. Borrower shall pay or cause to be paid all Taxes and Other Charges now or hereafter levied or assessed or imposed against the Property prior to delinquency; provided, however, Borrower' s obligation to directly pay Taxes shall be suspended for so long as Borrower complies with the terms and provisions of ***Section 9.2*** hereof. Borrower will deliver to Lender receipts for payment or other evidence satisfactory to Lender that the Taxes and Other Charges have been so paid or are not then delinquent no later than ten (10) days prior to the date on which the Taxes and/or Other Charges would otherwise be delinquent if not paid; provided, however, that (i) Borrower is not required to furnish such receipts for payment of Taxes and Other Charges in the event Taxes and Other Charges have been paid by Lender pursuant to ***Section 9.2*** hereof, and (ii) if the tenant under a Lease is required to pay such Taxes or Other Charges directly to the applicable Governmental Authority and Borrower timely requests and diligently pursues evidence of such payment, and further provided that no enforcement action has been commenced by the applicable Governmental Authority resulting from any tenant' s failure to pay Taxes or Other Charges, then Borrower shall have an additional thirty (30) day period to provide such evidence to Lender. Borrower shall not suffer and shall promptly cause to be paid and discharged any Lien or charge whatsoever which may be or become a Lien or charge against the Property (other than Permitted Encumbrances), and shall promptly pay for or cause to be paid all utility services provided to the Property. After prior written notice to Lender, Borrower, at its own expense, may contest by appropriate legal proceeding, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application in whole or in part of any Lien, Taxes or Other Charges with respect to the Property, provided that the following conditions are satisfied: (a) no Event of Default has occurred and remains uncured; (b) Borrower is permitted to contest under the provisions of any document or agreement affecting the Property; (c) such proceeding shall be permitted under and be conducted in accordance with the provisions of any other instrument to which Borrower is subject and shall not constitute a default thereunder and such proceeding shall be conducted in

accordance with all applicable statutes, Laws and ordinances; (d) neither the Property nor any interest therein will be in danger of being sold, forfeited, terminated, cancelled or lost; (e) Borrower shall promptly upon final determination thereof pay the amount of any such Lien, Taxes or Other Charges, together with all costs, interest and penalties which may be payable in connection therewith; (f) such proceeding shall suspend the collection of such contested Lien, Taxes or Other Charges from the Property; and (g) Borrower shall furnish such security as may be required in the proceeding, or as may be requested by Lender, to insure the payment of any such Lien, Taxes or Other Charges, together with all interest and penalties thereon. Lender may pay over any such security or part thereof held by Lender to the claimant entitled thereto at any time when, in the judgment of Lender, the entitlement of such claimant is established or the Property (or interest therein) shall be in danger of being sold, forfeited, terminated, cancelled or lost or there shall be any danger of the Lien of the Security Instrument or the other Loan Documents being primed by any related Lien.

Notwithstanding the foregoing, to the extent the Lease with a tenant remains in effect and such tenant remains liable for the obligations under its Lease, such tenant shall have the right to exercise any contest rights explicitly set forth in such Lease in accordance with the express terms thereof and, to the extent such rights conflict or are inconsistent with the provisions of this ***Section 5.2***, the provisions set forth in such Lease shall govern and control.

Section 5.3 Litigation. Borrower shall give prompt written notice to Lender of any litigation or governmental proceedings pending or threatened against Borrower which might have a Material Adverse Effect.

Section 5.4 Access to Property. Subject to the rights of tenants under the Leases, Borrower shall permit agents, representatives and employees of Lender to conduct physical inspections of the Property to ensure Borrower is appropriately maintaining the Property. Following any such inspection, should Lender determine that the Property has not been maintained as required herein, Lender shall have the right to demand that Borrower complete corrective measures reasonably satisfactory to Lender within a thirty (30) day period of time; provided, however, that if Borrower shall notify Lender in writing prior to the expiration of such thirty (30) day period that such default is susceptible of cure but cannot reasonably be cured within such thirty (30) day period and that Borrower has commenced to cure such default within such thirty (30) day period, and if Borrower thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for such time as is reasonably necessary for Borrower in the exercise of due diligence to cure such failure, such additional period not to exceed ninety (90) days or such longer period of time upon which Borrower and Lender mutually agree in writing (provided, however, Lender shall not unreasonably withhold its consent to such longer period of time if the failure is the responsibility of the tenant of the Property and Borrower, in its reasonable business judgment, does not want to declare a default under the corresponding Lease).

Section 5.5 Notice of Default. Borrower shall promptly advise Lender of any material adverse change in Borrower' s condition, financial or otherwise, or of the occurrence of any Default or Event of Default of which Borrower has knowledge.

Section 5.6 Cooperate in Legal Proceedings. Borrower shall cooperate with Lender with respect to any proceedings before any court, board or other Governmental Authority which may in any way affect the rights of Lender hereunder or any rights obtained by Lender under any of the other Loan Documents and, in connection therewith, permit Lender, at its election, to participate in any such proceedings.

Section 5.7 Performance Under Loan Documents. Borrower shall observe, perform and satisfy all the terms, provisions, covenants and conditions of, and shall pay when due all costs, fees and expenses to the extent required under the Loan Documents executed and delivered by, or applicable to, Borrower, and shall not enter into or otherwise suffer or permit any amendment, waiver, supplement, termination or other modification of any Loan Document executed and delivered by, or applicable to, Borrower without the prior written consent of Lender.

Section 5.8 Award and Insurance Benefits. Borrower shall cooperate with Lender in obtaining for Lender the benefits of any Awards or Insurance Proceeds lawfully or equitably payable in connection with the Property, and Lender shall be reimbursed for any expenses incurred in connection therewith (including reasonable attorneys' fees and disbursements, and the payment by Borrower of the actual expense of an appraisal on behalf of Lender in case of Casualty or Condemnation affecting the Property) out of such Award or Insurance Proceeds.

Section 5.9 Further Assurances. Borrower shall, at Borrower' s sole cost and expense:

(a) furnish to Lender all instruments, documents, boundary surveys, footing or foundation surveys, certificates, plans and specifications, appraisals, title and other insurance reports and agreements, and each and every other document, certificate, agreement and instrument required to be furnished by Borrower pursuant to the terms of the Loan Documents or reasonably requested by Lender in connection therewith;

(b) execute and deliver to Lender such documents, instruments, certificates, assignments and other writings, and do such other acts necessary or desirable, to evidence, preserve and/or protect the Collateral at any time securing or intended to secure the obligations of Borrower under the Loan Documents, as Lender may reasonably require including, without limitation, the execution and delivery of all such writings necessary to transfer any Licenses, as required by Lender, into the name of Lender or its designee after the occurrence of any Event of Default; and

(c) do and execute all and such further lawful and reasonable acts, conveyances and assurances for the better and more effective carrying out of the intents and purposes of this Agreement and the other Loan Documents, as Lender shall reasonably require from time to time and Borrower hereby expressly authorizes and appoints Lender its attorney-in-fact to execute such documents and instruments in the name of and upon behalf of Borrower, which power of attorney shall be irrevocable and shall be deemed to be coupled with an interest; provided, however, unless an Event of Default has occurred and is then continuing, Lender shall not exercise its right under such power of attorney until ten (10) Business Days after notice has been given by Lender to Borrower of Lender' s intent to exercise its rights under such power of attorney.

Section 5.10 Financial Reporting.

(a) Borrower will keep and maintain or will cause to be kept and maintained on a Fiscal Year basis, in accordance with GAAP (or such other accounting basis acceptable to Lender), proper and accurate books, records and accounts reflecting all of the financial affairs of Borrower and all items of income and expense in connection with the operation of the Property. Lender shall have the right from time to time at all times during normal business hours upon reasonable notice to examine such books, records and accounts at the office of Borrower or other Person maintaining such books, records and accounts and to make such copies or extracts thereof as Lender shall desire. During the continuance of an Event of Default, Borrower shall pay on demand any costs and expenses incurred by Lender to examine Borrower' s accounting records with respect to the Property, as Lender shall determine to be necessary or appropriate in the protection of Lender' s interest.

(b) Borrower will furnish to Lender annually, within one hundred twenty (120) days following the end of each Fiscal Year of Borrower, a complete copy of Borrower' s annual financial statements covering the Property for such Fiscal Year and containing statements of profit and loss for Borrower and for the Property, and a balance sheet for Borrower. Such statements shall set forth the financial condition and the results of operations for the Property for such Fiscal Year, and shall include, but not be limited to, amounts representing annual Net Operating Income, Gross Income From Operations and Operating Expenses. Borrower' s annual financial statements shall be accompanied by a certificate executed by a Responsible Officer of Borrower or SPC Party, as applicable, stating that each such annual financial statement presents fairly the financial condition and the results of operations of Borrower and the Property and has been prepared in accordance with GAAP (or such other accounting basis acceptable to Lender). To the extent that Borrower consists of more than one Person, such annual financial statements shall include an annual combined balance sheet of the Persons constituting Borrower (and no other Persons), together with the related combined statements of operations, and member' s capital, including a combining balance sheet and statement of income for the Property on a combined basis. Together with Borrower' s annual financial statements, Borrower shall furnish to Lender an Officer' s Certificate certifying as of the date thereof whether there exists a Default or Event of Default under the Loan Documents executed and delivered by, or applicable to, Borrower, and if such Default or Event of Default exists, the nature thereof, the period of time it has existed and the action then being taken to remedy the same.

(c) Borrower will furnish, or cause to be furnished, to Lender on or before forty-five (45) days after the end of each calendar quarter the following items, accompanied by an Officer' s Certificate of Borrower or SPC Party, as applicable, stating that such items are true, correct, accurate, and complete and fairly present the financial condition and results of the operations of Borrower and the Property (subject to normal year-end adjustments): (i) a Rent Roll for the subject quarter; and (ii) quarterly and year-to-date operating statements (including Capital Expenditures) prepared for each calendar quarter, noting Net Operating Income, Gross Income From Operations, and Operating Expenses, and other information necessary and sufficient to fairly represent the financial position and results of operation of the Property during such calendar quarter, all in form satisfactory to Lender. In addition, such Officer' s Certificate shall certify that the representations and warranties of Borrower, and SPC Party if applicable, set forth in ***Section 8.1(d)(xi)*** are true and correct as of the date of such Officer' s Certificate and that there are no trade payables outstanding for more than sixty (60) days.

(d) Intentionally Deleted.

(e) On the Closing Date, Borrower shall submit to Lender an Annual Budget for the partial year period commencing on the Closing Date in form and substance reasonably satisfactory to Lender. Borrower shall submit to Lender an Annual Budget not later than sixty (60) days prior the commencement of each Fiscal Year in form reasonably satisfactory to Lender. During the continuance of a Triggering Event Period, the Annual Budget shall be subject to Lender' s prior written approval (each such Annual Budget, an "***Approved Annual Budget***"). In the event that Lender objects to a proposed Annual Budget submitted by Borrower which requires the approval of Lender hereunder, Lender shall advise Borrower of such objections within fifteen (15) days after receipt thereof (and deliver to Borrower a reasonably detailed description of such objections) and Borrower shall promptly revise such Annual Budget and resubmit the same to Lender. Lender shall advise Borrower of any objections to such revised Annual Budget within ten (10) days after receipt thereof (and deliver to Borrower a reasonably detailed description of such objections) and Borrower shall promptly revise the same in accordance with the process described in this ***Section 5.10(e)*** until Lender approves the Annual Budget. Until such time that Lender approves a proposed Annual Budget which requires the approval of Lender hereunder, the most recently Approved Annual Budget or Annual Budget (as the case may be) shall apply; provided that, such Approved Annual Budget shall be adjusted to reflect actual increases in Basic Carrying Costs. During the continuance of any Triggering Event Period, in the event that Borrower must incur an Extraordinary Expense, then Borrower shall promptly deliver to Lender a reasonably detailed explanation of such proposed Extraordinary Expense for Lender' s prior written approval.

(f) Borrower will furnish or cause to be furnished to Lender annually, within one hundred twenty (120) days following the end of each Fiscal Year of each Guarantor, a complete copy of each Guarantor' s annual financial statements audited by an Approved Accountant containing statements of profit and loss and a balance sheet for each Guarantor. Each Guarantor' s annual financial statements shall be accompanied by (i) a certificate executed by such Guarantor (if Guarantor is a natural person) or by the chief financial officer of such Guarantor (if such Guarantor is not a natural person) stating that each such annual financial statement presents fairly the financial condition and the results of operations of such Guarantor being reported upon, and has been prepared in accordance with GAAP (or such other accounting basis acceptable to Lender), and (ii) an unqualified opinion of an Approved Accountant. Together with each Guarantor' s annual financial statements, Borrower will furnish or cause such Guarantor to furnish to Lender an Officer' s Certificate certifying as of the date thereof whether there exists a Default or Event of Default under the Loan Documents executed and delivered by, or applicable to, such Guarantor, and if such Default or Event of Default exists, the nature thereof, the period of time it has existed and the action then being taken to remedy the same.

(g) In addition to the other requirements of this ***Section 5.10***, if Lender intends to effectuate a Securitization of the entire Loan, then, prior to such Securitization, Borrower shall deliver, or cause to be delivered to Lender, within thirty (30) days after the close of each calendar month (except for the months of January and the last month of the quarter), the

following items, accompanied by an Officer' s Certificate of Borrower or SPC Party, as applicable, stating that such items are true, correct, accurate, and complete and fairly present the financial condition and results of the operations of Borrower and the Property (subject to normal year-end adjustments): (i) a Rent Roll for the subject month; and (ii) monthly and year-to-date operating statements (including Capital Expenditures) prepared for each calendar month, noting Net Operating Income, Gross Income From Operations, and Operating Expenses, and other information necessary and sufficient to fairly represent the financial position and results of operation of the Property during such calendar month, all in form satisfactory to Lender. In addition, such Officer' s Certificate shall certify that the representations and warranties of Borrower, and SPC Party if applicable, set forth in ***Section 8.1(d)(xi)*** are true and correct as of the date of such Officer' s Certificate and that there are no trade payables outstanding for more than sixty (60) days.

(h) Intentionally Omitted.

(i) Borrower shall furnish to Lender, within ten (10) Business Days after request, such further detailed information with respect to the operation of the Property and the financial affairs of Borrower or any Guarantor as may be reasonably requested by Lender (including a certified copy of each of Borrower' s and each Guarantor' s federal, state and local income tax returns).

(j) Any reports, statements or other information required to be delivered under this Agreement shall be delivered (i) in paper form, or (ii) via electronic mail, FTP upload, website submission or any future commonly available technology acceptable to Lender in its sole discretion, and prepared using Microsoft Word or Excel, Adobe PDF, an XML file or any future industry standard or commonly available technology acceptable to Lender in is sole discretion.

(k) Subject to ***Section 13.20*** hereof, Borrower agrees that Lender may forward to each Investor or any Rating Agency, and each prospective Investor, all documents and information which Lender now has or may hereafter acquire relating to the Debt and to Borrower, any Guarantor, and the Property, whether furnished by Borrower, any Guarantor, or otherwise, as Lender reasonably determines necessary. Borrower irrevocably waives any and all rights it may have under any applicable Laws to prohibit such disclosure, including, but not limited, to any right of privacy.

(l) Upon request, Borrower shall furnish to Lender from time to time such financial, statistical and operating data and financial statements with respect to Borrower or Guarantor (including, to the extent applicable, financial statements prepared in accordance with GAAP and audited by an Approved Accountant), in each case, as Lender reasonably determines to be required in order to comply with any applicable Legal Requirements (including those applicable to Lender or any Servicer (including, without limitation and to the extent applicable, Regulation AB)), within the time frames necessary in order to comply with such Legal Requirements.

Section 5.11 Business and Operations. Borrower shall continue to engage in the businesses presently conducted by it as and to the extent the same are necessary for the ownership, maintenance, management and operation of the Property, and shall continue to operate the Property for such purposes. Borrower will qualify to do business and will remain in good standing under the Laws of the jurisdiction as and to the extent the same are required for the ownership, maintenance, management and operation of the Property.

Section 5.12 Title to the Property. Borrower will warrant and defend (a) the title to the Property, subject only to Permitted Encumbrances and (b) the validity and priority of the Lien of the Security Instrument, the Assignment of Leases and the other Loan Documents, subject only to Permitted Encumbrances, in each case against the claims of all Persons whomsoever. Borrower shall reimburse Lender on demand for any losses, costs, damages or expenses (including reasonable attorneys' fees and court costs) incurred by Lender if an interest in the Property, other than as permitted hereunder, is claimed by another Person.

Section 5.13 Costs of Enforcement. In the event (a) that the Security Instrument is foreclosed in whole or in part or that the Security Instrument or any other Loan Document is put into the hands of an attorney for collection, suit, action or foreclosure, (b) of the foreclosure of any mortgage prior to or subsequent to the Security Instrument in which proceeding Lender is made a party or (c) of any Bankruptcy Action in respect of Borrower or any Restricted Party, Borrower, its successors or assigns, shall pay (and reimburse Lender accordingly) all costs of collection and defense, including reasonable attorneys' fees and costs, incurred by Lender or Borrower in connection therewith and in connection with any appellate proceeding or post judgment action involved therein, together with all required service or use taxes. The attorneys' fee due hereunder shall include reasonable attorneys' fees: (i) incurred by lender both before and after a judgment is obtained, (ii) incurred by Lender during any levy or execution proceedings, and (iii) incurred during or as a result of any appeal.

Section 5.14 Estoppel Statements.

(a) After request by Lender, Borrower shall within ten (10) Business Days furnish Lender with a statement, duly acknowledged and certified, setting forth (i) the amount of the original principal amount of the Note, (ii) the unpaid principal amount of the Note, (iii) the Applicable Interest Rate of the Note, (iv) the date installments of interest and/or principal were last paid, (v) that no Default or Event of Default has occurred and is continuing, (vi) any offsets or defenses to the payment of the Debt, if any and (vii) that the Note, this Agreement, the Security Instrument and the other Loan Documents are valid, legal and binding obligations and have not been modified or if modified, giving particulars of such modification.

(b) Borrower shall use commercially reasonable efforts to deliver to Lender upon request, estoppel certificates, in form and content satisfactory to Lender, from all tenants specified by Lender. If any tenant fails to provide such estoppel certificate, Borrower shall provide a landlord estoppel certificate to Lender with respect to the tenancy of such tenant, in form and substance satisfactory to Lender. Notwithstanding the foregoing, to the extent that any Lease provides for a specific form of estoppels or limits the matters to which a tenant is required to certify, Lender shall accept such estoppels set forth in or contemplated by such Lease to satisfy this Section ***5.14(b)***, and Lender shall not exercise its right pursuant to this ***Section 5.14(b)*** more than two (2) times during any calendar year unless there is an Event of Default.

Section 5.15 Loan Proceeds. Borrower shall use the proceeds of the Loan received by it on the Closing Date only for the purposes set forth in ***Section 2.1.4*** hereof.

Section 5.16 No Joint Assessment. Borrower shall not suffer, permit or initiate the joint assessment of the Property (a) with any other real property constituting a tax lot separate from the Property and (b) which constitutes real property with any portion of the Property which may be deemed to constitute Personal Property, or any other procedure whereby the Lien of any taxes which may be levied against such Personal Property shall be assessed or levied or charged to such real property portion of the Property.

Section 5.17 Leasing Matters.

(a) With respect to all Leases, Borrower shall: (i) observe and perform in all material respects the obligations imposed upon Borrower as landlord; (ii) not do or permit to be done anything to impair the value of any of the Leases as security for the Debt (including, without limitation, relocating or moving any tenant under any Lease to any other property owned by any Guarantor or any Affiliate of Borrower, SPC Party or any Guarantor); (iii) promptly send to Lender copies of all notices of default which Borrower shall send or receive thereunder; (iv) enforce, in a commercially reasonable manner, all of the terms, covenants and conditions which are to be performed by any tenant, short of termination thereof; (v) not collect any of the Rents more than one (1) month in advance; (vi) not execute any other assignment of Borrower' s interest in any of the Leases or the Rents; and (vii) execute and deliver at the request of Lender all such further assurances, confirmations and assignments in connection with the Property as Lender shall from time to time reasonably require.

(b) Without obtaining Lender' s prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed, Borrower shall not:

(i) extend any Lease or enter into any new or renewal Lease affecting the Property (except for extension or renewal that may be exercised in the tenant' s discretion); provided, however, so long as there exists no Event of Default, no such approval of Lender shall be required if: (A) such Lease is not a Major Lease, (B) such Lease complies with the Leasing Requirements; (C) an executed copy of such Lease shall be furnished to Lender within ten (10) Business Days after its execution; and (D) such Lease provides that upon Borrower' s request the tenant thereunder shall subordinate such Lease to the Security Instrument and shall agree to attorn to Lender and such subordination and attornment shall be evidenced by a written agreement executed by such tenant in form and substance satisfactory to Lender (such subordination and attornment may be conditioned on Lender entering into a nondisturbance agreement with respect to such Lease);

(ii) consent to any assignment of or subletting by any tenant under any of the Major Leases (except in accordance with the terms of such tenant' s Lease);

(iii) alter, modify, change, cancel or terminate any guaranty of any of the Major Leases;

(iv) alter, modify, change the terms of, cancel, terminate or accept a surrender of any of the Major Leases; or

(v) transfer or permit a transfer of the Property, or of any interest therein, even if such a transfer is permitted under the Security Instrument, if such transfer would effect a merger of the estates and rights of, or a termination or diminution of the obligations of, tenants under any of the Major Leases.

(c) Whenever Lender' s approval or consent is required pursuant to the provisions of this ***Section 5.17***, Lender shall use good faith efforts to respond within ten (10) Business Days after Lender' s receipt of Borrower' s written request for approval or consent, accompanied by the applicable Lease or other item for which consent is sought. If Lender fails to respond to such request within ten (10) Business Days, and Borrower sends a second request containing a legend clearly marked in not less than fourteen (14) point bold face type, underlined, in all capital letters "REQUEST DEEMED APPROVED IF NO RESPONSE WITHIN 10 BUSINESS DAYS", Lender shall be deemed to have approved or consented to such Lease or other item for which consent is sought if Lender fails to respond to such second written request before the expiration of such ten (10) Business Day period.

(d) Borrower shall provide Lender with written notice of any tenant "going dark" under such tenant' s lease within five (5) Business Days after Borrower learns that such tenant "goes dark".

Section 5.18 Alterations; Repairs.

(a) Lender' s prior approval shall be required in connection with any alterations to any Improvements (i) that may have a Material Adverse Effect, (ii) the cost of which (including any related alteration, improvement or replacement) is reasonably anticipated to exceed the Alteration Threshold, or (iii) that are structural in nature; provided, however, that with respect to items (i) and (ii) above, such approval may be granted or withheld in Lender' s reasonable discretion, and with respect to item (iii) above, such approval may be granted or withheld in Lender' s sole discretion. If the total unpaid amounts incurred and to be incurred with respect to any alterations to the Improvements (other than such amounts to be paid or reimbursed by tenants under the Leases) shall at any time exceed the Alteration Threshold, Borrower shall promptly deliver to Lender as security for the payment of such amounts (the "***Alteration Security***") and as additional security for Borrower' s obligations under the Loan Documents any of the following as determined by Borrower: (i) cash, (ii) U.S. Obligations, (iii) other securities acceptable to Lender, (provided that Lender shall have received a Rating Agency Confirmation as to the form and issuer of same if the Loan or any interest therein is included in a Securitization), or (iv) a completion bond (provided that Lender shall have received a Rating Agency Confirmation as to the form and issuer of same if the Loan or any interest therein is included in a Securitization) or an irrevocable letter of credit (payable on sight draft only) issued by an Eligible Institution. Such security shall be in an amount equal to the excess of the total unpaid amounts incurred and to be incurred with respect to such alterations to the Improvements (other than such amounts to be paid or reimbursed by tenants under the Leases) over the Alteration Threshold. All alterations by Borrower to any Improvements shall be made lien-free and in a good and workmanlike manner in accordance with all Legal Requirements.

Notwithstanding the foregoing provisions of this ***Section 5.18(a)***, to the extent the Lease with a tenant remains in effect and such tenant remains liable for the obligations under its Lease, such tenant shall have the right to perform any alterations permitted by such Lease (which do not require Borrower' s consent or for which such consent was obtained from Borrower prior to the Closing Date and Borrower has advised Lender in writing of such consent) in accordance with the express terms thereof and, to the extent such rights conflict or are inconsistent with the provisions of this ***Section 5.18(a)***, the provisions set forth in such Lease shall govern and control.

(b) Borrower shall promptly repair, replace or rebuild (or cause same to be done) any part of the Property which may become damaged, worn or dilapidated, and shall also complete and pay for (or cause to be completed and paid for) any structure at any time in the process of construction or repair on the Property.

Section 5.19 Access Laws.

(a) Borrower agrees that the Property shall at all times comply in all material respects with the requirements of the Access Laws.

(b) Notwithstanding any provisions set forth herein or in any other document regarding Lender' s approval of alterations of the Property, Borrower shall not alter the Property in any manner which would increase Borrower' s responsibilities for compliance with the applicable Access Laws without the prior written approval of Lender. The foregoing shall apply to tenant improvements constructed by Borrower or by any of its tenants to the extent Borrower' s consent to such improvements is required under the terms of the applicable Leases. Lender may condition any such approval upon receipt of a certificate of an architect, engineer or other person acceptable to Lender regarding compliance with applicable Access Laws.

(c) Borrower covenants and agrees to give prompt notice to Lender of the receipt by Borrower of any complaints related to any violations of any Access Laws and of the commencement of any proceedings or investigations which relate to compliance with applicable Access Laws.

Section 5.20 Property Management.

(a) Borrower shall cause the Manager to manage the Property in a first class manner. Borrower shall (i) pay all sums required to be paid by Borrower under the Management Agreement, (ii) diligently perform, observe and enforce all of the terms, covenants and conditions of the Management Agreement on the part of Borrower to be performed, observed and enforced and (iii) promptly notify Lender of the giving of any notice to Borrower of any default by Borrower in the performance or observance of any of the terms, covenants or conditions of the Management Agreement on the part of Borrower to be performed and observed and deliver to Lender a true copy of each such notice. Borrower shall comply with all obligations of Borrower under the Assignment of Management Agreement. The property management fee and all other fees payable under the Management Agreement shall not exceed four percent (4.0%) of the Gross Income from Operations.

(b) Borrower shall not remove or replace the Manager (which, with respect to an Affiliated Manager, shall be deemed to occur upon a change of Control of the Manager) or terminate, cancel, modify, change, supplement, alter or amend the Management Agreement in any respect as it relates to the Property (collectively, a "***Management Change***") without (i) Lender' s prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned and (ii) in the event that the Loan or any interest therein is included in a Securitization, a Rating Agency Confirmation if required by Lender. As conditions precedent to any replacement of the Manager, Borrower shall (i), and shall cause the new manager of the

Property to execute an Assignment of Management Agreement in form and substance acceptable to Lender, (ii) cause the new manager to assume each and every other obligation of Manager under the Loan Documents, and (iii) pay all of Lender' s and any Rating Agency costs and expenses incurred in connection with such replacement (including, without limitation, all reasonable attorney' s fees) and (iv) deliver an Additional Insolvency Opinion to Lender if such new Manager is an Affiliated Manager.

(c) Borrower hereby assigns to Lender as further security for the payment of the Debt and for the performance and observance of the terms, covenants and conditions of this Agreement, all the rights, privileges and prerogatives of Borrower to surrender the Management Agreement as it relates to the Property or to terminate, cancel, modify, change, supplement, alter or amend the Management Agreement in any respect as it relates to the Property; provided that, Borrower shall not be required to obtain Lender' s consent with respect to any non-material changes, supplements, alterations or amendments to the Management Agreement. Any such surrender of the Management Agreement or termination, cancellation, modification, change, supplement, alteration or amendment of the Management Agreement without the prior consent of Lender (if required pursuant to the preceding sentence) shall be void and of no force and effect. If Borrower shall default in the performance or observance of any term, covenant or condition of the Management Agreement, then, without limiting the generality of the other provisions of this Agreement, and without waiving or releasing Borrower from any of its obligations hereunder, Lender shall have the right, but shall be under no obligation, to pay any sums and to perform any act or take any action as may be appropriate to cause all the terms, covenants and conditions of the Management Agreement on the part of Borrower to be performed or observed to be promptly performed or observed on behalf of Borrower, to the end that the rights of Borrower in, to and under the Management Agreement shall be kept unimpaired and free from default. Lender and any Person designated by Lender shall have, and are hereby granted, subject to the terms and conditions of, and the rights of tenants under the Leases, the right to enter upon the Property at any time and from time to time for the purpose of taking any such action. If Manager shall deliver to Lender a copy of any notice sent to Borrower of default under the Management Agreement, such notice shall constitute full protection to Lender for any action taken or omitted to be taken by Lender in good faith, in reliance thereon. Borrower shall, from time to time, cause Manager to deliver such certificates of estoppel with respect to compliance by Borrower with the terms of the Management Agreement as may be reasonably requested by Lender. Borrower shall exercise each individual option, if any, to extend or renew the term of the Management Agreement upon demand by Lender made at any time within one (1) year of the last day upon which any such option may be exercised, and Borrower hereby expressly authorizes and appoints Lender as its attorney-in-fact to exercise any such option in the name of and upon behalf of Borrower, which power of attorney shall be irrevocable and shall be deemed to be coupled with an interest. Any sums expended by Lender pursuant to this paragraph shall bear interest at the Applicable Interest Rate from the date such cost is incurred to the date of payment to Lender, shall be deemed to constitute a portion of the Debt, shall be secured by the Lien of each Security Instrument and the other Loan Documents, and shall be immediately due and payable upon demand by Lender therefor.

(d) Borrower covenants and agrees, that, if (i) an Event of Default exists, (iii) a default or event of default exists under the Management Agreement with respect to the Property beyond any applicable grace or cure period, or (iv) Manager becomes insolvent,

Borrower shall, at the request of Lender, remove the Property from the application of the Management Agreement, and require Manager to transfer its responsibility for the management of the Property to a management company selected by, or otherwise acceptable to, Lender.

Section 5.21 Compliance with Anti-Terrorism Laws.

(a) None of Borrower, any of Borrower' s Affiliates, any Guarantor, Manager or any agents of Borrower, Borrower' s Affiliates, any Guarantor or Manager acting in any capacity in connection with the Loan shall (i) conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any Prohibited Person, (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to any Anti-Terrorism Law or (iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of violating, evading or avoiding, or attempts to violate, evade or avoid any of the prohibitions set forth in any Anti-Terrorism Law. Borrower shall deliver to Lender any certification or other evidence requested from time to time by Lender in its reasonable discretion confirming compliance with this ***Section 5.21(a)***.

(b) Borrower shall perform reasonable due diligence to insure that at all times throughout the term of the Loan, including after giving effect to any Permitted Transfers, that the representations and warranties set forth in ***Section 4.1.12*** hereof remain true, correct and complete.

(c) Borrower covenants and agrees that in the event Borrower receives any notice that Borrower, Operating Partnership or Guarantor (or any of their respective beneficial owners, affiliates or participants) or any Person that has an interest in the Property is designated as an Embargoed Person, becomes a Prohibited Person, or is indicted, arraigned, or custodially detained on charges involving any Anti-Terrorism Law or any predicate crime to any Anti-Terrorism Law, Borrower shall immediately notify Lender in writing. At Lender' s option, it shall be an Event of Default hereunder if Borrower, Guarantor, Operating Partnership or any other party to the Loan (other than Lender, any Affiliate of Lender or any party acting on behalf of Lender) is designated as an Embargoed Person, becomes a Prohibited Person, or is indicted, arraigned, or custodially detained on charges involving any Anti-Terrorism Law or any predicate crime to any Anti-Terrorism Law.

(d) The USA Patriot Act requires all financial institutions to obtain, verify and record certain information that identifies individuals or business entities which open an "account" with such financial institution. Consequently, Lender may from time to time request, and Borrower shall provide to Lender, Borrower' s name, address, tax identification number and/or such other identification information as shall be necessary for Lender to comply with the USA Patriot Act and any other Anti-Terrorism Law. An "account" for this purpose may include, without limitation, a deposit account, cash management service, a transaction or asset account, a credit account, a loan or other extension of credit, and/or other financial services product.

(e) Lender shall have the right to audit Borrower' s compliance with Anti-Terrorism Laws.

Section 5.22 Liens. Borrower shall not, without the prior written consent of Lender, create, incur, assume or suffer to exist any Lien on the Property or permit any such action to be taken, except for the Permitted Encumbrances.

Section 5.23 Dissolution. Borrower shall not (a) to the fullest extent permitted by applicable law, engage in any dissolution, liquidation or consolidation or merger with or into any other business entity, or (b) without the prior written consent of Lender, (i) engage in any business activity not related to the ownership and operation of the Property, (ii) transfer, lease or sell, in one transaction or any combination of transactions, the assets or all or substantially all of the properties or assets of Borrower except to the extent expressly permitted by the Loan Documents, (iii) unless required by applicable law, modify, amend, waive or terminate its organizational documents or its qualification and good standing in any jurisdiction or (iv) cause the SPC Party to (x) to the fullest extent permitted by applicable law, dissolve, wind up or liquidate or take any action, or omit to take an action, as a result of which the SPC Party would be dissolved, wound up or liquidated in whole or in part, or (y) unless required by applicable law, amend, modify, waive or terminate the certificate of incorporation or bylaws of the SPC Party.

Section 5.24 Change In Business. Borrower shall not enter into any line of business other than the ownership and operation of the Property, or make any change in the scope or nature of its business objectives, purposes or operations, or undertake or participate in activities other than the continuance of its present business.

Section 5.25 Debt Cancellation. Borrower shall not cancel or otherwise forgive or release any claim or debt (other than termination of Leases in accordance herewith) owed to Borrower by any Person, except for adequate consideration and in the ordinary course of Borrower' s business.

Section 5.26 Affiliate Transactions. Borrower shall not enter into, or be a party to, any transaction with any Affiliate of Borrower (including, without limitation, the payment of any fees or commissions to any such Affiliate) except in the ordinary course of business and on terms which are fully disclosed to Lender in writing and in advance and are no less favorable to Borrower or such Affiliate than would be obtained in a comparable arm' s length transaction with an unrelated third party.

Section 5.27 Zoning. Without the prior written consent of Lender, Borrower shall not initiate or consent to (a) any change, modification or alteration of the existing access to the Property; or (b) any change in any private restrictive covenant, replat, easement, zoning Law or other public or private restriction, limiting or defining the uses which may be made of the Property. If under applicable zoning provisions the use of the Property is or shall become a nonconforming use, Borrower will not cause or permit such nonconforming use to be discontinued or abandoned without the prior written consent of Lender.

Section 5.28 Name, Identity, Structure, or Principal Place of Business. Borrower shall not change its name, identity (including its trade name or names), or principal place of business set forth in the introductory paragraph of this Agreement, without, in each case, first giving Lender thirty (30) days prior written notice. Borrower shall not change its corporate, partnership or other structure, or the place of its organization, without, in each case, the prior

written consent of Lender. Upon Lender' s request, Borrower shall execute and deliver additional financing statements, security agreements and other instruments which may be necessary to effectively evidence or perfect Lender' s security interest in the Property as a result of such change of principal place of business or place of organization.

Section 5.29 ERISA.

(a) Borrower shall not engage in any Prohibited Transaction or Prohibited Governmental Transactions subjecting Lender to liability for a violation of ERISA, the Code, a state statute or other similar Law.

(b) Borrower further covenants and agrees to deliver to Lender such certifications or other evidence from time to time throughout the term of the Loan, as requested by Lender, that (i) Borrower is not and does not maintain a Plan or a Governmental Plan, (ii) Borrower is not engaging in a Prohibited Transaction or any Prohibited Governmental Transactions; and (iii) one or more of the following circumstances is true:

(i) Equity interests in Borrower are publicly offered securities, within the meaning of 29 C.F.R. § 2510.3-101(b)(2);

(ii) Less than twenty-five percent (25%) of each outstanding class of equity interests in Borrower are held by "benefit plan investors" within the meaning of 29 C.F.R. § 2510.3-101(f)(2); or

(iii) Borrower qualifies as an "operating company" or a "real estate operating company" within the meaning of 29 C.F.R. § 2510.3-101(c) or (e).

Section 5.30 Reciprocal Easement Agreements. Borrower agrees that without the prior consent of Lender, Borrower shall not execute modifications to any REA if such modifications will have a Material Adverse Effect on the Property. Without limiting the generality of the foregoing, Borrower shall not, without the prior written consent of Lender, take (and hereby assigns to Lender any right it may have to take) any action to terminate, surrender, or accept any termination or surrender of, any REA. Borrower shall pay (or cause to be paid) all charges and other sums to be paid by Borrower pursuant to the terms of any REA as the same shall become due and payable and prior to the expiration of any applicable grace period therein provided. Borrower shall comply, in all material respects, with all of the terms, covenants and conditions on Borrower' s part to be complied with pursuant to terms of any REA. Borrower shall take all actions as may be reasonably necessary from time to time to preserve and maintain all REA' s in accordance with applicable Laws, rules and regulations. Borrower shall enforce, in a commercially reasonable manner, the obligations to be performed by the parties to each REA (other than Borrower). Borrower shall promptly furnish to Lender any notice of default or other communication delivered to Borrower in connection with any REA by any party to any such REA or any third party other than routine correspondence and invoices. Borrower shall not assign (other than to Lender) or encumber its rights under any REA.

VI. TRANSFERS

Section 6.1 Borrower Acknowledgement. Borrower acknowledges that Lender has examined and relied on the creditworthiness and experience of Borrower and its stockholders, general partners, members and principals in owning and operating properties such as the Property in agreeing to make the Loan, and will continue to rely on Borrower' s ownership of the Property as a means of maintaining the value of the Property as security for repayment of the Debt. Borrower acknowledges that Lender has a valid interest in maintaining the value of the Property so as to ensure that, should Borrower default in the repayment of the Debt, Lender can recover the Debt by a sale of the Property.

Section 6.2 Prohibition on Transfers. Borrower shall not directly or indirectly permit or allow any Transfer to be undertaken or cause any Transfer to occur, other than a Permitted Transfer, unless Lender shall have expressly approved, in its reasonable discretion, such request in writing, subject to satisfaction of all of the following conditions:

(a) Lender shall receive Borrower' s written request for a Transfer at least sixty (60) days prior to the proposed date of closing of such Transfer;

(b) The date of closing of such Transfer is on a date other than during the period that is sixty (60) days prior to the anticipated closing date of a Securitization and the period that is sixty (60) days after the actual closing date of a Securitization;

(c) No Event of Default has occurred and is continuing under this Agreement, any Security Instrument, the Note or the other Loan Documents;

(d) Borrower or Transferee shall pay any and all reasonable out-of-pocket costs incurred in connection with the transfer (including, without limitation, Lender' s reasonable attorneys' fees and disbursements, third party report fees, all fees and expenses of the Rating Agencies and their counsel, and all recording fees, transfer taxes, title insurance premiums and mortgage and intangible taxes), regardless of whether the transfer is consummated;

(e) The identity, experience (including, without limitation, demonstrated expertise in owning and operating properties similar in location, size, class and operation to the Property), financial condition, creditworthiness (including, without limitation, no history of any Bankruptcy Action within the preceding 7 years, no pending regulatory action or litigation and no existing defaults under any other permitted indebtedness), single purpose nature and bankruptcy remoteness of the transferee ("***Transferee***") shall be satisfactory to Lender;

(f) The identity, experience (including, without limitation, demonstrated expertise in owning and operating properties similar in location, size, class and operation to the Property), financial condition and creditworthiness (including, without limitation, no history of any Bankruptcy Action within the preceding 7 years) of the sponsor(s) or principals(s) of Transferee and of any party proposed to become a substitute Guarantor, as evidenced by financial statements and other information requested by Lender, shall be satisfactory to Lender;

(g) Transferee, the sponsor(s) or principal(s) of Transferee, and any party approved by Lender as set forth above to become a substitute Guarantor shall comply with the provisions of ***Section 5.21*** hereof;

(h) The organizational documents of the Transferee and its sponsor(s) or principal(s) shall be in form and substance satisfactory to Lender;

(i) Transferee shall assume all of the obligations of Borrower under the Loan Documents, and any party approved by Lender as set forth in subsection (f) above to become a substitute Guarantor shall assume all of the obligations of each Guarantor under the Guaranty and the Environmental Indemnity, in each case pursuant to documentation required by Lender and by the Rating Agencies, including, without limitation, an assumption agreement in form and substance satisfactory to Lender and the Rating Agencies;

(j) The Property shall be managed by a property manager with sufficient experience in the management of properties similar to the Property and otherwise satisfactory to Lender in all respects following such transfer, and such manager shall enter into an assignment of management agreement and subordination of management fees satisfactory to Lender;

(k) if required by Lender, receipt of Rating Agency Confirmation;

(l) Transferee shall deliver, at Lender' s election, either a new title insurance policy or an endorsement to the existing Title Insurance Policy insuring the Security Instrument as modified by the assumption agreement, as a valid first Lien on the Property and naming Transferee as owner of the Property, which endorsement shall insure that as of the recording of the assumption agreement the Property is not subject to any additional exceptions or Liens other than Permitted Encumbrances, and otherwise in form and substance satisfactory to Lender;

(m) Borrower shall pay to Lender a non-refundable application fee of $10,000.00, together with an assumption fee equal to one percent (1.0%) of the outstanding principal balance of the Loan; and

(n) Transferee shall deliver to Lender each of the following opinions: (i) if the Loan or any interest therein is included in a Securitization and if required by Lender, a REMIC Opinion; (ii) an Additional Insolvency Opinion; and (iii) any other applicable opinions reasonably required by Lender and the Rating Agencies, in form and substance and delivered by counsel satisfactory to Lender and the Rating Agencies.

(o) Borrower' s obligations under the contract of sale pursuant to which the Transfer is proposed to occur shall expressly be subject to the satisfaction of the terms and conditions of this ***Section 6.2***.

Any Transfer made in violation of this Agreement shall be null and void ab initio. If Borrower complies with the foregoing conditions to sale, assignment, or other transfer of the Property, the number of such transfers made in accordance with this ***Section 6.2*** shall be unlimited. A consent by Lender with respect to a transfer of the Property in its entirety to, and the related assumption of the Loan by, a Transferee pursuant to this ***Section 6.2*** shall not be construed to be a waiver of the right of Lender to consent to any subsequent transfer of the Property.

Section 6.3 Transfer Documentation. Upon the effective date of any Permitted Transfer, Borrower shall deliver to Lender copies of all documents evidencing any such transfer and shall provide Lender an updated organizational structure chart, certified pursuant to an Officer' s Certificate as true, complete and correct.

Section 6.4 No Impairment. Lender shall not be required to demonstrate any actual impairment of its security or any increased risk of default hereunder in order to declare the Debt immediately due and payable upon any Transfer, which is not a Permitted Transfer, consummated without Lender' s prior written consent or upon any Permitted Transfer not consummated in accordance with the terms and conditions of this Agreement. This Section 6.4 shall apply to every Transfer regardless of whether voluntary or not, or whether or not Lender has consented to any previous Transfer.

Section 6.5 Death or Incapacity of Individual Guarantor. Within sixty (60) days after the death, incarceration, indictment or legal incapacity of any Guarantor who is an individual, Borrower shall cause a substitute Guarantor approved by Lender to deliver to Lender a substitute Guaranty and Environmental Indemnity in form and substance identical to the Guaranty and Environmental Indemnity delivered on the Closing Date, a legal opinion with respect to the enforceability of such Guaranty and Environmental Indemnity in form and substance similar to the enforceability opinion delivered on the Closing Date and otherwise satisfactory to Lender and such other certificates, opinions, documents or instruments as Lender may require including but not limited to, an Additional Insolvency Opinion. Lender' s approval of any proposed substitute Guarantor shall be made in Lender' s sole and absolute discretion, and can be based on any number of factors, including, without limitation, Rating Agency Confirmation if required by Lender, receipt of a credit report and credit check and other due diligence with respect to the substitute Guarantor satisfactory to Lender.

Section 6.6 Additional Permitted Transfers.

6.6.1. Permitted Transfers of Interests in Guarantor. For the avoidance of doubt and notwithstanding the restrictions contained in ***Section 6.2*** hereof or in the Security Instruments, the following Transfers shall be permitted without Lender' s consent: So long as Cole Credit Property Trust IV, Inc. is the Guarantor, the sale, transfer or issuance of shares in Guarantor to third party investors (each, a "***Cole Investor***") through licensed U.S. broker-dealers in accordance with applicable Law or the subsequent Sale or Pledge (for estate planning purposes or otherwise) of such shares by any such respective or individual Cole Investor to the Guarantor or third parties (provided no Person, together with any Affiliates of such Person, owns or holds a security interest in, or pledge of, more than forty-nine percent (49%) of the legal and/or beneficial interests in Guarantor); provided, however, with respect to such transfers:

(a) no such transfers shall result in a change in Control of Guarantor;

(b) after giving effect to such transfers, (A) Guarantor shall own at least a fifty-one percent (51%) direct or indirect legal and beneficial ownership interest in each Borrower, any SPC Party and Operating Partnership; (B) Guarantor shall Control each Borrower, any SPC Party and Operating Partnership; and (C) Guarantor shall control the day-to-day operation of the Property; and

(c) the Property shall continue to be managed by Manager or a replacement manager in accordance with ***Section 5.20*** hereof.

6.6.2. Permitted Transfers of Non-Controlling Interests; UPREIT Transactions. For the avoidance of doubt and notwithstanding the restrictions contained in

Section 6.2 hereof or in the Security Instruments, the following Transfers shall be permitted without Lender' s consent: (1) the transfer (but not the pledge), in one or a series of transactions, of not more than forty-nine percent (49%) of the limited partnership interests, non-managing membership interests or shares (as the case may be) in any Restricted Party, or (2) the issuance of limited partnership interests in Operating Partnership in connection with the purchase by Operating Partnership of additional assets (i.e., an UPREIT transaction); provided, however, with respect to such transfers:

(a) Lender shall receive not less than thirty (30) days prior written notice of such transfers;

(b) no such transfers shall result in a change in Control of any Restricted Party;

(c) after giving effect to such transfers, (A) Guarantor shall own at least a fifty-one percent (51%) direct or indirect legal and beneficial ownership interest in each Borrower, any SPC Party and Operating Partnership; (B) Guarantor shall Control each Borrower, any SPC Party and Operating Partnership; and (C) Guarantor shall control the day-to-day operation of the Property;

(d) the Property shall continue to be managed by Manager or a replacement manager in accordance with ***Section 5.20*** hereof;

(e) in the case of the transfer of any direct equity ownership interests in Borrower or any SPC Party, such transfers shall be conditioned upon continued compliance with the relevant provisions of ***Article VIII*** hereof;

(f) such transfers shall be conditioned upon each Borrower' s and Guarantor' s ability to, after giving effect to the equity transfer in question, (A) remake the representations contained herein relating to ERISA matters, the Patriot Act, OFAC and matters concerning Embargoed Persons (and, upon Lender' s request, Borrower and Guarantor shall deliver to Lender (1) an Officer' s Certificate containing such updated representations effective as of the date of the consummation of the applicable equity transfer, and (2) searches, acceptable to Lender, for any entity or individual owning, directly or indirectly, 20% or more of the interests in Borrower as a result of such transfer), and (B) continue to comply with the covenants contained herein relating to ERISA matters, the Patriot Act, OFAC and matters concerning Embargoed Persons.

6.6.3. Additional Insolvency Opinion. Notwithstanding (and without limiting) the foregoing, no transfer of any direct or indirect ownership interests in Borrower may be made such that the transferee owns, in the aggregate with the ownership interests in Borrower of transferee' s Affiliates, more than a forty-nine percent (49%) interest in Borrower unless such transfer is conditioned upon the delivery of an Additional Insolvency Opinion acceptable to Lender and any applicable Rating Agency.

Section 6.7 Prohibited Persons. Notwithstanding anything to the contrary contained in this ***Article VI***, no transfer of the Property, or of any interest therein, and no transfer of any interest in a Restricted Party (whether or not such transfer shall constitute a Transfer) shall be made to any Prohibited Person.

VII. INSURANCE; CASUALTY; CONDEMNATION; RESTORATION

Section 7.1 Insurance.

(a) From the date hereof until payment and performance in full of all obligations of Borrower under the Loan Documents, Borrower shall obtain and maintain, or cause to be obtained and maintained, Policies for Borrower and the Property providing at least the following coverages:

(i) insurance with respect to the Improvements and the Personal Property insuring against any peril now or hereafter included within the classification "Risk of Direct Physical Loss" or "Special Cause of Loss" (including, without limitation, fire, lighting, windstorm, hail, and terrorism, in each case, (A) in an amount equal to 100% of the "Full Replacement Cost" for the Property, which for purposes of this Agreement shall mean actual replacement value (exclusive of costs of excavations, foundations, underground utilities and footings); (B) containing an agreed amount endorsement with respect to the Improvements and Personal Property waiving all co-insurance provisions or to be written on a no co-insurance form; (C) in cases where the applicable tenant is not required under the terms and conditions of its Lease to obtain insurance, providing for no deductible in excess of 5% of the net cash flow of the Property up to a maximum deductible of $100,000 (except when a separate wind-loss or earthquake deductible applies, then the amount must not exceed 5% of the replacement cost value of the Property); (D) in cases whether the applicable tenant is required under the terms and conditions of its Lease to obtain insurance, providing for no tenant deductible that exceeds the amount permitted pursuant to the terms and conditions of such tenant' s Lease; (E) if any of the Improvements or the use of the Property shall at any time constitute legal non-conforming structures or uses, the policy of insurance must include ordinance and law protection including replacement of undamaged building value, increased cost of repairs or reconstruction, or additional demolition and removal costs. The Full Replacement Cost shall be redetermined from time to time (but not more frequently than once in any twelve (12) calendar months) at the request of Lender by an appraiser or contractor designated and paid by Borrower and approved by Lender, or by an engineer or appraiser in the regular employ of the insurer. After the first appraisal, additional appraisals may be based on construction cost indices customarily employed in the trade. No omission on the part of Lender to request any such ascertainment shall relieve Borrower of any of its obligations under this ***Section 7.1(a)(i)***;

(ii) commercial general liability insurance against claims for personal injury, bodily injury, death or property damage occurring upon, in or about the Property, including "Dram Shop" or other liquor liability coverage if alcoholic beverages are sold from or may be consumed at the Property such insurance (A) to be on the so-called "occurrence" form with a combined single limit of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate; (B) to continue at not less than the aforesaid limit until required to be changed by Lender in writing by reason of changed economic conditions making such protection inadequate; and (C) to cover at least the following hazards: (1) premises and operations; (2) products and completed operations on an "if any" basis; (3) independent contractors; (4) blanket contractual liability for all written and oral contracts; (5) contractual liability covering the indemnities contained in ***Article 10*** of the Security Instrument to the extent the same is available; and (6) acts of terrorism and similar acts of sabotage;

(iii) business interruption and/or loss of rents insurance (A) with loss payable to Lender; (B) covering all risks required to be covered by the insurance provided for in ***Section 7.1(a)(i)***; (C) in an amount equal to 100% of the projected net operating income plus fixed expenses for the Property (on an actual loss sustained basis) for a period continuing until the Restoration of the Property is completed; the amount of such business interruption and/or loss of rents insurance shall be determined prior to the Closing Date and at least once each year thereafter based on Lender' s determination of the projected net operating income plus fixed expenses for the Property for a eighteen (18) month period and, if the business interruption and/or loss of rents insurance includes extra expense coverage, the amount of insurance required must include a reasonable additional amount for extra expenses; and (D) containing an extended period of indemnity endorsement which provides that after the physical loss to the Improvements and the Personal Property has been repaired, the continued loss of income will be insured until such income either returns to the same level it was at prior to the loss, or the expiration of six (6) months from the date that the Property is repaired or replaced and operations are resumed, whichever first occurs, and notwithstanding that the policy may expire prior to the end of such period. All insurance proceeds payable to Lender pursuant to this ***Section 7.1(a)(iii)*** shall be held by Lender and shall be applied to the obligations secured hereunder from time to time due and payable hereunder and under the Note and this Agreement; provided, however, that nothing herein contained shall be deemed to relieve Borrower of its obligations to pay the obligations secured hereunder on the respective dates of payment provided for in the Note and this Agreement except to the extent such amounts are actually paid out of the proceeds of such business interruption and/or loss of rents insurance;

(iv) at all times during which structural construction, repairs or alterations are being made with respect to the Improvements (A) owner' s contingent or protective liability insurance covering claims not covered by or under the terms or provisions of the insurance provided for in ***Section 7.1(c)(ii);*** and (B) the insurance provided for in ***Section 7.1 (a)(i)*** shall be written in a so-called builder' s risk completed value form (1) on a non-reporting basis, (2) against all risks insured against pursuant to ***Section 7.1(a)(i),*** (3) shall include permission to occupy the Property, and (4) shall contain an agreed amount endorsement waiving co-insurance provisions;

(v) if Borrower has any employees, workers' compensation, subject to the statutory limits of the State, and employer' s liability insurance with a limit of at least $500,000 per accident and per disease per employee, and $500,000 for disease aggregate in respect of any work or operations on or about the Property, or in connection with the Property or its operation (if applicable);

(vi) comprehensive boiler and machinery / mechanical breakdown insurance, if applicable, in amounts as shall be required by Lender on terms consistent with the commercial property insurance policy required under ***Section 7.1 (a)(i)*** hereof;

(vii) if any portion of the Improvements is at any time located in an area identified by the Secretary of Housing and Urban Development or any successor thereto as an area having special flood hazards pursuant to the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973 or the National Flood Insurance Reform Act of 1994, as each may be amended, or any successor Law (the "***Flood Insurance Acts***"), flood hazard

insurance of the following types and in the following amounts: (A) coverage under Policies issued pursuant to the Flood Insurance Acts (the "***Flood Insurance Policies***") in an amount equal to the maximum limit of coverage available for the Property under the Flood Insurance Acts, subject only to customary deductibles under such Policies and (B) coverage under supplemental private Policies in an amount, which when added to the coverage provided under the Flood Insurance Policies, is not less than the Full Replacement Cost of the Property;

(viii) if the Property is located in seismic zones 3 or 4, earthquake insurance in amounts not less than 150% of the probable maximum loss of the Property as determined by an architectural or engineering consultant selected by Lender, provided that the insurance pursuant to this ***Section 7.1(a)(viii)*** shall be on terms consistent with the insurance required under ***Section 7.1(a)(i)*** hereof; and

(ix) motor vehicle liability coverage for all owned (if any) and non-owned vehicles, including rented and leased vehicles utilized by Borrower in the service or support of the Property containing minimum limits per occurrence, including umbrella coverage, of $1,000,000; and

(x) such other insurance and in such amounts as Lender from time to time may request against such other insurable hazards which at the time are commonly insured against for property similar to the Property located in or around the region in which the Property is located.

(b) All insurance provided for in ***Section 7.1(a)*** hereof shall be obtained under valid and enforceable policies (the "***Policies***" or in the singular, the "***Policy***"), in such forms and, from time to time after the date hereof, in such amounts as may be satisfactory to Lender, issued by financially sound and responsible insurance companies authorized to do business in the State where the Property is located approved by Lender and having a claims paying ability/financial strength rating of A-, Class VIII or better by Best' s Key Rating Guide as well as a rating of A- or higher from Standard & Poor' s or the equivalent rating from Fitch or Moody' s. Earthquake (if required) must be covered by an insurance company having a rating of A-, Class VIII by Best' s Key Rating Guide or a rating of A3 (or equivalent) from Moody' s or A- by Standard & Poor' s. Borrower shall provide to Lender copies or other evidence satisfactory to Lender of all insurance required to be maintained pursuant to ***Section 7.1(a)*** hereof. Not less than five (5) Business Days prior to the expiration dates of the Policies theretofore furnished to Lender, Borrower shall deliver evidence satisfactory to Lender of the renewal of all of the Policies or that the Policies have been replaced by other Policies. Not less than five (5) Business Days prior to delinquency of payment of the premiums or assessments due under the Policies (the "***Insurance Premiums***"), Borrower shall deliver to Lender evidence of such payment; provided, however, that Borrower is not required to furnish such evidence of payment of Insurance Premiums to the extent that such Insurance Premiums have been paid by Lender pursuant to the terms of ***Section 9.2*** hereof.

(c) Borrower shall not obtain (i) any umbrella or blanket liability or casualty Policy unless, in each case, such Policy is approved in advance in writing by Lender and Lender' s interest is included therein as provided in this Agreement and such Policy is issued by an insurance company satisfying the requirements of ***Section 7.1(b)*** or (ii) separate insurance concurrent in form or contributing in the event of loss with that required in ***Section 7.1(a)*** hereof

to be furnished by, or which may be required to be furnished by, Borrower. In the event Borrower obtains separate insurance or an umbrella or a blanket policy, Borrower shall notify Lender of the same and shall cause certified copies of each Policy to be delivered as required in ***Section 7.1(a)*** hereof. Any blanket insurance Policy shall specifically allocate to the Property the amount of coverage from time to time required hereunder and shall otherwise provide the same protection as would a separate Policy insuring only the Property in compliance with the provisions of ***Section 7.1(a)*** hereof.

(d) All Policies provided for or contemplated by ***Section 7.1 (a)*** hereof, except for the Policy referenced in ***Section 7.1(a)(v)*** hereof, shall name Lender and Borrower as the insured or additional insured, as their respective interests may appear, and in the case of property damage, boiler and machinery, earthquake and flood insurance, shall contain a non-contributing mortgagee clause in favor of Lender providing that the loss thereunder shall be payable to Lender.

(e) All Policies provided for in ***Section 7.1(a)*** hereof shall contain clauses or endorsements to the effect that:

(i) no act or negligence of Borrower, or anyone acting for Borrower, or any tenant under any Lease or other occupant, or failure to comply with the provisions of any Policy which might otherwise result in a forfeiture of the insurance or any part thereof, shall in any way affect the validity or enforceability of the insurance insofar as Lender is concerned; and

(ii) the Policy shall not be materially changed (other than to increase the coverage provided thereby) or cancelled without at least thirty (30) days' written notice to Lender and any other party named therein as an insured. Notwithstanding the foregoing, if liability insurance is provided by a separate Policy, then the foregoing endorsement shall not be required and in such event Borrower (and not the insurer) shall give Lender the notice required by this subsection.

(f) If at any time Lender is not in receipt of written evidence, in the form of a Policy or Acord Certificate acceptable to Lender, that all insurance required hereunder is in full force and effect, Lender shall have the right, after five (5) Business Days prior notice to Borrower (unless Lender has a reasonable belief that one or more of the Policies is not in full force and effect or will expire in less than five (5) Business Days) to take such action as Lender deems necessary to protect its interest in the Property, including, without limitation, the obtaining of such insurance coverage as Lender in its sole discretion deems appropriate, and all expenses (including reasonable attorneys' fees) incurred by Lender in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Borrower to Lender upon demand and until paid shall be secured by the Security Instrument and shall bear interest at the Default Rate. In the event Lender obtains insurance coverage on behalf of Borrower pursuant to this subsection (f), Borrower shall be permitted to cancel such insurance coverages provided Borrower has delivered to Lender evidence of Borrower' s compliance with this ***Article 7***.

(g) In the event of a foreclosure of the Security Instrument, or other transfer of title to the Property in extinguishment in whole or in part of the Debt, all right, title and interest of Borrower in and to the Policies then in force (other than (i) those Policies that are not solely covering the Property, (ii) liability Policies or (iii) Policies maintained by a Tenant) and all proceeds payable thereunder shall thereupon vest in the purchaser at such foreclosure or Lender or other transferee in the event of such other transfer of title.

(h) Intentionally Omitted.

(i) If insurance for earthquake or special hazards is obtained by Borrower in its sole discretion and without requirement of Lender, then Borrower, when obtaining such insurance coverage, shall meet the insurance requirements hereof except as to matters requiring Lender' s further approval, and such insurance coverage: (A) shall be within the meaning of a "Policy" or "Policies"; and (B) shall be for the benefit of Lender and all proceeds thereof constitute additional security for the Debt, and Lender shall have all rights with respect to and be entitled to receive all proceeds in the same manner it would receive any Insurance Proceeds in the event the Property is damaged or destroyed by a Casualty or by any risk or loss insured against.

(j) Any failure by Lender to insist on full compliance with all of the above insurance requirements at closing does not constitute a waiver of Lender' s right to subsequently require full compliance with these requirements.

(k) As an alternative to the Policies required to be maintained pursuant to the preceding provisions of this Section 7.1, Borrower will not be in default under this ***Section 7.1*** if Borrower maintains (or causes to be maintained) Policies which (i) have coverages, deductibles and/or other related provisions other than those specified above and/or (ii) are provided by insurance companies not meeting the credit ratings requirements set forth above (any such Policy, a "**Non-Conforming Policy**"), provided, that, prior to obtaining such Non-Conforming Policies (or permitting such Non-Conforming Policies to be obtained), Borrower shall have (1) received Lender' s prior written consent thereto and (2) if required by Lender, confirmed that Lender has received a Rating Agency Confirmation with respect to any such Non-Conforming Policy.

(l) Borrower hereby represents that, as of the date hereof, none of the insurance policies required in this ***Section 7.1*** which require coverage for terrorism, except those required under clauses (viii) and (ix) of ***Section 7.1(a)*** (such insurance policies, the "***Applicable Policie***s") exclude coverage for Acts of Terror (defined below). Notwithstanding anything to the contrary contained herein, in the event that, after the date hereof, any Applicable Policy (other than those required under clauses (viii) and (ix) of ***Section 7.1(a))*** excludes coverage for Acts of Terror, Borrower shall obtain and maintain (or cause to be obtained and maintained) coverage for such excluded Acts of Terror (the "***Terrorism Coverage***"), which such Terrorism Coverage shall comply with each of the applicable requirements for Policies set forth above (including, without limitation, those relating to deductibles); provided, that, Lender, at Lender' s option, may reasonably require Borrower to obtain or cause to be obtained the Terrorism Coverage with higher deductibles than set forth above. Notwithstanding the foregoing, in no event shall Borrower be required to pay annual premiums in excess of the TC Cap (defined below) in order to obtain the Terrorism Coverage (but Borrower shall be obligated to purchase such portion of the Terrorism Coverage as is obtainable by payment of annual premiums equal to the TC Cap). As used above, "***Acts of Terror***" shall mean acts of terror or similar acts of sabotage; provided, that, for so long as the Terrorism Risk Insurance Act of 2002, as extended and modified by the Terrorism Risk Insurance Program Authorization Act of 2007 (as the same may be further

modified, amended, or extended, "***TRIA***") (i) remains in full force and effect and (ii) continues to cover both foreign and domestic acts of terror, the provisions of TRIA shall determine what is deemed to be included within this definition of "Acts of Terror". As used above, "***TC Cap***" shall mean two times the amount of the Insurance Premiums that are payable at such time in respect of the casualty and business interruption/rental loss insurance required hereunder (without giving effect to the cost of terrorism and earthquake components of such casualty and business interruption/rental loss insurance).

(m) Lender hereby agrees that the Policies maintained by Borrower as of the date hereof (including any Non-Conforming Policies) are acceptable and satisfy the requirements set forth in this ***Article 7***.

Section 7.2 Casualty. If the Property shall be damaged or destroyed, in whole or in part, by fire or other casualty (a "***Casualty***"), Borrower shall give prompt notice of such damage to Lender (provided that such notice shall not be required if the estimated cost to restore are less than $100,000) and shall promptly commence and diligently prosecute the completion of the repair and restoration of the Property as nearly as possible to the condition the Property was in immediately prior to such Casualty, with such alterations as may be approved by Lender (a "***Restoration***") and otherwise in accordance with ***Section 7.4*** hereof. Borrower shall pay, or cause to be paid, all costs of such Restoration whether or not such costs are covered by insurance. Lender may, but shall not be obligated to, make proof of loss if not made promptly by Borrower. Lender shall have the right, at its option, to participate in any settlement discussions with respect to any claims under any Policy and Borrower shall promptly deliver to Lender all instruments required by Lender to permit such participation. Lender shall have the right, at its option, to approve the final settlement with respect to any Casualty in which Net Proceeds or the costs to complete the Restoration are equal to or greater than the Restoration Threshold. If an Event of Default exists, Lender shall have the exclusive right, at its option, to settle or adjust any claims made under the Policies in the event of a Casualty.

Section 7.3 Condemnation. Borrower shall promptly give Lender notice of the actual or threatened commencement of any proceeding for the Condemnation of all or any part of the Property and shall deliver to Lender copies of any and all papers served in connection with such proceedings. Lender may participate in any such proceedings, and Borrower shall promptly deliver to Lender all instruments requested by it to permit such participation. Lender shall have the right, at its option, to approve the final settlement with respect to any Condemnation in which Net Proceeds or the costs to complete the Restoration are equal to or greater than the Restoration Threshold. If a an Event of Default exists, Lender shall have the exclusive right, at its option, to settle any Award in the event of a Condemnation. Borrower shall, at its expense, diligently prosecute any such proceedings, and shall consult with Lender, its attorneys and experts, and cooperate with them in the carrying on or defense of any such proceedings. Notwithstanding any taking by any public or quasi-public authority through Condemnation or otherwise (including, but not limited to, any transfer made in lieu of or in anticipation of the exercise of such taking), Borrower shall continue to pay the Debt at the time and in the manner provided for in the Note and in this Agreement and the Debt shall not be reduced until any Award shall have been actually received and applied by Lender, after the deduction of expenses of collection, to the reduction or discharge of the Debt. Lender shall not be limited to the interest paid on the Award by the condemning authority but shall be entitled to receive out of the Award interest at the rate

or rates provided herein or in the Note. If the Property is taken by a condemning authority, Borrower shall promptly commence and diligently prosecute the Restoration of the Property and otherwise comply with the provisions of ***Section 7.4*** hereof. If the Property is sold, through foreclosure or otherwise, prior to the receipt by Lender of the Award, Lender shall have the right, whether or not a deficiency judgment on the Note shall have been sought, recovered or denied, to receive the Award, or a portion thereof sufficient to pay the Debt.

Section 7.4 Restoration. The following provisions shall apply in connection with the Restoration of the Property:

(a) Subject to ***Section 7.4(d)*** hereof, if the Net Proceeds shall be less than the Restoration Threshold and the costs of completing the Restoration shall be less than the Restoration Threshold, then the Net Proceeds will be disbursed by Lender to Borrower upon receipt, provided that all of the conditions set forth in ***Section 7.4(b)(i)*** are met and Borrower delivers to Lender a written undertaking to expeditiously commence and to satisfactorily complete with due diligence the Restoration in accordance with the terms of this Agreement.

(b) Subject to ***Section 7.4(d)*** hereof, if the Net Proceeds are equal to or greater than the Restoration Threshold or the cost of completing the Restoration is equal to or greater than the Restoration Threshold, then Lender shall make the Net Proceeds available for the Restoration in accordance with the provisions of this ***Section 7.4***. The term "***Net Proceeds***" shall mean: (1) the net amount of all insurance proceeds payable to or for the benefit of Borrower as a result of a Casualty to the Property, after deduction of Lender' s reasonable costs and expenses (including, but not limited to, reasonable attorneys' fees), if any, in collecting such insurance proceeds ("***Insurance Proceeds***"), or (2) the net amount of the Award, after deduction of Lender' s reasonable costs and expenses (including, but not limited to, attorneys' fees and expenses), if any, in collecting such Award ("***Condemnation Proceeds***"), whichever the case may be.

(i) Subject to ***Section 7.4(d)*** hereof, the Net Proceeds shall be made available to Borrower for Restoration of the Property provided that each of the following conditions are met:

(A) no Event of Default shall have occurred and be continuing;

(B) (1) in the event the Net Proceeds are Insurance Proceeds, less than thirty percent (30%) of each of the (i) fair market value of the Property as reasonably determined by Lender and (ii) rentable area of the Improvements has been damaged, destroyed or rendered unusable as a result of such Casualty or (2) in the event the Net Proceeds are Condemnation Proceeds, less than fifteen percent (15%) of each of the (i) fair market value of the Property as reasonably determined by Lender and (ii) rentable area of the Property is taken, and such land is located along the perimeter or periphery of the Property, and no material portion of the Improvements is located on such land;

(C) Leases demising in the aggregate a percentage amount equal to or greater than ninety (90%) of the total rentable space in the Property which has been demised under executed and delivered Leases in effect as of the date of the

occurrence of such Casualty or Condemnation, whichever the case may be, shall remain in full force and effect during and after the completion of the Restoration, notwithstanding the occurrence of any such Casualty or Condemnation, whichever the case may be, and Borrower furnishes to Lender evidence satisfactory to Lender that all tenants under Major Leases shall continue to operate their respective space at the Property after the completion of the Restoration without rent abatement;

(D) Borrower shall commence the Restoration as soon as reasonably practicable (but in no event later than thirty (30) days after the issuance of a building permit with respect thereto) and shall diligently pursue the same to satisfactory completion in compliance with all applicable Laws, including, without limitation, all applicable Environmental Laws;

(E) Lender shall be satisfied that any operating deficits, including all scheduled payments of principal and interest under the Note, which will be incurred with respect to the Property as a result of the occurrence of any such Casualty or Condemnation, whichever the case may be, will be covered out of (1) the Net Proceeds, (2) the insurance coverage referred to in ***Section 7.1(a)(iii)*** or (3) by other funds of Borrower;

(F) unless Lender is satisfied that, upon completion of the Restoration, the Property shall be restored to substantially the same or better condition than prior to the Casualty or Condemnation, Lender shall be satisfied that, upon the completion of the Restoration, the Loan to Value Ratio of the Property shall be no greater than 60% and the Debt Service Coverage Ratio for the Property shall be 1.50 or greater;

(G) Lender shall be satisfied that the Restoration will be completed on or before the earliest to occur of (1) six (6) months prior to the Maturity Date, or (2) the earliest date required for such completion under the terms of any Leases which are required in accordance with the provisions of this ***Section 7.4(b)*** to remain in effect subsequent to the occurrence of such Casualty or Condemnation and the completion of the Restoration, or (3) such time as may be required under Applicable Law, in order to repair and restore the Property to the condition it was in immediately prior to such Casualty or Condemnation, or (4) the expiration of the insurance coverage referred to in ***Section 7.1(a)(iii)***;

(H) Borrower and Guarantor shall execute and deliver to Lender a completion guaranty in form and substance satisfactory to Lender pursuant to the provisions of which Borrower and Guarantor shall jointly and severally guaranty to Lender the Lien-free completion by Borrower of the Restoration in accordance with the provisions of this ***Section 7.4(b)***;

(I) the Property and the use thereof after the Restoration will be in material compliance with and permitted under all applicable Laws;

(J) such Casualty or Condemnation, as applicable, does not result in the total loss of access to the Property or the Improvements;

(K) Borrower shall deliver, or cause to be delivered, to Lender a signed detailed budget approved in writing by Borrower' s architect or engineer stating the entire cost of completing the Restoration, which budget shall be acceptable to Lender;

(L) the Net Proceeds together with any Cash or Cash equivalent deposited by Borrower with Lender are sufficient in Lender' s discretion to cover the cost of the Restoration; and

(M) the Management Agreement in effect as of the date of the occurrence of such Casualty or Condemnation, whichever the case may be, shall (1) remain in full force and effect during the Restoration and shall not otherwise terminate as a result of the Casualty or Condemnation or the Restoration or (2) if terminated, shall have been replaced with a manager acceptable to Lender, prior to the opening or reopening of the Property for business with the public.

(ii) The Net Proceeds shall be held by Lender in an interest-bearing Eligible Account and, until disbursed in accordance with the provisions of this ***Section 7.4(b)***, shall constitute additional security for the payment of the Debt and the performance of the Other Obligations. Subject to ***Section 7.4(d)*** hereof, the Net Proceeds (except for Insurance Proceeds from the insurance coverage referred to in ***Section 7.1(a)(iii))*** shall be disbursed by Lender to, or as directed by, Borrower from time to time during the course of the Restoration, upon receipt of evidence satisfactory to Lender that (A) all materials installed and work and labor performed (except to the extent that they are to be paid for out of the requested disbursement) in connection with the Restoration have been paid for in full, and (B) there exist no notices of pendency, stop orders, mechanic' s or materialmen' s Liens, construction Liens, or notices of intention to file same, or any other Liens or encumbrances of any nature whatsoever on the Property which have not either been fully bonded to the satisfaction of Lender and discharged of record or in the alternative fully insured to the satisfaction of Lender by the title company issuing the Title Insurance Policy.

(iii) All plans and specifications required in connection with the Restoration shall be subject to prior review and acceptance in all respects by Lender and by an independent consulting engineer selected by Lender (the "***Casualty Consultant***"), such acceptance not to be unreasonably withheld, conditioned or delayed. Lender shall have the use of the plans and specifications and all Licenses required or obtained in connection with the Restoration. The identity of the contractors, subcontractors and materialmen engaged in the Restoration as well as the contracts under which they have been engaged, shall be subject to prior review and acceptance by Lender and the Casualty Consultant, such acceptance not to be unreasonably withheld, conditioned or delayed. All reasonable costs and expenses incurred by Lender in connection with making the Net Proceeds available for the Restoration including, without limitation, reasonable attorneys' fees and disbursements and the Casualty Consultant' s reasonable fees, shall be paid by Borrower.

(iv) In no event shall Lender be obligated to make disbursements of the Net Proceeds in excess of an amount equal to the costs actually incurred from time to time for work in place as part of the Restoration, as certified by the Casualty Consultant, minus the Casualty Retainage. The term "***Casualty Retainage***" shall mean an amount equal to ten percent

(10%) of the costs actually incurred for work in place as part of the Restoration, as certified by the Casualty Consultant, until such time as the Casualty Consultant certifies to Lender that Net Proceeds representing 50% of the required Restoration have been disbursed. There shall be no Casualty Retainage with respect to costs actually incurred by Borrower for work in place in completing the last 50% of the required Restoration. The Casualty Retainage shall in no event, and notwithstanding anything to the contrary set forth above in this ***Section 7.4(b)***, be less than the amount actually held back by Borrower from contractors, subcontractors and materialmen engaged in the Restoration. The Casualty Retainage shall not be released until the Casualty Consultant certifies to Lender that the Restoration has been completed in accordance with the provisions of this ***Section 7.4(b)*** and that all approvals necessary for the re-occupancy and use of the Property have been obtained from all appropriate Governmental Authorities, and Lender receives evidence satisfactory to Lender that the costs of the Restoration have been paid in full or will be paid in full out of the Casualty Retainage; provided, however, that, subject to ***Section 7.4(d)*** hereof, Lender will release the portion of the Casualty Retainage being held with respect to any contractor, subcontractor or materialman engaged in the Restoration as of the date upon which the Casualty Consultant certifies to Lender that the contractor, subcontractor or materialman has satisfactorily completed all work and has supplied all materials in accordance with the provisions of the contractor' s, subcontractor' s or materialman' s contract, the contractor, subcontractor or materialman delivers the Lien waivers and evidence of payment in full of all sums due to the contractor, subcontractor or materialman as may be reasonably requested by Lender or by the title company issuing the Title Insurance Policy, and Lender receives an endorsement to such Title Insurance Policy insuring the continued priority of the Lien of the Security Instrument and evidence of payment of any premium payable for such endorsement. If required by Lender, the release of any such portion of the Casualty Retainage shall be approved by the surety company, if any, which has issued a payment or performance bond with respect to the contractor, subcontractor or materialman.

(v) Lender shall not be obligated to make disbursements of the Net Proceeds more frequently than once every calendar month.

(vi) If at any time the Net Proceeds or the undisbursed balance thereof shall not, in the reasonable opinion of Lender in consultation with the Casualty Consultant, if any, be sufficient to pay in full the balance of the costs which are estimated by the Casualty Consultant to be incurred in connection with the completion of the Restoration, Borrower shall deposit the deficiency (the "***Net Proceeds Deficiency***") with Lender before any further disbursement of the Net Proceeds shall be made. The Net Proceeds Deficiency deposited with Lender shall be held by Lender and shall be disbursed for costs actually incurred in connection with the Restoration on the same conditions applicable to the disbursement of the Net Proceeds, and until so disbursed pursuant to this ***Section 7.4(b)*** shall constitute additional security for the payment of the Debt and the performance of the Other Obligations.

(vii) Subject to ***Section 7.4(d)*** hereof, the excess, if any, of the Net Proceeds and the remaining balance, if any, of the Net Proceeds Deficiency deposited with Lender after the Casualty Consultant certifies to Lender that the Restoration has been completed in accordance with the provisions of this ***Section 7.4(b)***, and the receipt by Lender of evidence satisfactory to Lender that all costs incurred in connection with the Restoration have been paid in full, and provided no Event of Default shall have occurred and shall be continuing under the Note, this Agreement or any of the other Loan Documents, shall be remitted by Lender to Borrower within five (5) Business Days thereafter.

(c) All Net Proceeds not required (i) to be made available for the Restoration or (ii) to be returned to Borrower as excess Net Proceeds pursuant to ***Section 7.4(b)(vii)*** may be retained and applied by Lender toward the payment of the Debt whether or not then due and payable in such order, priority and proportions as Lender in its sole discretion shall deem proper, or, at the discretion of Lender, the same may be paid, either in whole or in part, to Borrower for such purposes as Lender shall approve, in its discretion. If Lender shall receive and retain Net Proceeds, the Lien of the Security Instrument and the other Loan Documents shall be reduced only by the amount thereof received and retained by Lender and actually applied by Lender in reduction of the Debt.

(d) Notwithstanding anything to the contrary contained in ***Section 7.4*** hereof, in the event that the Loan or any interest therein is included in a Securitization, and if immediately following the release of the Property from the Lien of any Security Instrument as a result of any Condemnation, the Real Property Value to Loan Ratio is not at least eighty percent (80%), then all of the net proceeds realized by Borrower for purposes of computing gain or loss under Section 1001 of the Code as a result of such Condemnation shall be applied to the principal amount of the Debt if and to the extent necessary for the Loan to remain a "qualified mortgage" in accordance with the requirements of Section 860(G)(a)(3) of the Code, and any then applicable U.S. Department of Treasury regulations or revenue procedures issued pursuant thereto, including, without limitation, to the extent then applicable to any REMIC Trust, Revenue Procedure 2010-30. In Lender' s discretion, Lender may require a REMIC Opinion in connection with any such Condemnation.

VIII. SINGLE PURPOSE ENTITY PROVISIONS

Section 8.1 Single Purpose Entity Separateness.

(a) Until the Debt has been paid in full, Borrower hereby represents, warrants and covenants that:

(i) Borrower is, and shall continue to be a Single Purpose Entity; and

(ii) SPC Party is and shall continue to be a Single Purpose Entity.

(b) For the purposes of this Agreement, a "***SPC Party***" shall mean the Single Purpose Entity that is the sole general partner of Borrower, if Borrower is a limited partnership, or the sole managing member of Borrower, if Borrower is a limited liability company that is not an Acceptable Limited Liability Company.

(c) For the purposes of this Agreement, "***Acceptable Limited Liability Company***" shall mean a limited liability company ("***LLC***") formed under the Laws of the state of Delaware having a limited liability company agreement (the "***LLC Agreement***") which satisfies the Rating Agency criteria then applicable to such entities, and which LLC Agreement:

(i) Provides that (A) upon the occurrence of any event that causes the last remaining member of such LLC ("***Member***") to cease to be a member of such LLC (other

than upon (1) an assignment by Member of all of its limited liability company interest in such LLC and the admission of the transferee in accordance with the Loan Documents and the LLC Agreement, or (2) the resignation of Member and the admission of an additional member of such LLC in accordance with the terms of the Loan Documents and the LLC Agreement), any Person acting as a springing member of the LLC shall, without any action of any other Person and simultaneously with Member ceasing to be the member of such LLC, automatically be admitted to such LLC (individually or collectively, "***Special Member***") and shall continue such LLC without dissolution and (B) the Special Member may not resign from such LLC or transfer its rights as Special Member unless a successor Special Member has been admitted to such LLC as Special Member in accordance with requirements of Delaware Law. The LLC Agreement shall further provide that (A) the Special Member shall automatically cease to be a member of such LLC upon the admission to such LLC of a substitute Member, (B) the Special Member shall be a member of such LLC that has no interest in the profits, losses and capital of such LLC and has no right to receive any distributions of such LLC' s assets, (C) pursuant to Section 18-301 of the Delaware Limited Liability Company Act (the "***Act***"), the Special Member shall not be required to make any capital contributions to such LLC and shall not receive a limited liability company interest in such LLC, (D) the Special Member, in its capacity as Special Member, may not bind such LLC and (E) except as required by any mandatory provision of the Act, the Special Member, in its capacity as Special Member, shall not have the right to vote on, approve or otherwise consent to any action by, or matter relating to, such LLC, including, without limitation, the merger, consolidation or conversion of such LLC. In order to implement the admission to such LLC of the Special Member, the LLC Agreement shall also provide that the Special Member shall execute a counterpart to the LLC Agreement, and that prior to its admission to such LLC as Special Member, the Special Member shall not be a member of such LLC; and

(ii) Provides that, upon the occurrence of any event that causes the Member to cease to be a member of such LLC, to the fullest extent permitted by Law, the personal representative of Member shall, within ninety (90) days after the occurrence of the event that terminated the continued membership of Member in such LLC, agree in writing (A) to continue such LLC and (B) to the admission of the personal representative or its nominee or designee, as the case may be, as a substitute member of such LLC, effective as of the occurrence of the event that terminated the continued membership of Member of such LLC in such LLC. Any Bankruptcy Action with respect to a member or Special Member shall not cause a member or Special Member to cease to be a member of such LLC and upon the occurrence of such an event, the business of such LLC shall continue without dissolution. The LLC Agreement shall provide that each member of such LLC and Special Member waives any right it might have to agree in writing to dissolve such LLC upon the occurrence of any Bankruptcy Action with respect to any member or Special Member, or the occurrence of an event that causes any member or Special Member to cease to be a member of such LLC.

(d) For the purposes of this Agreement, a "***Single Purpose Entity***" means a corporation, limited partnership or limited liability company that shall at all times on and after the date hereof shall comply with, and its organizational documents shall include, the following requirements unless it has received (1) prior written consent to do otherwise from Lender and (2) following any Securitization, a Rating Agency Confirmation:

(i) with respect to Borrower, Borrower shall not engage in any business or activity other than the acquisition, development, ownership, operation, leasing, managing and maintenance of the Property, and entering into the Loan, and activities incidental thereto, and with respect to SPC Party, SPC Party shall not engage in any business or activity other than the ownership of its interest in Borrower, and activities incidental thereto.

(ii) with respect to Borrower, Borrower shall not acquire or own any assets other than (A) the Property, (B) such incidental Personal Property as may be necessary for the operation of the Property, as the case may be, and (C) Cash and U.S. Obligations, and with respect to SPC Party, SPC Party shall not acquire or own any material asset other than its interest in Borrower;

(iii) neither Borrower nor SPC Party (with respect to itself or with respect to Borrower) shall engage in, seek, consent or permit any (A) merger into or consolidation with any Person, or, to the fullest extent permitted by applicable Law, any dissolution, termination or liquidation in whole or in part, or (B) any sale or other transfer or disposition of all or substantially all of its assets, or any sale of its assets outside of the ordinary course of its business, except, with respect to Borrower, as specifically permitted by this Agreement or the other Loan Documents, or (C) change its legal structure, or (D) with respect to SPC Party, transfer any of its equity interests in Borrower without the prior written consent of Lender and, to the extent any such action constitutes a Material Action, without the other consents of partners, members and directors (including Independent Directors) required by this Agreement;

(iv) neither Borrower nor SPC Party shall (A) fail to observe its organizational formalities or preserve its existence as an entity duly organized, validly existing and in good standing (if applicable) under the Laws of the jurisdiction of its organization or formation, and qualification to do business in the State, if applicable or (B) except as permitted under the Loan Documents or unless required by law, without the prior written consent of Lender, cause, consent to or permit any amendment, modification, termination or failure to comply with the provisions of Borrower' s partnership agreement, articles of organization, limited liability company agreement or similar organizational documents, as the case may be, or of SPC Party' s certificate of incorporation, articles of organization or similar organizational documents, as the case may be, whichever is applicable;

(v) if such entity is a limited partnership, has and shall have as its sole general partner, a Single Purpose Entity which (A) is a corporation or an Acceptable Limited Liability Company, and (B) holds a direct interest as general partner in such limited partnership of not less than one-half of one percent (0.5%) (or a 0.1% direct equity ownership interest if such entity is a Delaware limited partnership); and (C) has one (1) Independent Director; and such limited partnership shall not cause or permit its partners to take any Material Action, and its limited partnership agreement shall provide that no Material Action may be taken, without the unanimous consent of all partners of such limited partnership including the Independent Director of its general partner who shall have consented in writing to any such Material Action;

(vi) if such entity is a corporation, shall not cause or permit the board of directors of such corporation to take any Material Action, and such corporation' s organizational documents shall not permit such corporation or its board of directors to take any

Material Action, either with respect to itself or, if the corporation is an SPC Party, with respect to Borrower, without the unanimous consent of all members of such corporation' s board of directors, which corporation' s board of directors shall include one (1) director, which shall be an Independent Director who shall have consented in writing to any such Material Action;

(vii) if such entity is a limited liability company other than an Acceptable Limited Liability Company, has and shall have as its sole managing member a Single Purpose Entity that (A) is a corporation or an Acceptable Limited Liability Company; and (B) directly owns at least one-half of one percent (0.5%) of the equity of such limited liability company (or a 0.1% direct equity ownership interest if such entity is a Delaware limited liability company); and (C) has at least one (1) Independent Director;

(viii) if such entity is an Acceptable Limited Liability Company, shall not take any Material Action, shall not cause or permit the members or managers of such limited liability company to take any Material Action, and the LLC Agreement shall not permit the members or managers of such limited liability company to take any Material Action, either with respect to itself or, if such Acceptable Limited Liability Company is an SPC Party, with respect to Borrower, in each case without the unanimous written consent of its members. If such entity is an Acceptable Limited Liability Company, such Acceptable Limited Liability Company shall have one (1) Independent Director then serving as manager of such Acceptable Limited Liability Company, shall not take any Material Action, shall not cause or permit the members or managers of such limited liability company to take any Material Action, and the LLC Agreement shall not permit the members or managers of such limited liability company to take any Material Action, either with respect to itself or, if such Acceptable Limited Liability Company is an SPC Party, with respect to Borrower, in each case without the unanimous written consent of its members, unless one (1) Independent Director then serving as manager of such Acceptable Limited Liability Company shall have consented in writing to such Material Action;

(ix) with respect to Borrower, Borrower shall not own any subsidiary or make any investment in any Person, and with respect to SPC Party, SPC Party shall not own, other than SPC Party' s ownership interest in Borrower, any subsidiary or make any investment in, any Person;

(x) except with respect to any other Borrower as set forth in this Agreement or the other Loan Documents, neither Borrower nor SPC Party shall commingle its assets with the assets of any of its members, general partners, Affiliates, principals, shareholders or of any other Person or entity, participate in a cash management system with any other entity or Person or fail to use its own separate invoices and checks bearing its name and not bearing the name of any other entity;

(xi) with respect to Borrower, Borrower shall not incur any Indebtedness, other than the Debt, except for (A) trade payables in the ordinary course of its business of owning and operating the Property, provided that such debt (i) is not evidenced by a note, (ii) is paid within sixty (60) days of the date incurred, (iii) is payable to trade creditors, and (iv) is in amounts as are normal and reasonable under the circumstances, and (B) Indebtedness associated with Permitted Encumbrances or Permitted Equipment Leases; provided, however the aggregated amount of the indebtedness described in (A) and (B) shall not exceed at any time two percent (2.0%) of the outstanding principal amount of the Debt; and with respect to SPC Party, SPC Party shall not incur any Indebtedness;

(xii) neither Borrower nor SPC Party shall become insolvent and fail to pay its debts and liabilities (including, as applicable, a fairly allocated portion of any shared personnel and overhead expenses) from its assets as the same shall become due; provided, however, this clause (xii) shall not require any member of Borrower or SPC Party to make any capital contributions to Borrower or to SPC Party, and provided further that (1) this subsection (xii) shall not be deemed to be violated if the Property declines in value as a result of market or economic conditions, and (ii) this subsection (xii) shall not be deemed to be violated if Borrower is unable to make any required payment of principal or interest including, without limitation, repayment of the Debt on the Maturity Date;

(xiii) except with respect to any other Borrower as set forth in this Agreement or the other Loan Documents, neither Borrower nor SPC Party shall (A) fail to maintain its books and records (including financial statements), books of account and bank accounts separate and apart from those of the members, general partners, principals, shareholders and Affiliates of Borrower or of SPC Party, as the case may be, the Affiliates of a member, general partner, shareholders or principal of Borrower or of SPC Party, as the case may be, and any other Person, (B) permit its assets or liabilities to be listed as assets or liabilities on the financial statement of any other Person or (C) include the assets or liabilities of any other Person on its financial statements or (D) permit any Affiliate independent access to its bank accounts (other than any Affiliated Manager, acting solely in its capacity as Manager pursuant to the Management Agreement); provided, however, that Borrower' s assets may be included in a consolidated financial statement of its affiliates provided that such assets shall be listed on Borrower' s own separate balance sheet.

(xiv) neither Borrower nor SPC Party shall enter into any contract or agreement with any member, general partner, principal or Affiliate of Borrower or of SPC Party, as the case may be, any Guarantor or any member, general partner, principal or Affiliate thereof (other than a business management services agreement with an Affiliate of Borrower, provided that (A) such agreement is acceptable to Lender, (B) the manager, or equivalent thereof, under such agreement holds itself out as an agent of Borrower or SPC Party, as the case may be, and (C) the agreement meets the standards set forth in this ***subsection (xiv)*** following this parenthetical), except in the ordinary course of business and upon terms and conditions that are commercially reasonable, intrinsically fair and substantially similar to those that would be available on an arms-length basis with third parties other than any member, general partner, principal or Affiliate of Borrower or of SPC Party, as the case may be, any Guarantor or any member, general partner, principal or Affiliate thereof;

(xv) to the fullest extent permitted by applicable law, neither Borrower nor SPC Party (with respect to itself or with respect to Borrower) shall engage in, seek, consent or permit the dissolution or winding up in whole, or in part, of Borrower or of SPC Party, as the case may be without the prior written consent of Lender and, to the extent any such action constitutes a Material Action, without the other consents of partners, members and directors (including Independent Directors) required by this Agreement;

(xvi) neither Borrower nor SPC Party shall fail to correct any known misunderstanding regarding the separate identity of Borrower, or of SPC Party, as the case may be, from any member, general partner, principal, shareholders or Affiliate thereof or any other Person;

(xvii) except with respect to any other Borrower as set forth in this Agreement or the other Loan Documents, neither Borrower nor SPC Party shall guarantee, assume or become obligated for the debts of any other Person or hold itself or its credit or assets out to be responsible for the debts of another Person (other than with respect to the general partner of Borrower that is a limited partnership, as such general partner may be liable under applicable law for the obligations of such Borrower as the general partner thereof);

(xviii) neither Borrower nor SPC Party shall make any loans or advances to any Person, including any member, general partner, principal, shareholders or Affiliate of Borrower or of SPC Party, as the case may be, or any member, general partner, principal, shareholders or Affiliate thereof, and neither Borrower nor SPC Party shall acquire obligations or securities of any other Person, including any member, general partner, principal or Affiliate of Borrower or SPC Party, as the case may be, or any member, general partner, shareholders or Affiliate thereof; and neither Borrower nor SPC Party shall hold evidence of indebtedness of any other Person (other than cash or investment grade securities issued by a Person that is not an Affiliate of Borrower or SPC Party);

(xix) neither Borrower nor SPC Party shall fail to file its own tax returns (to the extent Borrower is required to file its own tax returns by applicable Law) or be included on the tax returns of any other Person except as required by applicable Law; provided, however, this clause (xxi) shall not require any member of Borrower or SPC Party to make any capital contributions to Borrower or SPC Party;

(xx) except with respect to any other Borrower as set forth in this Agreement or the other Loan Documents and any business management services agreement permitted under ***subsection (xiv)***, neither Borrower nor SPC Party shall fail either to hold itself out to the public and identify itself as a legal entity separate and distinct from any other Person or to conduct its business solely in its own name or a name franchised or licensed to it by an entity other than an Affiliate of Borrower or of SPC Party, as the case may be, and not as a division or part of any other Person (other than adoption by Borrower of a logo graphic common to the entire corporate enterprise to which Borrower belongs), and shall not identify its partners, members or shareholders, or any Affiliate of any of them, as a division or part of Borrower or SPC Party, in order not (A) to mislead others as to the identity with which such other party is transacting business or (B) to suggest that Borrower or SPC Party, as the case may be, or its assets, is responsible for the debts of any other Person (including any member, general partner, principal, shareholders or Affiliate of Borrower, or of SPC Party, as the case may be, or any member, general partner, principal or Affiliate thereof);

(xxi) neither Borrower nor SPC Party shall fail to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations (to the extent there exists sufficient cash flow from the Property to do so); provided, however, this subsection (xxi) shall not be deemed to be violated if Borrower is unable to make any required payment of principal or interest, including,

without limitation, repayment of the Debt on the Maturity Date and shall not be deemed to require any member of Borrower or SPC Party to make any capital contributions to Borrower or SPC Party;

(xxii) except with respect to any other Borrower as set forth in this Agreement or the other Loan Documents, neither Borrower nor SPC Party shall maintain its assets in such a manner that it will be costly or difficult to segregate, ascertain or identify its individual assets from those of any general partner, managing member, shareholder, principal or Affiliate of Borrower, or any general partner, managing member, shareholder, principal or Affiliate thereof or any other Person;

(xxiii) neither Borrower nor SPC Party shall fail to allocate fairly and reasonably any overhead expenses that are shared with an Affiliate, including paying for office space and services performed by any employee of an Affiliate;

(xxiv) neither Borrower nor SPC Party shall pledge its assets to secure the obligations of, or otherwise for the benefit of, any other Person, and with respect to Borrower, other than with respect to the Loan;

(xxv) neither Borrower nor SPC Party shall fail to maintain a sufficient number of employees, if any, in light of its contemplated business operations;

(xxvi) neither Borrower nor SPC Party shall fail to provide in its (A) articles of organization, certificate of formation and/or operating agreement, as applicable, if it is a limited liability company, (B) limited partnership agreement, if it is a limited partnership or (C) certificate of incorporation, if it is a corporation, that for so long as the Loan is outstanding pursuant to the Note, this Agreement and the other Loan Documents, a Bankruptcy Action by or against any member of a limited liability company or by or against any partner of a partnership, as applicable, shall not cause any such member or partner, as applicable, to cease to be a member or partner of such limited liability company or partnership, as applicable, and upon the occurrence of any such Bankruptcy Action, such limited liability company or partnership, as applicable, shall continue without dissolution;

(xxvii) neither Borrower nor SPC Party shall fail to hold its assets in its own name;

(xxviii) if Borrower or SPC Party is a corporation, neither Borrower nor SPC Party shall fail to consider the interests of its creditors in connection with all corporate actions to the extent permitted by applicable Law;

(xxix) neither Borrower nor SPC Party shall have any of its obligations guaranteed by an Affiliate except by any other Borrower or Guarantor in connection with the Loan;

(xxx) if Borrower or SPC Party is treated as a "disregarded entity" for tax purposes, shall not have any obligation to reimburse its equity holders or any of their Affiliates for any taxes that such equity holders or any of their Affiliates may incur as a result of any profits or losses of Borrower or SPC Party;

(xxxi) any indemnification obligation of Borrower to any equity holder shall be fully subordinated to the Loan, and shall not constitute a claim against Borrower or its assets until such time as the Loan has been indefeasibly paid in accordance with its terms and otherwise has been fully discharged;

(xxxii) neither Borrower nor SPC Party shall violate or cause to be violated the factual assumptions made relating to the conduct of Borrower and SPC Party in the Insolvency Opinion or any Additional Insolvency Opinion.

(e) To the fullest extent permitted by applicable Law, and notwithstanding any duty otherwise existing at law or in equity, each Independent Director shall consider, and the organizational documents of any Single Purpose Entity shall require that each Independent Director shall consider, only the interests of such entity (and, in the case of an SPC Party, of Borrower), including its creditors, in exercising such person' s authority as Independent Director. Except for duties to such entity (and, in the case of an SPC Party, duties to Borrower) as set forth in the immediately preceding sentence (including duties to creditors solely to the extent of their respective economic interest in Borrower or an SPC Party, but excluding (i) all other interests of such entity, (ii) the interests of other Affiliates of such entity, and (iii) the interests of any group of Affiliates of which such entity is a part), no Independent Director shall have a fiduciary duty to the entity, any other member or director of such entity, or to Borrower or any other Person; provided, however, the foregoing shall not eliminate the implied contractual covenant of good faith and fair dealing.

(f) To the fullest extent permitted by applicable Law, no Independent Director shall resign or be removed or replaced, and the organizational documents of any Single Purpose Entity shall state that no Independent Director shall resign or be removed or replaced, in each case unless Lender and the Rating Agencies receive not less than five (5) Business Days' prior written notice of (i) any proposed resignation or removal or replacement of such Independent Director, and (ii) the identity of the proposed replacement Independent Director, together with evidence satisfactory to Lender that such replacement satisfies the applicable requirements to be an Independent Director, in each case except for removal of an Independent Director by reason of (y) acts or omissions by such Independent Director that constitute willful disregard of such Independent Director' s duties, in accordance with the standards set forth herein, or (z) such Independent Director having engaged in or having been charged with, or having been convicted of, fraud or other acts constituting a crime under any applicable Law, in which case a replacement Independent Director shall be identified and elected or appointed within five (5) Business Days after Borrower (or, if applicable, such SPC Party) knew thereof.

Section 8.2 Single Purpose Entity and Cash Management Compliance.

(a) Borrower covenants and agrees that within ten (10) Business Days after written request by Lender, Borrower shall deliver to Lender an Officer' s Certificate confirming Borrower' s and SPC Party' s continued compliance with the terms of ***Article VIII*** hereof as of the date of such Officer' s Certificate and stating that the representations and warranties of Borrower and SPC Party, as applicable, set forth in ***Section 8.1*** hereof are true and correct as of the date of such Officer' s Certificate, and confirming Borrower' s continued compliance with the Cash Management Covenants. In addition, within ten (10) Business Days after written request by Lender, Borrower shall provide Lender with such other evidence of Borrower' s compliance with ***Article VIII*** hereof and the Cash Management Covenants as Lender may reasonably request from time to time.

(b) Borrower covenants and agrees that within ten (10) Business Days after written request by Lender, Borrower shall cause the Independent Directors of Borrower and SPC Party, as applicable, to certify in writing to Lender (a) the name and address of each Independent Director and (b) that each Independent Director has complied with, and shall continue to comply with the requirements set forth in ***Section 8.1*** hereof.

IX. RESERVE FUNDS

Section 9.1 Reserve Funds and Reserve Accounts Generally.

(a) On the Closing Date, each of the Reserve Accounts shall be established by Lender in an Eligible Account at an Eligible Institution. The Reserve Funds shall not constitute trust funds and, at Lender' s option, the Reserve Funds may be (i) commingled with other monies held by Lender, or (ii) established as one or more separate accounts at an Eligible Institution (which may include one or more book-entry sub-accounts as deemed necessary by Lender).

(b) Borrower shall pay Lender the Disbursement Fee as a condition to each disbursement from the Reserve Accounts (other than the Tax and Insurance Escrow Account), as compensation for Lender' s review, analysis and processing of such disbursement.

(c) Borrower shall assign to Lender all rights and claims Borrower may have against all persons or entities supplying labor or materials in connection with the Required Repairs; provided, however, that Lender may not pursue any such right or claim unless an Event of Default has occurred and remains uncured

(d) Each Reserve Fund and each Reserve Account shall be subject to the additional terms and conditions set forth in ***Article XII*** hereof.

Section 9.2 Tax and Insurance Escrow Fund. Borrower shall pay to Lender on each Payment Date (a) a percentage of the Taxes (the "***Monthly Tax Deposit***") that Lender estimates will be payable during the next ensuing twelve (12) months in order to ratably accumulate with Lender sufficient funds to pay all such Taxes at least thirty (30) days prior to their respective delinquency dates and (b) a percentage of the Insurance Premiums (the "***Monthly Insurance Premium Deposit***") that Lender estimates will be payable for the renewal of the coverage afforded by the Policies upon the expiration thereof in order to ratably accumulate with Lender sufficient funds to pay all such Insurance Premiums at least thirty (30) days prior to the expiration of the Policies (said amounts in (a) and (b) above hereinafter called the "***Tax and Insurance Escrow Fun***d"), which Tax and Insurance Escrow Fund shall be deposited by Lender into an Account established to hold such fund (the "***Tax and Insurance Escrow Account***"). Lender will apply the Tax and Insurance Escrow Fund to payments of Taxes and Insurance Premiums required to be made by Borrower pursuant to ***Sections 5.2 and 7.1(b)*** hereof. In making any payment relating to the Tax and Insurance Escrow Fund, Lender may do so according to any bill, statement or estimate procured from the appropriate public office (with respect to Taxes) or insurer or agent (with respect to Insurance Premiums), without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale,

forfeiture, tax Lien or title or claim thereof. If the amount of the Tax and Insurance Escrow Fund shall exceed the amounts due for Taxes and Insurance Premiums pursuant to ***Sections 5.2 and 7.1(b)*** hereof, respectively, Lender shall credit such excess against future payments to be made to the Tax and Insurance Escrow Fund. In allocating such excess, Lender may communicate with the Person shown on the records of Lender to be the owner of the Property. Any amount remaining in the Tax and Insurance Escrow Fund after the Debt has been paid in full shall be returned to Borrower. If at any time Lender reasonably determines that the Tax and Insurance Escrow Fund is not or will not be sufficient to pay Taxes and Insurance Premiums by the dates set forth above, Lender shall notify Borrower of such determination and Borrower shall increase its monthly payments to Lender by the amount that Lender estimates is sufficient to make up the deficiency at least thirty (30) days prior to delinquency of the Taxes and/or thirty (30) days prior to expiration of the Policies, as the case may be.

Notwithstanding the foregoing, Lender agrees to waive the Monthly Tax Deposit and the Monthly Insurance Deposit so long as no Triggering Event has occurred and is continuing. Upon the occurrence of any Triggering Event, the foregoing waiver shall terminate (until the Triggering Event Period terminates) and Borrower shall deposit with Lender, within thirty (30) days after the occurrence of any Triggering Event a lump sum amount into the Tax and Insurance Escrow Fund, which amount, together with future Monthly Tax Deposits and future Monthly Insurance Deposits, shall be sufficient to pay all Taxes prior to delinquency and all Insurance Premiums when the same next become due.

Section 9.3 Early Lease Termination Reserve. If any tenant (a "***Terminating Tenant***") gives notice to Borrower that it is exercising an early termination option set forth in its Lease with Borrower, or if Borrower agrees to allow any tenant to reduce or terminate its obligations under its Lease (subject, in each case, to the restrictions of ***Section 5.17*** hereof), Borrower shall direct such tenant that any Lease Termination Payment in connection therewith, which exceeds $100,000.00, is to be remitted to Lender or, if a Triggering Event Period shall then be in effect, such Lease Termination Payment in excess of $100,000.00 shall be deposited in the Lockbox Account), for application as set forth below. If such tenant remits the Lease Termination Payment in excess of $100,000.00 directly to Borrower, Borrower shall remit the Lease Termination Payment to Lender, for application as set forth below. Amounts so deposited shall hereinafter be referred to as the "***Early Lease Termination Reserve Fund***", which Early Lease Termination Reserve Fund shall be deposited by Lender in an Account established by Lender to hold such funds (the "***Early Lease Termination Reserve Account***"). A separate Early Lease Termination Reserve Account shall be maintained with respect to each Lease so terminated. Funds deposited in an Early Lease Termination Reserve Account shall be disbursed as follows:

9.3.1. Disbursements for Qualified Replacement Lease for Entire Vacated Space. If Borrower enters into a Qualified Replacement Lease for the entire premises previously demised under the Lease so terminated (the "***Vacated Space***"), and the tenant under such Lease accepts such demised premises, takes occupancy thereof and commences the payment of base rent under its Lease, then all funds in the applicable Early Lease Termination Reserve Account shall be used first to pay TILC Costs with respect to such Qualified Replacement Lease upon satisfaction of the conditions set forth in ***Section 5.17*** hereof; any funds remaining in the applicable Early Lease Termination Reserve Account after payment of all TILC Costs with respect thereto shall be disbursed to Borrower as follows: (x) if the monthly net rent payable

under the Qualified Replacement Lease is greater than or equal to the monthly rent payable by the Terminating Tenant under its Lease as of the date of such termination, then provided no Default or Event of Default is then continuing, such funds remaining in the Early Lease Termination Reserve shall be disbursed to Borrower; and (y) if the monthly net rent payable under the Qualified Replacement Lease is less than the monthly rent payable by the Terminating Tenant under its Lease as of the date of such termination, then, provided no Default or Event of Default is then continuing, all funds remaining in the Early Lease Termination Reserve shall be disbursed to Borrower in equal monthly installments over the remaining term of the Qualified Replacement Lease, until such time as all funds have been disbursed from the applicable Early Lease Termination Reserve.

9.3.2. Disbursements for Qualified Replacement Lease for Less Than Entire Vacated Space. If Borrower enters into one or more Leases each for less than the entire Vacated Space, no disbursements shall be permitted from the Early Lease Termination Reserve except as follows:

(a) Until such time as the entire Vacated Space has been re-leased pursuant to one or more Qualified Replacement Leases, and the tenant under each such Qualified Replacement Lease accepts such demised premises, takes occupancy thereof, is open for business and commences the payment of base rent under its Lease, Lender shall from time to time, within ten (10) days after receipt of written request from Borrower, make disbursements on account of TILC Costs with respect to the Vacated Space, provided, however, that the disbursements with respect to any portion of the Vacated Space on a per-square foot basis shall not exceed the amount of the Early Lease Termination Payment on a per-square-foot basis; and

(b) At such time as the entire Vacated Space has been re-leased pursuant to one or more Qualified Replacement Leases and the tenant under each such Qualified Replacement Lease accepts such demised premises, takes occupancy thereof, opens for business and commences the payment of base rent under its Lease, then after payment of all TILC Costs with respect to the re-leasing of such Vacated Space, the funds remaining in the Early Lease Termination Reserve shall be disbursed as follows: (x) if the monthly aggregate net rents payable under all such Qualified Replacement Leases is greater than or equal to the monthly rent payable by the Terminating Tenant, and the term of all such Qualified Replacement Leases extends to or beyond the scheduled expiration date of the Lease with the Terminating Tenant, then provided no Default or Event of Default is then continuing such funds remaining in the Early Lease Termination Reserve Account shall be disbursed to Borrower; and (y) if the conditions of clause (x) are not satisfied, then provided no Default or Event of Default is then continuing such funds remaining in the Early Lease Termination Reserve Account shall be disbursed to Borrower in equal monthly installments over the period that would have remaining in the term of the Lease with the Terminating Tenant.

Section 9.4 Required Repairs; No Reserve For Required Repairs.

9.4.1. Performance of Required Repairs.

(a) Borrower shall perform the Required Repairs within eighteen (18) months after the Closing Date. Borrower shall complete all Required Repairs in a good and workmanlike manner. No Reserve Account shall be required with respect to the Required Repairs.

(b) Lender reserves the right, at its option, to approve all contracts or work orders with materialmen, mechanics, suppliers, subcontractors, contractors or other parties providing labor or materials in connection with the Required Repairs, such approval not to be unreasonably withheld, delayed or conditioned. Upon Lender' s request, Borrower shall assign any contract or subcontract to Lender.

(c) In the event Lender determines in its reasonable discretion that any Required Repair is not being performed in a workmanlike or timely manner or that any Required Repair has not been completed in a workmanlike or timely manner, Lender shall have the option to proceed under existing contracts or to contract with third parties to complete such Required Repair, upon providing prior notice to Borrower.

(d) In order to facilitate Lender' s completion or making of the Required Repairs pursuant to ***Section 9.4.1(c)*** hereof, Borrower grants Lender the right to enter onto the Property and perform any and all work and labor necessary to complete or make the Required Repairs and/or employ watchmen to protect the Property from damage. Such right of entry shall be subject to the rights of the tenants under the Leases. All sums so expended by Lender shall be deemed to have been advanced under the Loan to Borrower and secured by the Security Instrument. For this purpose Borrower constitutes and appoints Lender its true and lawful attorney in fact with full power of substitution to complete or undertake the Required Repair in the name of Borrower. Such power of attorney shall be deemed to be a power coupled with an interest and cannot be revoked. Borrower empowers said attorney in fact as follows: (i) to make such additions, changes and corrections to the Required Repairs as shall be necessary or desirable to complete the Required Repairs; (ii) to employ such contractors, subcontractors, agents, architects and inspectors as shall be required for such purposes; (iii) to pay, settle or compromise all existing bills and claims which are or may become Liens against the Property, or as may be necessary or desirable for the completion of the Required Repairs, or for clearance of title; (iv) to execute all applications and certificates in the name of Borrower which may be required by any of the contract documents; (v) to prosecute and defend all actions or proceedings in connection with the Property or the rehabilitation and repair of the Property; and (vi) to do any and every act which Borrower might do in its own behalf to fulfill the terms of this Agreement.

(e) Nothing in this ***Section 9.4.1*** shall: (i) make Lender responsible for making or completing the Required Repairs; (ii) require Lender to expend funds to make or complete any Required Repair; (iii) obligate Lender to proceed with the Required Repairs; or (iv) obligate Lender to demand from Borrower additional sums to make or complete any Required Repair.

(f) Borrower shall permit Lender and Lender' s agents and representatives (including, without limitation, Lender' s engineer, architect, or inspector) or third parties making Required Repair pursuant to this ***Section 9.4.1*** to enter onto the Property during normal business hours (subject to the rights of tenants under Leases) to inspect the progress of any Required Repairs and all materials being used in connection therewith, to examine all plans and shop drawings relating to such Required Repairs which are or may be kept at the Property, and to complete any Required Repairs made pursuant to this ***Section 9.4.1.*** Borrower shall cause all contractors and subcontractors to cooperate with Lender or Lender' s representatives or such other persons described above in connection with inspections described in this ***Section 9.4.1(f)*** or the completion of Required Repairs pursuant to this ***Section 9.4.1.***

(g) The Required Repairs and all materials, equipment, fixtures, or any other item comprising a part of any Required Repair shall be constructed, installed or completed, as applicable, free and clear of all construction Liens, mechanic' s, materialmen' s or other Liens (except for Permitted Encumbrances and those Liens existing on the date of this Agreement which have been approved in writing by Lender).

(h) All Required Repairs shall comply in all material respects with all applicable Legal Requirements of all Governmental Authorities having jurisdiction over the Property and applicable insurance requirements including, without limitation, applicable building codes, special use permits, environmental regulations, and requirements of insurance underwriters.

(i) In addition to any insurance required under the Loan Documents, Borrower shall provide or cause to be provided workmen' s compensation insurance, builder' s risk, and public liability insurance and other insurance to the extent required under applicable Law in connection with a particular Required Repair. All such policies shall be in form and amount reasonably satisfactory to Lender. All such policies which can be endorsed with standard mortgagee clauses making loss payable to Lender or its assigns shall be so endorsed. Certified copies of such policies shall be promptly delivered to Lender upon request.

X. DEFAULTS

Section 10.1 Event of Default.

(a) Each of the following events shall constitute an event of default hereunder (an "***Event of Default***"):

(i) if any portion of the Debt is not paid (or deemed paid pursuant to Section 3.7 hereof) on or before the fifth (5^{th}) day after the date the same is due and payable;

(ii) if any of the Basic Carrying Costs are not paid (or deemed paid pursuant to Section 3.7 hereof) prior to delinquency except to the extent Borrower or any tenant is contesting Taxes or Other Charges in accordance with the terms of ***Section 5.2*** hereof;

(iii) if the Policies are not kept in full force and effect (except to the extent any such Policy is not in effect solely as a result of the failure to pay Insurance Premiums and such Insurance Premiums are deemed to have been paid pursuant to ***Section 3.7*** hereof but have not actually been paid by Lender); or if Borrower fails to comply with any other term or provision of ***Article VII*** hereof, not specified in this subsection (iii) or the immediately preceding subsection (ii) and such failure continues for ten (10) Business Days after written notice thereof from Lender;

(iv) if Borrower attempts to assign its rights under this Agreement or any of the other Loan Documents or any interest herein or therein in contravention of the Loan Documents;

(v) if any representation or warranty made by Borrower, SPC Party, or any Guarantor herein or in any other Loan Document, or in any report, certificate, financial statement or other instrument, agreement or document furnished to Lender shall have been false or misleading in any material adverse respect as of the date the representation or warranty was made;

(vi) if Borrower or SPC Party shall make an assignment for the benefit of creditors;

(vii) if a receiver, liquidator or trustee shall be appointed for Borrower, or SPC Party, or if Borrower or SPC Party shall be adjudicated a bankrupt or insolvent, or if any petition for bankruptcy, reorganization or arrangement pursuant to the Bankruptcy Code, or any similar federal or state Law, shall be filed by or against, consented to, or acquiesced in by, Borrower or SPC Party, or if any proceeding for the dissolution or liquidation of Borrower or SPC Party shall be instituted; provided, however, if such appointment, adjudication, petition or proceeding was involuntary and not consented to by Borrower or SPC Party, upon the same not being discharged, stayed or dismissed within one hundred twenty (120) days;

(viii) only upon the declaration by Lender that the same constitutes an Event of Default (which declaration may be made by Lender in its sole discretion), if (A) any Guarantor shall make an assignment for the benefit of creditors, or if (B) a receiver, liquidator or trustee shall be appointed for any Guarantor, or if any Guarantor shall be adjudicated a bankrupt or insolvent, or if (C) any petition for bankruptcy, reorganization or arrangement pursuant to the Bankruptcy Code, or any similar federal or state Law, shall be filed by or against, consented to, or acquiesced in by, any Guarantor, or if (D) any proceeding for the dissolution or liquidation of any Guarantor shall be instituted; provided, however, if such appointment, adjudication, petition or proceeding was involuntary and not consented to by any Guarantor, upon the same not being discharged, stayed or dismissed within one hundred twenty (120) days;

(ix) if Borrower fails to comply with the terms and provisions of ***Article VI*** hereof;

(x) if Borrower or SPC Party fails to comply with the terms and provisions of ***Section 8.1*** hereof; provided, however, any such failure shall not be deemed to be an Event of Default hereunder if (i) such failure was inadvertent and immaterial and would not be reasonably likely to result in a Material Adverse Effect and (ii) within fifteen (15) days of Borrower obtaining knowledge thereof, Borrower cures such failure and provides Lender with satisfactory evidence thereof; provided, however it is acknowledged and agreed that any failure to comply with the terms and conditions of ***Section 8.1*** hereof is and shall result in recourse by Lender for any damages incurred by Lender as a result of any such failure pursuant to ***Section 11.3(a)*** hereof notwithstanding the foregoing cure period;

(xi) if Borrower fails to comply with the terms and provisions of any of the Cash Management Covenants within ten (10) Business Days after request by Lender;

(xii) if Borrower fails to comply with the terms and provisions of ***Section 5.10*** or ***Section 5.29(a)*** hereof and such failure continues for ten (10) Business Days after notice from Lender;

(xiii) if Borrower fails to deliver to Lender the written certification and evidence required pursuant to the terms of ***Section 5.29(b)*** hereof within thirty (30) days after request by Lender;

(xiv) if Borrower fails to comply with the terms and provisions of ***Section 5.22*** hereof (except for any Liens being contested in accordance with the terms hereof), and any Lien that is not being contested in accordance with ***Section 5.2*** hereof shall remain undischarged of record (by payment, bonding or otherwise) for a period of sixty (60) days after Borrower obtains actual or constructive knowledge thereof from any source whatsoever;

(xv) if any federal tax Lien or state or local income tax Lien is filed against Borrower, SPC Party, any Guarantor or the Property and same is not discharged of record (by payment, bonding or otherwise) for a period of sixty (60) days after Borrower obtains actual or constructive knowledge thereof from any source whatsoever;

(xvi) if Borrower fails to comply with the terms and provisions of ***Section 5.17, Section 5.23, Section 5.25, Section 5.26, Section 5.27*** or ***Section 5.28*** hereof; provided, however, any such failure shall not be an Event of Default hereunder if (i) such failure was inadvertent and would not be reasonably likely to result in a Material Adverse Effect and (ii) within fifteen (15) days of the occurrence thereof, Borrower cures such failure and provides Lender with satisfactory evidence of the same;

(xvii) if Borrower fails to comply with the terms and provisions of ***Section 11.2*** hereof and such Default continues after ten (10) Business Days notice from Lender;

(xviii) if Borrower fails to comply with the terms and provisions of ***Section 11.1*** or ***Section 11.6*** hereof within ten (10) Business Days after request by Lender, provided, however, if such failure is susceptible of cure but cannot reasonably be cured within such period and provided further that Borrower shall have commenced to cure such failure within such period and thereafter diligently and expeditiously proceeds to cure the same, such ten (10) Business Day period shall be extended for such time as is reasonably necessary for Borrower in the exercise of due diligence to cure such failure, such additional period not to exceed thirty (30) days;

(xix) if Borrower is a Plan or a Governmental Plan, or if its assets constitute Plan Assets;

(xx) if a final judgment is entered against Borrower or SPC Party or Guarantor which would have a Material Adverse Effect, and such party fails to discharge the same or cause it to be discharged or vacated within sixty (60) days from the entry thereof, or does not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment was granted, based or entered, and does not secure a stay of execution pending such appeal within sixty (60) days after the entry thereof;

(xxi) if the Security Instrument fails to have a first priority Lien on the Property, subject only to the Permitted Encumbrances, unless such failure is the result of Lender' s acts;

(xxii) if foreclosure or attachment proceedings are instituted against the Property upon any other Lien or claim, whether alleged to be superior or junior to the Lien of the Security Instrument or the other Loan Documents;

(xxiii) if an uninsured material loss, theft, damage, or destruction to the Property occurs and Borrower does not, within thirty (30) days of the occurrence thereof, provide evidence reasonably satisfactory to Lender that Borrower has access to the funds necessary to consummate the applicable Restoration;

(xxiv) if Borrower, SPC Party, any Guarantor, any Affiliate of Borrower, SPC Party or any Guarantor, or any of their respective agents or representatives shall commit any intentional act of physical waste or arson with respect to the Property;

(xxv) if Borrower, SPC Party, any Guarantor, any Affiliate of Borrower, SPC Party or any Guarantor, or any of their respective agents or representatives shall commit any criminal act which results in the seizure, forfeiture or loss of the Property;

(xxvi) if Borrower misappropriates or misapplies any (A) Insurance Proceeds, (B) Awards or other amounts received in connection with the Condemnation of all or a portion of the Property, (C) Rents (including, but not limited to security deposits, advance deposits or any other deposits and Lease Termination Payments) or (D) funds disbursed by Lender from any of the Reserve Funds;

(xxvii) if Borrower fails to permit on-site inspections of the Property after written notice thereof from Lender in accordance with the terms of this Agreement and such failure continues for ten (10) Business Days after notice from Lender;

(xxviii) if Borrower fails to appoint a new Manager within thirty (30) days after request by Lender as required under this Agreement;

(xxix) with respect to any term, covenant or provision set forth herein which specifically contains a notice requirement or grace period, if Borrower shall be in default under such term, covenant or condition after the giving of such notice or the expiration of such grace period;

(xxx) if there shall be a default under the Security Instrument, any of the other Loan Documents or any guaranty or indemnity executed in connection herewith (including, without limitation, the Guaranty and the Environmental Indemnity) and such default continues beyond any applicable notice and cure periods contained in such documents (provided, if such documents do not specify an applicable notice and cure period, the provisions of clause (xxxiv) below shall apply);

(xxxi) if a default by Borrower under the Management Agreement has occurred with respect to the Property and continues beyond any applicable cure period thereunder and such default permits the Manager thereunder to terminate or cancel the Management Agreement with respect to the Property;

(xxxii) if a default by Borrower under any REA has occurred and continues beyond any applicable cure period thereunder and such default permits any party thereto to terminate or cancel such REA;

(xxxiii) if any Guarantor revokes or attempts to revoke any Guaranty;

(xxxiv) if any of the factual assumptions relating to the conduct of Borrower contained in the Insolvency Opinion, or in any Additional Insolvency Opinion, is or shall become untrue in any material respect;

(xxxv) if Borrower shall continue to be in Default under any of the other terms, covenants or conditions of this Agreement not specified in ***subsections (i) to (xxxiv)*** above, for ten (10) Business Days after notice to Borrower from Lender, in the case of any Default which can be cured by the payment of a sum of money, or for thirty (30) days after notice from Lender in the case of any other Default; provided, however, that if such non-monetary Default is susceptible of cure but cannot reasonably be cured within such thirty (30) day period and provided further that Borrower shall have commenced to cure such Default within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for such time as is reasonably necessary for Borrower in the exercise of due diligence to cure such Default, such additional period not to exceed one hundred twenty (120) days.

(b) Subject to the terms of ***Section 11.3***, upon the occurrence of an Event of Default (other than an Event of Default described in clauses (vi), (vii) or (viii) above) and at any time thereafter while such Event of Default is continuing, in addition to any other rights or remedies available to it pursuant to this Agreement and the other Loan Documents or at law or in equity, Lender may take such action, without notice or demand, that Lender deems advisable to protect and enforce its rights against Borrower and in and to the Property, including, without limitation, declaring the Debt to be immediately due and payable, and Lender may enforce or avail itself of any or all rights or remedies provided in the Loan Documents against Borrower and the Property, including, without limitation, all rights or remedies available at law or in equity; and upon any Event of Default described in clauses (vi), (vii) or (viii) above, the Debt shall immediately and automatically become due and payable, without notice or demand, and Borrower hereby expressly waives any such notice or demand, anything contained herein or in any other Loan Document to the contrary notwithstanding.

Section 10.2 Remedies.

(a) Subject to the terms of ***Section 11.3***, upon the occurrence and during the continuance of an Event of Default, all or any one or more of the rights, powers, privileges and other remedies available to Lender against Borrower under this Agreement or any of the other Loan Documents executed and delivered by, or applicable to, Borrower or at law or in equity may be exercised by Lender at any time and from time to time, whether or not all or any of the Debt shall be declared due and payable, and whether or not Lender shall have commenced any foreclosure proceeding or other action for the enforcement of its rights and remedies under any of the Loan Documents with respect to the Property, or any other Collateral. Subject to the terms of ***Section 11.3***, any such actions taken by Lender shall be cumulative and concurrent and may be pursued separately and independently, singly, successively, together or otherwise, at such

time and in such order as Lender may determine in its sole discretion, to the fullest extent permitted by Law, without impairing or otherwise affecting the other rights and remedies of Lender permitted by Law, equity or contract or as set forth herein or in the other Loan Documents. Without limiting the generality of the foregoing, Borrower agrees that if an Event of Default is continuing and to the fullest extent permitted by Law, (i) Lender is not subject to any "one action" or "election of remedies" Law or rule and (ii) all Liens and other rights, remedies or privileges provided to Lender shall remain in full force and effect until Lender has exhausted all of its remedies against the Property, and the other Collateral and each Security Instrument has been foreclosed, sold and/or otherwise realized upon in satisfaction of the Debt or the Debt has been paid in full.

(b) With respect to Borrower and the Property, nothing contained herein or in any other Loan Document shall be construed as requiring Lender to resort to the Property or any other Collateral for the satisfaction of any of the Debt in preference or priority to the Property, or any other Collateral, and Lender may seek satisfaction out of the Property, or all of the other Collateral or any part thereof, in its discretion in respect of the Debt. In addition, to the fullest extent permitted by Law, Lender shall have the right from time to time to partially foreclose any Security Instrument in any manner and for any amounts secured by the Security Instrument then due and payable as determined by Lender in its sole discretion including, without limitation, the following circumstances: (i) in the event Borrower defaults beyond any applicable grace period in the payment of one or more scheduled payments of principal and interest, Lender may foreclose the Security Instrument to recover such delinquent payments or (ii) in the event Lender elects to accelerate less than the entire outstanding principal balance of the Loan, Lender may foreclose the Security Instrument to recover so much of the principal balance of the Loan as Lender may accelerate and such other sums secured by the Security Instrument as Lender may elect. Notwithstanding one or more partial foreclosures, the Property shall remain subject to the Security Instrument to secure payment of sums secured by the Security Instrument and not previously recovered, to the fullest extent permitted by Law.

(c) Lender shall have the right from time to time to sever the Note and the other Loan Documents into one or more separate notes, mortgages and other security documents (the "***Severed Loan Documents***") in such denominations as Lender shall determine in its sole discretion for purposes of evidencing and enforcing its rights and remedies provided hereunder. Borrower shall execute and deliver to Lender from time to time, promptly after the request of Lender, a severance agreement and such other documents as Lender shall request in order to effect the severance described in the preceding sentence, all in form and substance reasonably satisfactory to Lender and provided that such severance agreement and other documents incorporate the provisions of ***Section 11.3*** and the Severed Loan Documents shall not contain any representations, warranties or covenants not contained in the Loan Documents and any such representations and warranties contained in the Severed Loan Documents will be given by Borrower only as of the Closing Date. Borrower hereby absolutely and irrevocably appoints Lender as its true and lawful attorney, coupled with an interest, in its name and stead to make and execute all documents necessary or desirable to effect the aforesaid severance, Borrower ratifying all that its said attorney shall do by virtue thereof; provided, however, Lender shall not make or execute any such documents under such power until ten (10) days after notice has been given to Borrower by Lender of Lender' s intent to exercise its rights under such power. Provided no Event of Default shall then exist, Borrower shall be not obligated to pay any costs or expenses incurred in connection with the preparation, execution, recording or filing of the Severed Loan Documents, other than Borrower' s attorneys fees.

Section 10.3 Remedies Cumulative; Waivers.

The rights, powers and remedies of Lender under this Agreement shall be cumulative and, subject to ***Section 11.3***, not exclusive of any other right, power or remedy which Lender may have against Borrower pursuant to this Agreement or the other Loan Documents, or existing at law or in equity or otherwise. Lender' s rights, powers and remedies may be pursued singly, concurrently or otherwise, at such time and in such order as Lender may determine in its sole discretion. No delay or omission to exercise any remedy, right or power accruing upon an Event of Default shall impair any such remedy, right or power or shall be construed as a waiver thereof, but any such remedy, right or power may be exercised from time to time and as often as may be deemed expedient. A waiver of one Default or Event of Default with respect to Borrower shall not be construed to be a waiver of any subsequent Default or Event of Default by Borrower or to impair any remedy, right or power consequent thereon.

XI. SPECIAL PROVISIONS

Section 11.1 Sale of Notes and Securitization.

Lender shall have the right (i) to sell, pledge, assign or otherwise transfer the Loan or any portion thereof as a whole loan or any or all servicing rights with respect thereto, (ii) to sell participation interests in the Loan or to syndicate the Loan, (iii) to securitize the Loan or any portion thereof in a single asset securitization or a pooled loan securitization or (iv) further divide the Loan into two or more separate notes or components. (The transactions referred to in clauses (i), (ii), (iii) and (iv) shall hereinafter be referred to collectively as "***Secondary Market Transactions***" and the transactions referred to in clause (iii) shall hereinafter be referred to as a "***Securitization***". Any certificates, notes or other securities issued in connection with a Securitization are hereinafter referred to as "***Securities***"). At the request of the holder of the Note and, to the extent not already required to be provided by Borrower under this Agreement, Borrower and each Guarantor at the sole cost and expense of Lender, shall assist Lender in satisfying the market standards to which the holder of the Note customarily adheres or which may be reasonably required in the marketplace or by the Rating Agencies in connection with a Secondary Market Transaction, including, without limitation:

(a)(i) provide such updated financial information with respect to the Property, Borrower, Operating Partnership, each Guarantor and Manager ("***Financial Information***"), (ii) provide such updated non-financial information with respect to Borrower, Operating Partnership, each Guarantor and Manager, (iii) provide updated budgets relating to the Property ("***Updated Budgets***") and (iv) perform or permit or cause to be performed or permitted such site inspection, appraisals, market studies, environmental reviews and reports (Phase I' s and, if appropriate, Phase II' s), engineering reports and other due diligence investigations of the Property, as may be reasonably requested by the holder of the Note or the Rating Agencies or as may be necessary or appropriate in connection with a Secondary Market Transaction and provide such updated non-financial information with respect to the Property (collectively, the "***Property Information***") (items (i) through (iv) being collectively, the "***Provided Information***" and items

(i) through (iii) being the "***Borrower Provided Information***"), together, if customary, with appropriate verification and/or consents of the Provided Information through letters of auditors or opinions of counsel of independent attorneys reasonably satisfactory to Lender and the Rating Agencies;

(b) deliver (i) an Additional Insolvency Opinion, (ii) additional or revised opinions of counsel as to due execution and enforceability with respect to the Property, Borrower and each Guarantor and their respective Affiliates and the Loan Documents, (iii) revised organizational documents for Borrower and any SPC Party (including, without limitation, such revisions as are necessary to comply with the provisions of ***Article VIII*** hereof) and (iv) good standing and qualification certificates issued by the relevant Governmental Authorities for each of Borrower, Operating Partnership, any SPC Party, Manager and each Guarantor as of the date of the Secondary Market Transaction, which opinions, organizational documents and certificates shall be reasonably satisfactory to Lender and the Rating Agencies;

(c) deliver Officer' s Certificates containing updated representations and warranties as of the closing date of the Secondary Market Transaction with respect to the Property, Borrower, Operating Partnership, each Guarantor and the Loan Documents as are customarily provided in the Secondary Market Transaction and as may be reasonably requested by the holder of the Note, any Investor or the Rating Agencies and consistent with the facts covered by such representations and warranties as they exist on the date thereof, including the representations and warranties made in the Loan Documents (in the event Borrower or any Guarantor fails to comply with this ***subsection (c)***, Borrower and each Guarantor hereby acknowledges and agrees that each of the representations and warranties made by Borrower and each Guarantor contained in the Loan Documents shall be deemed to have been re-made as the closing date of the Secondary Market Transaction);

(d) within thirty (30) days after request by Lender, use commercially reasonable efforts to obtain, after written request from Lender, additional tenant estoppels letters, subordination agreements or other agreements from parties to agreements that affect the Property, which estoppels letters, subordination agreements or other agreements shall be reasonably satisfactory to Lender and satisfactory to the Rating Agencies;

(e) execute such amendments to the Loan Documents and organizational documents as may be requested by the holder of the Note or the Rating Agencies or otherwise to effect the Secondary Market Transaction; provided, however, that Borrower shall not be required to modify or amend any Loan Document if such modification or amendment would (except for modifications and amendments required to be made pursuant to ***Section 11.1(f)*** hereof) (i) change the interest rate, the stated maturity or the amortization of principal set forth in the Note or (ii) modify or amend any other material economic term of the Loan;

(f) if Lender elects, in its sole discretion, prior to or upon a Secondary Market Transaction, to split the Loan into two or more parts, or the Note into multiple component notes or tranches which may have different interest rates, amortization payments, principal amounts, payment priorities and maturities (which election Borrower agrees Lender may make), Borrower and each Guarantor agree to cooperate with Lender in connection with the foregoing and to execute the required modifications and amendments to the Note, this Agreement and the Loan Documents and to provide opinions necessary to effectuate the same provided that (1) the initial

weighted average of the stated interest rates under such component notes does not exceed the Applicable Interest Rate, (2) the aggregate amount of any scheduled amortization payments under such component notes does not exceed the aggregate of any scheduled amortization payments required under this Agreement, (3) the amount of the scheduled monthly amortization payments under such component notes does not exceed the amount of any scheduled monthly amortization payments required under this Agreement, (4) the stated interest rate under such component notes are fixed rates, and (5) the stated maturity date under such component notes are the Scheduled Maturity Date;

(g) cooperate with Lender in obtaining, at Lender' s expense, updated reports from each applicable Governmental Authority or a third party report provider confirming, as close as possible to the closing date of the Secondary Market Transaction, that the representations made by Borrower in ***Article IV*** are true and correct including, without limitation, reports from Governmental Authorities or third party reports providers confirming that the representations made by Borrower in ***Section 4.1.1*** (Organization), ***Section 4.1.4*** (Litigation), ***Section 4.1.7*** (No Bankruptcy Filing), ***Section 4.1.11*** (Zoning Compliance), ***Section 4.1.12*** (Compliance with Anti-Terrorism Laws), ***Section 4.1.15*** (Condemnation), **Section 4.1.25** (Certificates of Occupancy; Licenses), **Section 4.1.27** (Physical Condition), are true and correct;

(h) supply to Lender, at Lender' s expense, an endorsement to the Title Insurance Policy insuring that the Security Instrument is subject to any exceptions or Liens other than Permitted Encumbrances, and otherwise in form and substance satisfactory to Lender;

(i) deliver an Officer' s Certificate certifying that there exists no Default or Event of Default under the Loan and that Borrower or any Guarantor, as applicable, is in compliance with the terms and conditions of the Loan Documents to which it is a party and any other matters reasonably required by Lender, any Investor or the Rating Agencies; and

(j) at the request of Lender, appoint one (1) additional Independent Director.

Anything in this ***Section 11.1*** to the contrary notwithstanding, any amendment, agreement or indemnification or other action required pursuant to this ***Section 11.1*** shall not (a) increase the interest rate payable hereunder (except as specifically set forth in ***Section 11.1(e)*** hereof); (b) modify the Maturity Date; (c) require any principal amortization payments on the Note; (d) decrease the time periods during which Borrower is permitted to perform Borrower' s obligations under the Loan Documents; (e) modify any other material term or provision of the Loan Documents; (f) increase Borrower' s obligations under the Loan Documents or decrease Borrower' s rights under the Loan Documents; or (g) result in any other economic charge or other change, adverse in any respect, other than out-of-pocket costs for Borrower' s legal fees relating to any such transaction. Borrower shall not be obligated to incur any out-of-pocket costs and expenses in connection with Borrower' s compliance with this ***Section 11.1*** (other than Borrower' s attorney' s fees and expenses) and Lender shall be responsible for paying for all such out-of-pocket costs and expenses.

Section 11.2 Securitization Indemnification. Lender shall be permitted to share all Provided Information with any actual or potential purchaser, transferee, assignee, Servicer, participant or Investor in a Secondary Market Transaction, Rating Agencies, investment banking

firms, accounting firms, law firms and other third-party advisory firms involved with the Loan Documents or the applicable Secondary Market Transaction. It is understood that the Provided Information may ultimately be incorporated into any offering document ("***Disclosure Document***") for the Secondary Market Transaction, and also may be included in filings (an "***Exchange Act Filing***") with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "***Securities Act***"), or the Securities and Exchange Act of 1934, as amended (the "***Exchange Act***"), and thus any actual or potential purchaser, transferee, assignee, Servicer, participant or Investor in a Secondary Market Transaction may also see some or all of the Provided Information. Subject to ***Section 13.20*** hereof, each of Borrower and each Guarantor irrevocably waives any and all rights it may have under any applicable Laws (including, without limitation, any right of privacy) to prohibit such disclosure. Lender and all of the aforesaid third-party advisors and professional firms shall be entitled to rely on the information supplied by, or on behalf of, Borrower or any Guarantor. Borrower and each Guarantor hereby indemnify the Underwriter Group as to any Liabilities to which the Underwriter Group may become subject in connection with any Disclosure Document and/or any Covered Rating Agency Information, in each case, insofar as such Liabilities arise out of or are based upon any untrue statement of any material fact in the Borrower Provided Information and/or arise out of or are based upon the omission to state a material fact in the Borrower Provided Information required to be stated therein or necessary in order to make the statements in the applicable Disclosure Document and/or Covered Rating Agency Information in light of the circumstances under which they were made, not misleading; provided, however, such indemnity shall only apply to the extent that any such Liability arises out of or is based upon any such untrue statement or omission made therein in reliance upon and in conformity with the Borrower Provided Information or information (other than the Property Information unless Borrower has actual knowledge that any such Property Information is inaccurate in any material respect) supplied by, or on behalf of, Borrower or any Guarantor or any Affiliate of Borrower and furnished to Lender in connection with the preparation of any Disclosure Document or in connection with underwriting or closing of the Loan. The aforesaid indemnity will be in addition to any liability which Borrower or Guarantor may otherwise have; provided, however, such indemnification shall only be effective to the extent Lender accurately states the information supplied by, or on behalf of, Borrower or any Guarantor, or any Affiliate of Borrower or any Guarantor, in the Disclosure Document. Lender may publicize the existence of the Debt in connection with its marketing for a Secondary Market Transaction.

Section 11.3 Exculpation.

(a) Notwithstanding anything to the contrary herein or in any of the other Loan Documents but subject to the qualifications below, Lender shall not enforce the liability and obligation of Borrower to perform and observe the obligations contained in the Note, this Agreement, any Security Instrument or the other Loan Documents by any action or proceeding wherein a money judgment or any deficiency judgment or other judgment establishing personal liability shall be sought against Borrower or any principal, director, officer, employee, beneficiary, shareholder, partner, member, manager, trustee, agent, or Affiliate of Borrower (but specifically excluding Guarantor subject to the terms of the Guaranty) or any legal representatives, successors or assigns of any of the foregoing (collectively, the "***Exculpated Parties***"), except that Lender may bring a foreclosure action, an action for specific performance

or any other appropriate action or proceeding to enable Lender to enforce and realize upon its interest under the Note, this Agreement, each Security Instrument and the other Loan Documents, or in the Property, the Rents, or any other Collateral given to Lender pursuant to the Loan Documents; provided, however, that, except as specifically provided herein, any judgment in any such action or proceeding shall be enforceable against Borrower only to the extent of Borrower' s interest in the Property, in the Rents and in any other Collateral given to Lender, and Lender, by accepting the Note, this Agreement, each Security Instrument and the other Loan Documents, agrees that it shall not sue for, seek or demand any deficiency judgment against Borrower or any of the Exculpated Parties in any such action or proceeding under or by reason of or under or in connection with the Note, this Agreement, any Security Instrument or the other Loan Documents. The provisions of this ***Section 11.3*** shall not, however, (a) constitute a waiver, release or impairment of any obligation evidenced or secured by any of the Loan Documents; (b) impair the right of Lender to name Borrower as a party defendant in any action or suit for foreclosure and sale under any Security Instrument; (c) affect the validity or enforceability of any of the Loan Documents or any guaranty or indemnity (including, without limitation, the Guaranty and the Environmental Indemnity) or similar instrument made in connection with the Loan or any of the rights and remedies of Lender thereunder; (d) impair the right of Lender to obtain the appointment of a receiver; (e) impair the enforcement of any Assignment of Leases; (f) impair the right of Lender to enforce the Environmental Indemnity; (g) constitute a prohibition against Lender to seek a deficiency judgment against Borrower in order to fully realize the Collateral granted by any of the Loan Documents, including, without limitation, by any Security Instrument, or by any Assignment of Leases, or by this Agreement (including with respect to the Accounts Collateral) or to commence any other appropriate action or proceeding in order for Lender to exercise its remedies against the Collateral (but not to impose personal liability upon Borrower contrary to this ***Section 11.3***); or (h) constitute a waiver of the right of Lender to enforce the liability and obligation of Borrower, by money judgment or otherwise, to the extent of any loss, damage, cost, expense, liability, claim or other obligation incurred by Lender (including attorneys' fees and costs reasonably incurred) arising out of or in connection with the following:

(i) in connection with the Loan or the Property (including, without limitation, any Lease, or the execution and delivery of this Agreement, the Note, any Security Instrument, or the other Loan Documents or at any time during the term of the Loan) Borrower, SPC Party, any Guarantor, any Affiliate of any of the foregoing, or any of their respective agents or representatives, engages in any action constituting fraud, willful misrepresentation or willful misconduct;

(ii) Borrower, SPC Party, any Guarantor, or any Affiliate or Borrower, SPC Party or Guarantor, or any of their respective agents or representatives, misappropriates or misapplies (based on limitations contained in the Loan Documents) any (A) Insurance Proceeds, (B) Awards or other amounts received in connection with the Condemnation of all or a portion of the Property, (C) Rents, or (D) funds disbursed by Lender from the Reserve Funds;

(iii) criminal acts of Borrower, SPC Party, any Guarantor, any Affiliate of Borrower, SPC Party or any Guarantor, or any of their respective agents or representatives resulting in the seizure, forfeiture or loss of the Property;

(iv) Borrower' s failure to pay Taxes or Other Charges prior to delinquency in accordance with the terms of this Agreement except to the extent that (A) sums sufficient to pay such amounts have been deposited into escrow with Lender and such amounts are deemed paid pursuant to ***Section 3.7*** hereof; or (B) the Property has not generated over the immediately preceding twelve (12) months sufficient revenue to pay the same; or (C) Borrower or any tenant is contesting Taxes or Other Charges in accordance with the terms of ***Section 5.2*** hereof;

(v) Borrower' s failure to (A) obtain and maintain (or cause the applicable tenant to obtain and maintain) the Policies in accordance with ***Section 7.1*** hereof, or (B) pay Insurance Premiums prior to delinquency except to the extent that (i) sums sufficient to pay Insurance Premiums have been deposited into escrow with Lender and Insurance Premiums are deemed paid pursuant to ***Section 3.7*** hereof; or (ii) the Property has not generated over the immediately preceding twelve (12) months sufficient revenue to pay Insurance Premiums;

(vi) Borrower' s failure to pay charges for labor or materials or other charges that can create Liens on the Property, in accordance with the terms of this Agreement, to the extent such Liens are not bonded over, discharged or contested in accordance with this Agreement or the other Loan Documents;

(vii) the removal or disposal of any portion of the Personal Property by Borrower, SPC Party, any Guarantor, any Affiliate of Borrower, SPC Party or any Guarantor, after an Event of Default without replacing such Personal Property with Personal Property of the same utility and of the same or greater value;

(viii) any intentional act of physical waste or arson by Borrower, SPC Party, any Guarantor, any Affiliate of any of the foregoing or any of their respective agents or representatives with respect to the Property;

(ix) any fees or commissions being paid by Borrower to SPC Party, any Guarantor or any Affiliate of Borrower, SPC Party or any Guarantor in violation of the terms of this Agreement;

(x) the breach of any representation, warranty, covenant or indemnification provision in the Environmental Indemnity or in the Loan Documents concerning Environmental Laws and Hazardous Substances and any indemnification of Lender with respect thereto in any Loan Document;

(xi) Borrower' s, SPC Party' s or any Guarantor' s intentional failure to comply with the terms and provisions of ***Section 11.1*** or Borrower' s, SPC Party' s or any Guarantor' s failure to comply with the indemnification provisions set forth in ***Section 11.2*** hereof;

(xii) [intentionally omitted];

(xiii) Borrower or SPC Party violates or breaches any of the terms and conditions of ***Section 8.1*** hereof (provided, however, it shall not be deemed a violation of ***Section 8.1(d)(xxi)*** giving rise to liability under this clause (xiii) solely if Borrower or SPC Party becomes insolvent);

(xiv) Borrower' s failure to comply with the Cash Management Covenants;

(xv) Borrower' s failure to comply with ***Section 9.4*** hereof (Required Repairs);

(xvi) resulting from Borrower' s defaults under the Shopping Center Lease Agreement dated February 23, 2011, between Canarsie Plaza LLC, as landlord, and PetSmart, Inc., as tenant, and any extensions, amendments or renewals thereof (the "***PetSmart Lease***") prior to the earlier of (1) the delivery by Borrower to Lender of a deed in lieu of foreclosure to the Property and the acceptance thereof by Lender, (2) any foreclosure of the Property under the Security Instrument by Lender, or (3) Lender taking exclusive possession of the Property.

(b) Notwithstanding the foregoing or anything to the contrary in this Agreement or any of the other Loan Documents, (A) nothing herein shall be deemed to be a waiver of any right which Lender may have under Section 506(a), 506(b), 1111(b) or any other provision of the Bankruptcy Code to file a claim for the full amount of the Debt or to require that all Collateral shall continue to secure all of the Debt owing to Lender in accordance with this Agreement, the Note, any Security Instrument and the other Loan Documents and (B) the agreement of Lender not to pursue recourse liability as set forth above **SHALL BECOME NULL AND VOID** and shall be of no further force and effect, and the Debt shall be fully recourse to Borrower in the event that:

(1) Borrower fails to obtain Lender' s prior consent to any Transfer of the Property, or any Transfer of any direct or indirect interest in Borrower or any other Restricted Party, in either case to the extent required by this Agreement or any Security Instrument;

(2) Borrower fails to obtain Lender' s prior consent to any subordinate financing or other voluntary Lien encumbering the Property; and

(3)(A) Borrower or SPC Party files a voluntary petition under the Bankruptcy Code or any other Creditors Rights Laws, (B) an Affiliate, officer, director, or representative which controls Borrower or SPC Party directly or indirectly, files, or joins in the filing of, an involuntary petition against Borrower or SPC Party under the Bankruptcy Code or any other Creditors Rights Laws, or solicits or causes to be solicited, or otherwise colludes with, petitioning creditors for any involuntary petition against Borrower or SPC Party from any Person, (C) Borrower or SPC Party files an answer consenting to, or otherwise acquiescing in, or joining in, any involuntary petition filed against it, by any other Person under the Bankruptcy Code or any other Creditors Rights Laws, or solicits or causes to be solicited, or otherwise colludes with, petitioning creditors for any involuntary petition from any Person, (D) any Affiliate, officer, director, or representative which controls Borrower or SPC Party consents to, or acquiesces in, or joins in, an application for the appointment of a custodian, receiver, trustee, or examiner for Borrower or SPC Party or the Property (other than a receiver requested by Lender in connection with enforcement of its rights under the Loan Documents), (E) Borrower or SPC Party makes an assignment for the benefit of creditors, or admits, in writing or in any legal proceeding, its insolvency or inability to pay its debts as they become due, (F) there is a substantive consolidation of Borrower with Sponsor or any of its subsidiaries under the

Bankruptcy Code or any other Creditors Rights Laws (unless the same results from Lender bringing an involuntary petition against Borrower or Lender seeks any such substantive consolidation); and (G) any Restricted Party contests or opposes any motion made by Lender to obtain relief from the automatic stay or seeking to reinstate the automatic stay in the event of any proceeding under the Bankruptcy Code or any other Creditors Rights Laws involving any Guarantor or its subsidiaries.

(4) Borrower, SPC Party, any Guarantor, or any Affiliate of Borrower, SPC Party or any Guarantor institutes a judicial action which contests Lender' s exercise of remedies provided under the Loan Documents after the occurrence of an Event of Default (except to the extent that a court of competent jurisdiction makes a final determination that Borrower, SPC Party, any Guarantor or any Affiliate of Borrower, SPC Party or any Guarantor had a valid legal basis for any such action).

Section 11.4 Servicer.

(a) At the option of Lender, the Loan may be serviced by a master servicer, primary servicer, special servicer or trustee (any such master servicer, primary servicer, special servicer or trustee, together with their respective agents, nominees or designees, are collectively referred to as "***Servicer***") selected by Lender and Lender may delegate all or any portion of its rights and responsibilities under this Agreement and the other Loan Documents to the Servicer. Upon the appointment of a Servicer, to the extent of the delegation to such Servicer, the term "Lender" shall be deemed to include the "Servicer". Borrower shall not be responsible for (i) any set-up fees, or any other initial costs relating to the appointment of any Servicer, or (ii) payment of the monthly servicing fee due to Servicer. Notwithstanding the foregoing, Borrower shall pay (i) all reasonable consent, review and processing fees of Servicer and any related third party costs, (ii) any liquidation fees that may be due Servicer in connection with the exercise of any or all remedies permitted under the Loan Documents, (iii) upon the occurrence and during the continuance of an Event of Default, any workout fees and special servicing fees that may be due to Servicer, which fees may be due on a periodic or continuing basis and (iv) upon the occurrence and during the continuance of an Event of Default, the costs of all property inspection and/or appraisals of the Property (or any updates to any existing inspection or appraisal) required under this Agreement or that a Servicer may otherwise require under the Servicing Agreement (other than the cost of annual inspections required to be borne by Servicer under the Servicing Agreement) (the "***Servicing Fee***").

(b) Borrower acknowledges that, as part of a Securitization, the parties to a Securitization may, in their sole discretion, elect to impose certain requirements as conditions precedent to certain actions by one or more of the Servicers (including, without limitation, that such Servicer obtain either or both of the approval of one or more Investors (or representatives of one or more Investors) as to certain proposed actions, and/or Rating Agency Confirmation). No requirement or condition imposed upon such Servicer pursuant to any Securitization as a condition precedent to the granting or denying of any consent or approval, or the taking or refusal to take of any action, pursuant to this Agreement (except only for any action required of Lender hereunder) shall give rise to any claim or cause of action by Borrower against Lender, or give Borrower any defense for failure to perform its obligations under the Loan Documents.

Section 11.5 Conversion to Registered Form. At the request of Lender, Borrower shall appoint, as its agent, a registrar and transfer agent (the "***Registrar***") reasonably acceptable to Lender which, subject to such reasonable regulations as Lender shall provide, shall maintain such books and records as are necessary for the registration and transfer of the Note in a manner that shall cause the Note to be considered to be in registered form for purposes of Section 163(f) of the Code. The option to convert the Note into registered form once exercised may not be revoked. Any agreement setting out the rights and obligations of the Registrar shall be subject to the reasonable approval of Lender. Borrower may revoke the appointment of any person as Registrar, effective upon the effectiveness of the appointment of a replacement Registrar, which shall also be reasonably acceptable to Lender. The Registrar shall not be entitled to any fee from Borrower or Lender or any other lender in respect of transfers of the Note and other Loan Documents.

Section 11.6 Mezzanine Financing. In connection with any Secondary Market Transaction, Lender shall have the right at any time to divide the Loan into two or more parts: a mortgage loan (the "***Mortgage Loan***") and one or more mezzanine loans (the "***Mezzanine Loan(s)***"). The principal amount of the Mortgage Loan plus the principal amount of the Mezzanine Loan(s) shall equal the outstanding principal balance of the Loan immediately prior to the creation of the Mortgage Loan and the Mezzanine Loan(s). In effectuating the foregoing, Mezzanine Lender will make a loan to borrower(s) (the "***Mezzanine Borrower(s)***") and Mezzanine Borrower(s) will contribute the amount of the Mezzanine Loan(s) to Borrower and Borrower will apply the contribution to pay down the Mortgage Loan. The Mortgage Loan and the Mezzanine Loan(s) will be on the same terms and subject to the same conditions set forth in this Agreement, the Note, each Security Instrument and the other Loan Documents except as follows:

(a) Lender shall have the right to establish different interest rates and debt service payments for the Mortgage Loan and the Mezzanine Loan(s) and to require the payment of the Mortgage Loan and the Mezzanine Loan(s) in such order of priority as may be designated by Lender; provided, that (i) the total loan amounts for the Mortgage Loan and the Mezzanine Loan(s) shall equal the amount of the Loan immediately prior to the creation of the Mortgage Loan and the Mezzanine Loan(s), (ii) the weighted average interest rate of the Mortgage Loan and the Mezzanine Loan(s) shall initially on the date created equal the interest rate which was applicable to the Loan immediately prior to creation of the Mortgage Loan and the Mezzanine Loan(s), (iii) the aggregate amount of any scheduled amortization payments under such component notes does not exceed the aggregate of any scheduled amortization payments required under this Agreement, (iv) the amount of the scheduled monthly amortization payments under such component notes does not exceed the amount of any scheduled monthly amortization payments required under this Agreement, (v) the stated interest rate under such component notes are fixed rates, and (vi) the stated maturity date under such component notes are the Scheduled Maturity Date.

The Mezzanine Loan(s) will be made pursuant to Lender' s standard mezzanine loan documents, subject to such changes as Borrower may reasonably require. The Mezzanine Loan(s) will be subordinate to the Mortgage Loan and will be governed by the terms of an intercreditor agreement between the holders of the Mortgage Loan and the Mezzanine Loan(s).

(b) Mezzanine Borrower(s) shall (i) be a special purpose, bankruptcy remote entity which conforms to applicable Rating Agency criteria and is otherwise acceptable to Lender and (ii) own directly or indirectly one hundred percent (100%) of Borrower. The security for the Mezzanine Loan shall be a pledge of one hundred percent (100%) of the direct and indirect ownership interests in Borrower.

(c) Mezzanine Borrower(s) and Borrower shall cooperate with all reasonable requests of Lender in order to divide the Loan into a Mortgage Loan and one or more Mezzanine Loan(s) and shall execute and deliver such documents as shall be reasonably required by Lender and any Rating Agency in connection therewith, including, without limitation, (i) the delivery of non-consolidation opinions, (ii) the modification of organizational documents and Loan Documents (including, without limitation, opting into Article 8 of the Uniform Commercial Code of the state of organization of Borrower and the certification of any collateral securing the Mezzanine Loan(s), (iii) authorize Lender to file any financing statements required by the Uniform Commercial Code of the state of Borrower' s organization required to perfect its security interest in the collateral pledged as security for the Mezzanine Loan(s), (iv) execute such other documents reasonably required by Lender in connection with the creation of the Mezzanine Loan(s), including, without limitation, a guaranty substantially similar in form and substance to the Guaranty delivered on the date hereof in connection with the Loan, an environmental indemnity substantially similar in form and substance to the Environmental Indemnity delivered on the date hereof in connection with the Loan and a conditional assignment of management agreement substantially similar in form and substance to the Assignment of Management Agreement delivered on the date hereof in connection with the Loan, (v) deliver appropriate authorization, execution and enforceability opinions with respect to the Mezzanine Loan(s) and amendments to the Mortgage Loan, and (vi) deliver an "Eagle 9" or equivalent Uniform Commercial Code title insurance policy, satisfactory to Lender, insuring the perfection and priority of the Lien on the collateral pledged as security for the Mezzanine Loan(s).

(d) All third party costs and expenses incurred by Lender, Borrower or any Guarantor in connection with Borrower' s or each Guarantor' s complying with requests made under this ***Section 11.6***, including, without limitation, Uniform Commercial Code title insurance premiums, shall be paid by Lender.

(e) Anything in this ***Section 11.6*** to the contrary notwithstanding, any amendment, agreement or indemnification or other action required pursuant to this ***Section 11.6*** shall not (i) increase the interest rate payable hereunder (except as specifically set forth in ***Section 11.6(a)*** hereof); (ii) modify the Maturity Date; (iii) require any principal amortization payments on the Note (except as specifically set forth in the first paragraph of this ***Section 11.6***); (iv) decrease the time periods during which Borrower is permitted to perform Borrower' s obligations under the Loan Documents; (v) modify any other material term or provision of the Loan Documents; (vi) increase Borrower' s obligations under the Loan Documents or decrease Borrower' s rights under the Loan Documents; or (vii) result in any other economic charge or other change, adverse in any respect, other than out-of-pocket costs for Borrower' s legal fees relating to any such transaction.

XII. ACCOUNTS AND ACCOUNT COLLATERAL

Section 12.1 Permitted Investments. Sums on deposit in any Account (other than the Lockbox Account) may be invested by or at the direction of Lender in Permitted Investments provided (a) such investments are then regularly offered by the applicable Eligible Institution for accounts of this size, category and type, (b) such investments are permitted by applicable Law, (c) the maturity date of the Permitted Investment is not later than the date on which sums in the applicable Account are anticipated by Lender to be required for payment of an obligation for which such Account was created, and (d) no Event of Default shall have occurred and be continuing. No other investments of the sums on deposit in the Accounts shall be permitted except as set forth in this ***Section 12.1.*** As long as any funds constituting Account Collateral are invested in investments that constitute Permitted Investments at the time such investments are made, Lender shall not be liable for any loss sustained on any such investment of any funds constituting Account Collateral.

Section 12.2 Income From Permitted Investments. Lender agrees that during any period when no Event of Default exists, all earnings or interest on the Permitted Investments (other than Permitted Investments of the Tax and Insurance Escrow Account) (the "***Interest Bearing Accounts***") shall be added to and become part of each such Interest Bearing Account; provided, however, that Lender does not warrant or guarantee any rate of return on such Permitted Investments and the provisions of this Agreement relating to Lender 's liability in ***Section 12.1*** hereof remain in full force and effect. Borrower agrees that (a) its federal taxpayer identification number shall be used to create each Interest Bearing Account, (b) all earnings or interest on the Permitted Investments of Interest Bearing Accounts shall be reported for federal and state income tax purposes as Borrower' s income and (c) Borrower shall be fully liable for all taxes applicable to the Interest Bearing Accounts. Borrower hereby authorizes Lender to provide Borrower' s federal taxpayer identification number to any applicable depository institution and federal and state agencies to ensure that such income with respect to the Interest Bearing Accounts is attributed to Borrower for taxation purposes. Borrower agrees that it will promptly take any actions and execute any instruments requested by Lender to facilitate the reporting of such income as Borrower' s income. All earnings or interest on the Permitted Investments of the Tax and Insurance Escrow Account shall be the sole property of and shall be paid to Lender, unless otherwise required by applicable Law or otherwise expressly provided in this Agreement.

Section 12.3 Sole Dominion and Control. Borrower acknowledges and agrees that the Accounts are subject to the sole dominion, control and discretion of Lender, its authorized agents or designees, subject to the terms hereof; and Borrower shall have no right of withdrawal with respect to any Account.

Section 12.4 Grant of Security Interest. Borrower hereby grants to Lender a first-priority perfected security interest in each of the Accounts and the Account Collateral, as additional security for the payment of the Debt and the performance of the Other Obligations. Until expended or applied in accordance herewith, the Accounts shall constitute additional security for the payment of the Debt and the performance of the Other Obligations.

Section 12.5 No Other Security Interest. Borrower shall not, without obtaining the prior written consent of Lender, further pledge, assign or grant any security interest in any

Account Collateral or permit any Lien or encumbrance to attach thereto, or any levy to be made thereon, or any UCC Financing Statement, except those naming Lender as the secured party, to be filed with respect thereto.

Section 12.6 Change of Account Names. In the event Lender transfers or assigns the Loan, Borrower acknowledges that each applicable Eligible Institution at which any Account has been established, at Lender' s request, shall change the name of such Account to the name of the transferee, beneficiary or assignee, as applicable. In the event Lender retains a Servicer to service the Loan, Borrower acknowledges that each such Eligible Institution, at Lender' s request, shall change the name of each Account to the name of the Servicer, as agent for Lender.

Section 12.7 Rights on Default. Notwithstanding anything to the contrary contained in this Agreement or the other Loan Documents, upon the occurrence and during the continuance of an Event of Default, Lender shall promptly notify each Eligible Institution at which any Account has been established, in writing of such Event of Default and, without notice from Lender or any such Eligible Institution to Borrower, (a) Borrower shall have no rights in respect of (including, without limitation, the right to instruct any such Eligible Institution to transfer from) the Accounts, (b) Lender may direct any such Eligible Institution to liquidate and transfer any amounts then invested in Permitted Investments to the Accounts or reinvest such amounts in other Permitted Investments as Lender may determine is necessary to perfect or protect any security interest granted or purported to be granted hereby or pursuant to the other Loan Documents or to such Eligible Institution, as agent for Lender, or Lender, to exercise and enforce Lender' s rights and remedies hereunder or under any other Loan Document with respect to any Account or any Account Collateral, (c) Lender shall have all rights and remedies with respect to Account Collateral as described in this Agreement and in the Security Instrument, in addition to all of the rights and remedies available to a secured party under the UCC and (d) Lender may apply the Account Collateral to the payment of the Debt, in such order, manner, amounts, times and priority as Lender in its sole discretion determines (including to the payment of the items for which the Reserve Funds or the Triggering Event Period Reserve Funds were established, if Lender so elects in its sole discretion), and such reserved rights shall be in addition to all other rights and remedies provided to Lender under this Agreement and the other Loan Documents.

Section 12.8 Limitations on Liability of Lender.

(a) Beyond the exercise of reasonable care in the custody thereof or as otherwise expressly provided herein, Lender shall have no duty with respect to any Account Collateral in its possession or control, or any income thereon or the preservation of rights against any Person or otherwise with respect thereto. Lender shall be deemed to have exercised reasonable care in the custody and preservation of any such Account Collateral if such Account Collateral is accorded treatment substantially equal to that which Lender accords its own property, it being understood and agreed that Lender shall not be liable or responsible for any loss or damage to any Account Collateral, or for any diminution in value thereof, by reason of any act or omission of Lender, its Affiliates, agents, employees or bailees, except to the extent such loss or damage results from Lender' s gross negligence, willful misconduct or bad faith, provided that nothing in this ***Section 12.8(a)*** shall be deemed to relieve Lender from the duties and standard of care which, as a commercial bank, it generally owes to depositors. Without limiting the generality of the foregoing, Lender shall have no liability to any Person based upon

its errors in judgment, its performance of its duties with respect to any of the Account Collateral under this Agreement, any claimed failure to perform such duties, any action taken or omitted in good faith or any mistake of fact or Law; provided that Lender shall be liable for damages arising out of its gross negligence, willful misconduct or bad faith.

(b) The duties of Lender in its capacity as the holder of any Account Collateral in its possession or control pursuant to this Agreement are purely ministerial. In such capacity, Lender is acting as a stakeholder for the accommodation of Borrower and is not responsible or liable in any manner whatsoever related to any signature, notice, resolution, request, waiver, consent, receipt, order, certificate, report, opinion, bond or other paper or document pursuant to which Lender may act with respect to any such Account Collateral, including, without limitation, terms and conditions, sufficiency, correctness, genuineness, validity, form of execution, or the identity, authority or right of any person executing or depositing the same. Without limiting the generality of the foregoing, Lender shall be protected in acting upon any signature, notice, resolution, request, waiver, consent, receipt, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and Lender may assume that any Person purporting to act on behalf of Borrower giving any of the foregoing in connection with any Account Collateral in Lender' s possession or control has been duly authorized to do so. Lender may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any such action taken or suffered by Lender in good faith in accordance herewith.

(c) Lender shall not be responsible for the validity or sufficiency of any cash, instruments, wire transfer or any other property delivered to it hereunder, for the value or collectability of any check or other instrument so delivered or for any representation made or obligations assumed by Borrower or any other party to the Loan Documents. Nothing herein contained shall be deemed to obligate Lender to deliver any cash or any other funds or property referred to herein, unless the same shall have first been received by Lender pursuant to this Agreement.

Section 12.9 Indemnity. Borrower hereby indemnifies and holds the Indemnified Parties harmless against any Liabilities which any Indemnified Party may incur arising from or related in any way to any and all actions taken by Lender with respect to any Account Collateral in its possession or control, and any claims or demands asserted against Lender arising out of any such Account Collateral, excepting only any such claims or demands arising out of Lender' s gross negligence, willful misconduct or bad faith. The amount of any such Liabilities shall bear interest at the Applicable Interest Rate, unless an Event of Default has occurred and is continuing, in which case the amount of any such Liabilities shall bear interest at the Default Rate, from the date any such Liabilities are incurred to the date of payment to the Indemnified Party, shall be deemed to constitute a portion of the Debt, shall be secured by the Lien of the Security Instrument and the other Loan Documents, and shall be immediately due and payable upon demand therefor.

Section 12.10 Disbursement of Disputed Funds. In the event any adverse claims are made upon the funds in any Account Collateral in the possession or control of Lender, then, at Lender' s option: (a) Lender shall not deliver such Account Collateral to any Person, shall refuse to comply with any claims on it and shall continue to hold such Account Collateral until (i)

Lender, Borrower and any other Person who may have asserted a claim upon any such Account Collateral shall agree in writing to a delivery of such Account Collateral, in which event Lender shall then deliver such Account Collateral in accordance with such written agreement, or (ii) Lender receives a certified copy of a final and non-appealable judgment or order of a court of competent jurisdiction directing the delivery of such Account Collateral, in which event Lender shall then deliver such Account Collateral in accordance with such judgment or order; or (b) if Lender shall receive a written notice advising that litigation over any Account Collateral has been commenced, Lender may deposit such Account Collateral with the Clerk of the Court in which such litigation is pending; or (c) Lender may take affirmative steps to (i) substitute for itself an impartial party reasonably satisfactory to Lender and Borrower, (ii) deposit such Account Collateral with a court of competent jurisdiction, or (iii) commence an action for interpleader, the costs thereof to be borne by Borrower. The provisions of this ***Section 12.10*** shall not apply to any dispute between Borrower and Lender.

Section 12.11 Disbursement Upon Payment in Full. Upon payment in full of the Debt, and the performance of the Other Obligations, any funds remaining in the Accounts shall be disbursed to Borrower pursuant to the written instructions of Borrower.

Section 12.12 Letters of Credit.

(a) This Section shall apply to any Letters of Credit which are permitted to be delivered pursuant to the express terms and conditions hereof. Borrower shall give Lender no less than ten (10) days written notice of Borrower' s election to deliver a Letter of Credit together with a draft of the proposed Letter of Credit and Borrower shall pay to Lender all of Lender' s reasonable out-of-pocket costs and expenses in connection therewith. No party other than Lender shall be entitled to draw on any such Letter of Credit. In the event that any disbursement of any Reserve Funds relates to a portion thereof provided through a Letter of Credit, any "disbursement" of said funds as provided above shall be deemed to refer to (i) Borrower providing Lender a replacement Letter of Credit in an amount equal to the original Letter of Credit posted less the amount of the applicable disbursement provided hereunder and (ii) Lender, after receiving such replacement Letter of Credit, returning such original Letter of Credit to Borrower; provided, that, no replacement Letter of Credit shall be required with respect to the final disbursement of the applicable Reserve Funds such that no further sums are required to be deposited in the applicable Reserve Funds.

(b) Each Letter of Credit delivered hereunder shall be additional security for the payment of the Debt. Upon the occurrence and during the continuance of an Event of Default, Lender shall have the right, at its option, to draw on any Letter of Credit and to apply all or any part thereof to the payment of the items for which such Letter of Credit was established or to apply each such Letter of Credit to payment of the Debt in such order, proportion or priority as Lender may determine. Any such application to the Debt shall be subject to the terms and conditions hereof relating to application of sums to the Debt. Lender shall have the additional rights to draw in full any Letter of Credit: (i) if Lender has received a notice from the issuing bank that the Letter of Credit will not be renewed and a substitute Letter of Credit is not provided at least thirty (30) days prior to the date on which the outstanding Letter of Credit is scheduled to expire; (ii) if Lender has not received a notice from the issuing bank that it has renewed the Letter of Credit at least thirty (30) days prior to the date on which such Letter of Credit is

scheduled to expire and a substitute Letter of Credit is not provided at least thirty (30) days prior to the date on which the outstanding Letter of Credit is scheduled to expire; (iii) upon receipt of notice from the issuing bank that the Letter of Credit will be terminated (except if the termination of such Letter of Credit is permitted pursuant to the terms and conditions hereof or a substitute Letter of Credit is provided by no later than thirty (30) days prior to such termination); (iv) if Lender has received notice that the bank issuing the Letter of Credit shall cease to be an Approved Bank and Borrower has not substituted a Letter of Credit from an Approved Bank within fifteen (15) days after notice; and/or (v) if the bank issuing the Letter of Credit shall fail to (A) issue a replacement Letter of Credit in the event the original Letter of Credit has been lost, mutilated, stolen and/or destroyed or (B) consent to the transfer of the Letter of Credit to any Person designated by Lender. If Lender draws upon a Letter of Credit pursuant to the terms and conditions of this Agreement, provided no Event of Default exists, Lender shall apply all or any part thereof for the purposes for which such Letter of Credit was established. Notwithstanding anything to the contrary contained in the above, Lender is not obligated to draw any Letter of Credit upon the happening of an event specified in (i), (ii), (iii), (iv) or (v) above and shall not be liable for any losses sustained by Borrower due to the insolvency of the bank issuing the Letter of Credit if Lender has not drawn the Letter of Credit.

XIII. MISCELLANEOUS

Section 13.1 Survival. This Agreement and all covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the making by Lender of the Loan and the execution and delivery to Lender of the Note, and shall continue in full force and effect so long as all or any of the Debt is outstanding and unpaid unless a longer period is expressly set forth herein or in the other Loan Documents. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the legal representatives, successors and assigns of such party. All covenants, promises and agreements in this Agreement, by or on behalf of Borrower, shall inure to the benefit of the legal representatives, successors and assigns of Lender.

Section 13.2 Lender' s Discretion. Whenever pursuant to this Agreement, Lender exercises any right given to it to approve or disapprove, or any arrangement or term is to be satisfactory to Lender, the decision of Lender to approve or disapprove or to decide whether arrangements or terms are satisfactory or not satisfactory shall (except as is otherwise specifically herein provided) be in the sole and absolute discretion of Lender and shall be final and conclusive. Prior to a Securitization, whenever pursuant to this Agreement the Rating Agencies are given any right to approve or disapprove, or any arrangement or term is to be satisfactory to the Rating Agencies, the decision of Lender to approve or disapprove or to decide whether arrangements or terms are satisfactory or not satisfactory, based upon Lender' s determination of Rating Agency criteria, shall be substituted therefor.

Section 13.3 Governing Law.

(a) This Agreement, the Note and the other Loan Documents will be governed by and construed in accordance with the Laws of the State where the Land is located without regard to principles of conflicts of laws, provided that to the extent any of such Laws may now or hereafter be preempted by Federal Law, in which case such Federal Law shall so govern and

be controlling. **TO THE FULLEST EXTENT PERMITTED BY LAW, BORROWER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS AGREEMENT, THE NOTE OR ANY OF THE OTHER LOAN DOCUMENTS.**

(b) **NOTWITHSTANDING THE FOREGOING, THE UCC IN EFFECT IN THE COMMONWEALTH OF PENNSYLVANIA SHALL GOVERN THE CREATION, PERFECTION, PRIORITY AND ENFORCEMENT OF THE LIEN AND SECURITY INTEREST CREATED IN THE ACCOUNT COLLATERAL.**

Section 13.4 Modification, Waiver in Writing. No modification, amendment, extension, discharge, termination or waiver of any provision of this Agreement, the Note, or any other Loan Document, nor consent to any departure by Borrower therefrom, shall in any event be effective unless the same shall be in a writing signed by the party against whom enforcement is sought, and then such waiver or consent shall be effective only in the specific instance, and for the purpose, for which given. Except as otherwise expressly provided herein, no notice to, or demand on Borrower, shall entitle Borrower to any other or future notice or demand in the same, similar or other circumstances (unless such future notice or demand is otherwise required to be given under applicable law).

Section 13.5 Nonwaiver. Neither any failure nor any delay on the part of Lender in insisting upon strict performance of any term, condition, covenant or agreement, or exercising any right, power, remedy or privilege hereunder, or under the Note or any other Loan Document shall operate as or constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other future exercise, or the exercise of any other right, power, remedy or privilege. In particular, and not by way of limitation, by accepting payment after the due date of any amount payable under this Agreement, the Note or any other Loan Document, Lender shall not be deemed to have waived any right either to require prompt payment when due of all other amounts due under this Agreement, the Note or the other Loan Documents, or to declare a default for failure to effect prompt payment of any such other amount.

Section 13.6 Notices.

All notices, consents, approvals and requests required or permitted hereunder or under any other Loan Document shall be given in writing and shall be effective for all purposes if hand delivered or sent by (a) certified or registered United States mail, postage prepaid, return receipt requested or (b) expedited prepaid delivery service, either commercial or United States Postal Service, with proof of attempted delivery, and by telecopier (with answer back acknowledged), addressed as follows (or at such other address and Person as shall be designated from time to time by any party hereto, as the case may be, in a written notice to the other parties hereto in the manner provided for in this ***Section 13.6***):

If to Lender:

PNC Bank, National Association
10851 Mastin
Overland Park, KS 66210
Attention: Jeannette I. Butler, Senior Vice President
Facsimile No.: 913-253-9718

If to Borrower:	COLE MT BROOKLYN NY, LLC c/o Cole Real Estate Investments 2325 East Camelback Road, Suite 1100 Phoenix, AZ 85016 Attention: General Counsel, Real Estate Facsimile No.: 602-778-8780

A notice shall be deemed to have been given: in the case of hand delivery, at the time of delivery; in the case of registered or certified mail, when delivered or the first attempted delivery on a Business Day; or in the case of expedited prepaid delivery and telecopy, upon the first attempted delivery on a Business Day.

Section 13.7 Financing Statements. Borrower hereby authorizes Lender to file, and upon Lender' s request, shall deliver to Lender for filing, an initial financing statement or statements under the UCC with respect to any portion of the Collateral which is or may be subject to any security interest within the meaning of the UCC in the form required to properly perfect Lender' s security interest therein. At any time and from time to time, at the expense of Borrower, Borrower shall promptly execute and deliver all further instruments and documents, and take all further action that may be necessary or that Lender may reasonably request (including, without limitation, all initial financing statements, and any restatements, extensions, continuations, renewals or amendments thereof), in order to perfect, or continue the perfection of, and to protect any security interest granted or purported to be granted hereby or by the other Loan Documents (including, without limitation, any security interest in and to any Permitted Investments), or to enable Lender, or any agent of Lender, to exercise and enforce its rights and remedies hereunder or under any of the other Loan Documents with respect to any portion of the Collateral which is or may be subject to any security interest within the meaning of the UCC, and if Borrower fails to promptly execute and deliver such further instruments and documents, Borrower hereby expressly authorizes and appoints Lender as its attorney-in-fact to execute such further instruments and documents in the name of and upon behalf of Borrower, which power of attorney shall be irrevocable and shall be deemed to be coupled with an interest. With respect to any of the Collateral in which a security interest is not perfected by the filing of a financing statement, Borrower consents and agrees to undertake, and to cooperate fully with Lender, to perfect the security interest granted to Lender in such Collateral. Without limiting the foregoing, if and to the extent any of the Collateral is held by a bailee for the benefit of Borrower, Borrower shall promptly notify Lender thereof and, if required by Lender, promptly obtain an acknowledgment from such bailee that is reasonably satisfactory to Lender and confirms that such bailee holds such Collateral for the benefit of Lender as secured party and shall only act upon instructions from Lender with respect to such Collateral.

Section 13.8 Waiver of Trial by Jury. BORROWER HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM OF ANY NATURE,

WHETHER IN CONTRACT OR TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN, THE APPLICATION FOR THE LOAN, THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS, OR ANY ACTS OR OMISSIONS OF LENDER, OR ANY OF ITS OFFICERS, EMPLOYEES, DIRECTORS OR AGENTS, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH RESPECT TO ANY OF THE FOREGOING. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY BORROWER, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. BORROWER CONFIRMS THAT IT HAS BEEN REPRESENTED (OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED) BY INDEPENDENT LEGAL COUNSEL FREELY CHOSE BY BORROWER CONCERNING THE LOAN, THE LOAN DOCUMENTS AND SPECIFICALLY THE WAIVER OF JURY TRIAL CONTAINED HEREIN AND THAT BORROWER HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH SUCH COUNSEL. LENDER IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY SUCH ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY BORROWER.

Section 13.9 Headings. The Article and/or Section headings and the Table of Contents in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 13.10 Severability. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement shall be prohibited by or invalid under applicable Law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 13.11 Preferences. Lender shall have the continuing and exclusive right to apply or reverse and reapply any and all payments by Borrower to any portion of the obligations of Borrower hereunder, provided same is done consistent with the provisions of this Agreement. To the extent Borrower makes a payment or payments to Lender, which payment or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any Creditors Rights Law, state or federal Law, common law or equitable cause, then, to the extent of such payment or proceeds received, the obligations hereunder or part thereof intended to be satisfied shall be revived and continue in full force and effect, as if such payment or proceeds had not been received by Lender.

Section 13.12 Waiver of Automatic or Supplemental Stay. In the event of the filing of any voluntary or involuntary petition under the Bankruptcy Code by or against Borrower (other than an involuntary petition filed by or joined by Lender), Borrower shall not assert, or request any other party to assert, that the automatic stay under Section 362 of the Bankruptcy Code shall operate or be interpreted to stay, interdict, condition, reduce or inhibit the ability of Lender to

enforce any rights it has by virtue of this Agreement, or any other rights that Lender has, whether now or hereafter acquired, against any Guarantor. Further, Borrower shall not seek a supplemental stay or any other relief, whether injunctive or otherwise, pursuant to Section 105 of the Bankruptcy Code or any other provision therein to stay, interdict, condition, reduce or inhibit the ability of Lender to enforce any rights it has by virtue of this Agreement against any Guarantor. The waivers contained in this paragraph are a material endorsement to Lender' s willingness to make the Loan, and Borrower acknowledges and agrees that no grounds exist for equitable relief which would bar, delay or impede the exercise by Lender of its rights and remedies against Borrower or any Guarantor.

Section 13.13 Bankruptcy Acknowledgment. In the event the Property or any interest therein becomes property of any bankruptcy estate or subject to any state or federal insolvency proceeding, then Lender shall immediately become entitled, in addition to all other relief to which Lender may be entitled under the Security Instrument or any other Loan Document, to obtain: (a) an order from the Bankruptcy Court or other appropriate court granting immediate relief from any automatic stay laws (including Section 362 of the Bankruptcy Code) so to permit Lender to pursue its rights and remedies against Borrower as provided under this Agreement and the Security Instrument and all other rights and remedies of Lender at law and in equity under applicable state law; and (b) an order from the Bankruptcy Court prohibiting Borrower' s use of all "cash collateral" as defined under Section 363 of the Bankruptcy Code. In connection with any such orders, Borrower shall not contend or allege in any pleading or petition that Lender does not have sufficient grounds for relief from the automatic stay. Any bankruptcy petition or other action taken by Borrower to stay, condition, or inhibit Lender from exercising its remedies are hereby admitted by Borrower to be in bad faith and Borrower further admits that Lender would have just cause for relief from the automatic stay in order to take such actions authorized by state Law.

Section 13.14 Waiver of Notice. Borrower shall not be entitled to any notices of any nature whatsoever from Lender except with respect to matters for which this Agreement or the other Loan Documents specifically and expressly provide for the giving of notice by Lender to Borrower and except with respect to matters for which Borrower is not, pursuant to applicable Legal Requirements, permitted to waive the giving of notice. Borrower hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Agreement or the other Loan Documents do not specifically and expressly provide for the giving of notice by Lender to Borrower.

Section 13.15 Remedies of Borrower. In the event that a claim or adjudication is made that Lender or its agents have acted unreasonably or unreasonably delayed acting in any case where by law or under this Agreement or the other Loan Documents, Lender or such agent, as the case may be, has an obligation to act reasonably or promptly, Borrower agrees that neither Lender nor its agents shall be liable for any monetary damages, and Borrower' s sole remedies shall be limited to commencing an action seeking injunctive relief or declaratory judgment. The parties hereto agree that any action or proceeding to determine whether Lender has acted reasonably shall be determined by an action seeking declaratory judgment.

Section 13.16 Expenses; Indemnity.

(a) Borrower covenants and agrees to pay or, if Borrower fails to pay, to reimburse, Lender upon receipt of written notice from Lender for all reasonable costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Lender in connection with (i) the preparation, negotiation, execution and delivery of this Agreement and the other Loan Documents and the consummation of the transactions contemplated hereby and thereby and all the costs of furnishing all opinions by counsel for Borrower (including without limitation any opinions requested by Lender as to any legal matters arising under this Agreement or the other Loan Documents with respect to the Property); (ii) Borrower' s ongoing performance of and compliance with Borrower' s respective agreements and covenants contained in this Agreement and the other Loan Documents on its part to be performed or complied with after the Closing Date, including, without limitation, confirming compliance with environmental and insurance requirements; (iii) the negotiation, preparation, execution, delivery and administration of any consents, amendments, waivers or other modifications to this Agreement and the other Loan Documents requested by Borrower or otherwise required hereunder and any other documents or matters requested by Borrower or otherwise required hereunder; (iv) securing Borrower' s compliance with any requests made pursuant to the provisions of this Agreement; (v) the filing and recording fees and expenses, title insurance and reasonable fees and expenses of counsel for providing to Lender all reasonably required legal opinions, and other similar expenses incurred in creating and perfecting the Lien in favor of Lender pursuant to this Agreement and the other Loan Documents and any amendment thereof; (vi) subject to ***Section 11.3*** hereof, enforcing or preserving any rights, in response to third party claims or the prosecuting or defending of any action or proceeding or other litigation, in each case against, under or affecting Borrower, this Agreement, the other Loan Documents, the Property, or any other security given for the Loan; and (vii) subject to ***Section 11.3*** hereof, enforcing any obligations of or collecting any payments due from Borrower under this Agreement, the other Loan Documents or with respect to the Property or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "work out" or of any insolvency or bankruptcy proceedings; provided, however, that Borrower shall not be liable for the payment of any such costs and expenses to the extent the same arise by reason of the gross negligence, illegal acts, fraud or willful misconduct of Lender. Any cost and expenses due and payable to Lender may be paid from any amounts in the Lockbox Account or Cash Management Account.

(b) Subject to ***Section 11.3*** hereof, Borrower shall indemnify, defend and hold harmless the Indemnified Parties from and against any and all Liabilities that may be imposed on, incurred by, or asserted against any Indemnified Party in any manner relating to or arising out of (i) any material breach by Borrower of its obligations under, or any material misrepresentation by Borrower contained in, this Agreement or the other Loan Documents, or (ii) the use or intended use of the proceeds of the Loan; provided, however, that Borrower shall not have any obligation to Lender hereunder to the extent that such Liabilities arise from the gross negligence, illegal acts, fraud or willful misconduct of Lender. To the extent that the undertaking to indemnify, defend and hold harmless set forth in the preceding sentence may be unenforceable because it violates any Law or public policy, Borrower shall pay the maximum portion that it is permitted to pay and satisfy under applicable Law to the payment and satisfaction of all Liabilities incurred by the Indemnified Parties.

Section 13.17 Exhibits Incorporated. The Exhibits annexed hereto are hereby incorporated herein as a part of this Agreement with the same effect as if set forth in the body hereof.

Section 13.18 Offsets, Counterclaims and Defenses. Any assignee of Lender' s interest in and to this Agreement, the Note and the other Loan Documents shall take the same free and clear of all offsets, counterclaims or defenses which are unrelated to such documents which Borrower may otherwise have against any assignor of such documents, and no such unrelated counterclaim or defense shall be interposed or asserted by Borrower in any action or proceeding brought by any such assignee upon such documents and any such right to interpose or assert any such unrelated offset, counterclaim or defense in any such action or proceeding is hereby expressly waived by Borrower.

Section 13.19 No Joint Venture or Partnership; No Third Party Beneficiaries.

(a) Borrower and Lender intend that the relationships created hereunder and under the other Loan Documents between Borrower and Lender be solely that of debtor and creditor, and that Lender shall have no fiduciary or other special relationship with Borrower. Nothing herein or therein is intended to, nor shall anything contained herein or therein be construed to, constitute Lender as a joint venturer, partner, tenant in common, joint tenant or agent of Borrower, nor to grant Lender any interest in the Property other than that of mortgagee, beneficiary or lender, nor to render Lender liable for any debts, obligations, acts, omissions, representations or contracts of Borrower.

(b) This Agreement and the other Loan Documents are solely for the benefit of Lender, Borrower and each Guarantor and nothing contained in this Agreement or the other Loan Documents shall be deemed to confer upon anyone other than Lender, Borrower and each Guarantor any right to insist upon or to enforce the performance or observance of any of the obligations contained herein or therein. All conditions to the obligations of Lender to make the Loan hereunder are imposed solely and exclusively for the benefit of Lender and no other Person shall have standing to require satisfaction of such conditions in accordance with their terms or be entitled to assume that Lender will refuse to make the Loan in the absence of strict compliance with any or all thereof and no other Person shall under any circumstances be deemed to be a beneficiary of such conditions, any or all of which may be freely waived in whole or in part by Lender if Lender deems it advisable or desirable to do so.

Section 13.20 Disclosure of Information.

(a) Notwithstanding anything to the contrary contained herein or in any other Loan Document, each of Borrower and Lender shall be permitted to make disclosures regarding the Loan (including, without limitation, any information obtained and/or provided in connection therewith) to the extent required in connection with their respective ordinary course reporting under applicable Laws (including, without limitation, applicable securities laws), to their respective investors or regulators and/or as may be required by applicable Law, in each case, without the approval of the other Person.

(b) Except as otherwise provided by applicable Law, Lender shall utilize all information identified by Borrower or Guarantor to Lender as being confidential or proprietary ("***Identified Information***") in accordance with its customary procedure for handling confidential information of this nature and in accordance with safe and sound banking practices but, notwithstanding the foregoing, in no event shall Lender or Servicer be prohibited from disclosing, or consenting to the disclosure of any information (including, without limitation, any Identified Information) (1) in connection with any Secondary Market Transaction (including, without limitation, to any Investor and/or any accountants, legal counsel and other similar agents of any Investor, or any Rating Agencies (which, for the purposes of this ***Section 13.20(b)***, shall include any non-hired Rating Agency)(provided that, in ease case, they shall be notified of the confidential nature of the information), or as otherwise required by any applicable legal or regulatory requirement, (2) to any of its Affiliates (provided any such Affiliate shall agree to keep such information confidential in accordance with the terms of this Section); (3) as required by any Governmental Authority or representative thereof or pursuant to legal process or in connection with any legal proceedings; (4) to Lender' s independent auditors and other professional advisors (provided they shall be notified of the confidential nature of the information); (5) if an Event of Default exists, to any other Person, in connection with the exercise by Lender of rights hereunder or under any of the other Loan Documents; and (6) to the extent such information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to Lender on a nonconfidential basis from a source other than the Borrower or any Affiliate that is not known by Lender to be subject to a confidentiality restriction with respect thereto.

Section 13.21 Waiver of Marshalling of Assets.

To the fullest extent permitted by Law, Borrower, for itself and its successors and assigns, waives all rights to a marshalling of the assets of Borrower, Borrower' s partners and others with interests in Borrower, and of the Property, and agrees not to assert any right under any Laws pertaining to the marshalling of assets, the sale in inverse order of alienation, homestead exemption, the administration of estates of decedents, or any other matters whatsoever to defeat, reduce or affect the right of Lender under the Loan Documents to a sale of the Property for the collection of the Debt without any prior or different resort for collection or of the right of Lender to the payment of the Debt out of the net proceeds of the Property in preference to every other claimant whatsoever.

Section 13.22 Waiver of Counterclaim. Borrower hereby waives the right to assert a counterclaim, other than a compulsory counterclaim, in any action or proceeding brought against it by Lender or its agents.

Section 13.23 Conflict; Construction of Documents; Reliance. In the event of any conflict between the provisions of this Agreement and any of the other Loan Documents, the provisions of this Agreement shall control. The parties hereto acknowledge that they were represented by competent counsel in connection with the negotiation, drafting and execution of the Loan Documents and that such Loan Documents shall not be subject to the principle of construing their meaning against the party which drafted same. Borrower acknowledges that, with respect to the Loan, Borrower shall rely solely on its own judgment and advisors in entering into the Loan without relying in any manner on any statements, representations or

recommendations of Lender or any parent, subsidiary or Affiliate of Lender. Lender shall not be subject to any limitation whatsoever in the exercise of any rights or remedies available to it under any of the Loan Documents or any other agreements or instruments which govern the Loan by virtue of the ownership by it or any parent, subsidiary or Affiliate of Lender of any equity interest any of them may acquire in Borrower, and Borrower hereby irrevocably waives the right to raise any defense or take any action on the basis of the foregoing with respect to Lender' s exercise of any such rights or remedies. Borrower acknowledges that Lender engages in the business of real estate financings and other real estate transactions and investments which may be viewed as adverse to or competitive with the business of Borrower or its Affiliates.

Section 13.24 Brokers and Financial Advisors. Borrower hereby represents that it has dealt with no financial advisors, brokers, underwriters, placement agents, agents or finders in connection with the transactions contemplated by this Agreement. Borrower hereby agrees to indemnify, defend and hold Lender harmless from and against any and all claims, liabilities, costs and expenses of any kind (including Lender' s reasonable attorneys' fees and expenses) in any way relating to or arising from a claim by any Person that such Person acted on behalf of Borrower or Lender in connection with the transactions contemplated herein. The provisions of this ***Section 13.24*** shall survive the expiration and termination of this Agreement and the payment of the Debt.

Section 13.25 Prior Agreements. This Agreement and the other Loan Documents contain the entire agreement of the parties hereto and thereto in respect of the transactions contemplated hereby and thereby, and all prior agreements among or between such parties, whether oral or written are superseded by the terms of this Agreement and the other Loan Documents.

Section 13.26 Assignments. None of Borrower, SPC Party or any Guarantor may Transfer this Agreement or any other Loan Document or any of their respective rights or obligations hereunder or thereunder, except as expressly permitted pursuant to the terms and provisions of ***Section 6.2*** and ***Section 6.6*** hereof. If Borrower is a partnership, the agreements contained herein and in the other Loan Documents shall remain in force and be applicable, notwithstanding any changes in the individuals or entities comprising the partnership, and the term "Borrower" as used herein, shall include any alternate or successor partnership, but any predecessor partnership and their partners shall not thereby be released from any liability. If Borrower is a corporation, the agreements contained herein and in the other Loan Documents shall remain in full force and be applicable notwithstanding any changes in the shareholders comprising, or the officers and directors relating to, the corporation, and the term "Borrower" as used herein, shall include any alternate or successor corporation, but any predecessor corporation shall not be relieved of liability hereunder. If Borrower is a limited liability company, the agreements contained herein and in the other Loan Documents shall remain in force and be applicable, notwithstanding any changes in the members comprising the limited liability company, and the term "Borrower" as used herein, shall include any alternate or successor limited liability company, but any predecessor limited liability company and their members shall not thereby be released from any liability. (Nothing in the foregoing sentences shall be construed as a consent to, or a waiver of, any prohibition or restriction on transfers of interests in such partnership, corporation or limited liability company which may be set forth in the Loan Agreement, any Security Instrument or any other Loan Document.)

Section 13.27 Duplicate Originals; Counterparts. This Agreement and each of the other Loan Documents may be executed in any number of duplicate originals, and each duplicate original shall be deemed to be an original. This Agreement and each of the other Loan Documents (and each duplicate original) also may be executed in any number of counterparts, each of which shall be deemed an original and all of which together constitute a fully executed agreement even though all signatures do not appear on the same page. The failure of any party hereto to execute each counterpart of this Agreement shall not relieve the other signatories from their obligations hereunder.

PURSUANT TO THE TERMS OF SECTION 13.8 OF THIS AGREEMENT, EACH BORROWER IRREVOCABLY WAIVES ANY AND ALL RIGHTS ANY SUCH BORROWER MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS AGREEMENT, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. EACH BORROWER ACKNOWLEDGES THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

Borrower acknowledges that it has read and understood all the provisions of this Agreement, including the Waiver of Trial by Jury, and has been advised by counsel as necessary or appropriate.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized representatives, all as of the day and year first above written.

BORROWER:

COLE MT BROOKLYN NY, LLC, a Delaware limited liability company

By: /s/ John M. Pons
John M. Pons, Officer

LENDER:

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Jeannette Butler

Name: Jeannette Butler

Title: Sr. Vice President

WITH RESPECT TO SECTIONS 11.1 AND

11.2 HEREOF ONLY:

COLE CREDIT PROPERTY TRUST IV, INC., a
Maryland corporation

By: /s/ John M. Pons

Name: John M. Pons

Title: Authorized Officer

Exhibit 10.23

CREDIT AGREEMENT

Dated as of December 14, 2012

among

COLE OPERATING PARTNERSHIP IV, LP,
as the Borrower,

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent,

JPMORGAN CHASE BANK, N.A.,
as Syndication Agent,

and

THE OTHER LENDERS PARTY HERETO

Arranged By:

J.P. MORGAN SECURITIES LLC,
as Lead Arranger and Book Manager

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SCHEDULES

EXHIBITS

Form of

CREDIT AGREEMENT

This CREDIT AGREEMENT ("Agreement") is entered into, as of December 14, 2012, among COLE OPERATING PARTNERSHIP IV, LP, a Delaware limited partnership (the "Borrower"), each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender"), and JPMorgan Chase Bank, N.A., as Administrative Agent.

The Borrower has requested that the Lenders provide the credit facility set forth herein, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I.
DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"Adjusted Unencumbered NOI" means, with respect to Projects owned by the Borrower and Subsidiary Guarantors for any period, Unencumbered NOI for the most recently ended Measurement Period less an amount for capital expenditures equal to (a) $0.25 per square foot for office Projects, (b) $0.15 per square foot for retail Projects, and (c) $0.10 per square foot for industrial Projects, in each case, multiplied by the weighted average gross leaseable area for such Projects (including only the square footage or units in (a) - (c) above which is or are owned by the Borrower and Subsidiary Guarantors during such Measurement Period and excluding the square footage or units of the buildings on the ground leased portion of any Project for which one of the members of the Borrower and Subsidiary Guarantors is the lessor).

"Adjusted LIBO Rate" means, with respect to any Eurodollar Rate Loan for the relevant Interest Period, or for any Base Rate Loan, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Administrative Agent" means JPMC in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent' s Office" means the Administrative Agent' s address and, as appropriate, account as set forth on Schedule 10.02, or such other address or account as the Administrative Agent may from time to time notify to the Borrower and the Lenders.

"Administrative Questionnaire" means an administrative questionnaire in a form supplied by the Administrative Agent.

"Advisors" means Cole REIT Advisors IV, LLC and its Affiliates, together with its successors, if any.

"Advisor Fee" means, collectively, (a) an asset management fee based upon the aggregate value of the Projects plus costs and expenses incurred by Advisors in providing asset management services and (b) property management fees based upon gross revenues plus costs and expenses incurred by Advisors in providing property management services.

"Advisor Fee Subordination Agreement" means that certain Advisor Fee Subordination Agreement (in form and substance satisfactory to Administrative Agent), dated as of the Closing Date, as amended, restated, supplemented or modified from time to time, by and among Cole REIT Advisors IV, LLC, the Borrower, CCPT IV and the Administrative Agent.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Aggregate Revolving Commitments" means the Revolving Commitments of all the Revolving Lenders. The aggregate principal amount of the Aggregate Revolving Commitments in effect on the Closing Date is SEVENTY-FIVE MILLION AND NO/100 DOLLARS ($75,000,000.00).

"Agreement" means this Credit Agreement, as amended, restated, supplemented or modified from time to time.

"Applicable Percentage" means, with respect to each Revolving Lender, the percentage (carried out to the ninth decimal place) of the Aggregate Revolving Commitments represented by such Revolving Lender' s Revolving Commitment at such time; provided that if the commitment of each Revolving Lender to make Revolving Loans and time obligation of L/C Issuer to make L/C Credit Extensions has been terminated pursuant to Section 8.02 or if the Aggregate Revolving Commitments have expired or been terminated pursuant to Section 2.06, then the Applicable Percentage of each Revolving Lender shall be determined based on the Applicable Percentage of such Revolving Lender most recently in effect, giving effect to any subsequent assignments. The Applicable Percentage of each Lender, after giving effect to this Agreement (along with any amendments made hereto, is set forth opposite the name of such Lender on Schedule 2.01, as it may change from time to time in accordance with the terms hereof.

"Applicable Rate" means, (a) with respect to Eurodollar Rate Loans and Letters of Credit, 2.75%, (b) with respect to Base Rate Loans, 1.75%, and (c) with respect to Unused Fees, 0.50%.

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Approved Subordinated Debt" means affiliate debt provided to Borrower or CCPT IV by Cole Capital Advisors, Inc., or a wholly owned subsidiary of Cole Capital Advisors, Inc., which is (i) subject to approval by Administrative Agent in its sole, but reasonable discretion, or, with respect to any debt other than the debt evidenced by that Subordinate Promissory Note dated April 13, 2012 made by CCPT IV, payable to Series C, LLC, subject to approval by the Required Lenders in their sole, but reasonable discretion, (ii) unsecured, (iii) subordinate to the Obligations pursuant to an Approved Subordination Agreement, (iv) has been documented in a manner satisfactory to Administrative Agent, and (v) without the prior written consent of Required Lenders, not in excess of the principal amount of $10,000,000.00.

"Approved Subordination Agreement" means, with respect to any Approved Subordinated Debt, a subordination agreement in form and substance satisfactory to Administrative Agent.

"Arranger" means J.P. Morgan Securities LLC, in its capacity as lead arranger and book manager.

"Assignee Group" means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit E-1 or any other form approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capitalized Lease Obligation of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital lease.

"Audited Financial Statements" means the audited consolidated balance sheet of the Consolidated Group for the fiscal year ended December 31, 2011, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of the Consolidated Group, including the notes thereto.

"Availability Period" means the period from and including the Closing Date to the earliest of (a) the Maturity Date, (b) the date of termination of the Aggregate Revolving Commitments pursuant to Section 2.06, and (c) the date of termination of the commitment of each Lender to make Loans pursuant to Section 8.02.

"Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus $^1/_2$ of 1% and (c) the Adjusted LIBO Rate for a one month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%, provided that, for the avoidance of doubt, the Adjusted LIBO Rate for any day shall be based on the rate appearing on the Reuters Screen LIBOR01 Page (or on any successor or substitute page) at approximately 11:00 a.m. London time on such day. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, respectively.

"Base Rate Committed Loan" means a Committed Loan that is a Base Rate Loan.

"Base Rate Loan" means a Loan that bears interest based on the Base Rate.

"Borrower" has the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrowing" means a Committed Borrowing or a Swing Line Borrowing, as the context may require.

"Borrowing Base" means the lesser of (a) an amount equal to fifty percent (50%) of the Unencumbered Asset Value and (b) the Unencumbered Mortgageability Amount.

"Borrowing Base Compliance Certificate" means a certificate substantially in the form of Exhibit D-2.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Eurodollar Rate Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

"Capitalization Rate" means seven and one-half percent (7.5%).

"Capitalized Lease Obligation" means the monetary obligation of a Person under any lease of any property by such Person as lessee which would, in accordance with GAAP, be required to be accounted for as a capital lease on the balance sheet of such Person.

"Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Administrative Agent, Swing Line Lender or the L/C Issuer (as applicable) and the Lenders, as collateral for L/C Obligations, Obligations in respect of Swing Line Loans or obligations of Lenders to fund participations in respect thereof (as the context may require), cash or deposit account balances or, if the L/C Issuer or Swing Line Lender benefitting from such collateral and Borrower shall agree, other credit support, in each case pursuant to documentation in form and substance satisfactory to (a) the Administrative Agent and (b) the L/C Issuer or the Swing Line Lender, as applicable. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Equivalents" means, as of any date:

(a) securities issued or directly and fully guaranteed or insured by the United States Government or any agency or instrumentality thereof having maturities of not more than one (1) year from such date;

(b) mutual funds organized under the United States Investment Company Act rated AAm or AAm-G by S&P and P-1 by Moody' s;

(c) certificates of deposit or other interest-bearing obligations of a bank or trust company which is a member in good standing of the Federal Reserve System having a short term unsecured debt rating of not less than A-1 by S&P and not less than P-1 by Moody' s (or in each case, if no bank or trust company is so rated, the highest comparable rating then given to any bank or trust company, but in such case only for funds invested overnight or over a weekend) provided that such investments shall mature or be redeemable upon the option of the holders thereof on or prior to a date one (1) month from the date of their purchase;

(d) certificates of deposit or other interest-bearing obligations of a bank or trust company which is a member in good standing of the Federal Reserve System having a short term unsecured debt rating of not less than A-1+ by S&P, and not less than P-1 by Moody' s and which has a long term unsecured debt rating of not less than A1 by Moody' s (or in each case, if no bank or trust company is so rated, the highest comparable rating then given to any bank or trust company, but in such case only for funds invested overnight or over a weekend) provided that such investments shall mature or be redeemable upon the option of the holders thereof on or prior to a date three (3) months from the date of their purchase;

(e) bonds or other obligations having a short term unsecured debt rating of not less than A-1+ by S&P and P-1+ by Moody' s and having a long term debt rating of not less than A1 by Moody' s issued by or by authority of any state of the United States, any territory or possession of the United States, including the Commonwealth of Puerto Rico and agencies thereof, or any political subdivision of any of the foregoing;

(f) repurchase agreements issued by an entity rated not less than A-1+ by S&P, and not less than P-1 by Moody' s which are secured by U.S. Government securities of the type described in clause (i) of this definition maturing on or prior to a date one (1) month from the date the repurchase agreement is entered into;

(g) short term promissory notes rated not less than A-1+ by S&P, and not less than P-1 by Moody' s maturing or to be redeemable upon the option of the holders thereof on or prior to a date one (1) month from the date of their purchase; and

(h) commercial paper (having original maturities of not more than three hundred sixty-five (365) days) rated at least A-1+ by S&P and P-1 by Moody' s and issued by a foreign or domestic issuer who, at the time of the investment, has outstanding long-term unsecured debt obligations rated at least A1 by Moody' s.

"C Corporation" means a corporation that is taxed under Subchapter C of Chapter 1 of the Code.

"CCPT IV" means Cole Credit Property Trust IV, Inc., a Maryland corporation, together with its successors.

"Change in Law" means the occurrence after the date of this Agreement or, with respect to any Lender, such later date on which such Lender becomes a party to this Agreement, of: (a) the adoption of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the interpretation or application thereof by any Governmental Authority or (c) compliance by any Lender (or, for purposes of Section 3.04(b), by any lending office of such Lender or by such Lender' s holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

"Change of Control" means an event or series of events by which:

(a) CCPT IV fails to own, directly or indirectly, more than fifty percent (50%) of the Equity Interests of the Borrower entitled to vote for members of the board of directors or equivalent governing body of the Borrower on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right);

(b) during any period of twelve (12) consecutive months, a majority of the members of the board of directors or other equivalent governing body of CCPT IV cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period or (ii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body.

"Closing Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 4.01 or 10.01, as applicable, which shall be the date of this Agreement.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commitments" means the Revolving Commitments.

"Committed Borrowing" means a Committed Revolving Borrowing.

"Committed Loan" is a Committed Revolving Loan.

"Committed Loan Notice" means a notice of (a) a Committed Borrowing, (b) a conversion of Committed Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

"Committed Revolving Borrowing" means a borrowing consisting of simultaneous Committed Revolving Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.02.

"Committed Revolving Loan" has the meaning specified in Section 2.01(a).

"Compliance Certificate" means a certificate substantially in the form of Exhibit D-1.

"Consolidated Debt Service" means, with respect to the Consolidated Group for any period, without duplication, (a) Consolidated Interest Expense for such period plus (b) the aggregate amount of scheduled principal payments attributable to Consolidated Outstanding Indebtedness (excluding optional prepayments and scheduled principal payments in respect of any such Indebtedness which is not amortized through equal periodic installments of principal and interest over the term of such Indebtedness) required to be made during such period by any member of the Consolidated Group plus (c) a percentage of all such scheduled principal payments required to be made during such period by any Investment Affiliate on Indebtedness taken into account in calculating Consolidated Interest Expense (excluding optional prepayments and scheduled principal payments in respect of any such Indebtedness which is not amortized through equal periodic installments of principal and interest over the term of such Indebtedness), equal to the greater of (x) the percentage of the principal amount of such Indebtedness for which any member of the Consolidated Group is liable (to the extent not already included pursuant to clause (b) above) and (y) the Consolidated Group Pro Rata Share of such Investment Affiliate.

"Consolidated Group" means CCPT IV and all Persons whose financial results are consolidated with CCPT IV for financial reporting purposes under GAAP.

"Consolidated Group Pro Rata Share" means, with respect to any Investment Affiliate, the percentage of the total equity ownership interests held by the Consolidated Group, in the aggregate, in such Investment Affiliate determined by calculating the greater of (a) the percentage of the issued and outstanding stock, partnership interests or membership interests in such Investment Affiliate held by the Consolidated Group in the aggregate and (b) the percentage of the total book value of such Investment Affiliate that would be received by the Consolidated Group in the aggregate, upon liquidation of such Investment Affiliate, after repayment in full of all Indebtedness of such Investment Affiliate; provided, that to the extent a given calculation includes liabilities, obligations or Indebtedness of any Investment Affiliate and the Consolidated Group, in the aggregate, is or would be liable for a portion of such liabilities, obligations or Indebtedness in a percentage in excess of that calculated pursuant to clauses (a) and (b) above, the "Consolidated Group Pro Rata Share" with respect to such liabilities, obligations or Indebtedness shall be equal to the percentage of such liabilities, obligations or Indebtedness for which the Consolidated Group is or would be liable.

"Consolidated Interest Expense" means, for any period without duplication, the sum of (a) the amount of interest expense, determined in accordance with GAAP, of the Consolidated Group for such period attributable to Consolidated Outstanding Indebtedness during such period plus (b) the Consolidated Group Pro Rata Share of any interest expense, determined in accordance with GAAP, of any Investment Affiliate, for such period, whether recourse or non-recourse.

"Consolidated Net Operating Income" means the aggregate NOI for the applicable period for all Projects.

"Consolidated Outstanding Indebtedness" means, as of any date of determination, without duplication, the sum of (a) all Indebtedness of the Consolidated Group outstanding as of such date, as determined on a consolidated basis in accordance with GAAP (whether recourse or non-recourse), plus, (b) the applicable Consolidated Group Pro Rata Share of any Indebtedness of each Investment Affiliate as of such date, other than, in either case, Indebtedness of such member of the Consolidated Group or Investment Affiliate owed to a member of the Consolidated Group.

"Construction in Progress" means, as of any date, the GAAP-determined value of any Projects then under development, provided that a Project shall no longer be included in Construction in Progress and shall be deemed to be a stabilized project upon the earlier of (a) the expiration of the second full fiscal quarter after substantial completion (the earlier of receipt of a temporary certificate of occupancy or a final certificate of occupancy) of such Project, (b) the date such Project is one hundred percent (100%) occupied and the tenant(s) thereof are paying rent in accordance with the provisions set forth in the applicable lease agreement and (c) the last day of the fiscal quarter in which the annualized Consolidated Net Operating Income attributable to such Project divided by the Capitalization Rate exceeds the book value of such Project.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Credit Extension" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"Daily Undrawn Amount" means, for each day during the term hereof, an amount equal to (a) the Aggregate Revolving Commitments existing as of the end of such day, less (b) the aggregate Outstanding Amount of Committed Revolving Loans and L/C Obligations (but specifically excluding Swing Line Loans (other than to the extent the risk participation in a Swing Line Loan has been funded in cash by a Revolving Lender)) as of the end of such day.

"Daily Unused Fee" means, for each day during the Availability Period, an amount equal to (a) the Daily Undrawn Amount for such day, multiplied by (b) a per annum percentage for such day (as determined for a three hundred sixty (360) day year) equal to the applicable percentage set forth for Unused Fees in the definition of Applicable Rate.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate applicable to Base Rate Loans plus (iii) two percent (2.0%) per annum; provided, however, that with respect to a Eurodollar Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus two percent (2.0%) per annum, and (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Rate plus two percent (2.0%) per annum.

"Defaulting Lender" means, subject to Section 2.16(b), any Lender that, as determined by the Administrative Agent in its reasonable discretion acting in good faith, (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans or participations in respect of Letters of Credit or Swing Line Loans, within three (3) Business Days of the date required to be funded by it hereunder, (b) has notified the Borrower, the Administrative Agent or any Lender that it does not intend to comply with its funding obligations under this Agreement or has made a public statement in writing to that effect with respect to its funding obligations under this Agreement (unless such written public statement relates to such Lender' s obligation to fund a Loan or participations in respect of Letters of Credit or Swing Line Loans hereunder and indicates that such position is based on such Lender' s good faith determination that a condition precedent (specifically identified and including the particular Default, if any) to funding a Loan or participations in respect of Letters of Credit or Swing Line Loans cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent, to confirm in writing to the Administrative Agent that it will comply with its funding obligations under this Agreement, provided, that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon written confirmation from the Administrative Agent to such Lender and the Borrower that such Lender has confirmed in writing its intention to comply with all of its funding obligations under this Agreement, or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, or (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Distributions" means any dividend or other distribution paid by CCPT IV to shareholders in respect of any Equity Interest in CCPT IV, excluding (a) dividends or distributions payable solely in shares of the applicable class of Equity Interests to the holders of such class and (b) any commercially reasonable advisory and management fees paid to or any commercially reasonable costs or commercially reasonable expenses incurred in connection with advisory and management services by the Advisors.

"Dividend Payout Ratio" means Distributions paid for any period less Dividend Reinvestment Proceeds received by CCPT IV, divided by the Funds From Operations of Consolidated Group.

"Dividend Reinvestment Proceeds" means all dividends or other distributions, direct or indirect, on account of any shares of any Equity Interests of CCPT IV which any holder(s) of such Equity Interests direct to be used, concurrently with the making of such dividend or distribution, for the purpose of purchasing for the account of such holder(s) additional Equity Interests in the Consolidated Group.

"Dollar" and "$" mean lawful money of the United States.

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of any political subdivision of the United States.

"EBITDA" means, with respect to the Consolidated Group for any period, consolidated net income of the Consolidated Group as determined in accordance with GAAP, as adjusted by adding or deducting for, as appropriate, any adjustment made under GAAP during such period for interest, taxes, depreciation, amortization, straight lining of rents, gains or losses from sales of assets, extraordinary items, impairment of real estate assets, other non-cash items, fees and expenses associated with the transaction contemplated by this Agreement, managements fees and expenses and real estate acquisition costs and expenses and the Consolidated Group Pro Rata Share of interest, taxes, depreciation, amortization, straight lining of rents, gains or losses from sales of assets, extraordinary items, impairment of real estate assets, other non-cash items, management fees and expenses and real estate acquisition costs and expenses for the Investment Affiliates. To the extent previously adjusted, all of the above described modifiers to such consolidated net income are as derived from CCPT IV' s books and records, which books and records are to be maintained in accordance with GAAP.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 10.06(b)(iv), (v) and (vi) (subject to such consents, if any, as may be required under Section 10.06(b)(iii)).

"Eligible Real Estate Investments" means any of the following investments held by or owed to any Loan Party, any Subsidiary thereof or any Investment Affiliate: (a) any Secured Debt, including any "Tranche B" loans thereunder or participation interests therein; provided, however, if such Secured Debt is evidenced by a promissory note, such promissory note is properly assigned and/or endorsed payable to such Loan Party, such Subsidiary or such Investment Affiliate or if the investment is a participation interest, to the Person granting such participation interest, (b) any investment securities that represent an interest in, or are secured by, one or more pools of commercial mortgage loans or synthetic mortgages, (c) any mezzanine debt, including any participation interests therein, (d) any preferred equity and (e) any REIT public common stock.

"Environmental Laws" means any and all Federal, state and local statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or (to the extent any such liability is recourse to a Loan Party) any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law with respect to any Project, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials on any Project, (c) exposure of any Project to any Hazardous Materials, (d) the release of any Hazardous Materials originating from any Project into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) the determination that any Pension Plan is considered an at-risk plan or a notification that a Multiemployer Plan is endangered or in critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; or (g) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any ERISA Affiliate.

"Eurodollar Rate" means, with respect to a Eurodollar Rate Loan for the relevant Interest Period, a per annum rate of interest equal to the Adjusted LIBO Rate for such Interest Period.

"Eurodollar Rate Loan" means a Committed Loan that bears interest based on the Eurodollar Rate.

"Event of Default" has the meaning specified in Section 8.01.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. Federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or the Commitments pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or the Commitments (other than pursuant to an assignment request by Borrower under Section 10.13) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 3.01, amounts with respect to such Taxes were payable either

to such Lender' s assignor immediately before such Lender acquired the applicable interest in a Loan or the Commitments or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient' s failure to comply with Section 3.01(f), and (d) any U.S. Federal withholding Taxes imposed under FATCA.

"Excluded Tenants" means, as of any date, any anchor tenant or non-anchor with a total square footage of greater than 15,000 square feet at one of the Projects that either (a) is subject to a voluntary or involuntary petition for relief under any Debtor Relief Laws or (b) is not operating its business in its demised premises at such Project, unless such tenant' s lease obligations are guaranteed by an entity whose then current long-term, unsecured debt obligations are rated BBB- or above by S&P and Baa3 or above by Moody' s.

"Executive Order" means Executive Order No. 13224, effective as of September 24, 2001, and relating to Blocking Property and Prohibiting Transaction With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001).

"Facility Amount" means the Aggregate Revolving Commitments, as adjusted from time to time pursuant to the terms and conditions of this Agreement.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Funds Effective Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/16 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/16 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Fee Letter" means the letter agreement, dated as of December 14, 2012 (as the same may be amended, modified, restated, supplemented, extended, renewed or replaced from time to time), among the Borrower, the Administrative Agent, JPMC and J.P. Morgan Securities LLC.

"Foreign Lender" means (a) if Borrower is a U.S. Person, a Lender, with respect to such Borrower, that is not a U.S. Person, and (b) if Borrower is not a U.S. Person, a Lender, with respect to such Borrower, that is resident or organized under the laws of a jurisdiction other than that in which Borrower is resident for tax purposes.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fronting Exposure" means, at any time there is a Defaulting Lender, (a) with respect to the L/C Issuer, such Defaulting Lender' s Applicable Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender' s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (b) with respect to the Swing Line Lender, such Defaulting Lender' s Applicable Percentage of Swing Line Loans other than Swing Line Loans as to which such Defaulting Lender' s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"Fully Satisfied" means, with respect to the Obligations as of any date, that, as of such date, (a) all principal of and interest accrued to such date which constitute Obligations shall have been irrevocably paid in full in cash, (b) all fees, expenses and other amounts then due and payable which constitute Obligations shall have been irrevocably paid in cash, (c) all outstanding Letters of Credit shall have been (i) terminated, (ii) fully irrevocably Cash Collateralized or (iii) secured by one or more letters of credit on terms and conditions, and with one or more financial institutions, reasonably satisfactory to the L/C Issuer and (d) the Commitments shall have expired or been terminated in full (in each case, other than inchoate indemnification liabilities arising under the Loan Documents).

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"Funds From Operations" shall have the meaning determined, as of the Closing Date (or, if acceptable to the Borrower and the Administrative Agent, as it may be updated from time to time), by the National Association of Real Estate Investment Trusts to be the meaning most commonly used by its members, as adjusted by (a) real estate acquisition costs and expenses for acquisitions that were consummated and impairment of real estate assets for the Consolidated Group and (b) the Consolidated Group' s Pro Rata Share of real estate acquisition costs and expenses for acquisitions that were consummated and impairment of real estate assets for the Investment Affiliates.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Granting Lender" has the meaning specified in Section 10.06(g).

"Guarantee" means, as to any Person, any (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of

such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guarantors" means, collectively, (a) CCPT IV and (b) each of the Subsidiary Guarantors.

"Guaranty" means the Guaranty made by the Guarantors in favor of the Administrative Agent and the Lenders, substantially in the form of Exhibit F.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Improved Land Value" means, as of any date, the book value of any Projects which have been developed for any type of commercial, industrial, residential or other income-generating use, regardless of whether or not such Projects are under development as of such date.

"Indebtedness" means, as to any Person, as of any date, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments;

(c) net obligations of such Person under any Swap Contract;

(d) all obligations of such Person to pay the deferred purchase price of property or services, in each case, other than trade accounts payable in the ordinary course of business and provided that such obligations are not past due for more than sixty (60) days after the date on which such trade account payable was created;

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien (other than a Lien for taxes not yet due and payable) on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) Capitalized Lease Obligations and Synthetic Lease Obligations;

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and

(h) all Guarantees of such Person in respect of any of the foregoing (excluding in any calculation of consolidated Indebtedness of the Consolidated Group, Guarantees of one member of the Consolidated Group in respect of primary obligations of any other member of the Consolidated Group).

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Capitalized Lease Obligations or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of Borrower under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" has the meaning specified in Section 10.04(b).

"Information" has the meaning specified in Section 10.07.

"Interest Payment Date" means (a) as to any Loan other than a Base Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three (3) months, the respective dates that fall every three (3) months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan (including a Swing Line Loan), the fifth (5th) day of each month.

"Interest Period" means with respect to any Eurodollar Rate Loan, the period commencing on the date of such Eurodollar Rate Loan and ending on the numerically corresponding day in the calendar month that is one, two, three or six months thereafter, as Borrower may elect; provided, that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Eurodollar Rate Loan initially shall be the date on which such Eurodollar Rate Loan is made and thereafter shall be the effective date of the most recent conversion or continuation of such Eurodollar Rate Loan.

"Investment" means any investment made in cash or by delivery of property by any Person (a) in any Person, whether by (i) acquisition of assets, shares of Equity Interests, bonds, notes, mortgage instruments (including deeds of trust, deeds to secure debt and mortgages), debentures, partnership, joint ventures or other ownership interests or other securities of any Person or (ii) any deposit with, or advance, loan or other extension of credit to, any Person (other than deposits made in connection with the purchase of equipment or other assets in the ordinary course of business) or (iii) any other capital contribution to or investment in such Person, including, without limitation, any guaranty obligations (including any support for a letter of credit issued on behalf of such Person) incurred for the benefit of such Person, or (b) in any Project. Investments which are loans, advances, extensions of credit or Guarantees shall be valued at the principal amount of such loan, advance or extension of credit outstanding as of the date of determination or, as applicable, the principal amount of the loan or advance outstanding as of the date of determination

actually guaranteed by such Guarantees. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

"Investment Affiliate" means any Person in which the Consolidated Group, directly or indirectly, has a ten percent (10%) or greater ownership interest, whose financial results are not consolidated under GAAP with the financial results of the Consolidated Group.

"IP Rights" has the meaning specified in Section 5.17.

"IRS" means the United States Internal Revenue Service.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

"Issuer Documents" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the L/C Issuer and the Borrower (or any Subsidiary) or in favor of the L/C Issuer and relating to such Letter of Credit.

"JPMC" means JPMorgan Chase Bank, N.A.

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"L/C Advance" means, with respect to each Lender, such Lender' s funding of its participation in any L/C Borrowing in accordance with its Applicable Percentage.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Committed Revolving Borrowing.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Issuer" means JPMC in its capacity as issuer of Letters of Credit hereunder, or any successor issuer of Letters of Credit hereunder.

"L/C Obligations" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Lender" has the meaning specified in the introductory paragraph hereto and, as the context requires, includes the Revolving Lenders and the Swing Line Lender.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender' s Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

"Letter of Credit" means any standby letter of credit issued hereunder.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the L/C Issuer.

"Letter of Credit Expiration Date" means the day that is thirty (30) days prior to the Maturity Date then in effect (or, if such day is not a Business Day, the next preceding Business Day).

"Letter of Credit Fee" has the meaning specified in Section 2.03(h).

"Letter of Credit Sublimit" means, as of any date of calculation, an amount equal to fifteen percent (15.0%) of the Aggregate Revolving Commitments. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

"LIBO Rate" means, with respect to any Eurodollar Rate Loan for any Interest Period, the rate appearing on Reuters Screen LIBOR 01 Page (or on any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the "LIBO Rate" with respect to such Eurodollar Rate Loan for such Interest Period shall be the rate at which dollar deposits of $5,000,000 and for a maturity comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period. Notwithstanding the above, to the extent that "LIBO Rate" or "Adjusted LIBO Rate" is used in connection with a Base Rate Loan, such rate shall be determined as modified by the definition of Base Rate.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" means an extension of credit in the form of a Revolving Loan or a Swing Line Loan.

"Loan Documents" means this Agreement, each Note, each Issuer Document, the Fee Letter, the Guaranty, the Advisor Fee Subordination Agreement and any and all documents, instruments or agreements executed and delivered to evidence, secure or in connection with all Letters of Credit, and such other documents evidencing, securing or pertaining to the Loans as shall, from time to time, be executed and/or delivered by Borrower, any Guarantor, or any other party to the Administrative Agent pursuant to this Agreement or any other Loan Document (in each case as the same may be amended, modified, restated, supplemented, extended, renewed or replaced from time to time).

"Loan Parties" means, collectively, the Borrower and each Guarantor.

"Marketable Securities" means Investments in Equity Interests or debt securities issued by any Person (other than an Investment Affiliate) which are publicly traded on a national exchange, excluding Cash Equivalents.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities or condition (financial or otherwise) of the Borrower or the Consolidated Group taken as a whole; (b) a material impairment of the ability of any Loan Party to perform its obligations under any Loan Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document to which it is a party.

"Maturity Date" means June 14, 2013.

"Measurement Period" means, as of any date, the four Quarterly Periods ending on or next preceding such date.

"Moody' s" means Moody' s Investors Service, Inc. and any successor or assignee of the business of such company in the business of rating debt.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Negative Pledge" shall mean with respect to a given asset, any provision of a document, instrument or agreement (other than any Loan Document) which prohibits or purports to prohibit the creation or assumption of any Lien on such asset as security for Indebtedness of the Person owning such asset or any other Person; provided, however, that an agreement that conditions a Person' s ability to encumber its assets upon the maintenance of one or more specified ratios that limit such Person' s ability to encumber its assets but that do not generally prohibit the encumbrance of its assets, or the encumbrance of specific assets, shall not constitute a Negative Pledge.

"Net Equity Contributions" means with respect to any Person, such Person' s total issuance of common stock as reported on such Person' s 10-K or 10-Q SEC filings.

"NOI" means, with respect to any Project for any Measurement Period (a) "property rental and other income" (as determined by GAAP) attributable to such Project accruing for such Measurement Period, plus (b) all master lease income (except master lease income relating to multiple property master leases pursuant to which any member of the Consolidated Group is the lessor), less (c) the amount of all expenses (as determined in accordance with GAAP) incurred in connection with and directly attributable to the ownership and operation of such Project for such period, including, without limitation, Management Fees and amounts accrued for the payment of real estate taxes and insurance premiums, but

excluding any general and administrative expenses related to the operation of the Borrower or the applicable Subsidiary Guarantor, any interest expense, or other debt service charges, any real estate acquisition costs and expenses (to the extent such costs and expenses are actually incurred with respect to (i) consummated acquisitions and (ii) anticipated acquisitions (provided that in the event such anticipated acquisitions are not consummated, the costs and expenses related thereto (to the extent previously added back) shall be deducted for the purposes of the calculation of NOI)), any amortization related to above-market or below-market leases and any non-cash charges such as impairment of real estate assets and depreciation or amortization of financing costs; provided, however, if such Project has been owned by the Borrower or a Subsidiary Guarantor, as applicable, for less than twelve (12) months then the NOI for such Project will be calculated as specified in clauses (a), (b), and (c) above based upon the income and expenses for the most recently ended Quarterly Period multiplied by four (4); provided further, however, if the Project has been owned by a Subsidiary Guarantor for twelve (12) months or more but has not generated property rental and other income for four (4) complete fiscal quarters, the NOI for such Project will be calculated as specified in clauses (a), (b), and (c) above but on an annualized basis, provided, that once such Project has generated property rental and other income for four (4) complete fiscal quarters, it is agreed that the NOI for such Project will be calculated as specified in clauses (a), (b) and (c) above based on the above-described four (4) consecutive fiscal quarters most recently ended. As used herein "Management Fees" means, with respect to each Project for any period, an amount equal to the actual Advisor Fee payable with respect thereto.

"Note" means a Revolving Note or a Swing Line Note.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. The foregoing shall also include any Swap Contract and any Treasury Management Agreement between any Loan Party and any Lender or Affiliate of a Lender.

"OFAC" means Office of Foreign Assets Control of the United States Department of the Treasury.

"Off-Balance Sheet Arrangement" means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with the Borrower is a party, under which the Borrower has:

(a) any obligation under a guarantee contract that has any of the characteristics identified in paragraph 3 of FASB Interpretation No. 45, Guarantor' s Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others (November 2002) ("FIN 45"), as may be modified or supplemented, and that is not excluded from the initial recognition and measurement provisions of FIN 45 pursuant to paragraphs 6 or 7 of that Interpretation;

(b) a retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to such entity for such assets;

(c) any obligation, including a contingent obligation, under a contract that would be accounted for as a derivative instrument, except that it is both indexed to the Borrower' s own

stock and classified in stockholders' equity in the Borrower' s statement of financial position, and therefore excluded from the scope of FASB Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (June 1998), pursuant to paragraph 11(a) of that Statement, as may be modified or supplemented; or

(d) any obligation, including a contingent obligation, arising out of a variable interest (as referenced in FASB Interpretation No. 46, Consolidation of Variable Interest Entities (January 2003), as may be modified or supplemented) in an unconsolidated entity that is held by, and material to, the Borrower, where such entity provides financing, liquidity, market risk or credit risk support to, or engages in leasing, hedging or research and development services with, the Borrower.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

"Outstanding Amount" means (i) with respect to Committed Revolving Loans and Swing Line Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Committed Revolving Loans and Swing Line Loans, as the case may be, occurring on such date; and (ii) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrower of Unreimbursed Amounts.

"Participant" has the meaning specified in Section 10.06(d).

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Pension Act" means the Pension Protection Act of 2006.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect

to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

"Permitted Liens" means, at any time, Liens in respect of Qualified Unencumbered Properties constituting:

(a) Liens, if any, existing pursuant to any Loan Document;

(b) Liens (other than Liens imposed under ERISA) for taxes, assessments (including private assessments and charges) or governmental charges or levies not yet delinquent or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP, or which have been insured over without qualification, condition or assumption by title insurance or otherwise in a manner acceptable to Administrative Agent in its reasonable discretion;

(c) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and suppliers and other Liens imposed by law or pursuant to customary reservations or retentions of title arising in the ordinary course of business, provided that such Liens secure only amounts not yet due and payable or, if due and payable, are unfiled and no other action has been taken to enforce the same or are being contested in good faith by appropriate proceedings for which adequate reserves determined in accordance with GAAP have been established;

(d) zoning restrictions, easements, rights-of-way, restrictions and other encumbrances affecting real property which, in the aggregate, do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(e) leases or subleases to third parties;

(f) any interest of title of a lessor (and its mortgagees) under, and Liens arising from UCC financing statements (or equivalent filings, registrations or agreements in foreign jurisdictions) relating to, leases not prohibited by this Agreement under which a Subsidiary Guarantor is a lessee;

(g) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(h);

(h) Liens existing on the Closing Date and identified on Schedule 7.01; and

(i) Liens incurred in the ordinary course of business in connection with workers compensation, unemployment insurance or other social security obligations.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (other than a Multiemployer Plan), maintained for employees of the Borrower or any ERISA Affiliate or any such Plan to which the Borrower or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 6.02.

"Preferred Dividends" means, with respect to the Consolidated Group, dividends or other distributions which are payable to holders of any Equity Interests in the Consolidated Group which entitle the holders of such Equity Interests to be paid on a preferred basis prior to dividends or other distributions to the holders of other types of Equity Interests in the Consolidated Group.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by JPMC, as its prime rate; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective. The Prime Rate is a reference rate and is not necessarily the lowest rate.

"Prohibited Person" means any Person (a) listed in the Annex to the Executive Order or identified pursuant to Section 1 of the Executive Order; (b) that is owned or controlled by, or acting for or on behalf of, any Person listed in the Annex to the Executive Order or identified pursuant to the provisions of Section 1 of the Executive Order; (c) with whom a Lender is prohibited from dealing or otherwise engaging in any transaction by any terrorism or anti-laundering law, including the Executive Order; (d) who commits, threatens, conspires to commit, or support "terrorism" as defined in the Executive Order; (e) who is named as a "Specially designated national or blocked person" on the most current list published by the OFAC at its official website, at http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf or any replacement website or other replacement official publication of such list; or (f) who is owned or controlled by a Person listed above in clause (c) or (e).

"Project" means any real estate asset directly owned by any member of the Consolidated Group, any of its Subsidiaries or any Investment Affiliate.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Public Lender" has the meaning specified in Section 6.02.

"Qualified Unencumbered Properties" means, as of any date, Projects that are: (a) one hundred percent (100%) fee owned by the Borrower or a Wholly-Owned Subsidiary that is a Subsidiary Guarantor; (b) not subject to any Liens other than Permitted Liens and the owner thereof has the power to (i) provide a Negative Pledge and (ii) agree not to guarantee or otherwise become liable for any Indebtedness; (c) located in the United States; (d) one hundred percent (100%) occupied (or if such Project is a multi-tenant Project, eighty-five percent (85%)); (e) not subject to any material environmental, title or structural problems; (f) not subject to any leases that are in default, after giving effect to any notice or cure periods set forth therein; provided that, in the case of multi-tenant Projects, the qualification in this clause (f) shall be limited to leases in default (i) on anchor tenants or (ii) that constitute ten percent (10%) or more of such Project' s net rental revenue; and (g) not a hotel or motel property. The Qualified Unencumbered Properties as of the Closing Date are listed on Schedule 5.08. Projects may be added to and/or removed from the pool of Qualified Unencumbered Properties in accordance with Sections 6.13 and 6.14.

"Quarterly Period" means the most recently-ended three (3) calendar month period for which the Borrower has provided financial information pursuant to Sections 6.01(a) or (b).

"Recipient" means (a) the Administrative Agent, (b) any Lender and (c) the L/C Issuer, as applicable.

"Recourse Debt" means any Indebtedness of any member of the Consolidated Group for which such Person has personal liability (excluding Indebtedness with respect to which the liability of the applicable obligor is limited to the obligor' s interest in specified assets securing such Indebtedness), subject to customary nonrecourse carve-outs, including, without limitation, exclusions for claims that (a) are based on fraud, intentional misrepresentation, misapplication of funds, gross negligence or willful misconduct, (b) result from intentional mismanagement of or waste at the applicable Project securing such Indebtedness, (c) arise from the presence of Hazardous Substances on the Project securing such Indebtedness; or (d) are the result of any unpaid real estate taxes and assessments, in each case, to the extent no claim of liability has been made pursuant to any such carve-outs.

"Redeemable Common Stock" means, with respect to any Person, such Person' s redeemable common stock as reported on such Person' s 10-K or 10-Q SEC filings.

"Register" has the meaning specified in Section 10.06(c).

"Related Parties" means, with respect to any Person, such Person' s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person' s Affiliates.

"Removal Date" has the meaning specified in Section 6.14.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty (30) day notice period has been waived.

"Request for Credit Extension" means (a) with respect to a Borrowing, conversion or continuation of Committed Loans, a Committed Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application, and (c) with respect to a Swing Line Loan, a Swing Line Loan Notice.

"Requested Removal Date" has the meaning specified in Section 6.14.

"Required Lenders" means, as of any date of determination, Lenders having greater than fifty percent (50%) of the Revolving Commitments then in effect or, if the Aggregate Revolving Commitments have been terminated pursuant to Section 2.06 or Section 8.02, the Total Revolving Outstandings (with the aggregate amount of each Revolving Lender' s risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed "held" by such Revolving Lender for purposes of this definition); provided that the Commitment of, and the Outstanding Amount held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"Responsible Officer" means the chief executive officer, president, chief financial officer, secretary, treasurer, assistant treasurer or controller of a Loan Party or of any general partner, member or manager thereof, as applicable, and, solely for purposes of notices given pursuant to Article II, any other officer or employee of the applicable Loan Party or of any general partner, member or manager thereof, as applicable, so designated by any of the foregoing officers in a notice to the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to the Equity Interests of the Borrower or any Subsidiary Guarantor, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to the Borrower' s stockholders, partners or members (or the equivalent Person thereof).

"Revolving Commitment" means, as to each Lender, its obligation to (a) make Committed Revolving Loans to the Borrower pursuant to Section 2.01(a), (b) purchase participations in L/C Obligations, and (c) purchase participations in Swing Line Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender' s name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

"Revolving Lender" means each Lender who has a Revolving Commitment greater than zero.

"Revolving Loan" means an extension of credit by a Revolving Lender to the Borrower under Article II in the form of a Committed Revolving Loan.

"Revolving Note" means a promissory note made by the Borrower in favor of a Lender evidencing Revolving Loans made by such Lender, substantially in the form of Exhibit C-1.

"S&P" means Standard & Poor' s Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., or any successor or assignee of the business of such division in the business of rating debt.

"Sale and Leaseback Transaction" means any arrangement pursuant to which any Loan Party, directly or indirectly, becomes liable as lessee, guarantor or other surety with respect to any lease, whether an operating lease or a capital lease, of any Qualified Unencumbered Property (a) which such Person has sold or transferred (or is to sell or transfer) to another Person which is not a Loan Party or (b) which such Person intends to use for substantially the same purpose as any other Qualified Unencumbered Property which has been sold or transferred (or is to be sold or transferred) by such Person to another Person which is not a Loan Party in connection with such lease.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Debt" means Indebtedness secured by mortgages (or other real estate security instruments) or by mortgage-backed receivables or notes or other instruments supported by direct real estate security.

"SPC" has the meaning specified in Section 10.06(g).

"Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBO Rate for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the

Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurodollar Rate Loans shall be deemed to constitute eurocurrency fundings and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a, direct or indirect, Subsidiary or Subsidiaries of CCPT IV.

"Subsidiary Guarantors" means each Subsidiary that owns all or any portion of a Qualified Unencumbered Property; provided, however, upon release of such Project from the pool of Qualified Unencumbered Properties, such Subsidiary shall, to the extent provided herein and in the Guaranty, cease to be a Subsidiary Guarantor.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"Swing Line Borrowing" means a borrowing of a Swing Line Loan pursuant to Section 2.04.

"Swing Line Lender" means JMPC in its capacity as provider of Swing Line Loans, or any successor swing line lender hereunder.

"Swing Line Loan" has the meaning specified in Section 2.04(a).

"Swing Line Loan Notice" means a notice of a Swing Line Borrowing pursuant to Section 2.04(b), which, if in writing, shall be substantially in the form of Exhibit B.

"Swing Line Note" means a promissory note made by the Borrower in favor of the Swing Line Lender evidencing Swing Line Loans made by the Swing Line Lender, substantially in the form of Exhibit C-3.

"Swing Line Sublimit" means an amount equal to the lesser of (a) FIFTEEN MILLION AND NO/100 DOLLARS ($15,000,000.00) and (b) the Aggregate Revolving Commitments. The Swing Line Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

"Syndication Agent" means JPMorgan Chase Bank, N.A. in its capacity as syndication agent under any of the Loan Documents, or any successor syndication agent.

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Threshold Amount" means Ten Million and No/100 Dollars ($10,000,000.00).

"Total Asset Value" or "TAV" means, as of any date, the sum of (without duplication), (a) Consolidated Net Operating Income during the Measurement Period most recently ended attributable to Projects owned by a member of the Consolidated Group for twelve (12) months or more divided by the Capitalization Rate, plus (b) 100% of the greater of (i) the price paid for and (ii) the GAAP-determined value of any such Projects owned by any member of the Consolidated Group for less than twelve (12) months or that were Construction in Progress during the prior twelve (12) months, plus (c) cash, cash equivalents and Marketable Securities owned by the Consolidated Group as of the end of the most recent fiscal quarter, plus (d) the Consolidated Group' s Pro Rata Share of (i) Consolidated Net Operating Income during such Measurement Period attributable to Projects owned by Investment Affiliates for twelve (12) months or more divided by (ii) the Capitalization Rate (provided, that the value of such assets shall, at all times, be subject to the terms of Section 7.02(f) hereof), plus (e) the Consolidated Group Pro Rata Share of the greater of (i) the price paid for and (ii) the GAAP-determined value of such Projects owned by an Investment Affiliate for less than twelve (12) months or that were Construction in Progress during the prior twelve (12) months, plus (f) the sum of (i) Improved Land owned by the Consolidated Group and (ii) the Consolidated Group Pro Rata Share of Improved Land owned by Investment Affiliates (provided, that the book value of Improved Land shall, at all times, be subject to the terms of Section 7.02(f) hereof), plus (g) the sum of (i) the GAAP-determined value of Eligible Real Estate Investments owned or held by the Consolidated Group and (ii) the Consolidated Group Pro Rata Share of the GAAP-determined value of Eligible Real Estate Investments owned or held by Investment Affiliates (provided, that the aggregate value of Eligible Real Estate Investments held shall, at all times, be subject to the terms of Section 7.02(f) hereof), plus (h) the sum of (i) the GAAP-determined value of undeveloped land owned by the Consolidated Group and (ii) the Consolidated Group Pro Rata Share of the GAAP-determined value of undeveloped land owned by Investment Affiliates (provided that the value of such undeveloped land shall, at all times, be subject to the terms of Section 7.02(f) hereof).

"Total Outstandings" means the aggregate Outstanding Amount of all Revolving Loans, Swing Line Loans and all L/C Obligations.

"Total Revolving Outstandings" means the aggregate Outstanding Amount of all Revolving Loans, Swing Line Loans and all L/C Obligations.

"Total Stockholders Equity" means, with respect to a Person, such Person' s total stockholders equity (or equivalent) as reported on such Person' s 10-K or 10-Q SEC filings.

"Treasury Management Agreements" means any and all agreements governing the provision of treasury or cash management services, including, without limitation, deposit accounts, overdraft, credit or debit cards, purchase cards, corporate cards, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

"Type" means, with respect to a Committed Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

"Unencumbered Asset Value" means, as of any date of calculation, the actual purchase price paid by the Subsidiary Guarantors to acquire the Qualified Unencumbered Properties (excluding any costs and expenses incurred in connection therewith that were added to the purchase price, all as reasonably calculated and suggested by Borrower and approved by the Administrative Agent in its reasonable discretion.

"Unencumbered Mortgageability Amount" means the maximum amount that provides debt service coverage equal to 1.45x where the debt service coverage calculation is based on the Adjusted Unencumbered NOI attributable to all Qualified Unencumbered Properties on an aggregate basis for the most recently ended Measurement Period, as underwritten by the Administrative Agent assuming debt service based on a thirty (30) year, mortgage-style principal amortization at an annual interest rate equal to the greater of (i) the ten (10) year Treasury Bill yield as of the end of such Measurement Period plus two hundred fifty (250) basis points and (ii) seven percent (7.0%).

"Unencumbered NOI" means, for any Measurement Period, NOI for such Measurement Period from Qualified Unencumbered Properties; provided, that to the extent a Qualified Unencumbered Property is acquired during any such Measurement Period, the calculation of Unencumbered NOI for such Measurement Period shall include such Qualified Unencumbered Property' s as-leased pro forma NOI for an entire Measurement Period, as reasonably calculated and suggested by the Borrower and approved by the Administrative Agent in its reasonable discretion.

"Unimproved Land Value" means, as of any date, the book value of any Projects which have not been developed for any type of commercial, industrial, residential or other income-generating use and is not, as of such date, under development.

"United States" and "U.S." mean the United States of America.

"Unreimbursed Amount" has the meaning specified in Section 2.03(c)(i).

"Unsecured Debt" means Indebtedness of the Consolidated Group that is not Secured Debt, including the Obligations.

"Unsecured Debt Service" means, for any date of calculation and for the Measurement Period ending on or next preceding such date, actual interest and principal paid on Unsecured Debt during such Measurement Period.

"Wholly-Owned Subsidiary" means (i) any Subsidiary all of the outstanding voting securities of which shall at the time be owned or controlled, directly or indirectly, by Borrower and/or CCPT IV or one or more Wholly-Owned Subsidiaries of Borrower and/or CCPT IV, or by Borrower and/or CCPT IV and one or more Wholly-Owned Subsidiaries of Borrower and/or CCPT IV, or (ii) any partnership, limited liability company, association, joint venture or similar business organization one hundred percent (100%) of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled by Borrower and/or CCPT IV.

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person' s successors and assigns, (iii) the words "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (vii) definitions given in singular form shall, when used in their plural form, mean a collective reference to each such person, place or thing and definitions given in plural form shall, when used in their singular form, mean an (or the applicable) individual person place or thing among the group of persons, places or things defined.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms. (a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner

consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, (i) without giving effect to any election under Accounting Standards Codification 825 (or any other Financial Accounting Standard or Accounting Standards Codification having a similar result or effect) to value any Indebtedness or other liabilities of the Consolidated Group or any Investment Affiliate at "fair value," as defined therein and (ii) any change to lease accounting rules from those in effect pursuant to FASB ASC 840 and other related lease accounting guidance as in effect on the Closing Date.

(a) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(b) Consolidation of Variable Interest Entities. All references herein to consolidated financial statements of the Borrower and its Subsidiaries or to the determination of any amount for the Borrower and its Subsidiaries on a consolidated basis or any similar reference shall, in each case, be deemed to include each variable interest entity that the Borrower is required to consolidate pursuant to FASB Interpretation No. 46‑ Consolidation of Variable Interest Entities: an interpretation of ARB No. 51 (January 2003) as if such variable interest entity were a Subsidiary as defined herein.

1.04 Rounding. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Phoenix, Arizona time).

1.06 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE II.
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Commitments.

(a) Committed Revolving Loans. Subject to the terms and conditions set forth herein, each Revolving Lender severally agrees to make revolving loans (each such loan, a "Committed Revolving Loan") to the Borrower in Dollars from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Revolving Lender' s Revolving Commitment; provided, however, that after giving effect to any Committed Revolving Borrowing, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments and the Total Outstandings shall not exceed the lesser of (A) the Facility Amount and (B) the Borrowing Base then in effect, and (ii) the aggregate Outstanding Amount of the Revolving Committed Loans of any Revolving Lender, plus such Revolving Lender' s Applicable Percentage of the Outstanding Amount of all L/C Obligations, plus such Revolving Lender' s Applicable Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Lender' s Revolving Commitment. Within the limits of each Revolving Lender' s Revolving Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.01(a), prepay under Section 2.05, and reborrow under this Section 2.01(a). Committed Revolving Loans may be Base Rate Loans or Eurodollar Rate Loans, as further provided herein; provided, however, all Borrowings made on the Closing Date shall be made as Base Rate Loans.

(b) [Intentionally Deleted].

(c) [Intentionally Deleted].

2.02 Borrowings, Conversions and Continuations of Committed Loans.

(a) Each Committed Borrowing, each conversion of Committed Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower' s irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three (3) Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurodollar Rate Loans or of any conversion of Eurodollar Rate Loans to Base Rate Committed Loans, and (ii) one (1) Business Day prior to the requested date of any Borrowing of Base Rate Committed Loans. Each telephonic notice by the Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Committed Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each Borrowing of, conversion to or continuation of any Loan shall be in a minimum principal amount of Five Hundred Thousand and No/100 Dollars ($500,000.00). Except as provided in Sections 2.03(c) and 2.04(c), each Borrowing of or conversion to Base Rate Committed Loans shall be in a minimum principal amount of Five Hundred Thousand and No/100 Dollars ($500,000.00). Each Committed Loan Notice (whether telephonic or written) shall specify (i) whether the Borrower is requesting a Committed Borrowing, a conversion of Committed Loans from one Type to the other, or a continuation of Eurodollar Rate Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Committed Loans to be borrowed, converted or continued, (iv) the Type of Committed Loans to be borrowed or to which existing Committed Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify a Type of Committed Loan in a Committed Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Committed Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect

with respect to the applicable Eurodollar Rate Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any such Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one (1) month.

(b) Following receipt of a Committed Loan Notice, the Administrative Agent shall promptly notify each applicable Lender of the amount of its Applicable Percentage of the applicable Committed Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each such Lender of the details of any automatic conversion to Base Rate Loans described in the preceding subsection. In the case of a Committed Borrowing, each applicable Lender shall make the amount of its Committed Loan available to the Administrative Agent in immediately available funds at the Administrative Agent' s Office not later than 1:00 p.m. on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of JPMC with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower; provided, however, that if, on the date the Committed Loan Notice with respect to such Borrowing is given by the Borrower, there are L/C Borrowings outstanding, then the proceeds of such Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings, and second, shall be made available to the Borrower as provided above.

(c) Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in the Prime Rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Committed Borrowings, all conversions of Committed Loans from one Type to the other, and all continuations of Committed Loans as the same Type, there shall not be more than ten (10) Interest Periods in effect with respect to Eurodollar Rate Loans.

2.03 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) the L/C Issuer agrees, in reliance upon the agreements of the Revolving Lenders set forth in this Section 2.03, (1) from time to time on any Business Day during the period from the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit for the account of the any member of the Consolidated Group, and to amend or extend Letters of Credit previously issued by it, in accordance with subsection (b) below, and (2) to honor drawings under the Letters of Credit; and (B) the Revolving Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (x) the Total

Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (y) without duplication, the aggregate Outstanding Amount of the Committed Revolving Loans of any Revolving Lender, plus such Revolving Lender's Applicable Percentage of the Outstanding Amount of all L/C Obligations, plus such Revolving Lender's Applicable Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Lender's Revolving Commitment, and (z) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit. Each request by the Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(ii) The L/C Issuer shall not issue any Letter of Credit, if:

(A) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur later than the Maturity Date, unless the Required Lenders have approved such expiry date; or

(B) the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all the Revolving Lenders have approved such expiry date.

(iii) The L/C Issuer shall not be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the L/C Issuer from issuing such Letter of Credit, or any Law applicable to the L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the L/C Issuer shall prohibit, or request that the L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the L/C Issuer reasonably deems material to it;

(B) the Letter of Credit is a commercial letter of credit or the issuance of such Letter of Credit would violate one or more policies of the L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and the L/C Issuer, such Letter of Credit is in an initial stated amount less than Five Hundred Thousand and No/100 Dollars ($500,000.00);

(D) such Letter of Credit is to be denominated in a currency other than Dollars;

(E) any Revolving Lender is at that time a Defaulting Lender, unless the L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to the L/C Issuer (in its sole discretion) with the Borrower or such Revolving Lender to eliminate the L/C Issuer' s actual or potential Fronting Exposure (after giving effect to Section 2.16(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which the L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion; or

(F) the Letter of Credit contains any provisions for automatic restatement of the stated amount after any drawing thereunder.

(iv) The L/C Issuer shall not amend any Letter of Credit if the L/C Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(v) The L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) the L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(vi) The L/C Issuer shall act on behalf of the Revolving Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included the L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Borrower delivered to the L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Borrower. Such Letter of Credit Application must be received by the L/C Issuer and the Administrative Agent not later than 11:00 a.m. at least two (2) Business Days (or such later date and time as the Administrative Agent and the L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment;

and (D) such other matters as the L/C Issuer may require. Additionally, the Borrower shall furnish to the L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the L/C Issuer or the Administrative Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, the L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Borrower and, if not, the L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the L/C Issuer has received written notice from any Revolving Lender, the Administrative Agent or any Loan Party, at least one (1) Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, the L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Borrower (or the applicable Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the L/C Issuer' s usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Revolving Lender' s Applicable Percentage times the amount of such Letter of Credit.

(iii) If the Borrower so requests in any applicable Letter of Credit Application, the L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit the L/C Issuer to prevent any such extension at least once in each twelve (12) month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve (12) month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the L/C Issuer, the Borrower shall not be required to make a specific request to the L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Revolving Lenders shall be deemed to have authorized (but may not require) the L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that the L/C Issuer shall not permit any such extension if (A) the L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clauses (ii) or (iii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Revolving Lender or the Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each such case directing the L/C Issuer not to permit such extension.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the L/C Issuer will also deliver to the Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the L/C Issuer shall notify the Borrower and the Administrative Agent thereof. Not later than 11:00 a.m. on the date of any payment by the L/C Issuer under a Letter of Credit (each such date, an "Honor Date"), the Borrower shall reimburse the L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing. If the Borrower fails to so reimburse the L/C Issuer by such time, the Administrative Agent shall promptly notify each Revolving Lender of the Honor Date, the amount of the unreimbursed drawing (the "Unreimbursed Amount"), and the amount of such Revolving Lender' s Applicable Percentage thereof. In such event, the Borrower shall be deemed to have requested a Committed Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the Aggregate Revolving Commitments and the conditions set forth in Section 4.02 (other than the delivery of a Committed Loan Notice). Any notice given by the L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Revolving Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available (and the Administrative Agent may apply Cash Collateral for this purpose) to the Administrative Agent for the account of the L/C Issuer at the Administrative Agent' s Office in an amount equal to its Applicable Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Revolving Lender that so makes funds available shall be deemed to have made a Base Rate Committed Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Committed Borrowing of Base Rate Loans because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, the Borrower shall be deemed to have incurred from the L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Revolving Lender' s payment to the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Revolving Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until each Revolving Lender funds its Committed Revolving Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Revolving Lender' s Applicable Percentage of such amount shall be solely for the account of the L/C Issuer.

(v) Each Revolving Lender' s obligation to make Committed Revolving Loans or L/C Advances to reimburse the L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Revolving Lender may have against the L/C Issuer, the Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Revolving Lender' s obligation to make Committed Loans pursuant to this

Section 2.03(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the Borrower of a Committed Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Borrower to reimburse the L/C Issuer for the amount of any payment made by the L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Revolving Lender fails to make available to the Administrative Agent for the account of the L/C Issuer any amount required to be paid by such Revolving Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), the L/C Issuer shall be entitled to recover from such Revolving Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the L/C Issuer at a rate per annum equal to the greater of the Federal Funds Effective Rate and a rate determined by the L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the L/C Issuer in connection with the foregoing. If such Revolving Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Revolving Lender' s Committed Revolving Loan included in the relevant Committed Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of the L/C Issuer submitted to any Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after the L/C Issuer has made a payment under any Letter of Credit and has received from any Revolving Lender such Revolving Lender' s L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of the L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Revolving Lender its Applicable Percentage thereof in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(ii) is required to be returned under any of the circumstances described in Section 10.05 (including pursuant to any settlement entered into by the L/C Issuer in its discretion), each Revolving Lender shall pay to the Administrative Agent for the account of the L/C Issuer its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Revolving Lender, at a rate per annum equal to the Federal Funds Effective Rate from time to time in effect. The obligations of the Revolving Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of the Borrower to reimburse the L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrower or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by the L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(v) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower or any Subsidiary.

The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower' s instructions or other irregularity, the Borrower will promptly notify the L/C Issuer. The Borrower shall be conclusively deemed to have waived any such claim against the L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Revolving Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, the L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable to any Revolving Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Revolving Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Borrower' s pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (v) of Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against the L/C Issuer, and the L/C Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by the L/C

Issuer' s willful misconduct or gross negligence or the L/C Issuer' s willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

(g) Applicability of ISP. Unless otherwise expressly agreed by the L/C Issuer and the Borrower when a Letter of Credit is issued, the rules of the ISP shall apply to each Letter of Credit.

(h) Letter of Credit Fees. The Borrower shall pay to the Administrative Agent for the account of each Revolving Lender in accordance with its Applicable Percentage a Letter of Credit fee (the "Letter of Credit Fee") for each Letter of Credit equal to the Applicable Rate times the daily amount available to be drawn under such Letter of Credit; provided, however, any Letter of Credit Fees otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided Cash Collateral satisfactory to the L/C Issuer pursuant to this Section 2.03 shall be payable, to the maximum extent permitted by applicable Law, to the other Lenders in accordance with the upward adjustments in their respective Applicable Percentages allocable to such Letter of Credit pursuant to Section 2.16(a)(iv), with the balance of such fee, if any, payable to the L/C Issuer for its own account. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be (i) due and payable on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Lenders, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(i) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The Borrower shall pay directly to the L/C Issuer for its own account a fronting fee with respect to each Letter of Credit, at the rate per annum specified in the Fee Letter, computed on the daily amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable on the tenth Business Day after the end of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, the Borrower shall pay directly to the L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Guarantor,

the Borrower shall be obligated to reimburse the L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Guarantors inures to the benefit of the Borrower, and that the Borrower' s business derives substantial benefits from the businesses of such Guarantors.

2.04 Swing Line Loans.

(a) The Swing Line. Subject to the terms and conditions set forth herein, the Swing Line Lender agrees, in reliance upon the agreements of the other Revolving Lenders set forth in this Section 2.04, to make loans (each such loan, a "Swing Line Loan") to the Borrower from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of the Swing Line Sublimit, notwithstanding the fact that such Swing Line Loans, when aggregated with the Applicable Percentage of the Outstanding Amount of the Committed Revolving Loans and L/C Obligations of the Lender acting as Swing Line Lender, may exceed the amount of such Revolving Lender' s Revolving Commitment; provided, however, that after giving effect to any Swing Line Loan, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, and (ii) the aggregate Outstanding Amount of the Committed Revolving Loans of any Revolving Lender, plus such Revolving Lender' s Applicable Percentage of the Outstanding Amount of all L/C Obligations, plus such Revolving Lender' s Applicable Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Lender' s Revolving Commitment, and provided, further, that the Borrower shall not use the proceeds of any Swing Line Loan to refinance any outstanding Swing Line Loan. Within the foregoing limits, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.04, prepay under Section 2.05, and reborrow under this Section 2.04. Each Swing Line Loan shall be a Base Rate Loan. Immediately upon the making of a Swing Line Loan, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swing Line Lender a risk participation in such Swing Line Loan in an amount equal to the product of such Revolving Lender' s Applicable Percentage times the amount of such Swing Line Loan.

(b) Borrowing Procedures. Each Swing Line Borrowing shall be made upon the Borrower' s irrevocable notice to the Swing Line Lender and the Administrative Agent, which may be given by telephone. Each such notice must be received by the Swing Line Lender and the Administrative Agent not later than 1:00 p.m. on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum of One Hundred Thousand and No/100 Dollars ($100,000.00), and (ii) the requested borrowing date, which shall be a Business Day. Each such telephonic notice must be confirmed promptly by delivery to the Swing Line Lender and the Administrative Agent of a written Swing Line Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Promptly after receipt by the Swing Line Lender of any telephonic Swing Line Loan Notice, the Swing Line Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swing Line Loan Notice and, if not, the Swing Line Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Swing Line Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Revolving Lender) prior to 2:00 p.m. on the date of the proposed Swing Line Borrowing (A) directing the Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the first proviso to the first sentence of Section 2.04(a), or (B) that one or more of the applicable conditions specified in Article IV is not then satisfied, then, subject to the terms and conditions hereof, the Swing Line Lender will, not later than 3:00 p.m. on the borrowing date specified in such Swing Line Loan Notice, make the amount of its Swing Line Loan available to the Borrower.

(c) Refinancing of Swing Line Loans.

(i) The Swing Line Lender at any time in its sole and absolute discretion may request, on behalf of the Borrower (which hereby irrevocably authorizes the Swing Line Lender to so request on its behalf), that each Revolving Lender make a Base Rate Committed Loan in an amount equal to such Revolving Lender' s Applicable Percentage of the amount of Swing Line Loans then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Committed Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Base Rate Loans, but subject to the unutilized portion of the Aggregate Revolving Commitments and the conditions set forth in Section 4.02. The Swing Line Lender shall furnish the Borrower with a copy of the applicable Committed Loan Notice promptly after delivering such notice to the Administrative Agent. Each Revolving Lender shall make an amount equal to its Applicable Percentage of the amount specified in such Committed Loan Notice available to the Administrative Agent in immediately available funds for the account of the Swing Line Lender at the Administrative Agent' s Office not later than 1:00 p.m. on the day specified in such Committed Loan Notice, whereupon, subject to Section 2.04(c)(ii), each Revolving Lender that so makes funds available shall be deemed to have made a Base Rate Committed Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the Swing Line Lender.

(ii) If for any reason any Swing Line Loan cannot be refinanced by such a Committed Borrowing in accordance with Section 2.04(c)(i), the request for Base Rate Committed Loans submitted by the Swing Line Lender as set forth herein shall be deemed to be a request by the Swing Line Lender that each of the Revolving Lenders fund its risk participation in the relevant Swing Line Loan and each Revolving Lender' s payment to the Administrative Agent for the account of the Swing Line Lender pursuant to Section 2.04(c)(i) shall be deemed payment in respect of such participation.

(iii) If any Revolving Lender fails to make available to the Administrative Agent for the account of the Swing Line Lender any amount required to be paid by such Revolving Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(i), the Swing Line Lender shall be entitled to recover from such Revolving Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swing Line Lender at a rate per annum equal to the greater of the Federal Funds Effective Rate and a rate determined by the Swing Line Lender in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Swing Line Lender in connection with the foregoing. If such Revolving Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Revolving Lender' s Committed Revolving Loan included in the relevant Committed Borrowing or funded participation in the relevant Swing Line Loan, as the case may be. A certificate of the Swing Line Lender submitted to any Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Revolving Lender' s obligation to make Committed Revolving Loans or to purchase and fund risk participations in Swing Line Loans pursuant to this Section 2.04(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Revolving Lender may have against the Swing Line Lender, the Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each

Revolving Lender' s obligation to make Committed Revolving Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 4.02. No such funding of risk participations shall relieve or otherwise impair the obligation of the Borrower to repay Swing Line Loans, together with interest as provided herein.

(d) Repayment of Participations.

(i) At any time after any Revolving Lender has purchased and funded a risk participation in a Swing Line Loan, if the Swing Line Lender receives any payment on account of such Swing Line Loan, the Swing Line Lender will distribute to such Revolving Lender its Applicable Percentage thereof in the same funds as those received by the Swing Line Lender.

(ii) If any payment received by the Swing Line Lender in respect of principal or interest on any Swing Line Loan is required to be returned by the Swing Line Lender under any of the circumstances described in Section 10.05 (including pursuant to any settlement entered into by the Swing Line Lender in its discretion), each Revolving Lender shall pay to the Swing Line Lender its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the Federal Funds Effective Rate. The Administrative Agent will make such demand upon the request of the Swing Line Lender. The obligations of the Revolving Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Interest for Account of Swing Line Lender. The Swing Line Lender shall be responsible for invoicing the Borrower for interest on the Swing Line Loans. Until each Revolving Lender funds its Base Rate Committed Loan or risk participation pursuant to this Section 2.04 to refinance such Revolving Lender' s Applicable Percentage of any Swing Line Loan, interest in respect of such Applicable Percentage shall be solely for the account of the Swing Line Lender.

(f) Payments Directly to Swing Line Lender. The Borrower shall make all payments of principal and interest in respect of the Swing Line Loans directly to the Swing Line Lender.

(g) Maturity of and Limit on Swing Line Loans. Notwithstanding anything contained herein to the contrary, Swing Line Loans may not, during the term hereof, be outstanding for more than ten (10) days in any calendar month.

2.05 Prepayments.

(a) The Borrower may, upon notice to the Administrative Agent, at any time or from time to time voluntarily prepay Committed Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the Administrative Agent not later than 11:00 a.m. (A) three (3) Business Days prior to any date of prepayment of Eurodollar Rate Loans and (B) on the date of prepayment of Base Rate Committed Loans; (ii) any prepayment of Eurodollar Rate Loans shall be in a principal amount of Five Million and No/100 Dollars ($5,000,000.00) or a whole multiple of One Million and No/100 Dollars ($1,000,000.00) in excess thereof; and (iii) any prepayment of Base Rate Committed Loans shall be in a principal amount of Five Hundred Thousand and No/100 Dollars ($500,000.00 or a whole multiple of One Hundred Thousand and No/100 Dollars ($100,000.00) in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Committed Loans to be prepaid and, if Eurodollar Rate Loans are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender' s

Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Each such prepayment shall be applied to the Committed Loans of the Lenders in accordance with their respective Applicable Percentages.

(b) The Borrower may, upon notice to the Swing Line Lender (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swing Line Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the Swing Line Lender and the Administrative Agent not later than 1:00 p.m. on the date of the prepayment, and (ii) any such prepayment shall be in a minimum principal amount of One Hundred Thousand and No/100 Dollars ($100,000.00). Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(c) If for any reason the Total Outstandings at any time exceed the Borrowing Base then in effect, the Borrower shall immediately prepay Loans and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided, however, that the Borrower shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.05(c) unless after the prepayment in full of the Loans the Total Outstandings exceed the Borrowing Base then in effect**.**

2.06 Termination or Reduction of Commitments. The Borrower may, upon notice to the Administrative Agent, terminate the Aggregate Revolving Commitments, or from time to time permanently reduce the Aggregate Revolving Commitments; provided that (i) any such notice shall be received by the Administrative Agent not later than 11:00 a.m. five (5) Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of Five Million and No/100 Dollars ($5,000,000.00) or any whole multiple of One Million and No/100 Dollars ($1,000,000.00) in excess thereof, (iii) the Borrower shall not terminate or reduce the Aggregate Revolving Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Aggregate Revolving Commitments, and (iv) if, after giving effect to any reduction of the Aggregate Revolving Commitments, the Letter of Credit Sublimit or the Swing Line Sublimit exceeds the amount of the Aggregate Revolving Commitments, such Sublimit shall be automatically reduced by the amount of such excess. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Aggregate Revolving Commitments. Any reduction of the Aggregate Revolving Commitments shall be applied to the Revolving Commitment of each Revolving Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the Aggregate Revolving Commitments shall be paid on the effective date of such termination.

2.07 Repayment of Loans.

(a) The Borrower shall repay to the Lenders on the Maturity Date the aggregate principal amount of Committed Loans and all other Obligations outstanding on such date.

(b) The Borrower shall repay each Swing Line Loan on the earlier to occur of (i) the date five (5) Business Days after such Loan is made, (ii) the Maturity Date and (iii) the date on which any such Swing Line Loan is required to be repaid in order for the Borrower to remain in compliance with the provisions of Section 2.04(g) hereof.

2.08 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurodollar Rate for such Interest Period plus the Applicable Rate; (ii) each Base Rate Committed Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate; and (iii) each Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by the Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists, the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees. In addition to certain fees described in subsections (h) and (i) of Section 2.03:

(a) Unused Fees. For each day during the term hereof, the Borrower shall pay a fee to the Administrative Agent for the pro rata benefit of the Lenders in an amount equal to the Daily Unused Fee for such day (all such fees incurred during any given calendar month constituting the "Unused Fees" for such month). The Unused Fees shall be payable monthly in arrears on the first Business Day of each calendar month and as of the Maturity Date.

(b) [Intentionally Deleted.]

(c) Other Fees.

(i) The Borrower shall pay to the Arranger and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(ii) The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees.

(a) All computations of interest for Base Rate Loans shall be made on the basis of a year of three hundred sixty-five (365) or three hundred sixty-six (366) days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a three hundred sixty (360) day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a three hundred sixty-five (365) day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one (1) day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) [Intentionally deleted.]

2.11 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note or Notes, which shall evidence such Lender' s Loans (Revolving Loans or Swing Line Loans) in addition to such accounts or records. Each Lender may attach schedules to its Note(s) and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swing Line Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally; Administrative Agent' s Clawback.

(a) General. All payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent' s Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or

other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender' s Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b)(i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Committed Borrowing of Eurodollar Rate Loans (or, in the case of any Committed Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Committed Borrowing) that such Lender will not make available to the Administrative Agent such Lender' s share of such Committed Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Committed Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Committed Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Committed Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender' s Committed Loan included in such Committed Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the L/C Issuer hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the L/C Issuer, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the L/C Issuer, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Committed Loans, to fund participations in Letters of Credit and Swing Line Loans and to make payments pursuant to Section 10.04(c) are several and not joint. The failure of any Lender to make any Committed Loan, to fund any such participation or to make any payment under Section 10.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Committed Loan, to purchase its participation or to make its payment under Section 10.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Committed Loans made by it, or the participations in L/C Obligations or in Swing Line Loans held by it resulting in such Lender' s receiving payment of a proportion of the aggregate amount of such Committed Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Committed Loans and subparticipations in L/C Obligations and Swing Line Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Committed Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.15 or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Committed Loans or subparticipations in L/C Obligations or Swing Line Loans to any assignee or participant, other than to the Borrower or any Subsidiary thereof (as to which the provisions of this Section shall apply).

The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

2.14 [Intentionally Deleted.]

2.15 Cash Collateral.

(a) Certain Credit Support Events. Upon the request of the Administrative Agent or the L/C Issuer (i) if the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the Borrower shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations. At any time that there shall exist a Defaulting Lender, immediately upon the request of the Administrative Agent, the L/C Issuer or the Swing Line Lender, the Borrower shall deliver to the Administrative Agent Cash Collateral in an amount sufficient to cover all Fronting Exposure (after giving effect to Section 2.16(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at JPMC. The Borrower, and to the extent provided by any Lender, such Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuer and the Lenders (including the Swing Line Lender), and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.15(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent as herein provided, or that the total amount of such Cash Collateral is less than the applicable Fronting Exposure and other obligations secured thereby, the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (unless provided by the applicable Defaulting Lender).

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.15 or Sections 2.03, 2.04, 2.16 or 8.02 in respect of Letters of Credit or Swing Line Loans shall be held and applied to the satisfaction of the specific L/C Obligations, Swing Line Loans and the Lenders' obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation).

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure L/C Obligations or Swing Line Loans shall be released promptly following (i) the elimination of the applicable Fronting Exposure or such other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 10.06(b)(vii))) or (ii) the Administrative Agent' s good faith determination that there exists excess Cash Collateral; provided, however, (x) that Cash Collateral furnished by or on behalf of a Loan Party shall not be released during the continuance of an Event of Default (and following application as provided in this Section 2.15 may be otherwise applied in accordance with Section 8.03 to the extent that Administrative Agent exercises remedies set forth in Section 8.02(b)), and (y) the Person providing Cash Collateral and the L/C Issuer or Swing Line Lender, as applicable, may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.16 **Defaulting Lenders**.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. That Defaulting Lender' s right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 10.01.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise, and including any amounts made available to the Administrative Agent by that Defaulting Lender pursuant to Section 10.08), shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to the L/C Issuer or Swing Line Lender hereunder; *third*, if so determined by the Administrative Agent or requested by the L/C Issuer or Swing Line Lender, to be held as Cash Collateral for future funding obligations of that Defaulting Lender of any participation in any Letter of Credit; *fourth*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; *sixth*, to the payment of any amounts owing to the Lenders, the L/C Issuer or the Swing Line Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the L/C Issuer or Swing Line Lender against that Defaulting Lender as a result of that Defaulting Lender' s breach of its obligations under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender' s breach of its obligations under this Agreement; and *eighth*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Loans or L/C Borrowings were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Borrowings owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Borrowings owed to, that Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.16(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. That Defaulting Lender (x) shall not be entitled to receive any Unused Fee pursuant to Section 2.09 for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender for any period during which that Lender is a Defaulting Lender) and (y) shall be limited in its right to receive Letter of Credit Fees as provided in Section 2.03(h).

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. During any period in which there is a Defaulting Lender, for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit or Swing Line Loans pursuant to Sections 2.03 or 2.04, as applicable, the "Applicable Percentage" of each non-Defaulting Lender shall be computed without giving effect to the Commitment of that Defaulting Lender; provided, that, (i) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Default or Event of Default exists; and (ii) the aggregate obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit and Swing Line Loans shall not exceed the positive difference, if any, of (1) the Revolving Commitment of that non-Defaulting Lender minus (2) the aggregate Outstanding Amount of the Revolving Loans of that Revolving Lender.

(b) Defaulting Lender Cure. If the Borrower, the Administrative Agent, the Swing Line Lender and the L/C Issuer agree in writing in their respective sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender (or if a Defaulting Lender takes such action so that it can no longer be characterized as a Defaulting Lender), the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.16(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender' s having been a Defaulting Lender.

2.17 **[Intentionally Deleted.]**

ARTICLE III.
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by Borrower. Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(c) Evidence of Payments. As soon as practicable after any payment of Taxes by Borrower to a Governmental Authority pursuant to this Section 3.01, Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Indemnification by Borrower. Borrower shall indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders.

(i) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (A) any Indemnified Taxes attributable to such Lender (but only to the extent that Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of Borrower to do so), (B) any Taxes attributable to such Lender' s failure to comply with the provisions of Section 10.06 relating to the maintenance of a Register and (C) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(ii) Without limiting the provisions of clause (i) above, each Lender and L/C Issuer shall, and does hereby, indemnify Borrower and Administrative Agent, and shall make payment in respect thereof within 10 days after demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for Borrower or Administrative Agent) incurred by or asserted against Borrower or Administrative Agent by any Governmental Authority as a result of the failure by such Lender or Issuing Lender, as the case may be, to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by such Lender or L/C Issuer, as the case may be, to Borrower or Administrative Agent pursuant to subsection (f) of this Section. Each Lender and L/C Issuer hereby authorizes Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to Administrative Agent or Borrower under this clause (ii). The agreements in this clause (ii) shall

survive the resignation and/or replacement of Administrative Agent, any assignment of rights by, or the replacement of, a Lender or L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

(f) Status of Lenders. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to Borrower and the Administrative Agent, at the time or times reasonably requested by Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by Borrower or the Administrative Agent as will enable Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.01(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender' s reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. Federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Foreign

Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. Federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower or the Administrative Agent as may be necessary for Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender' s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its reasonable discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 3.01 (including by the payment of additional amounts pursuant to this Section 3.01), it shall pay to the indemnifying party an amount equal to such refund (but only to the

extent of indemnity payments (including any such additional amounts) made under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses (including Indemnified Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Survival; Defined Terms. Each party' s obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document. For purposes of this Section 3.01, the term "applicable law" includes FATCA.

3.02 Illegality. If any Lender reasonably determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Eurodollar Rate, or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue Eurodollar Rate Loans or to convert Base Rate Loans to Eurodollar Rate Loans shall be suspended, and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Committed Loans the interest rate on which is determined by reference to the Eurodollar Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates. If the Required Lenders determine that for any reason in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof that (a) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurodollar Rate Loan, (b) adequate and reasonable means do not exist for determining the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan or in connection with an existing or proposed Base Rate Loan, or (c) the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, then the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Eurodollar Rate Loans shall be suspended, and (y) in the event of a determination described in the preceding sentence with respect to the Eurodollar Rate component of the Base Rate, the utilization of the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

3.04 Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate) or the L/C Issuer;

(ii) impose on any Lender or the L/C Issuer or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making or maintaining any Eurodollar Rate Loan or Base Rate Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender, the L/C Issuer or such other Recipient of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender, the L/C Issuer or such other Recipient hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender, the L/C Issuer or such other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, the L/C Issuer or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or the L/C Issuer determines that any Change in Law affecting such Lender or Issuing Bank or any lending office of such Lender or such Lender' s or Issuing Bank' s holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender' s or the L/C Issuer' s capital or on the capital of such Lender' s or

the L/C Issuer' s holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the L/C Issuer, to a level below that which such Lender or the L/C Issuer or such Lender' s or the L/C Issuer' s holding company could have achieved but for such Change in Law (taking into consideration such Lender' s or the L/C Issuer' s policies and the policies of such Lender' s or the L/C Issuer' s holding company with respect to capital adequacy and liquidity), then from time to time the Borrower will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer or such Lender' s or the L/C Issuer' s holding company for any such reduction suffered.

(c) A certificate of a Lender or the L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or the L/C Issuer or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or the L/C Issuer, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of any Lender or the L/C Issuer to demand compensation pursuant to this Section shall not constitute a waiver of such Lender' s or the L/C Issuer' s right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or the L/C Issuer pursuant to this Section for any increased costs or reductions incurred more than 270 days prior to the date that such Lender or the L/C Issuer, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender' s or the L/C Issuer' s intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

3.05 Compensation for Losses. In the event of (a) the payment of any principal of any Eurodollar Rate Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Eurodollar Rate Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Eurodollar Rate Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any Eurodollar Rate Loan other than on the last day of the Interest Period applicable thereto as a result of a request by Borrower pursuant to Section 3.06, then, in any such event, Borrower shall pay to Administrative Agent an administrative fee of $250.00 and compensate each Lender for the loss, cost and expense attributable to such event. Such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Eurodollar Rate Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Eurodollar Rate Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Eurodollar Rate Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to Borrower and shall be conclusive absent manifest error. Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or the Borrower is required to pay any additional amount to any Lender or any

Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, the Borrower may replace such Lender in accordance with Section 10.13.

3.07 Survival. All of the Borrower' s obligations under this Article III shall survive termination of the Commitments and repayment of all other Obligations hereunder.

ARTICLE IV.
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions of Initial Credit Extension. The effectiveness of this Agreement and the obligation of the L/C Issuer and each Lender to make its initial Credit Extension hereunder is subject to satisfaction of the following conditions precedent:

(a) The Administrative Agent' s receipt of the following, each of which shall be originals, telecopies or pdf copies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date) and each in form and substance satisfactory to the Administrative Agent and each of the Lenders:

(i) executed counterparts of this Agreement and the Guaranty, sufficient in number for distribution to the Administrative Agent, each Lender and the Borrower and executed counterparts of the Advisor Fee Subordination Agreement;

(ii) Notes executed by the Borrower in favor of each Lender requesting a Note;

(iii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;

(iv) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and that each Loan Party is validly existing, in good standing and qualified to engage in business in the jurisdiction of its formation;

(v) a favorable opinion of Kutak Rock LLP, counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, as to the matters set forth in Exhibit G and such other matters concerning the Loan Parties and the Loan Documents as the Required Lenders may reasonably request;

(vi) a certificate of a Responsible Officer of each Loan Party either (A) attaching copies of all consents, licenses and approvals required in connection with the execution, delivery and performance by such Loan Party and the validity against such Loan Party of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect, or (B) stating that no such consents, licenses or approvals are so required;

(vii) a certificate signed by a Responsible Officer of the Borrower certifying (A) that the conditions specified in Sections 4.02(a) and (b) have been satisfied, (B) that there has been no event or circumstance since the date of the September 30, 2012 financial statements that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect, and (C) that, after giving effect to all requested Credit Extensions to be made on the Closing Date, the Total Outstandings shall not exceed the Borrowing Base as of the Closing Date;

(viii) a duly completed Compliance Certificate as of the last day of the fiscal quarter of the Borrower ended on September 30, 2012, signed by a Responsible Officer of the Borrower;

(ix) evidence that all insurance required to be maintained pursuant to the Loan Documents has been obtained and is in effect;

(x) [Intentionally deleted.]; and

(xi) such other assurances, certificates, documents, consents or opinions as the Administrative Agent, the L/C Issuer, the Swing Line Lender or the Required Lenders reasonably may require.

(b) Any fees required to be paid on or before the Closing Date shall have been paid.

(c) Unless waived by the Administrative Agent, the Borrower shall have paid all fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent invoiced prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent).

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.02 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type, or a continuation of Eurodollar Rate Loans) is subject to the following conditions precedent:

(a)(i) The representations and warranties of the Borrower contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct, in all material respects, on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct, in all material respects, as of such earlier date, and except that for purposes of this Section 4.02, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01, and (ii) after giving effect to all requested Credit Extensions, the Total Outstandings shall not exceed the lesser of (A) the Facility Amount and (B) the Borrowing Base then in effect.

(b) No Default shall exist, or would result, from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent and, if applicable, the L/C Issuer or the Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type or a continuation of Eurodollar Rate Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V.
REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and the Lenders that:

5.01 Existence, Qualification and Power. Each Loan Party and each Subsidiary thereof (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party, have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person' s Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any material Contractual Obligation (other than the Loan Documents) to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) materially violate any Law in a manner which could be reasonably expected to have any material adverse affect on such Person' s ability to execute, deliver and/or perform its obligations under any such Loan Document or otherwise result in any Material Adverse Effect.

5.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document.

5.04 Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms.

5.05 Financial Statements; No Material Adverse Effect; Secured Debt.

(a) The Audited Financial Statements: (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Consolidated Group as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other material liabilities, direct or contingent, of the Consolidated Group as of the date thereof, including material liabilities for taxes, material commitments and Indebtedness.

(b) The unaudited consolidated balance sheet of the Consolidated Group dated September 30, 2012, and the related consolidated statements of income or operations, shareholders' equity and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present the financial condition of the Consolidated Group as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Since September 30, 2012, there has been no event or circumstance, either individually or in the aggregate, that has had or would have a Material Adverse Effect.

(d) The consolidated forecasted balance sheet and statements of income and cash flows of the Consolidated Group delivered pursuant to Section 6.01(c) were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair in light of the conditions existing at the time of delivery of such forecasts, and represented, at the time of delivery, the Borrower' s best estimate of its future financial condition and performance.

(e) As of the Closing Date and the date of each update of Schedule 5.05 pursuant to Section 6.02, set forth on Schedule 5.05 is a list of the amounts, maturity dates and interest rates of all Secured Debt of the Consolidated Group.

5.06 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower, threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or any other Loan Party or against any of their Properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby, or (b) except as specifically disclosed in Schedule 5.06, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, and there has been no material adverse change in the status, or financial effect on any Loan Party, of the matters, if any, described on Schedule 5.06.

5.07 No Default. Neither any Loan Party nor any Subsidiary thereof is in default under or with respect to any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.08 Ownership of Property; Liens. Each Loan Party and each Subsidiary thereof has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. As of the Closing Date and the date of each update of Schedule 5.08 pursuant to Section 6.02, set forth on Schedule 5.08 is a list of all real property owned by the Consolidated Group with a notation as to which such real properties are Qualified Unencumbered Properties. Neither the Qualified Unencumbered Properties nor the Equity Interests of any Subsidiary Guarantor are subject to any Liens, other than Liens permitted by Section 7.01.

5.09 Environmental Compliance. The Loan Parties and their Subsidiaries conduct in the ordinary course of business a review of the effect of existing Environmental Laws and claims alleging potential liability or responsibility for violation of any Environmental Law on their respective businesses, operations and properties, and as a result thereof the Borrower has reasonably concluded that, except as specifically disclosed in Schedule 5.09, such Environmental Laws and claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.10 Insurance. The Properties of the Loan Parties and their Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of a Loan Party, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where such Loan Party or the applicable Subsidiary operates.

5.11 Taxes. The Loan Parties and their Subsidiaries have filed all Federal, state and other material tax returns and reports required to be filed, and have paid all Federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against a Loan Party or any Subsidiary thereof that would, if made, have a Material Adverse Effect. Neither any Loan Party nor any Subsidiary thereof is party to any tax sharing agreement.

5.12 ERISA Compliance.

(a) To the best knowledge of Borrower, each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other Federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Loan Parties, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the best knowledge of any Loan Party, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c)(i) No ERISA Event has occurred; (ii) CCPT IV and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) neither CCPT IV nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (iv) neither CCPT IV nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (v) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan, in each case, that would result in liability, individually, or in the aggregate, in excess of Ten Million and No/100 Dollars ($10,000,000.00).

5.13 Subsidiaries; Equity Interests. As of the Closing Date and the date of each update of Schedule 5.13 pursuant to Section 6.02, set forth on Schedule 5.13 is a complete and accurate list of each Loan Party and each Subsidiary of any Loan Party, together with (a) each such Person' s jurisdiction of organization, (b) each such Person' s U.S. taxpayer identification number, (c) an indication of whether such Loan Party or Subsidiary thereof owns a Qualified Unencumbered Property that is part of the Unencumbered Asset Value and (d) the equity Investments in any other Person owned, controlled or held by CCPT IV. The outstanding Equity Interests owned by any Loan Party are validly issued, fully paid and non-assessable and free of any Liens other than Permitted Liens.

5.14 Margin Regulations; Investment Company Act.

(a) The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock.

(b) None of the Loan Parties is required to be registered as an "investment company" under the Investment Company Act of 1940.

5.15 Disclosure. The Borrower has disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No report, financial statement, certificate or other information furnished (whether in writing or orally) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished), in each case as of the date thereof, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

5.16 Compliance with Laws. Each Loan Party and each Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.17 Intellectual Property; Licenses, Etc. The Loan Parties and their Subsidiaries own, or possess the right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights (collectively, "IP Rights") that are reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person. To the best knowledge of the Borrower, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by the Borrower or any Subsidiary infringes upon any rights held by any other Person. Except as specifically disclosed in Schedule 5.17, no claim or litigation regarding any of the foregoing is pending or, to the best knowledge of the Borrower, threatened, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.18 OFAC Representation. Borrower shall not (a) be or become subject at any time to any law, regulation, or list of any Governmental Authority (including, without limitation, the U.S. Office of Foreign Asset Control list) that prohibits or limits the Lenders from making any advance or extension of credit to Borrower or from otherwise conducting business with Borrower, or (b) fail to provide documentary and other evidence of Borrower' s identity as may be requested by any Lender at any time to enable such Lender to verify Borrower' s identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

5.19 Solvency.

(a) Immediately after the Closing Date and immediately following the making of each Credit Extension and after giving effect to the application of the proceeds of such Credit Extension, (i) the fair value of the assets of the Loan Parties and their Subsidiaries on a consolidated basis, at a fair valuation, will exceed the debts and liabilities, subordinated, contingent or otherwise, of the Loan Parties and their Subsidiaries on a consolidated basis; (ii) the present fair saleable value of the Property of the Loan Parties and their Subsidiaries on a consolidated basis will be greater than the amount that will be required to pay the probable liability of the Loan Parties and their Subsidiaries on a consolidated basis on their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (iii) the Loan Parties and their Subsidiaries on a consolidated basis will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (iv) the Loan Parties and their Subsidiaries on a consolidated basis will not have unreasonably small capital with which to conduct the businesses in which they are engaged as such businesses are now conducted and are proposed to be conducted after the date hereof.

(b) Each Loan Party does not intend to, or to permit any of its Subsidiaries to, and does not believe that it or any of its Subsidiaries will, incur debts beyond their ability to pay such debts as they mature, taking into account the timing of and amounts of cash to be received by it or any such Subsidiary and the timing of the amounts of cash to be payable on or in respect of its Indebtedness or the Indebtedness of any such Subsidiary.

5.20 REIT Status.

(a) Commencing with the filing of its first tax return, CCPT IV shall have qualified, and shall thereafter remain qualified, as a real estate investment trust under Section 856 of the Code.; and

(b) CCPT IV is in compliance in all material respects with all provisions of the Code applicable to the qualification of CCPT IV as a real estate investment trust.

5.21 USA Patriot Act/Embargoed Person.

(a) Neither Borrower nor, to the knowledge of Borrower, any of its respective Affiliates over which Borrower exercises management control (each, a "Controlled Affiliate") is a Prohibited Person, and Borrower and, to the knowledge of Borrower, such Controlled Affiliates are in compliance with all applicable orders, rules and regulations of OFAC.

(b) Neither any Loan Party nor any of their respective officers, managers or principal employees nor, to the actual knowledge of any Loan Party, any investor, is on the list of Specially Designated Nationals and Blocked Persons issued by OFAC.

(c) Neither Borrower nor any of its subsidiaries or, to the knowledge of Borrower, any of its respective Affiliates, is currently subject to any United States sanctions administered by OFAC that could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. To the extent applicable, Borrower and each of its Subsidiaries is in compliance, in all material respects, with (i) the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq. and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (ii) the Act (as defined in Section 10.7).

(d) No part of the proceeds of the Loans will knowingly be used, directly or indirectly, for any payments to any Person for the purpose of financing the activities of any Person, or in any country, that at the time of such financing is subject to any United States sanctions administered by OFAC.

ARTICLE VI.
AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, the Borrower shall, and shall (except as explicitly limited in the case of the covenants set forth in Sections 6.01, 6.02, and 6.03 or as otherwise limited in this Article VI) cause each other Loan Party and each Subsidiary to:

6.01 Financial Statements. Deliver to the Administrative Agent, in form and detail reasonably satisfactory to the Administrative Agent:

(a) Annual Statements – Borrower. Within ninety (90) days after the close of each Fiscal Year of Borrower, unqualified, unaudited company-prepared annual financial statements of Borrower, certified and signed by the chief financial officer of CCPT IV, as the general partner of Borrower, prepared in accordance with GAAP in each case on a consolidated basis, including balance sheets as of the end of such Fiscal Year and statements of income and retained earnings, and setting forth in comparative form the balance sheet, income statement and retained earnings for the preceding Fiscal Year.

(b) Annual Statements – CCPT IV. Within ninety (90) days after the close of each Fiscal Year of CCPT IV, unqualified, audited annual financial statements of the Consolidated Group, certified and signed by the chief financial officer of CCPT IV, and audited by nationally recognized independent certified public accountants that are reasonably acceptable to Administrative Agent, prepared in accordance with GAAP in each case on a consolidated basis, including balance sheets as of the end of such Fiscal Year and statements of income and retained earnings and a statement of cash flows, and setting forth in comparative form the balance sheet, income statement, retained earnings and cash flow figures for the preceding Fiscal Year. Borrower and CCPT IV shall be deemed to have complied with the foregoing requirements, if CCPT IV provides to Administrative Agent CCPT IV' s Form 10-K that is filed with the SEC within the time frame set forth above.

(c) Quarterly Financial Statements – Borrower. Within forty-five (45) days after the close of each of the first three (3) quarterly periods of each Fiscal Year, company-prepared financial statements for Borrower on a consolidated basis, including balance sheets as of the end of such period, statements of income and, with respect to the consolidated financial statements only, retained earnings, in each case for the portion of the Fiscal Year ending with such fiscal period, all certified and signed by the chief financial officer of CCPT IV, as the general partner of Borrower and prepared in accordance with GAAP. All consolidated balance sheets shall set forth in comparative form figures for the preceding year end and the corresponding period in the preceding Fiscal Year. All such income statements shall reflect year-to-date figures.

(d) Quarterly Financial Statements – CCPT IV. Within forty-five (45) days after the close of each of the first three (3) quarterly periods of each Fiscal Year of CCPT IV, company-prepared financial statements for the Consolidated Group, on a consolidated basis, including balance sheets as of the end of such period, statements of income and, with respect to the consolidated financial statements only, retained earnings and a statement of cash flows, in each case for the portion of the Fiscal Year ending with such fiscal period, all certified and signed by the chief financial officer of CCPT IV and prepared in accordance with GAAP. All consolidated balance sheets shall set forth in comparative form figures for the preceding year end and the corresponding period in the preceding Fiscal Year. All such income statements shall reflect year-to-date figures. Borrower and CCPT IV shall be deemed to have complied with the foregoing requirements, if CCPT IV provides to Administrative Agent CCPT IV' s Form 10-Q that is filed with the SEC within the time frame set forth above.

6.02 Certificates; Other Information. Deliver to the Administrative Agent, in form and detail reasonably satisfactory to the Administrative Agent:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (c), (i) a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller of CCPT IV or the Borrower which shall include compliance with the covenants set forth in Section 7.11, (ii) a certificate as of the end of the immediately preceding fiscal quarter of the Consolidated Group, setting forth and certifying the amount of all Dividend Reinvestment Proceeds received by CCPT IV during such immediately preceding fiscal quarter and including a certificate from the chief financial officer, or other executive officer or director, of CCPT IV or the Borrower certifying that the Borrower shall continue to be in compliance with all applicable provisions of the Code and its bylaws and operating covenants after giving effect to such dividends or distributions, (iii) a duly completed Borrowing Base Compliance Certificate signed by a Responsible Officer of the Borrower, setting forth and certifying the amount of the Borrowing Base then in effect as of the end of the immediately preceding fiscal quarter of the Consolidated Group, and (iv) solely in conjunction with the delivery of the financial statements referred to in Section 6.01(a), an updated Schedule 5.05, Schedule 5.08 and Schedule 5.13, if applicable;

(b) promptly after any request by the Administrative Agent, copies of any detailed audit reports, management letters or recommendations submitted to the board of directors (or the audit committee of the board of directors) of any Loan Party by independent accountants in connection with the accounts or books of any Loan Party, or any audit of any of them;

(c) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of CCPT IV or the Borrower, and copies of all annual, regular, periodic and special reports and registration statements which the Consolidated Group may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Administrative Agent pursuant hereto (including, without limitation, all form 10-K and 10-Q reports);

(d) promptly, and in any event within five (5) Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof;

(e) promptly, any information that the Administrative Agent deems lawfully necessary from time to time in order to ensure compliance with all applicable Laws concerning money laundering and similar activities; and

(f) promptly, such additional information regarding the business, financial or corporate affairs of the Loan Parties or compliance with the terms of the Loan Documents, as the Administrative Agent may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01 or Section 6.02(b) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Consolidated Group posts such documents, or provides a link thereto on CCPT IV' s or Borrower' s website on the Internet at the website address listed on Schedule 10.02; or (ii) on which such documents are posted on the Borrower' s behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) the Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender that requests the Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Borrower shall notify the Administrative Agent and each Lender (by telecopier or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. Except for such Compliance Certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arranger will make available to the Lenders and the L/C Issuer materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a

"Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower hereby agrees (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Arranger, the L/C Issuer and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Loan Parties or their securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform that is designated "Public Investor Side Information"; and (z) the Administrative Agent and the Arranger shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform that is not designated "Public Investor Side Information".

6.03 Notices. Promptly notify the Administrative Agent:

(a) of the occurrence of any Default and any Event of Default;

(b) of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect, including (i) breach or non-performance of, or any default under, a Contractual Obligation of any Loan Party; (ii) any dispute, litigation, investigation, proceeding or suspension between any Loan Party and any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting any Loan Party, including pursuant to any applicable Environmental Laws;

(c) of the occurrence of any ERISA Event; and

(d) of any material change in accounting policies or financial reporting practices by the Consolidated Group, including any determination by the Borrower referred to in Section 2.10(b).

Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of CCPT IV or the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04 Payment of Obligations. With respect to the Loan Parties, subject to the cure periods and provisions contained in Section 8.01, pay and discharge as the same shall become due and payable, all its material obligations and liabilities, including (a) all tax liabilities, assessments and governmental charges or levies upon it or its Properties, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by such Loan Party; (b) all lawful claims which, if unpaid, would by law become a Lien upon its Property; and (c) all Indebtedness, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness.

6.05 Preservation of Existence, Etc. With respect to each Loan Party: (a) preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.04 or 7.05; (b) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable

in the normal conduct of its business and the business of any of their Subsidiaries, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; (c) preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect and (d) maintain or cause to be maintained (as applicable) CCPT IV' s status as a real estate investment trust in compliance with all applicable provisions of the Code relating to such status.

6.06 Maintenance of Properties. (a) Maintain, preserve and protect all of its material Properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; (b) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) use the standard of care typical in the industry in the operation and maintenance of its Property.

6.07 Maintenance of Insurance. Maintain with financially sound and reputable insurance companies not Affiliates of a Loan Party, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons.

6.08 Compliance with Laws. Comply in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.09 Books and Records. (a) Maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of a Loan Party or Subsidiary thereof, as the case may be; and (b) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over a Loan Party or Subsidiary thereof, as the case may be.

6.10 Inspection Rights. Permit representatives and independent contractors of the Administrative Agent to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants (so long as no Event of Default has occurred and is continuing, a Responsible Officer of any member of the Consolidated Group shall be present at any discussions with independent public accountants), all at the expense of the Borrower and at such reasonable times during normal business hours (provided such visits shall not occur when any independent auditors are conducting an audit of any member of the Consolidated Group), upon reasonable advance notice to the Borrower; provided, however, that such visits shall be limited to no more than once in any calendar year unless an Event of Default has occurred and is continuing, and if an Event of Default has occurred and is continuing, the Administrative Agent and any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and without advance notice.

6.11 Use of Proceeds. Use the proceeds of the Credit Extensions for working capital and general corporate purposes (including real estate acquisitions) not in contravention of any Law or of any Loan Document, including, without limitation, Regulation U of the FRB.

6.**12 Environmental Matters.**

(a) Comply with, and use all reasonable efforts to ensure compliance by all tenants and subtenants, if any, with, all applicable Environmental Laws and obtain and comply with and maintain, and use all reasonable efforts to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws, except to the extent that failure to do so could not be reasonably expected to have a Material Adverse Effect; provided that in no event shall the Borrower or its Subsidiaries be required to modify the terms of leases, or renewals thereof, with existing tenants (i) at Projects owned by the Borrower or its Subsidiaries as of the date hereof, or (ii) at Projects hereafter acquired by the Borrower or its Subsidiaries as of the date of such acquisition, to add provisions to such effect.

(b) Conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws and promptly comply in all material respects with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, except to the extent that (i) the same are being contested in good faith by appropriate proceedings and the pendency of such proceedings could not be reasonably expected to have a Material Adverse Effect, or (ii) the Borrower has determined in good faith that contesting the same is not in the best interests of the Borrower and its Subsidiaries and the failure to contest the same could not be reasonably expected to have a Material Adverse Effect.

(c) Defend, indemnify and hold harmless Administrative Agent and each Lender, and its respective officers, directors, agents and representatives from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature known or unknown, contingent or otherwise, arising out of, or in any way relating to the violation of, noncompliance with or liability under any Environmental Laws applicable to the operations of the Borrower, its Subsidiaries or the Projects, or any orders, requirements or demands of Governmental Authorities related thereto, including, without limitation, reasonable attorney' s and consultant' s fees, investigation and laboratory fees, response costs, court costs and litigation expenses, except to the extent that any of the foregoing arise out of the gross negligence or willful misconduct of the party seeking indemnification therefor. This indemnity shall continue in full force and effect regardless of the termination of this Agreement.

(d) Prior to the acquisition of a new Project after the Closing Date, perform or cause to be performed an environmental investigation which investigation shall at a minimum comply with the specifications and procedures attached hereto as Exhibit H. In connection with any such investigation, Borrower shall cause to be prepared a report of such investigation, to be made available to any Lenders upon reasonable request, for informational purposes and to assure compliance with the specifications and procedures.

6.13 Additional Subsidiary Guarantors. Notify the Administrative Agent at any time that Borrower will be adding a Project to the pool of Qualified Unencumbered Properties upon which the Unencumbered Asset Value is determined. Such Project shall be included in the pool of Qualified Unencumbered Properties upon the approval by Administrative Agent of such Project in its sole but reasonable business judgment, and delivery of the following to Administrative Agent:

(a) Description of such Project;

(b) A certificate of a Responsible Officer that (A) includes a pro forma Compliance Certificate demonstrating the effects of including such Project and (B) certifies (1) such Project satisfies the criteria to be (x) a Qualified Unencumbered Property and (y) included in the

calculation of Unencumbered Asset Value, (2) the cost or NOI of such Project used in the calculations in such pro forma Compliance Certificate, (3) the name of the owner of all or any portion of such Project (which must be a Wholly Owned Subsidiary as of the date on which it is added as a Qualified Unencumbered Property), (4) the date on which such Project shall become a Qualified Unencumbered Property (the "Addition Date"), which, without the express approval by Administrative Agent in its sole discretion, shall be no sooner than ten (10) days after delivery of the items described in clauses (i) through (iii) of this Section and (5) that there exists no Event of Default under this Agreement and that the addition of such Project shall not result in any such Event of Default; and

(c)(1) If required by Administrative Agent, a title report respecting such Project dated not more than fifteen (15) days prior to the date such Project will be added to such pool of Qualified Unencumbered Properties, and (2) except with respect to any Project that had been included in such pool of Qualified Unencumbered Properties within one (1) year prior to the date such Project will be added to such pool of Qualified Unencumbered Properties, a Phase I environmental report respecting such Project dated not more than six (6) months prior to the date such Project will be added to such pool of Qualified Unencumbered Properties.

The effective date of the addition of such Project to the pool of Qualified Unencumbered Properties shall be the Addition Date. If the owner of all or any portion of such Project is not a Loan Party, the Borrower shall, within ten (10) days after the Addition Date, (a) cause such owner to become a Subsidiary Guarantor by executing and delivering to the Administrative Agent a counterpart of the Guaranty or such other document as the Administrative Agent shall deem appropriate for such purpose and (b) deliver to the Administrative Agent documents of the types referred to in clauses (iii) and (iv) of Section 4.01(a) for such Person, together with favorable opinions of counsel to such Person (which shall cover the legality, validity, binding effect and enforceability of the documentation referred to in clause (a) and such other matters as may be reasonably required by the Administrative Agent), in each case in form and substance similar to those delivered on the Closing Date.

6.14 Removal of Qualified Unencumbered Properties. Notify the Administrative Agent at any time that Borrower will be removing a Project from the pool of Qualified Unencumbered Properties upon which the Unencumbered Asset Value is determined. Such Project shall be removed from the pool of Qualified Unencumbered Properties upon approval by Administrative Agent in its sole but reasonable business judgment, and delivery of the following to Administrative Agent:

(a) Description of such Project; and

(b) A certificate of a Responsible Officer that (A) includes a pro forma Compliance Certificate demonstrating the effects of removing such Project and (B) certifies (1) the value or NOI of such Project used in the calculations in such pro forma Compliance Certificate, (2) the name of the owner of all or any portion of such Project, (3) the date on which such Project shall be removed from the pool of Qualified Unencumbered Properties (the "Requested Removal Date"), which, without the express approval by Administrative Agent in its sole discretion, shall be no sooner than ten (10) days after delivery of the items described in clauses (i) through (ii) of this Section and (4) that there exist no Events of Default under this Agreement and that the removal of such Project shall not result in any such Event of Default. The "Removal Date," for any given Project shall be the date of the Requested Removal Date to the extent all conditions to the release of such Project set forth herein are fully satisfied and no Event of Default exists as of such Removal Date.

The effective date of the removal of such Project from the pool of Qualified Unencumbered Properties shall be the Removal Date. If the owner of such Project is a Subsidiary Guarantor and shall cease to be the owner of any Qualified Unencumbered Property upon such Removal Date, such Person shall cease to be a Subsidiary Guarantor as of such Removal Date. The Administrative Agent hereby agrees to endeavor to provide to Borrower the written confirmation of the occurrence of a Removal Date with respect to a Project promptly, and in any case within ten (10) Business Days, following its receipt and review of the materials referenced in items (i) and (ii) above; provided, that if the Administrative Agent does not object to the occurrence of a proposed Removal Date within such ten (10) Business Day period, the Administrative Agent shall be deemed to have confirmed the occurrence such Removal Date.

ARTICLE VII.
NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder (other than inchoate indemnification liabilities arising under the Loan Documents) shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, the Borrower shall not, nor shall it permit any other Loan Party or any Subsidiary (except as limited below) to:

7.01 Liens. Create, incur, assume or suffer to exist any Lien upon any Qualified Unencumbered Property or the Equity Interests of a Subsidiary Guarantor, whether now owned or hereafter acquired, other than the following:

(a) with respect to the Qualified Unencumbered Properties, Permitted Liens; and

(b) with respect to the Equity Interests of the Borrower or any Subsidiary Guarantor;

(i) Liens arising pursuant to the Loan Documents; and

(ii) Liens for taxes not yet delinquent or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP or which have been insured or bonded.

7.02 Investments. Make any Investments, except:

(a) Investments held by a Loan Party or Subsidiary thereof in the form of cash or Cash Equivalents;

(b) advances to officers, directors and employees of the Loan Parties and Subsidiaries in an aggregate amount not to exceed One Million and No/100 Dollars ($1,000,000.00) at any time outstanding, for travel, entertainment, relocation and analogous ordinary business purposes;

(c) Investments in any Person which is a Loan Party;

(d) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(e) Guarantees permitted pursuant to Section 7.03 below;

(f) Investments related to income-producing real estate properties, single tenant or mixed-use real estate properties, construction in progress, unimproved land, mortgage notes receivable, collateralized mortgaged-backed securities, any other Eligible Real Estate Investments and any business activities reasonably incidental thereto and Investments in partnerships or joint ventures; provided, that such Investments shall, as applicable, be limited as follows:

(i) Investments in real estate properties that have not been developed (and is not under development) for any type of commercial, industrial, residential or other income-generating use shall not at any time exceed an amount equal to 10% of CCPT IV' s Total Asset Value;

(ii) The aggregate value of Investments in non-wholly owned general and limited partnerships, joint ventures and other Persons which are not corporations (including any such Investments in existence as of the date hereof) shall not constitute more than 15% of CCPT IV' s Total Asset Value;

(iii) Investments in real estate properties under Construction in Progress shall not at any time exceed an amount equal to 10% of CCPT IV' s Total Asset Value; and

(iv) Investments in mortgage notes receivable, mezzanine notes, collateralized mortgaged-backed securities and other Eligible Real Estate Investments shall not, in the aggregate, exceed an amount equal to 10% of CCPT IV' s Total Asset Value and, in any case, the aggregate value of Investments in collateralized mortgaged-backed securities shall not exceed 5% of CCPT IV' s Total Asset Value;

provided, that, notwithstanding anything to the contrary contained herein, the value of the Investments permitted pursuant to clauses (f)(i)-(iv) above shall not, in any case, exceed an amount equal to 25% of CCPT IV' s Total Asset Value.

(g) Investments existing on the date hereof;

(h) Investments of any Person in existence at the time such Person becomes a Subsidiary; provided such Investments were not made in connection with or anticipation of such Person becoming a Subsidiary of the Borrower; and

(i) Investments in new Subsidiaries;

provided, that notwithstanding anything to the contrary herein, no Investments shall be made, assumed or permitted to exist which Investments are contrary to the terms and requirements set forth in clause (f) of this Section 7.02

7.03 Indebtedness. Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under the Loan Documents;

(b) Indebtedness constituting Secured Debt outstanding on the date hereof and listed on Schedule 7.03 and any refinancings, refundings, renewals or extensions thereof; provided that (i) the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and (ii) the terms relating to principal amount, amortization,

maturity, collateral (if any) and subordination (if any), and other material terms taken as a whole, of any such refinancing, refunding, renewing or extending Indebtedness, and of any agreement entered into and of any instrument issued in connection therewith, are no less favorable in any material respect to the Loan Parties or the Lenders than the terms of any agreement or instrument governing the Indebtedness being refinanced, refunded, renewed or extended and the interest rate applicable to any such refinancing, refunding, renewing or extending Indebtedness does not exceed the then applicable market interest rate;

(c) obligations (contingent or otherwise) of the Borrower or any Subsidiary existing or arising under any Swap Contract, provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation or taking a "market view;" and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(d) Indebtedness in respect of capital leases, Off-Balance Sheet Arrangements and purchase money obligations for fixed or capital assets; provided, however, that the aggregate amount of all such Indebtedness at any one time outstanding shall not exceed One Million and No/100 Dollars ($1,000,000.00);

(e) Secured Debt of Persons other than the Loan Parties (including any such Indebtedness referenced in clause (b) above) and Guarantees thereof from Persons other than Loan Parties to the extent such Indebtedness and/or Guarantees do not cause the Borrower to violate any of the financial covenants set forth in Section 7.11;

(f) Guarantees (i) in respect of Indebtedness or other performance obligations otherwise permitted hereunder or (ii) constituting Investments permitted under Section 7.02, in each case other than Guarantees of Secured Debt unless such Secured Debt and Guarantee were in existence as of the Closing Date;

(g) Indebtedness incurred in respect of indemnification claims relating to adjustments of purchase price or similar obligations in any case incurred in connection with any Disposition permitted under Section 7.05;

(h) Indebtedness in respect of workers' compensation claims, self-insurance premiums, performance, bid and surety bonds and completion guaranties, in each case, in the ordinary course of business;

(i) [Intentionally deleted.]; and

(j) other Indebtedness existing on the Closing Date and identified on Schedule 7.03.

7.04 Fundamental Changes. With respect to any Loan Party, merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as no Default exists or would result therefrom:

(a) any Subsidiary Guarantor may merge with (i) the Borrower, provided that the Borrower shall be the continuing or surviving Person, or (ii) any one or more of the other Subsidiary Guarantors;

(b) any Subsidiary Guarantor may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Borrower or to another Subsidiary Guarantor;

(c) any Subsidiary Guarantor may merge with any third party; provided that (i) such merger is part of one or more transactions constituting an Investment permitted in accordance with the terms and conditions of this Agreement and (ii) immediately following such merger, the surviving entity remains or becomes, as applicable, a Subsidiary Guarantor; and

(d) any Subsidiary Guarantor may merge with any other Person if (i) such merger is for the sole purpose of causing a change in the jurisdiction of organization of such Subsidiary Guarantor, (ii) the percentage share of the Borrower' s and CCPT IV' s ownership of the Equity Interests of such Subsidiary Guarantor, in the aggregate, is not changed, (iii) the Person merged with the applicable Subsidiary Guarantor does not have any material liabilities, obligations or other Indebtedness or any material Contractual Obligations of any type and (iv) immediately following such merger, the surviving entity remains or becomes, as applicable, a Subsidiary Guarantor.

7.05 Dispositions. Except as expressly permitted in Section 7.04, make any Disposition or enter into any agreement to make any Disposition, except:

(a) Dispositions of obsolete or worn out property, whether now owned or hereafter acquired, in the ordinary course of business;

(b) Dispositions of property to the Borrower or to a Wholly-Owned Subsidiary that is or will be a Subsidiary Guarantor upon the completion of such Disposition;

(c) Any other Dispositions:

(i) by a Loan Party; provided that (A) no Event of Default shall exist as of the date of such Disposition or would result from such Disposition, (B) such Disposition is for fair market value, (C) written approval of the Required Lenders and the Administrative Agent shall be required for any Disposition, to the extent such Disposition, together with all other Dispositions consummated during the Measurement Period most recently ended, has an aggregate fair market value that is greater than ten percent (10%) of Total Asset Value (as of the most recently ended Measurement Period) and (D) regardless of whether approval of the Required Lenders is otherwise required hereunder or under any Loan Document in connection with any Disposition of any Project or of an ownership interest in a Project or the Person owning the Project, to the extent such Disposition, together with all other Dispositions consummated during such calendar quarter exceed a fair market value of Fifty Million and No/100 Dollars ($50,000,000.00), in the aggregate, the Borrower will give prior written notice to the Administrative Agent of such Disposition and will, not less than five (5) days prior to the consummation of such Disposition, deliver to the Administrative Agent a pro-forma Compliance Certificate (as if such Disposition had occurred as of the last day of the most recently ended Measurement Period) based on the results of such Disposition demonstrating compliance with the covenants contained herein; and

(ii) by a Subsidiary that is not a Loan Party, to the extent such Disposition is for fair market value (or for consideration otherwise approved in writing by the Administrative Agent in its reasonable discretion).

7.06 Distributions. Borrower shall not declare, make or pay any dividend or distribution if after giving effect thereto an Event of Default shall have occurred and be continuing; provided, however, notwithstanding the foregoing, Borrower may make distributions in the amount necessary to maintain the tax status of CCPT IV as a real estate investment trust under Section 856 of the Code.

7.07 Change in Nature of Business. Engage in any material line of business substantially different from those lines of business conducted by the Loan Parties and their Subsidiaries on the date hereof or any business substantially related or incidental thereto.

7.08 Transactions with Affiliates. Enter into any transaction of any kind with any Affiliate of the Borrower, whether or not in the ordinary course of business, other than (a) on fair and reasonable terms substantially as favorable to a Loan Party or such Subsidiary as would be obtainable by such Loan Party or such Subsidiary at the time in a comparable arm' s length transaction with a Person other than an Affiliate, (b) dividends or distributions not prohibited under Section 7.06, or (c) the Advisor Fee and any agreement relating thereto that is subject to the Advisor Fee Subordination Agreement.

7.09 Burdensome Agreements. Enter into any Contractual Obligation (other than this Agreement or any other Loan Document) that (a) limits the ability (i) of any Subsidiary Guarantor to make Restricted Payments to the Borrower or any Guarantor or to otherwise transfer property to the Borrower or any Guarantor, (ii) of any Subsidiary of any Loan Party to Guarantee the Indebtedness of the Borrower or (iii) of a Loan Party or any Subsidiary thereof to create, incur, assume or suffer to exist Liens on any Qualified Unencumbered Property; provided, however, that this clause (iii) shall not prohibit any Negative Pledge incurred or provided in favor of any holder of Indebtedness permitted under Section 7.03(b) or (e) solely to the extent any such Negative Pledge relates to the property financed by or the subject of such Indebtedness; or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person, except for a Lien securing Secured Debt permitted under Section 7.03.

7.10 Use of Proceeds. Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

7.11 Financial Covenants.

(a) Net Worth Requirement. As of the end of each fiscal quarter of CCPT IV, permit the sum of (i) Total Stockholders Equity plus Redeemable Common Stock, as reported on its 10-K or 10-Q SEC filings, and (ii) only until July 13, 2013, the principal amount of any Approved Subordinated Debt, to be less than $115,506,416.00 plus 75% of the Net Equity Contributions or sales of treasury stock received by CCPT IV after September 30, 2012.

(b) Leverage Requirement. Permit as of the end of each fiscal quarter of the Consolidated Group, Consolidated Outstanding Indebtedness to exceed 65% of Total Asset Value. For the purposes of this Section 7.11(b), Approved Subordinated Debt will be treated as equity only until July 13, 2013.

(c) Fixed Charge Coverage Requirement. Permit as of the end of each fiscal quarter of CCPT IV, the ratio of EBITDA for the four (4) fiscal quarters ending on such date to Consolidated Debt Service for the four (4) fiscal quarters ending on such date to be less than 1.5:1.00. For the purposes of this Section 7.11(c), Consolidated Debt Service will not include debt service associated with Approved Subordinated Debt only until July 13, 2013.

(d) Dividend Payout Ratio. Permit the Dividend Payout Ratio of CCPT IV to be, in any event, exceed ninety-five percent (95%).

7.12 Additional Restricted Actions. Notwithstanding anything contained herein to the contrary,

(a) enter into, create, permit to exist or permit any other members of the Consolidated Group to enter into, create or permit to exist (i) any assignment of Equity Interests of any Loan Party (other than CCPT IV), (ii) intentionally omitted, (iii) any Negative Pledge (other than Negative Pledges entered into by Subsidiaries that are not Loan Parties in connection with any Secured Debt otherwise permitted herein) or (iv) any unencumbered asset covenant or other similar covenant or restriction which prohibits or limits the ability of Borrower or any other member of the Consolidated Group to sell or create Liens against any Qualified Unencumbered Properties;

(b) permit any Loan Party to enter into any Sale and Leaseback Transaction;

(c) permit any Loan Party, any Subsidiary thereof or any Investment Affiliate to enter into any Off-Balance Sheet Arrangements without the prior written consent of the Administrative Agent (which such consent shall be granted or withheld in the discretion of the Administrative Agent); or

(d) if any Event of Default has occurred and is continuing or would be directly or indirectly caused as a result thereof, after the issuance thereof, (i) amend or modify any of the terms of any Indebtedness of such Person (other than Indebtedness arising under the Loan Documents) if such amendment or modification would add or change any terms in a manner adverse in any material respect to such Person or to the Lenders, (ii) shorten the final maturity or average life to maturity thereof or require any payment thereon to be made sooner than originally scheduled or increase the interest rate applicable thereto, or (iii) make (or give any notice with respect thereto) any voluntary or optional payment or prepayment thereof, or make (or give any notice with respect thereto) any redemption or acquisition for value or defeasance (including without limitation, by way of depositing money or securities with the trustee with respect thereto before due for the purpose of paying when due), refund, refinance or exchange with respect thereto.

7.13 Organizational Matters. Permit the Borrower or any member of the Consolidated Group to (a) change its fiscal year without the prior written consent of the Required Lenders or (b) amend, modify or change its partnership agreement (other than a change limited solely to add additional limited partners or authorize the issuance of additional units) or articles of incorporation (or corporate charter or other similar organizational document) or bylaws (or other similar document) in any manner that would reasonably be likely to adversely affect the rights of the Lenders in any material respect.

7.14 Ownership and Creation of Subsidiaries. Notwithstanding any other provisions of this Agreement to the contrary, (a) permit any Loan Party (other than CCPT IV) to issue or have outstanding any shares of preferred Equity Interests or (b) create, acquire or permit to exist any Foreign Subsidiaries.

ARTICLE VIII.
EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or any L/C Obligation, or (ii) within five (5) Business Days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) within five (5) Business Days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. The Borrower fails to perform or observe any term, covenant or agreement contained in any of Section 6.01, 6.02, 6.03, 6.05, 6.10, 6.11 or 6.12 or Article VII, or any Guarantor fails to perform or observe any term, covenant or agreement contained in the Guaranty; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues beyond any cure period as may be specifically noted therein (or, if no such cure period is provided, thirty (30) days after such Loan Party' s receipt of notice of such failure); provided, however, if such failure cannot be reasonably cured within such cure period, such cure period shall be extended by a reasonable amount of time needed to cure such failure not to exceed sixty (60) days after such Loan Party' s receipt of such notice; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading, in any material respect, when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness that is not Recourse Debt or any Guarantee of any such Indebtedness (in either case, other than the Obligations and Indebtedness under Swap Contracts) having an aggregate outstanding principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount and such failure is not waived and continues beyond any cure period as may be specifically noted therein, or (B) fails to observe or perform any other material agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, in each case that is not waived, continues beyond any cure period and results in such Indebtedness or Guarantee becoming or being declared immediately due and payable; or (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any Event of Default (as defined in such Swap Contract) as to which any Loan Party is the Defaulting Party (as defined in such Swap Contract) that is not waived and continues beyond any cure period provided therein or (B) any Termination Event (as defined in such Swap Contract) under such Swap Contract as to which any Loan Party is an Affected Party (as defined therein) and, in either event, the Swap Termination Value owed by any Loan Party as a result thereof is greater than Ten Million and No/100 Dollars ($10,000,000.00); or (iii) there occurs any event of default or other condition permitting acceleration at the option of the applicable creditor of the obligations under any Indebtedness (other than Indebtedness hereunder and Indebtedness under Swap Contracts) of the Borrower or any Subsidiary that is Recourse Debt, having an aggregate outstanding principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Ten Million and No/100 Dollars ($10,000,000.00); or

(f) Insolvency Proceedings, Etc. Any Loan Party institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for

sixty (60) calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) A Loan Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

(h) Judgments. There is entered against a Loan Party (i) any one or more judgments or orders for the payment of money in an aggregate amount exceeding Ten Million and No/100 Dollars ($10,000,000.00) individually or the Threshold Amount in the aggregate (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage) which remains unsatisfied or unstayed for a period in excess of sixty (60) days, or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, either (A) the Loan Party or the applicable Subsidiary is not actively challenging the validity, enforceability or effectiveness of such judgment or the grounds for same or (B) there is a period of sixty (60) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Plan which has resulted in liability of any Loan Party or any Subsidiary thereof under Title IV of ERISA to the Plan or the PBGC in an aggregate amount in excess of Ten Million and No/100 Dollars ($10,000,000.00), or (ii) any Loan Party or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of Ten Million and No/100 Dollars ($10,000,000.00); or

(j) Invalidity of Loan Documents. Any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in writing or pursuant to judicial proceedings the validity or enforceability of any material provision of any Loan Document; or any Loan Party denies in writing that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any material provision of any Loan Document; or

(k) Change of Control. There occurs any Change of Control; or

(l) Environmental Remediation. Failure to remediate within the time period permitted by Law or governmental order, after all administrative hearings and appeals have been concluded (or within a reasonable time in light of the nature of the problem if no specific time period is so established), material environmental problems at Projects owned by the Borrower or any other member of the Consolidated Group or Investment Affiliates where aggregate book values are in excess of the Threshold Amount.

8.02 Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) require that the Borrower Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(d) exercise on behalf of itself, the Lenders and the L/C Issuer all rights and remedies available to it, the Lenders and the L/C Issuer under the Loan Documents;

provided, however, that upon the occurrence of the entry of an order for relief with respect to a Loan Party or a Subsidiary thereof under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

8.03 Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall, subject to the provisions of Section 2.15 and Section 2.16 be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuer (including fees, charges and disbursements of counsel to the L/C Issuer (not to exceed one counsel to the L/C Issuer) and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans, L/C Borrowings and other Obligations, ratably among the Lenders and the L/C Issuer in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting (i) unpaid principal of the Loans and L/C Borrowings and (ii) breakage, termination or other payments due under any Swap Contract between any Loan Party and any Lender or any Affiliate of a Lender, ratably among the Lenders, the applicable Affiliates (with respect to clause (ii)) and the L/C Issuer in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the L/C Issuer, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Subject to Section 2.15, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

ARTICLE IX.
ADMINISTRATIVE AGENT

9.01 Appointment and Authority.

Each of the Lenders and the L/C Issuer hereby irrevocably appoints JPMC to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuer, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions.

9.02 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

9.03 Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Loan Parties or any of their Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Borrower, a Lender or the L/C Issuer.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

9.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or the L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or the L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.05 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

9.06 Resignation of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuer and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders and the L/C Issuer, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the L/C Issuer under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the L/C Issuer directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this Section. Upon the acceptance of a successor' s appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent' s resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Any resignation by JPMC as Administrative Agent pursuant to this Section shall also constitute its resignation as L/C Issuer and Swing Line Lender. Upon the acceptance of a successor' s appointment as Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer and Swing Line Lender, (b) the retiring L/C Issuer and Swing Line Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (c) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

9.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and the L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the Book Manager, Syndication Agent(s) or Arranger listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or the L/C Issuer hereunder.

9.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuer and the Administrative Agent under Sections 2.03(h) and (i), 2.09 and 10.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and the L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuer, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 10.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or the L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or the L/C Issuer to authorize the Administrative Agent to vote in respect of the claim of any Lender or the L/C Issuer in any such proceeding.

9.10 Collateral and Guaranty Matters. The Lenders and the L/C Issuer irrevocably authorize the Administrative Agent, at its option and in its discretion, (a) to release any Subsidiary Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary Guarantor as a result of a transaction permitted hereunder and (b) to release the Cash Collateral and any Lien thereon in accordance with the terms and conditions set forth in Section 2.15. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent' s authority to release any Subsidiary Guarantor from its obligations under the Guaranty pursuant to this Section 9.10.

ARTICLE X.
MISCELLANEOUS

10.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01(a) without the written consent of each Lender;

(b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender (it being understood and agreed that a waiver of any condition precedent set forth in Section 4.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment or mandatory prepayment of principal, interest, fees or other amounts due to the Lenders (or any of them) or any scheduled or mandatory reduction of the Aggregate Revolving Commitments hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing or (subject to clause (v) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document, that would result in a reduction of any interest rate on any Loan or any fee payable hereunder without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest or Letter of Credit Fees at the Default Rate;

(e) change Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly affected thereby;

(f) change any provision of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder without the written consent of each Lender;

(g) release the Borrower, CCPT IV or all or substantially all of the Subsidiary Guarantors without the written consent of each Lender, except to the extent the release of a Guarantor is permitted pursuant to the terms hereof (in which case such release may be made by the Administrative Agent acting alone in accordance with Section 9.10);

(h) change the definition of "Borrowing Base" or any of the definitions directly related thereto without the written consent of each Lender; or

(i) change the definition of "Qualified Unencumbered Properties" without the written consent of each Lender;

and, provided further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuer in addition to the Lenders required above, affect the rights or duties of the L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swing Line Lender in addition to the Lenders required above, affect the rights or duties of the Swing Line Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; (iv) Section 10.06(g) may not

be amended, waived or otherwise modified without the consent of each Granting Lender all or any part of whose Loans are being funded by an SPC at the time of such amendment, waiver or other modification; and (v) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

Notwithstanding the above:

(A) prior to the termination of the Aggregate Revolving Commitments, unless also signed by Revolving Lenders holding in the aggregate at least a majority of the Aggregate Revolving Commitments, no such amendment, waiver or consent shall, (i) waive any Default for purposes of Section 4.02(b) or (ii) amend, change, waive, discharge or terminate Sections 2.03(a)(ii)(B), 4.02 or 8.01 in a manner adverse to such Lenders or this clause (A);

(B) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersedes the unanimous consent provisions set forth herein,

(C) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders; and

(D) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that (x) the Commitment of such Lender may not be increased or extended without the consent of such Lender, (y) the principal owing to such Lender may not be decreased without the consent of such Lender and (z) the interest rate being paid to such Lender may not be decreased without the consent of such Lender.

10.02 Notices; Effectiveness; Electronic Communication.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to any Loan Party, the Administrative Agent, the L/C Issuer or the Swing Line Lender, to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule 10.02; and

(ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its Administrative Questionnaire.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuer hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or the L/C Issuer pursuant to Article II if such Lender or the L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender' s receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender, the L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower' s or the Administrative Agent' s transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to the Borrower, any Lender, the L/C Issuer or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each of the Borrower, the Administrative Agent, the L/C Issuer and the Swing Line Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the Borrower, the Administrative Agent, the L/C Issuer and the Swing Line Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its

delegate, in accordance with such Public Lender' s compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States Federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuer and Lenders. The Administrative Agent, the L/C Issuer and the Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices and Swing Line Loan Notices) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Administrative Agent, the L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

10.03 No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender, the L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuer; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) the L/C Issuer or the Swing Line Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swing Line Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.13), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

10.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of

this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by the L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, any Lender or the L/C Issuer (including the reasonable fees, charges and disbursements of one counsel for the Administrative Agent, any Lender and the L/C Issuer (but not including fees related to internal counsel of such Persons) taken as a whole (unless (x) a conflict exists as determined in the good faith judgment of each affected Lender or the L/C Issuer, in which case(s) the fees, charges and disbursements of reasonably necessary additional counsel for all such affected Lenders or the L/C Issuer shall be covered, or (y) a special counsel is necessary as determined in the good faith judgment of the Administrative Agent, in which case(s) the fees, charges and disbursements of one reasonably necessary special counsel for the Administrative Agent shall be covered), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit. It is understood and agreed that the Administrative Agent may determine, in its discretion, the one counsel referenced in subsection (a)(iii); provided, however, that upon the written request of the Required Lenders (subject to the proviso in Section 9.03(b)), the Administrative Agent shall, pursuant to such written request, engage a different counsel to serve as the one counsel referenced in subsection (a)(iii).

(b) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and the L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of one counsel for all Indemnitees (but not including fees related to internal counsel of such Persons), plus, (x) in the event of a conflict of interest as determined in the good faith judgment of each affected Indemnitee, one additional counsel for all such affected Indemnitees (together with all similarly situated Indemnitees) and (y) in the event that a special counsel is necessary as determined in the good faith judgment of the Administrative Agent, one additional counsel for Administrative Agent), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto**, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNITEE**; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and

nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee' s obligations hereunder or under any other Loan Document, if the Borrower or such other Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. It is understood and agreed that the Administrative Agent may determine, in its discretion, the one counsel for all Indemnitees referenced in this subsection (b); provided, however, that upon the written request of the Required Lenders (subject to the proviso in Section 9.03(b)), the Administrative Agent shall, pursuant to such written request, engage a different counsel to serve as the one counsel for all Indemnitees referenced in this subsection (b).

(c) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), the L/C Issuer or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the L/C Issuer or such Related Party, as the case may be, such Lender' s Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, a Loan Party shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten (10) Business Days after receipt by Borrower of written demand therefor.

(f) Survival. The agreements in this Section shall survive the resignation of the Administrative Agent, the L/C Issuer and the Swing Line Lender, the replacement of any Lender, the termination of the Aggregate Revolving Commitments and the repayment, satisfaction or discharge of all the other Obligations.

10.05 Payments Set Aside. To the extent that any payment by or on behalf of a Loan Party is made to the Administrative Agent, the L/C Issuer or any Lender, or the Administrative Agent, the L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, the L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any

proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and the L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Effective Rate from time to time in effect. The obligations of the Lenders and the L/C Issuer under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

10.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any Loan Party may assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section, or (iv) to an SPC in accordance with the provisions of subsection (h) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuer and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and in Swing Line Loans) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender' s Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans (and participations in Letters of Credit and Swing Line Loans) of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than One Million and No/100 Dollars ($1,000,000.00) unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such

consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) Intentionally Omitted.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided, further, that the Borrower shall be deemed to have consented to any such assignment requiring its consent under this clause (A) unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received written notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender;

(C) the consent of the L/C Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment that increases the obligation of the assignee to participate in exposure under one or more Letters of Credit (whether or not then outstanding); and

(D) the consent of the Swing Line Lender (such consent not to be unreasonably withheld or delayed) shall be required for any assignment that increases the obligation of the assignee to participate in exposure under Swing Line Loans (whether or not then outstanding).

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of Three Thousand Five Hundred and No/100 Dollars ($3,500.00) payable by the assignor; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. Except as provided in subsection (i) of this Section 10.06, no such assignment shall be made (A) to a Loan Party or any Affiliates or Subsidiaries of a Loan Party or (B) to any Defaulting Lender or any of its Affiliates or Subsidiaries or to any Person who, upon becoming a Lender hereunder, would constitute one of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swing Line Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender' s rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 10.04 with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent' s Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, a Defaulting Lender or a Loan Party or any Affiliates or Subsidiaries of a Loan Party) (each, a "Participant") in all or a portion of such Lender' s rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender' s participations in L/C Obligations and/or Swing Line Loans) owing to it); provided that (i) such Lender' s obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other

parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the Lenders and the L/C Issuer shall continue to deal solely and directly with such Lender' s rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 that affects such Participant. Subject to subsection (e) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.04 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower' s prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 3.01 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 3.01(e) as though it were a Lender.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Special Purpose Funding Vehicles. Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower (an "SPC") the option to provide all or any part of any Committed Loan that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Committed Loan, and (ii) if an SPC elects not to exercise such option or otherwise fails to make all or any part of such Committed Loan, the Granting Lender shall be obligated to make such Committed Loan pursuant to the terms hereof or, if it fails to do so, to make such payment to the Administrative Agent as is required under Section 2.12(b)(ii). Each party hereto hereby agrees that (i) neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Borrower under this Agreement (including its obligations under Section 3.04), (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, and (iii) the Granting Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Loan Document, remain the lender of record hereunder. The making of a Committed Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Committed Loan were made by such Granting Lender. In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one (1) year and one (1) day after the payment in full of all outstanding commercial paper or other senior debt of any SPC, it will not institute against, or join any other Person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceeding under the laws of the United States or any State thereof.

Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of the Borrower and the Administrative Agent and with the payment of a processing fee in the amount of Three Thousand Five Hundred and No/100 Dollars ($3,500.00) (which processing fee may be waived by the Administrative Agent in its sole discretion), assign all or any portion of its right to receive payment with respect to any Committed Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Committed Loans to any rating agency, commercial paper dealer or provider of any surety or Guarantee or credit or liquidity enhancement to such SPC.

(h) Resignation as L/C Issuer or Swing Line Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time JPMC assigns all of its Commitment and Loans pursuant to subsection (b) above, JPMC may, (i) upon thirty (30) calendar days' notice to the Borrower and the Lenders, resign as L/C Issuer and/or (ii) upon thirty (30) calendar days' notice to the Borrower, resign as Swing Line Lender. In the event of any such resignation as L/C Issuer or Swing Line Lender, the Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swing Line Lender hereunder; provided, however, that no failure by the Borrower to appoint any such successor shall affect the resignation of JPMC as L/C Issuer or Swing Line Lender, as the case may be. If JPMC resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Committed Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). If JPMC resigns as Swing Line Lender, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Committed Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 2.04(c). Upon the appointment of a successor L/C Issuer and/or Swing Line Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as the case may be, and (b) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements reasonably satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

(i) [Intentionally Deleted.].

10.07 Treatment of Certain Information; Confidentiality. Each of Administrative Agent, the Lenders, and the L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to the Obligations or the enforcement of rights under the Loan Documents or any Swap Agreement, (f) subject to a written agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any Swap Agreement relating to Borrower and its obligations, (g) with the consent of Borrower, (h) to holders of equity interest in the Borrower, or (i) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to Administrative Agent, any Lender, or the L/C Issuer on a nonconfidential basis from a source other than a Loan Party or any Affiliate. For the purposes of this

Section, "Information" means all information received from any Loan Party relating to any Loan Party, any member of the Consolidated Group, any Investment Affiliate or any of their respective businesses, other than any such information that is available to Administrative Agent, any Lender, or the L/C Issuer on a nonconfidential basis prior to disclosure by such Loan Party; provided that, in the case of information received from any Loan Party after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

EACH LENDER AND THE L/C ISSUER ACKNOWLEDGES THAT INFORMATION (AS DEFINED IN THIS SECTION) FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE LOAN PARTIES, AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE LOAN PARTIES, AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER AND THE L/C ISSUER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

10.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, the L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the L/C Issuer or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or the L/C Issuer, irrespective of whether or not such Lender or the L/C Issuer shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured or are owed to a branch or office of such Lender or the L/C Issuer different from the branch or office holding such deposit or obligated on such indebtedness; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.16 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, the L/C Issuer, the Swing Line Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the L/C Issuer or their respective

Affiliates may have. Each Lender and the L/C Issuer agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

10.10 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

10.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

10.12 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent or the L/C Issuer, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

10.13 Replacement of Lenders. If (i) any Lender requests compensation under Section 3.04, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority

for the account of any Lender pursuant to Section 3.01, (iii) a Lender (a "Non-Consenting Lender") does not consent to a proposed change, waiver, discharge or termination with respect to any Loan Document that has been approved by the Required Lenders as provided in Section 10.01 but requires unanimous consent of all Lenders or all Lenders directly affected thereby (as applicable) or (iv) any Lender is a Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 10.06(b);

(b) such Lender shall have received payment of an amount equal to the outstanding "par" principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the Eligible Assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter; and

(d) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

10.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C

ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

10.15 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

10.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent and the Arranger are arm' s-length commercial transactions between the Borrower, each other Loan Party and their respective Affiliates, on the one hand, and the Administrative Agent and the Arranger, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each of the Administrative Agent, the Lenders and the Arranger is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Administrative Agent nor any Arranger or Lender has any obligation to the Borrower, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Lenders and the Arranger and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, the other Loan Parties and their respective Affiliates, and neither the Administrative Agent nor any Arranger or Lender has any obligation to disclose

any of such interests to the Borrower, any other Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Lenders and the Arranger with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

10.17 USA PATRIOT Act Notice. Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

10.18 Electronic Execution of Assignments and Certain Other Documents. The words "execution," "signed," "signature" and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

10.19 Time of the Essence. Time is of the essence of the Loan Documents.

10.20 Entire Agreement. **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY.**

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the date first above written.

COLE OPERATING PARTNERSHIP IV, LP, a
Delaware limited partnership, as Borrower

By: Cole Credit Property Trust IV, Inc., a Maryland corporation, its general partner

By: /s/ D. Kirk McAllaster, Jr.
Name: D. Kirk McAllaster, Jr.
Title: Executive Vice President

JPMORGAN CHASE BANK, N.A., as Administrative Agent

By: /s/ Ryan M. Dempsey
Name: Ryan M. Dempsey
Title: Authorized Officer

JPMORGAN CHASE BANK, N.A., as a Lender, L/C Issuer and Swing Line Lender

By: /s/ Ryan M. Dempsey
Name: Ryan M. Dempsey
Title: Authorized Officer

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Post-Effective Amendment No. 4 to Registration Statement No. 333-169533 on Form S-11 of our report dated January 23, 2012 relating to the consolidated balance sheets of Cole Credit Property Trust IV, Inc. and subsidiary appearing in the Prospectus, which is part of such Registration Statement, and to the reference to us under the heading "Experts" in such Prospectus.

/s/ Deloitte & Touche LLP

Phoenix, Arizona
January 10, 2013

Fair Value Measurements (Details) (USD $)	Sep. 30, 2012	Sep. 30, 2011
Estimate of fair value | Significant other observable inputs (Level 2)		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Lines of credit, fair value disclosure	$ 39,000,000	$ 0
Loans payable, fair value disclosure	600,000	0
Carrying value		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Lines of credit, fair value disclosure	39,000,000	0
Loans payable, fair value disclosure	$ 584,000	$ 0

Fair Value Measurements	9 Months Ended Sep. 30, 2012
Fair Value Disclosures [Abstract]	
FAIR VALUE MEASUREMENTS	

FAIR VALUE MEASUREMENTS

GAAP defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. GAAP emphasizes that fair value is intended to be a market-based measurement, as opposed to a transaction-specific measurement.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Depending on the nature of the asset or liability, various techniques and assumptions can be used to estimate the fair value. Assets and liabilities are measured using inputs from three levels of the fair value hierarchy, as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. An active market is defined as a market in which transactions for the assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active (markets with few transactions), inputs other than quoted prices that are observable for the asset or liability (i.e. interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data correlation or other means (market corroborated inputs).

Level 3 – Unobservable inputs, which are only used to the extent that observable inputs are not available, reflect the Company's assumptions about the pricing of an asset or liability.

The following describes the methods the Company uses to estimate the fair value of the Company's financial assets and liabilities:

Cash and cash equivalents and restricted cash – The Company considers the carrying values of these financial assets to approximate fair value because of the short period of time between their origination and their expected realization.

Credit Facility – The fair value is estimated by discounting the expected cash flows based on estimated borrowing rates available to the Company as of September 30, 2012. The estimated fair value of the Company's debt was $39.0 million as of September 30, 2012, which approximated the carrying value on such date. The Company had no amounts outstanding on the credit facility as of December 31, 2011. The fair value of the Company's debt is estimated using Level 2 inputs.

Bond Obligations – The Company has bond obligations pursuant to a special assessment from a municipality that were assumed in connection with a property acquisition. The fair value is estimated by discounting the expected cash flows on the bond obligations at rates for similar obligations that management believes would be available to the Company as of September 30, 2012. The estimated fair value of the Company's bond obligations was $584,000 as of September 30, 2012, which approximated the carrying value on such date. The Company had no bond obligations as of December 31, 2011. The fair value of the Company's bond obligations is estimated using Level 2 inputs.

Considerable judgment is necessary to develop estimated fair values of financial assets and liabilities. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize, or be liable for, on disposition of the financial assets and

liabilities. As of September 30, 2012, there have been no transfers of financial assets or liabilities between levels.

Operating Leases Operating Leases (Details) (USD $)	9 Months Ended Sep. 30, 2012
Operating Leased Assets [Line Items]	
Operating leases of lessor, weighted average remaining lease term	16 years 2 months 12 days
October 1, 2012 through December 31, 2012	$ 2,858,594
2013	11,434,374
2014	11,434,374
2015	11,395,049
2016	11,382,877
2017	11,268,071
Thereafter	125,360,590
Total future minimum rental income	$ 185,133,929

Related-Party Transactions and Arrangements (Details) (USD $)	3 Months Ended	9 Months Ended	
	Sep. 30, 2012	Sep. 30, 2012 Property	Dec. 31, 2011
Related Party Transaction [Line Items]			
Due to affiliates	$ 99,299	$ 99,299	$ 0
Number of businesses acquired (in properties)		32	
Total purchase price	157,042,550	157,042,550	
Interest expense	364,417	617,635	
Advisors			
Related Party Transaction [Line Items]			
Cumulative noncompounded annual return	8.00%	8.00%	
Advisors | Listing commission			
Related Party Transaction [Line Items]			
Commissions performance and other fees percent	15.00%	15.00%	
Advisors | Minimum | Gross revenue for single-tenant properties			
Related Party Transaction [Line Items]			
Operating expense reimbursement percent	2.00%	2.00%	
Advisors | Minimum | Gross revenue for multi-tenant properties			
Related Party Transaction [Line Items]			
Operating expense reimbursement percent of net income	25.00%	25.00%	
Series c, llc			
Related Party Transaction [Line Items]			
Ownership interest acquired	100.00%	100.00%	
Number of businesses acquired (in properties)		2	
Total purchase price	4,323,000	4,323,000	
Selling commissions | Dealer manager commission | Maximum			
Related Party Transaction [Line Items]			
Commissions percentage on stock sales and related dealer manager fees	7.00%	7.00%	
Selling commissions | Advisors			
Related Party Transaction [Line Items]			
Related party transaction, expenses from transactions with related party	7,381,953	10,361,511	
Selling commissions reallowed by cole capital | Dealer manager commission reallowed			
Related Party Transaction [Line Items]			
Commissions percentage on stock sales and related dealer manager fees	100.00%	100.00%	
Selling commissions reallowed by cole capital | Advisors			
Related Party Transaction [Line Items]			
Related party transaction, expenses from transactions with related party	7,381,953	10,361,511	
Dealer manager fee | Dealer manager			
Related Party Transaction [Line Items]			
Commissions percentage on stock sales and related dealer manager fees	2.00%	2.00%	
Dealer manager fee | Advisors			
Related Party Transaction [Line Items]			

Related party transaction, expenses from transactions with related party	2,154,879	3,060,070
Dealer manager fee reallowed by cole capital | Advisors		
Related Party Transaction [Line Items]		
Related party transaction, expenses from transactions with related party	1,282,091	1,599,810
Other organization and offering expenses | Advisors		
Related Party Transaction [Line Items]		
Related party payments of stock issuance costs by third party		3,500,000
Payments of stock issuance costs, related party, not included in the financial statements		451,000
Related party transaction, expenses from transactions with related party	2,164,322	3,070,443
Other organization and offering expenses | Advisors | Maximum		
Related Party Transaction [Line Items]		
Organization and offering expense	2.00%	2.00%
Acquisition fees and expenses | Advisors		
Related Party Transaction [Line Items]		
Related party transaction, expenses from transactions with related party	1,880,613	3,184,334
Acquisition fees and expenses | Advisors | Maximum		
Related Party Transaction [Line Items]		
Acquisition and advisory fee	6.00%	6.00%
Acquisition fees and expenses | Advisors | Maximum | Contract purchase price of each asset		
Related Party Transaction [Line Items]		
Acquisition and advisory fee	2.00%	2.00%
Advisory fees and expenses | Advisors		
Related Party Transaction [Line Items]		
Related party transaction, expenses from transactions with related party	207,065	297,260
Operating expenses | Advisors		
Related Party Transaction [Line Items]		
Related party transaction, expenses from transactions with related party	80,478	137,573
Property sales commission | Advisors | Contract sale price of each property | Gross revenue for single-tenant properties		
Related Party Transaction [Line Items]		
Commissions performance and other fees percent	1.00%	1.00%
Property portfolio | Advisors | Maximum		
Related Party Transaction [Line Items]		
Commissions performance and other fees percent	6.00%	6.00%
Performance fee | Advisors		
Related Party Transaction [Line Items]		
Commissions performance and other fees percent	15.00%	15.00%
Average invested assets between $0 to $2 billion | Advisors		
Related Party Transaction [Line Items]		
Asset management or advisory fees percent	0.75%	0.75%
Average invested assets between $0 to $2 billion | Advisors | Maximum		
Related Party Transaction [Line Items]		

Average invested assets	2,000,000,000	2,000,000,000
Average invested assets between $0 to $2 billion | Advisors | Minimum		
Related Party Transaction [Line Items]		
Average invested assets	0	0
Average invested assets between $2 billion to $4 billion | Advisors		
Related Party Transaction [Line Items]		
Asset management or advisory fees percent	0.70%	0.70%
Average invested assets between $2 billion to $4 billion | Advisors | Maximum		
Related Party Transaction [Line Items]		
Average invested assets	4,000,000,000	4,000,000,000
Average invested assets between $2 billion to $4 billion | Advisors | Minimum		
Related Party Transaction [Line Items]		
Average invested assets	2,000,000,000	2,000,000,000
Average invested assets over $4 billion | Advisors		
Related Party Transaction [Line Items]		
Asset management or advisory fees percent	0.65%	0.65%
Average invested assets over $4 billion | Advisors | Minimum		
Related Party Transaction [Line Items]		
Average invested assets	4,000,000,000	4,000,000,000
Line of credit | Revolving credit facility		
Related Party Transaction [Line Items]		
Line of credit, current borrowing capacity	62,000,000	62,000,000
Line of credit | Revolving credit facility | Series c, llc		
Related Party Transaction [Line Items]		
Line of credit, current borrowing capacity	10,000,000	10,000,000
Line of credit fixed interest rate	4.50%	4.50%
Interest expense	$ 39,000	$ 39,000

Subsequent Events - (Details) (USD $)	3 Months Ended	9 Months Ended	1 Months Ended			
	Sep. 30, 2012	Sep. 30, 2012 Property	Sep. 30, 2012 Credit facility Line of credit	Nov. 12, 2012 Subsequent event Third quarter 2012 real estate acquisition Property	Nov. 12, 2012 Subsequent event Issuance of equity	Nov. 12, 2012 Subsequent event Amended credit facility Credit facility Line of credit
Subsequent Event						
Issuance of common stock		$ 153,175,221			$ 221,300,000	
Issuance of common stock, shares (in shares)					22,200,000	
Line of credit, current borrowing capacity			62,000,000			71,100,000
Line of credit facility, amount outstanding						39,000,000.0
Number of businesses acquired (in properties)		32		15		
Total purchase price	157,042,550	157,042,550		50,747,507		
Acquisition costs	$ 2,610,841	$ 4,559,418		$ 1,535,000		

Summary of Significant Accounting Policies	9 Months Ended Sep. 30, 2012
Accounting Policies [Abstract]	
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The condensed consolidated unaudited financial statements of the Company have been prepared in accordance with the rules and regulations of the SEC, including the instructions to Form 10-Q and Article 10 of Regulation S-X, and do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the statements for the interim periods presented include all adjustments, which are of a normal and recurring nature, necessary for a fair presentation of the results for such periods. Results for these interim periods are not necessarily indicative of full year results. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the Company's audited consolidated balance sheet and related notes thereto included in the Company's Registration Statement on Form S-11, as amended. Consolidated results of operations and cash flows for the periods ended September 30, 2011 have not been presented because the Company had not commenced its principal operations during such periods.

The condensed consolidated unaudited financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in and Valuation of Real Estate and Related Assets

Real estate and related assets are stated at cost, less accumulated depreciation and amortization. Amounts capitalized to real estate and related assets consist of the cost of acquisition, excluding acquisition related expenses, construction and any tenant improvements, major improvements and betterments that extend the useful life of the real estate and related assets and leasing costs. All repairs and maintenance are expensed as incurred.

The Company is required to make subjective assessments as to the useful lives of its depreciable assets. The Company considers the period of future benefit of each respective asset to determine the appropriate useful life of the assets. Real estate and related assets, other than land, are depreciated or amortized on a straight-line basis. The estimated useful lives of the Company's real estate and related assets by class are generally as follows:

Building and capital improvements	40 years
Tenant improvements	Lesser of useful life or lease term
Intangible lease assets	Lease term

The Company continually monitors events and changes in circumstances that could indicate that the carrying amounts of its real estate and related assets may not be recoverable. Impairment indicators that the Company considers include, but are not limited to, bankruptcy or other credit concerns of a property's major tenant, such as a history of late payments, rental concessions and other factors, a significant decrease in a property's revenues due to lease terminations, vacancies, co-tenancy clauses, reduced lease rates or other circumstances. When indicators of potential impairment are present, the Company assesses the recoverability of the assets by determining whether the carrying amount of the assets will be recovered through the undiscounted future cash flows expected from the use of the assets and their eventual disposition. In the event that such expected undiscounted future cash flows do not exceed the carrying amount, the Company will adjust the real estate and related assets to their respective fair values and recognize an impairment loss. Generally, fair value is determined using a discounted cash flow analysis and recent comparable sales transactions. No impairment indicators were identified and no impairment losses were recorded during the nine months ended September 30, 2012.

When developing estimates of expected future cash flows, the Company makes certain assumptions regarding future market rental income amounts subsequent to the expiration of current lease agreements, property operating expenses, terminal capitalization and discount rates, the expected number of months it takes to re-lease the property, required tenant improvements and the number of years the property will be held for investment. The use of alternative assumptions in estimating expected future cash flows could result in a different determination of the property's expected future cash flows and a different conclusion regarding the existence of an impairment, the extent of such loss, if any, as well as the fair value of the real estate and related assets.

When a real estate asset is identified by the Company as held for sale, the Company will cease depreciation and amortization of the assets related to the property and estimate the fair value, net of selling costs. If, in management's opinion, the fair value, net of selling costs, of the asset is less than the carrying amount of the asset, an adjustment to the carrying amount would be recorded to reflect the estimated fair value of the property, net of selling costs. There were no assets identified as held for sale as of September 30, 2012.

Allocation of Purchase Price of Real Estate and Related Assets

Upon the acquisition of real properties, the Company allocates the purchase price to acquired tangible assets, consisting of land, buildings and improvements, and identified intangible assets and liabilities, consisting of the value of above market and below market leases and the value of in-place leases, based in each case on their respective fair values. Acquisition related expenses are expensed as incurred. The Company utilizes independent appraisals to assist in the determination of the fair values of the tangible assets of an acquired property (which includes land and building). The Company obtains an independent appraisal for each real property acquisition. The information in the appraisal, along with any additional information available to the Company's management, is used in estimating the amount of the purchase price that is allocated to land. Other information in the appraisal, such as building value and market rents, may be used by the Company's management in estimating the allocation of purchase price to the building and to intangible lease assets and liabilities. The appraisal firm has no involvement in management's allocation decisions other than providing this market information.

The fair values of above market and below market lease values are recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (1) the contractual amounts to be paid pursuant to the in-place leases and (2) an estimate of fair market lease rates for the corresponding in-place leases, which is generally obtained from independent appraisals, measured over a period equal to the remaining non-cancelable term of the lease including any bargain renewal periods, with respect to a below market lease. The above market and below market lease values are capitalized as intangible lease assets or liabilities, respectively. Above market lease values are amortized as a reduction to rental income over the remaining terms of the respective leases. Below market leases are amortized as an increase to rental income over the remaining terms of the respective leases, including any bargain renewal periods. In considering whether or not the Company expects a tenant to execute a

bargain renewal option, the Company evaluates economic factors and certain qualitative factors at the time of acquisition, such as the financial strength of the tenant, remaining lease term, the tenant mix of the leased property, the Company's relationship with the tenant and the availability of competing tenant space. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of above market or below market lease values relating to that lease would be recorded as an adjustment to rental income.

The fair values of in-place leases include estimates of direct costs associated with obtaining a new tenant and opportunity costs associated with lost rental and other property income, which are avoided by acquiring a property with an in-place lease. Direct costs associated with obtaining a new tenant include commissions and other direct costs and are estimated in part by utilizing information obtained from independent appraisals and management's consideration of current market costs to execute a similar lease. The intangible values of opportunity costs, which are calculated using the contractual amounts to be paid pursuant to the in-place leases over a market absorption period for a similar lease, are capitalized as intangible lease assets and are amortized to expense over the remaining term of the respective leases. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of in-place lease assets relating to that lease would be expensed.

The Company will estimate the fair value of assumed mortgage notes payable based upon indications of current market pricing for similar types of debt financing with similar maturities. Assumed mortgage notes payable will initially be recorded at their estimated fair value as of the assumption date, and the difference between such estimated fair value and the mortgage note's outstanding principal balance will be amortized to interest expense over the term of the respective mortgage note payable.

The determination of the fair values of the real estate and related assets and liabilities acquired requires the use of significant assumptions with regard to the current market rental rates, rental growth rates, capitalization and discount rates, interest rates and other variables. The use of alternative estimates may result in a different allocation of the Company's purchase price, which could impact the Company's results of operations.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities when purchased of three months or less to be cash equivalents. The Company considers investments in highly liquid money market accounts to be cash equivalents.

Restricted Cash

Restricted cash as of September 30, 2012 consisted of escrowed investor proceeds of $1.2 million for which shares of common stock had not been issued. The Company had no restricted cash as of December 31, 2011.

Deferred Financing Costs

Deferred financing costs are capitalized and amortized on a straight-line basis over the term of the related financing arrangement, which approximates the effective interest method. Amortization of deferred financing costs was $189,000 and $226,000 for the three and nine months ended September 30, 2012, respectively. There were no deferred financing costs or related amortization as of December 31, 2011.

Concentration of Credit Risk

As of September 30, 2012, the Company had no cash on deposit in excess of federally insured levels. The Company limits significant cash deposits to accounts held by financial institutions with high credit standing; therefore, the Company believes it is not exposed to any significant credit risk on its cash deposits.

As of September 30, 2012, two of the Company's tenants, Walgreen Co. and Town & Country Food Stores, Inc., each accounted for 11% of the Company's 2012 gross annualized

rental revenues. The Company also had certain geographic concentrations in its property holdings. In particular, as of September 30, 2012, 12 of the Company's properties were located in Texas, two were located in Virginia and two were located in Florida, which accounted for 32%, 12% and 11%, respectively, of the Company's 2012 gross annualized rental revenues. In addition, the Company had tenants in the convenience store, drugstore, restaurant and discount store industries, which comprised 25%, 17%, 14% and 10%, respectively, of the Company's 2012 gross annualized rental revenues.

Revenue Recognition

Certain properties have leases where minimum rental payments increase during the term of the lease. The Company records rental income for the full term of each lease on a straight-line basis. When the Company acquires a property, the terms of existing leases are considered to commence as of the acquisition date for the purpose of determining this calculation. The Company defers the recognition of contingent rental income, such as percentage rents, until the specific target that triggers the contingent rental income is achieved. Expected reimbursements from tenants for recoverable real estate taxes and operating expenses are included in tenant reimbursement income in the period when such costs are incurred.

Income Taxes

The Company intends to qualify and elect to be taxed as a REIT for federal income tax purposes under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended, commencing with its taxable year ending December 31, 2012. If the Company qualifies for taxation as a REIT, the Company generally will not be subject to federal corporate income tax to the extent it, among other things, distributes its taxable income to its stockholders and it distributes at least 90% of its annual taxable income (computed without regard to the dividends paid deduction and excluding net capital gains). REITs are subject to a number of other organizational and operational requirements. Even if the Company qualifies for taxation as a REIT, it or its subsidiaries may be subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed income.

Offering and Related Costs

CR IV Advisors funds all of the organization and offering costs on the Company's behalf (excluding selling commissions and the dealer-manager fee) and may be reimbursed for such costs up to 2.0% of gross proceeds from the Offering. As of September 30, 2012, CR IV Advisors had incurred $3.5 million of costs related to the organization of the Company and the Offering, of which the Company had reimbursed $3.1 million. The remaining $451,000 of costs related to the organization of the Company and the Offering were not included in the financial statements of the Company as of September 30, 2012 because such costs were not a liability of the Company as they exceeded 2.0% of gross proceeds from the Offering. This amount will become payable to CR IV Advisors as the Company raises additional proceeds in the Offering. When recorded by the Company, organization costs are expensed as incurred and the offering costs, which include items such as legal and accounting fees, marketing and personnel, promotional and printing costs, are recorded as a reduction of capital in excess of par value along with selling commissions and dealer manager fees in the period in which they become payable.

Due to Affiliates

Certain affiliates of the Company's advisor received, and will continue to receive fees, reimbursements and compensation in connection with services provided relating to the Offering and the acquisition, management, financing and leasing of the properties of the Company. As of September 30, 2012, $99,000 was due to CR IV Advisors for such services, as discussed in Note 7 to these condensed consolidated unaudited financial statements.

Stockholders' Equity

As of September 30, 2012 and December 31, 2011, the Company was authorized to issue 490.0 million shares of common stock and 10.0 million shares of preferred stock. All shares of

such stock have a par value of $0.01 per share. On August 11, 2010, the Company sold 20,000 shares of common stock, at $10.00 per share, to Cole Holdings Corporation, the indirect owner of the Company's advisor and dealer-manager. As of September 30, 2012, the Company had approximately 15.4 million shares of common stock issued and outstanding. The Company's board of directors may amend the charter to authorize the issuance of additional shares of capital stock without obtaining shareholder approval. The par value of investor proceeds raised from the Offering is classified as common stock, with the remainder allocated to capital in excess of par value.

Reportable Segments

The Company's operating segment consists of commercial properties, which include activities related to investing in real estate such as retail, office and distribution properties and other real estate related assets. The commercial properties are geographically diversified throughout the United States, and the Company evaluates operating performance on an overall portfolio level. These commercial properties have similar economic characteristics; therefore, the Company's properties are one reportable segment.

Interest

Interest is charged to interest expense as it accrues. No interest costs were capitalized during the nine months ended September 30, 2012.

Distributions Payable and Distribution Policy

In order to qualify and maintain its status as a REIT, the Company is required to, among other things, make distributions each taxable year equal to at least 90% of its taxable income (computed without regard to the dividends paid deduction and excluding net capital gains). To the extent that funds are available, the Company intends to pay regular distributions to stockholders. Distributions are paid to stockholders of record as of applicable record dates. The Company intends to qualify and elect to be taxed as a REIT for federal income tax purposes commencing with its taxable year ending December 31, 2012; however, the Company has not yet elected, and has not yet qualified, to be taxed as a REIT.

The Company's board of directors authorized a daily distribution, based on 366 days in the calendar year, of $0.001707848 per share for stockholders of record as of the close of business on each day of the period commencing April 14, 2012, the first day following the release from escrow of the subscription proceeds received in the Offering, and ending on December 31, 2012. As of September 30, 2012, the Company had distributions payable of $691,000. The distributions were paid in October 2012, of which $345,000 was reinvested in shares through the DRIP. As of December 31, 2011, the Company had no distributions payable.

Redeemable Common Stock

Under the Company's share redemption program, the Company's requirement to redeem its shares is limited to the net proceeds received by the Company from the sale of shares under the DRIP, net of shares redeemed to date. The Company records amounts that are redeemable under the share redemption program as redeemable common stock outside of permanent equity in its consolidated balance sheet. As of September 30, 2012, the Company had issued approximately 57,000 shares of common stock under the DRIP for cumulative proceeds of $539,000. As of September 30, 2012, the Company had not received any requests for redemptions. As of December 31, 2011, the Company had not issued shares of common stock under the DRIP and had not redeemed any shares. Changes in the amount of redeemable common stock from period to period are recorded as an adjustment to capital in excess of par value.

New Accounting Pronouncements

In June 2011, the U.S. Financial Accounting Standards Board issued Accounting Standards Update 2011-05, *Presentation of Comprehensive Income* ("ASU 2011-05"), which requires the

presentation of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. ASU 2011-05 became effective for the Company beginning January 1, 2012. The adoption of ASU 2011-05 did not have a material effect on the Company's consolidated financial statements or disclosures, because the Company's net loss equals its comprehensive loss.

Condensed Consolidated Balance Sheets (Unaudited) (USD $)	Sep. 30, 2012	Dec. 31, 2011
Investment in real estate assets:		
Land	$ 33,775,775	$ 0
Buildings and improvements, less accumulated depreciation of $604,459 and $0, respectively	106,253,772	0
Acquired intangible lease assets, less accumulated amortization of $341,203 and $0, respectively	19,075,473	0
Total investment in real estate assets, net	159,105,020	0
Cash and cash equivalents	12,022,794	200,000
Restricted cash	1,247,370	0
Rents and tenant receivables	250,758	0
Prepaid expenses and other assets	457,788	0
Deferred financing costs, less accumulated amortization of $225,701 and $0, respectively	2,651,753	0
Total assets	175,735,483	200,000
LIABILITIES & STOCKHOLDERS' EQUITY		
Credit facility	39,000,000	0
Accounts payable and accrued expenses	751,009	0
Escrowed investor proceeds	1,247,370	0
Due to affiliates	99,299	0
Acquired below market lease intangibles, less accumulated amortization of $42,777 and $0, respectively	2,965,355	0
Distributions payable	691,081	0
Bond obligations, deferred rental income and other liabilities	765,553	0
Total liabilities	45,519,667	0
Commitments and contingencies		
Redeemable common stock	538,823	0
STOCKHOLDERS' EQUITY		
Preferred stock, $0.01 par value, 10,000,000 shares authorized, none issued and outstanding	0	0
Common stock, $0.01 par value; 490,000,000 shares authorized, 15,375,050 and 20,000 shares issued and outstanding	153,751	200
Capital in excess of par value	136,190,623	199,800
Accumulated distribution in excess of earnings	(6,667,381)	0
Total stockholders' equity	129,676,993	200,000
Total liabilities and stockholders' equity	$ 175,735,483	$ 200,000

Condensed Consolidated Statements of Cash Flows (Unaudited) (USD $)	9 Months Ended Sep. 30, 2012
Cash flows from operating activities:	
Net loss	$ (4,885,769)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation	604,459
Amortization of intangibles lease assets and below market lease intangible, net	298,426
Amortization of deferred financing costs	225,701
Changes in assets and liabilities:	
Rents and tenant receivables	(250,758)
Prepaid expenses and other assets	(407,788)
Accounts payable and accrued expenses	751,009
Deferred rental income and other liabilities	181,328
Due to affiliates	99,299
Net cash used in operating activities	(3,384,093)
Cash flows from investing activities:	
Investment in real estate assets	(156,451,712)
Change in restricted cash	(1,247,370)
Net cash used in investing activities	(157,699,082)
Cash flows from financing activities:	
Proceeds from credit facility	80,460,324
Repayments of credit facility	(41,460,324)
Proceeds from affiliate line of credit	11,700,000
Repayments of affiliate line of credit	(11,700,000)
Repayment of bond obligations	(6,613)
Proceeds from issuance of common stock	152,636,398
Offering costs on issuance of common stock	(16,492,024)
Distributions to investors	(551,708)
Payment of loan deposit	(50,000)
Change in escrowed investor proceeds	1,247,370
Deferred financing costs paid	(2,877,454)
Net cash provided by financing activities	172,905,969
Net increase in cash and cash equivalents	11,822,794
Cash and cash equivalents, beginning of period	200,000
Cash and cash equivalents, end of period	12,022,794
Supplemental Disclosures of Non-Cash Investing and Financing Activities:	
Distributions declared and unpaid	691,081
Common stock issued through distribution reinvestment plan	538,823
Fair value of assumed bond obligations	590,838
Supplemental Cash Flow Disclosures:	
Interest paid	$ 311,568

Organization and Business (Details) (USD $)	9 Months Ended			6 Months Ended					9 Months Ended
	Sep. 30, 2012 sqft	Dec. 31, 2011	Aug. 11, 2010	Sep. 30, 2012 Initial public offering	Apr. 13, 2012 Initial public offering	Jan. 26, 2012 Initial public offering	Jan. 26, 2012 Distribution reinvestment plan Initial public offering	Jan. 26, 2012 Maximum Initial public offering	Sep. 30, 2012 CCPT IV OP
Organization and business [Line Items]									
General partner partnership interest percentage									99.90%
Noncontrolling interest - limited partner partnership interest percentage									0.10%
Common stock, shares authorized (in shares)	490,000,000	490,000,000					50,000,000	250,000,000	
Share price (in dollars per share)			$ 10			$ 10	$ 9.50		
Common stock, shares issued (in shares)	15,375,050	20,000	20,000		308,000				
Issuance of common stock, shares (in shares)				15,400,000					
Issuance of common stock	$ 153,175,221			$ 153,200,000					
Offering costs, selling commissions, and dealer management fees				$ (16,500,000)					
Number of owned properties (in number of properties)	32								
Rentable square feet (in square feet)	582,000								
Number of states in which entity owns properties (in number of states)	15								
Percentage of rentable space leased	99.80%								

Summary of Significant Accounting Policies - Concentration of credit risk (Details)	9 Months Ended Sep. 30, 2012
Concentration Risk [Line Items]	
Cash on deposit, number of financial institutions which had deposits in excess of current federally insured limits	0
Number of owned properties (in number of properties)	32
TEXAS	
Concentration Risk [Line Items]	
Number of owned properties (in number of properties)	12
VIRGINIA	
Concentration Risk [Line Items]	
Number of owned properties (in number of properties)	2
FLORIDA	
Concentration Risk [Line Items]	
Number of owned properties (in number of properties)	2
Gross annualized rental revenue | Customer concentration risk | Convenience store industry	
Concentration Risk [Line Items]	
Concentration risk, percentage	25.00%
Gross annualized rental revenue | Customer concentration risk | Drugstore industry	
Concentration Risk [Line Items]	
Concentration risk, percentage	17.00%
Gross annualized rental revenue | Customer concentration risk | Restaurant industry	
Concentration Risk [Line Items]	
Concentration risk, percentage	14.00%
Gross annualized rental revenue | Customer concentration risk | Discount store industry	
Concentration Risk [Line Items]	
Concentration risk, percentage	10.00%
Gross annualized rental revenue | Credit concentration risk | TEXAS	
Concentration Risk [Line Items]	
Concentration risk, percentage	32.00%
Gross annualized rental revenue | Credit concentration risk | VIRGINIA	
Concentration Risk [Line Items]	
Concentration risk, percentage	12.00%
Gross annualized rental revenue | Credit concentration risk | FLORIDA	
Concentration Risk [Line Items]	
Concentration risk, percentage	11.00%
Walgreen co. | Gross annualized rental revenue | Customer concentration risk	
Concentration Risk [Line Items]	
Concentration risk, percentage	11.00%
Town & Country, LLC | Gross annualized rental revenue | Customer concentration risk	
Concentration Risk [Line Items]	
Concentration risk, percentage	11.00%

Organization and Business

Organization, Consolidation and Presentation of Financial Statements [Abstract]

ORGANIZATION AND BUSINESS

9 Months Ended
Sep. 30, 2012

ORGANIZATION AND BUSINESS

Cole Credit Property Trust IV, Inc. (the "Company") was formed on July 27, 2010 and is a Maryland corporation that intends to qualify as a real estate investment trust ("REIT") for federal income tax purposes beginning with the year ending December 31, 2012. The Company is the sole general partner of and owns a 99.9% partnership interest in Cole Operating Partnership IV, LP, a Delaware limited partnership ("CCPT IV OP"). Cole REIT Advisors IV, LLC ("CR IV Advisors"), the advisor to the Company, is the sole limited partner and owner of an insignificant noncontrolling partnership interest of 0.1% of CCPT IV OP. Substantially all of the Company's business is conducted through CCPT IV OP.

On January 26, 2012, pursuant to a Registration Statement on Form S-11 filed under the Securities Act of 1933, as amended (Registration No. 333-169533) (the "Registration Statement"), the Company commenced its initial public offering on a "best efforts" basis of up to a maximum of 250.0 million shares of its common stock at a price of $10.00 per share, and up to 50.0 million additional shares to be issued pursuant to a distribution reinvestment plan (the "DRIP") under which the Company's stockholders may elect to have distributions reinvested in additional shares of common stock at a price of $9.50 per share (the "Offering").

On April 13, 2012, the Company issued 308,000 shares of its common stock in the Offering and commenced principal operations. As of September 30, 2012, the Company had issued approximately 15.4 million shares of its common stock in the Offering for gross offering proceeds of $153.2 million before offering costs and selling commissions of $16.5 million. The Company intends to continue to use substantially all of the net proceeds from the Offering to acquire and operate a diversified portfolio of core commercial real estate investments primarily consisting of necessity retail properties located throughout the United States, including U.S. protectorates. The Company expects that the retail properties primarily will be single-tenant properties and multi-tenant "power centers" anchored by large, creditworthy national or regional retailers. The Company expects that the retail properties typically will be subject to long-term triple net or double net leases, whereby the tenant will be obligated to pay for most of the expenses of maintaining the property. As of September 30, 2012, the Company owned 32 properties, comprising 582,000 rentable square feet of commercial space located in 15 states. As of September 30, 2012, the rentable space at these properties was 99.8% leased.

Condensed Consolidated Balance Sheets (Unaudited) (Parenthetical) (USD $)	Sep. 30, 2012	Dec. 31, 2011
Buildings and improvements, accumulated depreciation	$ 604,459	$ 0
Acquired intangible lease assets, accumulated amortization	341,203	0
Deferred financing costs, accumulated amortization	225,701	0
Acquired below market lease intangibles, accumulated amortization	$ 42,777	$ 0
Preferred stock, par value	$ 0.01	$ 0.01
Preferred stock, shares authorized	10,000,000	10,000,000
Preferred stock, shares issued	0	0
Preferred stock, shares outstanding	0	0
Common stock, par value	$ 0.01	$ 0.01
Common stock, shares authorized	490,000,000	490,000,000
Common stock, shares issued	15,375,050	20,000
Common stock, shares outstanding	15,375,050	20,000

Summary of Significant Accounting Policies (Policies)	9 Months Ended Sep. 30, 2012
Accounting Policies [Abstract]	
Basis of presentation	The condensed consolidated unaudited financial statements of the Company have been prepared in accordance with the rules and regulations of the SEC, including the instructions to Form 10-Q and Article 10 of Regulation S-X, and do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the statements for the interim periods presented include all adjustments, which are of a normal and recurring nature, necessary for a fair presentation of the results for such periods. Results for these interim periods are not necessarily indicative of full year results. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the Company's audited consolidated balance sheet and related notes thereto included in the Company's Registration Statement on Form S-11, as amended. Consolidated results of operations and cash flows for the periods ended September 30, 2011 have not been presented because the Company had not commenced its principal operations during such periods.
Principles of consolidation	The condensed consolidated unaudited financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.
Use of estimates	***Use of Estimates*** The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
Investment in and valuation of real estate and related assets	***Investment in and Valuation of Real Estate and Related Assets*** Real estate and related assets are stated at cost, less accumulated depreciation and amortization. Amounts capitalized to real estate and related assets consist of the cost of acquisition, excluding acquisition related expenses, construction and any tenant improvements, major improvements and betterments that extend the useful life of the real estate and related assets and leasing costs. All repairs and maintenance are expensed as incurred. The Company is required to make subjective assessments as to the useful lives of its depreciable assets. The Company considers the period of future benefit of each respective asset to determine the appropriate useful life of the assets. Real estate and related assets, other than land, are depreciated or amortized on a straight-line basis. The estimated useful lives of the Company's real estate and related assets by class are generally as follows:

Building and capital improvements	40 years
Tenant improvements	Lesser of useful life or lease term
Intangible lease assets	Lease term

The Company continually monitors events and changes in circumstances that could indicate that the carrying amounts of its real estate and related assets may not be recoverable. Impairment indicators that the Company considers include, but are not limited to, bankruptcy or other credit concerns of a property's major tenant, such as a history of late payments, rental concessions and other factors, a significant decrease in a property's revenues due to lease terminations, vacancies, co-tenancy clauses, reduced lease rates or other circumstances. When indicators of potential

impairment are present, the Company assesses the recoverability of the assets by determining whether the carrying amount of the assets will be recovered through the undiscounted future cash flows expected from the use of the assets and their eventual disposition. In the event that such expected undiscounted future cash flows do not exceed the carrying amount, the Company will adjust the real estate and related assets to their respective fair values and recognize an impairment loss. Generally, fair value is determined using a discounted cash flow analysis and recent comparable sales transactions. No impairment indicators were identified and no impairment losses were recorded during the nine months ended September 30, 2012.

When developing estimates of expected future cash flows, the Company makes certain assumptions regarding future market rental income amounts subsequent to the expiration of current lease agreements, property operating expenses, terminal capitalization and discount rates, the expected number of months it takes to re-lease the property, required tenant improvements and the number of years the property will be held for investment. The use of alternative assumptions in estimating expected future cash flows could result in a different determination of the property's expected future cash flows and a different conclusion regarding the existence of an impairment, the extent of such loss, if any, as well as the fair value of the real estate and related assets.

When a real estate asset is identified by the Company as held for sale, the Company will cease depreciation and amortization of the assets related to the property and estimate the fair value, net of selling costs. If, in management's opinion, the fair value, net of selling costs, of the asset is less than the carrying amount of the asset, an adjustment to the carrying amount would be recorded to reflect the estimated fair value of the property, net of selling costs. There were no assets identified as held for sale as of September 30, 2012.

Allocation of purchase price of real estate and related assets

Allocation of Purchase Price of Real Estate and Related Assets

Upon the acquisition of real properties, the Company allocates the purchase price to acquired tangible assets, consisting of land, buildings and improvements, and identified intangible assets and liabilities, consisting of the value of above market and below market leases and the value of in-place leases, based in each case on their respective fair values. Acquisition related expenses are expensed as incurred. The Company utilizes independent appraisals to assist in the determination of the fair values of the tangible assets of an acquired property (which includes land and building). The Company obtains an independent appraisal for each real property acquisition. The information in the appraisal, along with any additional information available to the Company's management, is used in estimating the amount of the purchase price that is allocated to land. Other information in the appraisal, such as building value and market rents, may be used by the Company's management in estimating the allocation of purchase price to the building and to intangible lease assets and liabilities. The appraisal firm has no involvement in management's allocation decisions other than providing this market information.

The fair values of above market and below market lease values are recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (1) the contractual amounts to be paid pursuant to the in-place leases and (2) an estimate of fair market lease rates for the corresponding in-place leases, which is generally obtained from independent appraisals, measured over a period equal to the remaining non-cancelable term of the lease including any bargain renewal periods, with respect to a below market lease. The above market and below market lease values are capitalized as intangible lease assets or liabilities, respectively. Above market lease values are amortized as a reduction to rental income over the remaining terms of the respective leases. Below market leases are amortized as an increase to rental income over the remaining terms of the respective leases, including any bargain renewal periods. In considering whether or not the Company expects a tenant to execute a bargain renewal option, the Company evaluates economic factors and certain qualitative factors at the time of acquisition, such as the financial strength of the tenant, remaining lease term, the tenant mix of the leased property, the Company's relationship with the tenant and the availability of competing tenant space. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of above market or below market lease values relating to that lease would be recorded as an adjustment to rental income.

The fair values of in-place leases include estimates of direct costs associated with obtaining a new tenant and opportunity costs associated with lost rental and other property income, which are avoided by acquiring a property with an in-place lease. Direct costs associated with obtaining a new tenant include commissions and other direct costs and are estimated in part by utilizing information obtained from independent appraisals and management's consideration of current market costs to execute a similar lease. The intangible values of opportunity costs, which are calculated using the contractual amounts to be paid pursuant to the in-place leases over a market absorption period for a similar lease, are capitalized as intangible lease assets and are amortized to expense over the remaining term of the respective leases. If a lease were to be terminated prior to its stated expiration, all unamortized amounts of in-place lease assets relating to that lease would be expensed.

The Company will estimate the fair value of assumed mortgage notes payable based upon indications of current market pricing for similar types of debt financing with similar maturities. Assumed mortgage notes payable will initially be recorded at their estimated fair value as of the assumption date, and the difference between such estimated fair value and the mortgage note's outstanding principal balance will be amortized to interest expense over the term of the respective mortgage note payable.

The determination of the fair values of the real estate and related assets and liabilities acquired requires the use of significant assumptions with regard to the current market rental rates, rental growth rates, capitalization and discount rates, interest rates and other variables. The use of alternative estimates may result in a different allocation of the Company's purchase price, which could impact the Company's results of operations.

Cash and cash equivalents, policy

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities when purchased of three months or less to be cash equivalents. The Company considers investments in highly liquid money market accounts to be cash equivalents.

Restricted cash

Restricted Cash

Restricted cash as of September 30, 2012 consisted of escrowed investor proceeds of $1.2 million for which shares of common stock had not been issued. The Company had no restricted cash as of December 31, 2011.

Deferred financing costs

Deferred Financing Costs

Deferred financing costs are capitalized and amortized on a straight-line basis over the term of the related financing arrangement, which approximates the effective interest method.

Concentration of credit risk

Concentration of Credit Risk

As of September 30, 2012, the Company had no cash on deposit in excess of federally insured levels. The Company limits significant cash deposits to accounts held by financial institutions with high credit standing; therefore, the Company believes it is not exposed to any significant credit risk on its cash deposits.

Revenue recognition leases

Revenue Recognition

Certain properties have leases where minimum rental payments increase during the term of the lease. The Company records rental income for the full term of each lease on a straight-line basis. When the Company acquires a property, the terms of existing leases are considered to commence as of the acquisition date for the purpose of determining this calculation. The Company defers the recognition of contingent rental income, such as percentage rents, until the specific target that triggers the contingent rental income is achieved. Expected reimbursements from tenants for recoverable real estate taxes and operating expenses are included in tenant reimbursement income in the period when such costs are incurred.

Income tax, policy

Income Taxes

The Company intends to qualify and elect to be taxed as a REIT for federal income tax purposes under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended, commencing with its taxable year ending December 31, 2012. If the Company qualifies for taxation as a REIT, the Company generally will not be subject to federal corporate income tax to the extent it, among other things, distributes its taxable income to its stockholders and it distributes at least 90% of its annual taxable income (computed without regard to the dividends paid deduction and excluding net capital gains). REITs are subject to a number of other organizational and operational requirements. Even if the Company qualifies for taxation as a REIT, it or its subsidiaries may be subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed income.

Reportable segments

Reportable Segments

The Company's operating segment consists of commercial properties, which include activities related to investing in real estate such as retail, office and distribution properties and other real estate related assets. The commercial properties are geographically diversified throughout the United States, and the Company evaluates operating performance on an overall portfolio level. These commercial properties have similar economic characteristics; therefore, the Company's properties are one reportable segment.

Offering and related costs

Offering and Related Costs

CR IV Advisors funds all of the organization and offering costs on the Company's behalf (excluding selling commissions and the dealer-manager fee) and may be reimbursed for such costs up to 2.0% of gross proceeds from the Offering. As of September 30, 2012, CR IV Advisors had incurred $3.5 million of costs related to the organization of the Company and the Offering, of which the Company had reimbursed $3.1 million. The remaining $451,000 of costs related to the organization of the Company and the Offering were not included in the financial statements of the Company as of September 30, 2012 because such costs were not a liability of the Company as they exceeded 2.0% of gross proceeds from the Offering. This amount will become payable to CR IV Advisors as the Company raises additional proceeds in the Offering. When recorded by the Company, organization costs are expensed as incurred and the offering costs, which include items such as legal and accounting fees, marketing and personnel, promotional and printing costs, are recorded as a reduction of capital in excess of par value along with selling commissions and dealer manager fees in the period in which they become payable.

Due to affiliates

Due to Affiliates

Certain affiliates of the Company's advisor received, and will continue to receive fees, reimbursements and compensation in connection with services provided relating to the Offering and the acquisition, management, financing and leasing of the properties of the Company. As of September 30, 2012, $99,000 was due to CR IV Advisors for such services, as discussed in Note 7 to these condensed consolidated unaudited financial statements.

Interest

Interest

Interest is charged to interest expense as it accrues.

Distributions payable and distribution policy

Distributions Payable and Distribution Policy

In order to qualify and maintain its status as a REIT, the Company is required to, among other things, make distributions each taxable year equal to at least 90% of its taxable income (computed without regard to the dividends paid deduction and excluding net capital gains). To the extent that funds are available, the Company intends to pay regular distributions to stockholders. Distributions are paid to stockholders of record as of applicable record dates. The Company intends to qualify and elect to be taxed as a REIT for federal income tax purposes commencing

with its taxable year ending December 31, 2012; however, the Company has not yet elected, and has not yet qualified, to be taxed as a REIT.

The Company's board of directors authorized a daily distribution, based on 366 days in the calendar year, of $0.001707848 per share for stockholders of record as of the close of business on each day of the period commencing April 14, 2012, the first day following the release from escrow of the subscription proceeds received in the Offering, and ending on December 31, 2012. As of September 30, 2012, the Company had distributions payable of $691,000. The distributions were paid in October 2012, of which $345,000 was reinvested in shares through the DRIP. As of December 31, 2011, the Company had no distributions payable.

Redeemable common stock

Redeemable Common Stock

Under the Company's share redemption program, the Company's requirement to redeem its shares is limited to the net proceeds received by the Company from the sale of shares under the DRIP, net of shares redeemed to date. The Company records amounts that are redeemable under the share redemption program as redeemable common stock outside of permanent equity in its consolidated balance sheet. As of September 30, 2012, the Company had issued approximately 57,000 shares of common stock under the DRIP for cumulative proceeds of $539,000. As of September 30, 2012, the Company had not received any requests for redemptions. As of December 31, 2011, the Company had not issued shares of common stock under the DRIP and had not redeemed any shares. Changes in the amount of redeemable common stock from period to period are recorded as an adjustment to capital in excess of par value.

New accounting pronouncements

New Accounting Pronouncements

In June 2011, the U.S. Financial Accounting Standards Board issued Accounting Standards Update 2011-05, *Presentation of Comprehensive Income* ("ASU 2011-05"), which requires the presentation of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. ASU 2011-05 became effective for the Company beginning January 1, 2012. The adoption of ASU 2011-05 did not have a material effect on the Company's consolidated financial statements or disclosures, because the Company's net loss equals its comprehensive loss.

Document and Entity Information In Millions, unless otherwise specified	9 Months Ended Sep. 30, 2012	Nov. 12, 2012
Entity Information [Line Items]		
Entity Registrant Name	COLE CREDIT PROPERTY TRUST IV, INC.	
Entity Central Index Key	0001498547	
Document Type	Other	
Document Period End Date	Sep. 30, 2012	
Amendment Flag	false	
Document Fiscal Year Focus	2012	
Document Fiscal Period Focus	Q3	
Current Fiscal Year End Date	--12-31	
Entity Filer Category	Non-accelerated Filer	
Entity common stock, shares outstanding		22.2

Summary of Significant Accounting Policies (Tables)	9 Months Ended Sep. 30, 2012
Accounting Policies [Abstract]	
Investment in and valuation of real estate and related assets	Real estate and related assets, other than land, are depreciated or amortized on a straight-line basis. The estimated useful lives of the Company's real estate and related assets by class are generally as follows:

Building and capital improvements	40 years
Tenant improvements	Lesser of useful life or lease term
Intangible lease assets	Lease term

Condensed Consolidated Statement of Operations (Unaudited) (USD $)	3 Months Ended Sep. 30, 2012	9 Months Ended Sep. 30, 2012
Revenues:		
Rental and other property income	$ 1,723,130	$ 2,345,143
Tenant reimbursement income	123,374	149,677
Total revenue	1,846,504	2,494,820
Expenses:		
General and administrative expenses	588,679	811,982
Property operating expenses	130,055	156,555
Advisory fees and expenses	207,065	297,260
Acquisition related expenses	2,610,841	4,559,418
Depreciation	448,258	604,459
Amortization	229,331	333,767
Total operating expenses	4,214,229	6,763,441
Operating loss	(2,367,725)	(4,268,621)
Other income (expense):		
Interest and other income	114	487
Interest expense	(364,417)	(617,635)
Total other expense	(364,303)	(617,148)
Net loss	$ (2,732,028)	$ (4,885,769)
Weighted average number of common shares outstanding:		
Basic and diluted (in shares)	9,628,953	3,789,868
Net loss per common share:		
Basic and diluted (in dollars per shares)	$ (0.28)	$ (1.29)
Distributions declared per common share (in dollars per share)	$ 0.16	$ 0.47

Commitments and Contingencies	9 Months Ended Sep. 30, 2012
Commitments and Contingencies Disclosure [Abstract]	
COMMITMENTS AND CONTINGENCIES	

COMMITMENTS AND CONTINGENCIES

Litigation

In the ordinary course of business, the Company may become subject to litigation or claims. The Company is not aware of any pending legal proceedings of which the outcome is reasonably possible to have a material effect on its results of operations, financial condition or liquidity.

Environmental Matters

In connection with the ownership and operation of real estate, the Company potentially may be liable for costs and damages related to environmental matters. The Company owns certain properties that are subject to environmental remediation. In each case, the seller of the property, the tenant of the property and/or another third party has been identified as the responsible party for environmental remediation costs related to the respective property. Additionally, in connection with the purchase of certain of the properties, the respective sellers and/or tenants have indemnified the Company against future remediation costs. In addition, the Company carries environmental liability insurance on its properties that provides limited coverage for remediation liability and pollution liability for third-party bodily injury and property damage claims. Accordingly, the Company does not believe that it is reasonably possible that the environmental matters identified at such properties will have a material effect on its results of operations, financial condition or liquidity, nor is it aware of any environmental matters at other properties which it believes are reasonably possible to have a material effect on its results of operations, financial condition or liquidity.

Credit Facility

9 Months Ended
Sep. 30, 2012

Debt Disclosure [Abstract]
CREDIT FACILITY

CREDIT FACILITY

As of September 30, 2012, the Company had $39.0 million of debt outstanding under its secured revolving credit facility (the "Credit Facility") with JPMorgan Chase Bank, N.A. ("JPMorgan Chase") as administrative agent pursuant to an amended and restated credit agreement (the "Credit Agreement"). The Credit Facility allows the Company to borrow up to $250.0 million in revolving loans (the "Revolving Loans"), with the maximum amount outstanding not to exceed 65% of the cost or appraised value of qualified properties as determined by the administrative agent (the "Borrowing Base"). As of September 30, 2012, the allowable borrowings under the Borrowing Base of the Credit Facility was approximately $62.0 million based on the underlying collateral pool for qualified properties. Subject to meeting certain conditions described in the Credit Agreement and the payment of certain fees, the amount of the Credit Facility may be increased up to a maximum of $400.0 million. The Credit Facility matures on July 13, 2015.

The Revolving Loans will bear interest at rates depending upon the type of loan specified by the Company. For a Eurodollar rate loan, as defined in the Credit Agreement, the interest rate will be equal to the one-month LIBOR for the interest period, plus 2.35%. For floating rate loans, the interest rate will be a per annum amount equal to 1.35% plus the greatest of (1) the Federal Funds Rate plus 0.5%; (2) JPMorgan Chase's Prime Rate; or (3) the one-month LIBOR plus 1.0%. As of September 30, 2012, the Revolving Loans had a weighted average interest rate 2.69%.

The Credit Agreement contains customary representations, warranties, borrowing conditions and affirmative, negative and financial covenants, including minimum net worth, debt service coverage and leverage ratio requirements and dividend payout and REIT status requirements. Based on the Company's analysis and review of its results of operations and financial condition, the Company believes it was in compliance with the covenants of the Credit Facility as of September 30, 2012.

In addition, during the nine months ended September 30, 2012, the Company entered into a $10.0 million subordinate revolving line of credit with Series C, LLC, an affiliate of CR IV Advisors ("Series C"), (the "Series C Loan"). The Series C Loan has a fixed interest rate of 4.5% with accrued interest payable monthly in arrears and principal due upon maturity on April 12, 2013. The Series C Loan was approved by a majority of the directors (including a majority of the independent directors) not otherwise interested in the transaction as being fair, competitive and commercially reasonable and no less favorable to the Company than a comparable loan between unaffiliated parties under the same circumstances. As of September 30, 2012, there were no amounts outstanding on the Series C Loan.

Summary of Significant Accounting Policies - Narative (Details) (USD $)	1 Months Ended	3 Months Ended	9 Months Ended	12 Months Ended	
	Jul. 31, 2012	Sep. 30, 2012	Sep. 30, 2012	Dec. 31, 2011	Aug. 11, 2010
Valuation of real estate and related assets [Line Items]					
Restricted cash		$ 1,247,370	$ 1,247,370	$ 0	
Amortization of deferred financing costs		189,000	225,701	0	
Due to affiliates		99,299	99,299	0	
Common stock, shares authorized (in shares)		490,000,000	490,000,000	490,000,000	
Preferred stock, shares authorized (in shares)		10,000,000	10,000,000	10,000,000	
Common stock, var value (in dollars per share)		$ 0.01	$ 0.01	$ 0.01	
Preferred stock, par value (in dollars per share)		$ 0.01	$ 0.01	$ 0.01	
Common stock, shares issued (in shares)		15,375,050	15,375,050	20,000	20,000
Share price (in dollars per share)					$ 10
Dividend, common stock and preferred stock, number of days in the calendar year for the daily distribution			366 days		
Common stock and preferred stock, dividends, daily amount per share authorized (in dollars per share)			$ 0.001707848		
Distributions payable		691,081	691,081	0	
Common stock issued through distribution reinvestment plan	345,000		538,823		
Redeemable common stock, shares outstanding (in shares)		57,000	57,000	0	
Redeemable common stock		538,823	538,823	0	
Advisors | Other organization and offering expenses					
Valuation of real estate and related assets [Line Items]					
Related party payments of stock issuance costs by third party			3,500,000		
Related party transaction, expenses from transactions with related party		2,164,322	3,070,443		
Payments of stock issuance costs, related party, not included in the financial statements			451,000		
Advisors | Other organization and offering expenses | Maximum					
Valuation of real estate and related assets [Line Items]					
Organization and offering expense		2.00%	2.00%		
Advisors | Reimbursed organization and offering costs					
Valuation of real estate and related assets [Line Items]					

Related party transaction, expenses from transactions with related party	3,070,000	
Advisors | Selling commissions		
Valuation of real estate and related assets [Line Items]		
Related party transaction, expenses from transactions with related party	7,381,953	10,361,511
Advisors | Dealer manager fee		
Valuation of real estate and related assets [Line Items]		
Related party transaction, expenses from transactions with related party	2,154,879	3,060,070
Restricted cash, investor proceeds for which shares of common stock had not been issued		
Valuation of real estate and related assets [Line Items]		
Restricted cash	$ 1,200,000	$ 1,200,000
Building and capital improvements		
Valuation of real estate and related assets [Line Items]		
Acquired real estate asset, useful life		40 years

Real Estate Assets (Tables)

	9 Months Ended Sep. 30, 2012
Business Combinations [Abstract]	
Schedule of purchase price allocation	

The following table summarizes the purchase price allocation:

	September 30, 2012
Land	$ 33,775,775
Building and improvements	106,858,231
Acquired in-place leases	18,326,349
Acquired above-market leases	1,090,327
Acquired below-market leases	(3,008,132)
Total purchase price	$ 157,042,550

Business acquisition, pro forma information

The table below presents the Company's estimated revenue and net income (loss), on a pro forma basis, for the three and nine months ended September 30, 2012 and 2011, respectively.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Pro forma basis (unaudited):				
Revenue	3,053,386	3,053,386	9,098,700	9,098,700
Net income (loss)	500,499	569,773	2,586,868	(1,787,088)

Operating Leases

Leases [Abstract]
OPERATING LEASES

9 Months Ended
Sep. 30, 2012

OPERATING LEASES

The Company's real estate properties are leased to tenants under operating leases for which the terms and expirations vary. As of September 30, 2012, the leases have a weighted-average remaining term of 16.2 years. The leases may have provisions to extend the lease agreements, options for early termination after paying a specified penalty, rights of first refusal to purchase the property at competitive market rates, and other terms and conditions as negotiated. The Company retains substantially all of the risks and benefits of ownership of the real estate assets leased to tenants. As of September 30, 2012, the future minimum rental income from the Company's investment in real estate assets under non-cancelable operating leases, assuming no exercise of renewal options, is as follows:

	Future Minimum Rental Income
October 1, 2012 through December 31, 2012	$ 2,858,594
2013	11,434,374
2014	11,434,374
2015	11,395,049
2016	11,382,877
2017	11,268,071
Thereafter	125,360,590
	$ 185,133,929

Related-Party Transactions and Arrangements	9 Months Ended Sep. 30, 2012
Related Party Transactions [Abstract]	
RELATED-PARTY TRANSACTIONS AND ARRANGEMENTS	

RELATED-PARTY TRANSACTIONS AND ARRANGEMENTS

The Company has incurred, and will continue to incur, commissions, fees and expenses payable to CR IV Advisors and certain of its affiliates in connection with the Offering, and the acquisition, management and disposition of its assets.

Offering

In connection with the Offering, Cole Capital Corporation ("Cole Capital"), the Company's dealer-manager, which is affiliated with its advisor, receives a selling commission of up to 7.0% of gross offering proceeds before reallowance of commissions earned by participating broker-dealers. Cole Capital has reallowed and intends to continue to reallow 100% of selling commissions earned to participating broker-dealers. In addition, Cole Capital receives up to 2.0% of gross offering proceeds before reallowance to participating broker-dealers as a dealer-manager fee in connection with the Offering. Cole Capital, in its sole discretion, may reallow all or a portion of its dealer-manager fee to such participating broker-dealers. No selling commissions or dealer manager fees are paid to Cole Capital or other broker-dealers with respect to shares sold pursuant to the DRIP.

All other organization and offering expenses associated with the sale of the Company's common stock (excluding selling commissions and the dealer-manager fee) are paid by CR IV Advisors or its affiliates and are reimbursed by the Company up to 2.0% of aggregate gross offering proceeds. A portion of the other organization and offering expenses may be underwriting compensation. As of September 30, 2012, CR IV Advisors had paid organization and offering costs of $3.5 million in connection with the Offering, of which $451,000 was not included in the financial statements of the Company because such costs were not a liability of the Company as they exceeded 2.0% of gross proceeds from the Offering. This amount may become payable to CR IV Advisors as the Company continues to raise additional proceeds in the Offering.

The Company incurred commissions, fees and expense reimbursements as shown in the table below for services provided by CR IV Advisors or its affiliates related to the services described above during the periods indicated:

	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2012
Offering:		
Selling commissions	$ 7,381,953	$ 10,361,511
Selling commissions reallowed by Cole Capital	$ 7,381,953	$ 10,361,511
Dealer manager fees	$ 2,154,879	$ 3,060,070
Dealer manager fees reallowed by Cole Capital	$ 1,282,091	$ 1,599,810
Other organization and offering expenses	$ 2,164,322	$ 3,070,443

Acquisitions and Operations

CR IV Advisors or its affiliates also receive acquisition fees of up to 2.0% of: (1) the contract purchase price of each property or asset the Company acquires; (2) the amount paid in respect of the development, construction or improvement of each asset the Company acquires; (3) the purchase price of any loan the Company acquires; and (4) the principal amount of any loan the Company originates. Additionally, CR IV Advisors or its affiliates are reimbursed for acquisition expenses incurred in the process of acquiring properties, so long as the total acquisition fees and expenses relating to the transaction does not exceed 6.0% of the contract purchase price.

The Company pays CR IV Advisors a monthly advisory fee based upon the Company's monthly average invested assets, which is equal to the following amounts: (1) an annualized rate of 0.75% will be paid on the Company's average invested assets that are between $0 to $2.0 billion; (2) an annualized rate of 0.70% will be paid on the Company's average invested assets that are between $2.0 billion to $4.0 billion; and (3) an annualized rate of 0.65% will be paid on the Company's average invested assets that are over $4.0 billion.

The Company reimburses CR IV Advisors for the expenses it paid or incurred in connection with the services provided to the Company, subject to the limitation that the Company will not reimburse for any amount by which its operating expenses (including the advisory fee) at the end of the four preceding fiscal quarters exceeds the greater of: (1) 2.0% of average invested assets, or (2) 25.0% of net income other than any additions to reserves for depreciation, bad debts or other similar non-cash

reserves and excluding any gain from the sale of assets for that period. The Company will not reimburse for personnel costs in connection with services for which CR IV Advisors receives acquisition fees.

The Company recorded fees and expense reimbursements as shown in the table below for services provided by CR IV Advisors or its affiliates related to the services described above during the periods indicated:

	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2012
Acquisition and Operations:		
Acquisition fees and expenses	$ 1,880,613	$ 3,184,334
Advisory fees and expenses	$ 207,065	$ 297,260
Operating expenses	$ 80,478	$ 137,573

The Company did not incur any advisory fees or operating expense reimbursements from April 13, 2012, when the Company commenced principal operations, through May 31, 2012 as CR IV Advisors agreed to waive its rights to these fees and expense reimbursements during such period.

Liquidation/Listing

If CR IV Advisors or its affiliates provide a substantial amount of services (as determined by a majority of the Company's independent directors) in connection with the sale of properties, the Company will pay CR IV Advisors or its affiliate a disposition fee in an amount equal to up to one-half of the brokerage commission paid on the sale of property, not to exceed 1.0% of the contract price of the property sold; provided, however, in no event may the disposition fee paid to CR IV Advisors or its affiliates, when added to the real estate commissions paid to unaffiliated third parties, exceed the lesser of the customary competitive real estate commission or an amount equal to 6.0% of the contract sales price.

If the Company is sold or its assets are liquidated, CR IV Advisors will be entitled to receive a subordinated performance fee equal to 15.0% of the net sale proceeds remaining after investors have received a return of their net capital invested and an 8.0% annual cumulative, non-compounded return. Alternatively, if the Company's shares are listed on a national securities exchange, CR IV Advisors will be entitled to a subordinated performance fee equal to 15.0% of the amount by which the market value of the Company's outstanding stock plus all distributions paid by the Company prior to listing, exceeds the sum of the total amount of capital raised from investors and the amount of distributions necessary to generate an 8.0% annual cumulative, non-compounded return to investors. As an additional alternative, upon termination of the advisory agreement, CR IV Advisors may be entitled to a subordinated performance fee similar to that to which CR IV Advisors would have been entitled had the portfolio been liquidated (based on an independent appraised value of the portfolio) on the date of termination.

During the nine months ended September 30, 2012, no commissions or fees were incurred for any such services provided by CR IV Advisors and its affiliates related to the services described above.

Due to Affiliates

As of September 30, 2012, $99,000 had been incurred primarily for operating and acquisition expenses by CR IV Advisors or its affiliates, but had not yet been reimbursed by the Company and were included in due to affiliates on the condensed consolidated unaudited balance sheets.

Transactions

During the nine months ended September 30, 2012, the Company acquired 100% of the membership interests in two commercial properties from Series C for an aggregate purchase price of $4.3 million. A majority of the Company's board of directors (including a majority of the Company's independent directors) not otherwise interested in the transactions approved the acquisitions as being fair and reasonable to the Company and determined that the cost to the Company of each property was equal to the cost of the respective property to Series C (including acquisition related expenses). In addition, the purchase price of each property, exclusive of closing costs, was not in excess of the current appraised value of the respective property as determined by an independent third party appraiser.

In connection with the real estate assets acquired from Series C during the nine months ended September 30, 2012, the Company entered into the Series C Loan. Refer to Note 5 to these condensed consolidated unaudited financial statements for the terms of the Series C Loan. The Series C Loan was repaid in full during the nine months ended September 30, 2012, with gross offering proceeds. The Company paid $39,000 of interest to CR IV Advisors related to the Series C Loan during the nine months ended September 30, 2012.

Economic Dependency	9 Months Ended Sep. 30, 2012
Economic Dependency [Abstract]	
ECONOMIC DEPENDENCY	**ECONOMIC DEPENDENCY** Under various agreements, the Company has engaged or will engage CR IV Advisors and its affiliates to provide certain services that are essential to the Company, including asset management services, supervision of the management and leasing of properties owned by the Company, asset acquisition and disposition decisions, the sale of shares of the Company's common stock available for issuance, as well as other administrative responsibilities for the Company including accounting services and investor relations. As a result of these relationships, the Company is dependent upon CR IV Advisors and its affiliates. In the event that these companies are unable to provide the Company with these services, the Company would be required to find alternative providers of these services.

Subsequent Events	9 Months Ended Sep. 30, 2012
Subsequent Events [Abstract]	
SUBSEQUENT EVENTS	

SUBSEQUENT EVENTS

Status of the Offering

As of November 12, 2012, the Company had received $221.3 million in gross offering proceeds through the issuance of approximately 22.2 million shares of its common stock in the Offering (including shares issued pursuant to the DRIP).

Credit Facility

Subsequent to September 30, 2012, the Borrowing Base was increased to $71.1 million. As of November 12, 2012, the Company had $39.0 million outstanding under the Credit Facility.

Investment in Real Estate Assets

Subsequent to September 30, 2012, the Company acquired 15 commercial real estate properties for an aggregate purchase price of $50.7 million. The acquisitions were funded with net proceeds of the Offering. Acquisition related expenses totaling $1.5 million were expensed as incurred.

Operating Leases Operating Leases (Tables)

Leases [Abstract]

Schedule of future minimum rental payments for operating leases

9 Months Ended Sep. 30, 2012

As of September 30, 2012, the future minimum rental income from the Company's investment in real estate assets under non-cancelable operating leases, assuming no exercise of renewal options, is as follows:

	Future Minimum Rental Income
October 1, 2012 through December 31, 2012	$ 2,858,594
2013	11,434,374
2014	11,434,374
2015	11,395,049
2016	11,382,877
2017	11,268,071
Thereafter	125,360,590
	$ 185,133,929

Real Estate Assets (Details) (USD $)	3 Months Ended		9 Months Ended	
	Sep. 30, 2012	Sep. 30, 2011	Sep. 30, 2012 Property	Sep. 30, 2011
Business Acquisition [Line Items]				
Number of businesses acquired (in properties)			32	
Business Acquisition, Purchase Price Allocation [Abstract]				
Land	$ 33,775,775		$ 33,775,775	
Buildings and improvements	106,858,231		106,858,231	
Total purchase price	157,042,550		157,042,550	
Revenue of acquiree since acquisition date	1,847,000		2,495,000	
Loss of acquiree since acquisition date	1,800,000		3,400,000	
Pro forma basis (unaudited)				
Revenue	3,053,386	3,053,386	9,098,700	9,098,700
Net income	500,499	569,773	2,586,868	(1,787,088)
Acquisition costs	2,610,841		4,559,418	
Acquired-in-place leases				
Business Acquisition, Purchase Price Allocation [Abstract]				
Acquired finite-lived intangible asset - leases, amount	18,326,349		18,326,349	
Acquired above-market leases				
Business Acquisition, Purchase Price Allocation [Abstract]				
Acquired finite-lived intangible asset - leases, amount	1,090,327		1,090,327	
Acquired below-market leases				
Business Acquisition, Purchase Price Allocation [Abstract]				
Acquired below-market leases	$ (3,008,132)		$ (3,008,132)	

Condensed Consolidated Statements of Stockholder's Equity (Unaudited) (USD $)	Total	Common Stock	Capital in Excess of Par Value	Accumulated Distributions in Excess of Earnings
Balance at Dec. 31, 2011	$ 200,000	$ 200	$ 199,800	$ 0
Balance, shares at Dec. 31, 2011	20,000	20,000		
Increase (Decrease) in Stockholders' Equity [Roll Forward]				
Issuance of common stock, shares		15,355,050		
Issuance of common stock	153,175,221	153,551	153,021,670	
Distributions to investors	(1,781,612)			(1,781,612)
Commissions on stock sales and related dealer manager fees	(13,421,581)		(13,421,581)	
Other offering costs	(3,070,443)		(3,070,443)	
Changes in redeemable common stock	(538,823)		(538,823)	
Net loss	(4,885,769)			(4,885,769)
Balance at Sep. 30, 2012	$ 129,676,993	$ 153,751	$ 136,190,623	$ (6,667,381)
Balance, shares at Sep. 30, 2012	15,375,050	15,375,050		

Real Estate Acquisitions

Business Combinations [Abstract]
REAL ESTATE ASSETS

9 Months Ended Sep. 30, 2012

REAL ESTATE ACQUISITIONS

During the nine months ended September 30, 2012, the Company acquired 32 commercial properties for an aggregate purchase price of $157.0 million (the "2012 Acquisitions"). The Company purchased the 2012 Acquisitions with net proceeds from the Offering and proceeds from the Company's revolving credit facility and line of credit with an affiliate of the Company's advisor. The Company allocated the purchase price of these properties to the fair value of the assets acquired and liabilities assumed. The following table summarizes the purchase price allocation:

	September 30, 2012
Land	$ 33,775,775
Building and improvements	106,858,231
Acquired in-place leases	18,326,349
Acquired above-market leases	1,090,327
Acquired below-market leases	(3,008,132)
Total purchase price	$ 157,042,550

During the three and nine months ended September 30, 2012, the Company recorded revenue of $1.8 million and $2.5 million, respectively, and a net loss of $1.8 million and $3.4 million, respectively, related to the 2012 Acquisitions.

The following information summarizes selected financial information of the Company as if all of the 2012 Acquisitions were completed on January 1, 2011 for each period presented below. The table below presents the Company's estimated revenue and net income (loss), on a pro forma basis, for the three and nine months ended September 30, 2012 and 2011, respectively.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Pro forma basis (unaudited):				
Revenue	3,053,386	3,053,386	9,098,700	9,098,700
Net income (loss)	500,499	569,773	2,586,868	(1,787,088)

The unaudited pro forma information for the three and nine months ended September 30, 2012 was adjusted to exclude $2.6 million and $4.6 million, respectively, of acquisition costs recorded during the current period related to the 2012 Acquisitions. These costs were recognized in the unaudited pro forma information for the nine months ended September 30, 2011. The unaudited pro forma information is presented for informational purposes only and may not be indicative of what actual results of operations would have been had the transactions occurred at the beginning of 2011, nor does it purport to represent the results of future operations.

Credit Facility Credit Facility - (Details) (USD $)	Sep. 30, 2012	Dec. 31, 2011	Sep. 30, 2012 Line of credit Revolving credit facility	Aug. 10, 2012 Line of credit Revolving credit facility	Sep. 30, 2012 Line of credit Revolving credit facility Floating rate	Sep. 30, 2012 Line of credit Revolving credit facility LIBOR Eurodollar rate	Sep. 30, 2012 Line of credit Revolving credit facility LIBOR Floating rate	Sep. 30, 2012 Line of credit Revolving credit facility Federal funds rate plus Floating rate	Sep. 30, 2012 Series c, llc Line of credit Revolving credit facility	Sep. 30, 2012 Maximum Line of credit Revolving credit facility
Line of Credit Facility [Line Items]										
Credit facility	$ 39,000,000	$ 0	$ 39,000,000							
Line of credit facility, borrowing capacity			250,000,000							
Line of credit facility, borrowing base calculation, percentage applied to the cost or appraised value of qualified properties										65.00%
Line of credit, current borrowing capacity			62,000,000						10,000,000	
Line of credit, maximum borrowing capacity				$ 400,000,000						
Debt instrument, basis spread on variable rate					1.35%	2.35%	1.00%	0.50%		
Line of credit, weighted average interest rate			2.69%							
Line of credit fixed interest rate									4.50%	

Related-Party Transactions and Arrangements - (Tables)

Related Party Transactions [Abstract]

Schedule of related party transactions

9 Months Ended
Sep. 30, 2012

The Company recorded fees and expense reimbursements as shown in the table below for services provided by CR IV Advisors or its affiliates related to the services described above during the periods indicated:

	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2012
Acquisition and Operations:		
Acquisition fees and expenses	$ 1,880,613	$ 3,184,334
Advisory fees and expenses	$ 207,065	$ 297,260
Operating expenses	$ 80,478	$ 137,573

The Company incurred commissions, fees and expense reimbursements as shown in the table below for services provided by CR IV Advisors or its affiliates related to the services described above during the periods indicated:

	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2012
Offering:		
Selling commissions	$ 7,381,953	$ 10,361,511
Selling commissions reallowed by Cole Capital	$ 7,381,953	$ 10,361,511
Dealer manager fees	$ 2,154,879	$ 3,060,070
Dealer manager fees reallowed by Cole Capital	$ 1,282,091	$ 1,599,810
Other organization and offering expenses	$ 2,164,322	$ 3,070,443