Cole Credit Property Trust II Inc
Form 424B3
April 18, 2007

COLE CREDIT PROPERTY TRUST II, INC.

SUPPLEMENT NO. 18 DATED APRIL 18, 2007
TO THE PROSPECTUS DATED JUNE 27, 2005

This document supplements, and should be read in conjunction with, the prospectus of Cole Credit Property Trust II, Inc. dated June 27, 2005, Supplement No. 13 dated December 20, 2006, Supplement No. 14 dated January 11, 2007, Supplement No. 15 dated January 24, 2007,Supplement No. 16 dated March 20, 2007 and Supplement No. 17 dated March 29, 2007. Supplement 13 supersedes and replaces all prior 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 in Cole Credit Property Trust II, Inc.;

(2) the replacement and supplement of our real property investments;

(3) the disclosure of distributions made; and

(4) the termination of a purchase agreement for a single-tenant, net leased commercial retail property containing approximately 75,000 rentable square feet in Sherwood, Arkansas.

Status of the Offering

We commenced our initial public offering of shares of our common stock on June 27, 2005. We have accepted investors subscriptions received through April 13, 2007, and have issued an aggregate of approximately 47.8 million shares of our common stock to stockholders, with gross proceeds of approximately $478 million distributed to us. For additional information, see the Plan of Distribution Subscription Process section of the prospectus beginning on page 133.

Replace and Supplement Real Property Investments

The following information replaces the section of our prospectus captioned Prospectus Summary Description of Real Estate Investments beginning on page 8 of the prospectus:

Description of Real Estate Investments

As of April 11, 2007, we owned 124 properties, comprising approximately 6,000,000 rentable square feet of commercial space located in 43 states and the U.S. Virgin Islands. Our properties as of April 11, 2007, are listed below.

Property Description	Tenant	Rentable Square Feet	Purchase Price
Tractor Supply Parkersburg, WV	Tractor Supply Company	21,688	$ 3,259,243
Walgreens Brainerd, MN	Walgreen Co.	15,120	4,328,500

Rite Aid	Alliance, OH	Rite Aid of Ohio, Inc.	11,348	2,100,000
La-Z-Boy	Glendale, AZ	EBCO, Inc.	23,000	5,691,525
Walgreens	Florissant, MO	Walgreen Co.	15,120	5,187,632
Walgreens	Saint Louis, MO (Gravois)	Walgreen Co.	15,120	6,152,942
Walgreens	Saint Louis, MO (Telegraph)	Walgreen Co.	15,120	5,059,426
Walgreens	Columbia, MO	Walgreen Co.	13,973	6,271,371
Walgreens	Olivette, MO	Walgreen Co.	15,030	7,822,222
CVS	Alpharetta, GA	Mayfield CVS, Inc.,	10,125	3,100,000
Lowe s	Enterprise, AL	Lowe s Home Centers, Inc	95,173	7,475,000
CVS	Richland Hills, TX	CVS EGL Grapevine N Richland Hills Texas, LP	10,908	3,660,000
FedEx	Rockford, IL	Fed Ex Ground Package System, Inc.	67,925	6,150,000
Plastech	Auburn Hills, MI	LDM Technologies, Inc.	111,881	23,600,000

Property Description	Tenant	Rentable Square Feet	Purchase Price
Academy Sports Macon, GA	Academy, LTD	74,532	5,600,000
David s Bridal Lenexa, KS	David s Bridal, Inc.	12,083	3,270,000
Rite Aid Enterprise, AL	Harco, Inc.	14,564	3,714,000
Rite Aid Wauseon, OH	Rite Aid of Ohio, Inc.	14,564	3,893,679
Staples Crossville, TN	Staples the Office Superstore East, Inc	23,942	2,900,000
Rite Aid Saco, ME	Rite Aid of Maine, Inc.	11,180	2,500,000
Wadsworth Boulevard Denver, CO	Various	198,477	18,500,000
Mountainside Fitness Chandler, AZ	Hatten Holdings, Inc.	31,063	5,863,000
Drexel Heritage Hickory, NC	Drexel Heritage Furniture Industries, Inc.	261,057	4,250,000
Rayford Square Spring, TX	Various	79,968	9,900,000
CVS Portsmouth, OH	Revco Discount Drug Centers, inc.	10,170	2,166,000
Wawa Hockessin, DE	Wawa, Inc.	5,160	4,830,000
Wawa Manahawkin, NJ	Wawa, Inc.	4,695	4,414,000
Wawa Narbeth, PA	Wawa, Inc.	4,461	4,206,000
CVS (Sublease) Lakewood, OH	Various	12,800	2,450,000
Rite Aid Cleveland, OH	Rite Aid of Ohio, Inc.	11,325	2,568,700
Rite Aid Fremont, OH	Rite Aid of Ohio, Inc.	11,325	2,524,500
Walgreens Knoxville, TN	Walgreen Co.	15,120	4,750,000
CVS Madison, MS	CVS EGL Highland Madison MS, Inc.	13,824	4,463,088
Rite Aid Defiance, OH	Rite Aid of Ohio, Inc.	14,564	4,326,165
Conns San Antonio, TX	CAI, LP	25,230	4,624,619
Dollar General Crossville, TN	Dolgencorp, Inc.	24,341	3,000,000
Dollar General Ardmore, TN	Dolgencorp, Inc.	24,341	2,775,000
Dollar General Livingston, TN	Dolgencorp, Inc.	24,341	2,856,000
Wehrenberg Arnold, MO	Wehrenberg, Inc.	50,000	8,200,000
Sportmans Warehouse Wichita, KS	Sportsman s Warehouse, Inc.,	50,003	8,231,000
CVS Portsmouth, OH	Revco Discount Drug Centers, Inc.	10,650	2,101,708
Advance Auto Greenfield, IN	Advance Stores Company, Inc.	7,000	1,375,500
Advance Auto Trenton, OH	Advance Stores Company, Inc.	7,000	1,060,000
Rite Aid Lansing, MI	Rite Aid of Michigan, Inc.	11,680	1,735,000
Advance Auto Columbia Heights, MN	Advance Stores Company, Inc.	7,000	1,730,578
Advance Auto Fergus Falls, MN	Advance Stores Company, Inc.	7,000	1,203,171
CVS Okeechobee, FL	Eckerd Corporation	13,050	6,459,262
Office Depot Dayton, OH	Office Depot, Inc.	19,880	3,416,526
Advance Auto Holland, MI	Advance Stores Company, Inc.	7,000	2,071,843
Advance Auto Holland Township, MI	Advance Stores Company, Inc.	7,000	2,137,244
Advance Auto Zeeland, MI	Advance Stores Company, Inc.	7,000	1,840,715
CVS Orlando, FL	CVS EGL Lake Pickett FL, LLC	13,013	4,956,763
Office Depot Greenville, MS	Office Depot, Inc.	25,083	3,491,470
Office Depot Warrensburg, MO	Office Depot, Inc.	20,000	2,880,552
CVS Gulfport, MS		11,359	4,414,117

		CVS EGL East Pass Gulfport MS, Inc.		
Advance Auto	Grand Forks, ND	Advance Stores Company, Inc.	7,000	1,399,657
CVS	Clinton, NY	CVS BDI, Inc.,	10,055	3,050,000
Oxford Theatre	Oxford, MS	Oxford Theater Company, Inc.	35,000	9,692,503
Advance Auto	Duluth, MN	Advance Stores Company, Inc.	7,000	1,432,565
Walgreens	Picayune, MS	Walgreen Co.	14,820	4,255,000
Kohl s	Wichita, KS	Kohl s Illinois, Inc.	86,584	7,866,000

Property Description	Tenant	Rentable Square Feet	Purchase Price
Lowe s Lubbock, TX	Lowe s Home Centers, Inc	137,480	11,508,000
Lowe s Midland, TX	Lowe s Home Centers, Inc	134,050	11,099,000
Advance Auto Grand Bay, AL	Advance Stores Company, Inc.	7,000	1,115,605
Advance Auto Hurley, MS	Advance Stores Company, Inc.	7,000	1,083,195
Advance Auto Rainsville, AL	Advance Stores Company, Inc.	7,000	1,328,000
Gold s Gym O Fallon, IL	Gold s St Louis, LLC	38,000	7,300,000
Rite Aid Glassport, PA	Rite Aid of Pennsylvania, Inc.	14,564	3,788,000
David s BridalRadio Shack Topeka, KS	Federated Dept. Stores & Radio Shack Corp.	10,150	3,021,000
Rite Aid Hanover, PA	Rite Aid	14,584	6,330,000
American TV & Appliance Peoria, IL	American TV & Appliance of Madison, Inc.	126,852	11,336,983
Tractor Supply La Grange, TX	Tractor Supply Texas	24,727	2,580,000
Staples Peru, IL	Staples the Office Superstore East, Inc	23,925	3,215,000
Fedex Council Bluffs, IA	Fedex Freight East, Inc.	23,510	3,361,000
Fedex Edwardsville, KS	Fedex Freight East, Inc.	155,965	19,815,000
CVS Glenville Scotia, NY	CVS Mack Drug of New York, LLC	12,900	5,250,000
Advance Auto Ashland, KY	Advance Stores Company, Inc.	7,000	1,681,000
Advance Auto Jackson, OH	Advance Stores Company, Inc.	7,000	1,352,000
Advance Auto New Boston, OH	Advance Stores Company, Inc.	7,000	1,516,000
Advance Auto Scottsburg, IN	Advance Stores Company, Inc.	7,000	1,272,000
Tractor Supply Livingston, TN	Tractor Supply Texas	24,727	3,100,000
Tractor Supply New Braunfels, TX	Tractor Supply Texas	24,727	3,150,000
Office Depot Benton, AR	Office Depot, Inc.	20,515	3,275,000
Old Time Pottery Fairview Heights, IL	Old Time Pottery, Inc.	97,849	4,280,000
Infiniti Davie, FL	Warren Henry Automobiles, Inc.	20,927	9,432,000
Office Depot Oxford, MS	Office Depot, Inc.	20,000	3,487,450
Tractor Supply Crockett, TX	Tractor Supply Texas	24,727	2,450,000
Mercedes Benz Atlanta, GA	Atlanta Eurocars	40,588	11,760,000
Dick s Sporting Goods Amherst, NY	Dick s Sporting Goods	55,745	9,725,000
Chili s Paris, TX	Brinker Texas, L.P.	6,698	2,750,000
Staples Clarksville, IN	Staples the Office Superstore East, Inc.	20,388	4,430,000
HOM Fargo, ND	HOM Furniture, Inc.	122,108	12,000,000
La-Z-Boy Newington, CT	LZB Furniture Galleries of Paramus, Inc	20,701	6,900,000
Advance Auto Maryland Heights, MO	Advance Stores Company, Inc.	7,000	1,893,000
Victoria Crossing Victoria, TX	Various	87,473	12,608,000
Academy Sports Katy, TX	Academy Ltd	1,500,596	102,000,000
Gordmans Peoria, IL	Gordmans, Inc.	60,947	9,000,000
One Pacific Place Omaha, NE	Various	91,564	36,000,000
Sack n SaveO Reilly Auto Garland, TX	Various	65,295	5,060,000

Tractor Supply	Ankeny, IA	Tractor Supply Company	19,097	3,000,000
ABX Air	Coventry, RI	ABX Air, Inc.	33,000	4,090,000
Office Depot	Enterprise, AL	Office Depot, Inc.	20,000	2,776,357
Northern Tool	Blaine, MN	Northern Tool and Equipment, Inc.	25,488	4,900,000
Office Max	Orangeburg, SC	OfficeMax, Inc.	23,500	3,125,000
Walgreens	Cincinnati, OH	Walgreen Co.	15,120	5,140,000
Walgreens	Madeira, OH	Walgreen Co.	13,905	4,425,000
Walgreens	Sharonville, OH	Walgreen Co.	13,905	4,085,000
AT&T	Beaumont, TX	AT&T Services, Inc.	141,525	12,275,000

Property Description	Tenant	Rentable Square Feet	Purchase Price
Walgreens Shreveport, LA	Walgreen Co.	13,905	4,140,000
Cost-U-Less, St. Croix, USVI	CULUSVI, Inc.	38,365	6,210,000
Gallina Centro Collierville, TN	Various	142,727	17,750,000
Apria Healthcare St. John, MO	Apria Healthcare, Inc.	52,200	6,500,000
Logan s Roadhouse Fairfax, VA	Logan s Roadhouse, Inc.	7,839	3,209,000
Logan s Roadhouse Johnson City, TN	Logan s Roadhouse, Inc.	7,839	3,866,000
Center at 7500 Cottonwood Jenison, MI	Hob-Lob Limited Partnership	84,933	5,290,000
Eckerd Lincolnton, NC	ECK-001, LLC	10,908	2,262,000
Tractor Supply Greenfield, MN	Tractor Supply Company	22,675	4,050,000
Lincoln Place Fairview Heights, IL	Various	272,829	44,000,000
Ashley Furniture Amarillo, TX	Choice Furniture, Inc.	74,797	5,920,000
Pocatello Square Pocatello, ID	Various	138,925	23,000,000
Tractor Supply Paw Paw, MI	Tractor Supply Company	22,670	3,095,000
Tractor Supply Marinette, MI	Tractor Supply Company	19,097	2,950,000
Staples Greenville, SC	Staples the Office Superstore East, Inc.	20,388	4,545,000
Big 5 Center Aurora, CO	Various	15,800	4,290,000
		6,032,670	$ 811,349,376

For additional information regarding our prior acquisitions, see the discussion below under the caption Real Property Investments.

We expect to use substantially all of the net proceeds from this offering to acquire and operate a portfolio of commercial real estate consisting primarily of freestanding, single-tenant commercial properties net leased to investment grade tenants, which generally are companies that have a debt rating by Moody s of Baa3 or better or a credit rating by Standard & Poor s of BBB or better, or are guaranteed by a company with such rating, and other creditworthy tenants located throughout the United States. We also may invest in a smaller number of multi-tenant properties that compliment our overall investment objectives. In addition, we may invest in entities that make similar investments. If our advisor determines that, due to the state of the real estate market or in order to diversify our investment portfolio, it would be advantageous to us, we also may invest in mortgage loans secured by commercial properties similar to those in which we invest directly. We intend to hold each property for eight to ten years.

Our advisor, Cole Advisors II, makes recommendations to our board of directors for our investments. All acquisitions of commercial properties are evaluated for tenant creditworthiness and the reliability and stability of their future income and capital appreciation potential. We 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 will exercise its fiduciary duties to our stockholders in determining to approve or reject each of these investment recommendations. See the section of this prospectus captioned Investment Objectives and Policies Real Property Investments for a description of our properties as of the date of this prospectus. As we acquire properties, we will supplement this prospectus to describe material changes to our portfolio.

The following information replaces the first paragraph of the section of our prospectus captioned Investment Objectives and Policies Real Property Investments beginning on page 82 of the prospectus:

Real Property Investments

We engage in the acquisition and ownership of commercial properties throughout the United States. We invest primarily in income-generating retail properties, net leased to investment grade and other creditworthy tenants.

As of April 11, 2007, we, through separate wholly-owned limited partnerships or limited liability companies, have acquired a 100% fee simple interest in 124 properties consisting of an aggregate of approximately 6,000,000 gross rentable square feet located in 43 states and the U.S. Virgin Islands. The properties were generally acquired through the use of mortgage notes payable and proceeds from our ongoing public offering of our common stock. The following table summarizes these properties in order of acquisition date.

roperty	Type	Date Acquired	Year Built	Purchase Price	Fees Paid to Sponsor(1)	Rentable Square Feet	Physical Occupanc
ractor upply Parkersburg, V	Specialty retail	September 26, 2005	2005	$ 3,259,243	$ 83,115	21,688	100%
Valgreens Brainerd, N	Drugstore	October 5, 2005	2000	4,328,500	114,710	15,120	100%
ite Aid Alliance, H	Drugstore	October 20, 2005	1996	2,100,000	42,000	11,348	100%
a-Z-Boy Glendale, Z	Home furnishings	October 25, 2005	2001	5,691,525	148,000	23,000	100%
Valgreens orissant, MO	Drugstore	November 2, 2005	2001	5,187,632	111,671	15,120	100%
Valgreens Saint ouis, MO (Gravois)	Drugstore	November 2, 2005	2001	6,152,942	108,917	15,120	100%
Valgreens Saint ouis, MO Telegraph)	Drugstore	November 2, 2005	2001	5,059,426	132,412	15,120	100%
Valgreens olumbia, MO	Drugstore	November 22, 2005	2002	6,271,371	125,000	13,973	100%
Valgreens Olivette, O	Drugstore	November 22, 2005	2001	7,822,222	156,000	15,030	100%
VS Alpharetta, GA	Drugstore	December 1, 2005	1998	3,100,000	82,000	10,125	100%
owe s Enterprise, L	Home improvement	December 1, 2005	1995	7,475,000	184,000	95,173	100%
VS Richland Hills, X	Drugstore	December 8, 2005	1997	3,660,000	97,000	10,908	100%
edEx Rockford, IL	Distribution	December 9, 2005	1994	6,150,000	149,000	67,925	100%
astech Auburn ills, MI	Automotive parts	December 15, 2005	1995	23,600,000	472,000	111,881	100%
cademy Sports acon, GA	Sporting goods	January 6, 2006	2005	5,600,000	148,000	74,532	100%
avid s Bridal enexa, KS	Specialty retail	January 11, 2006	2005	3,270,000	83,000	12,083	100%
ite Aid Enterprise, L	Drugstore	January 26, 2006	2005	3,714,000	94,000	14,564	100%
ite Aid Wauseon, H	Drugstore	January 26, 2006	2005	3,893,679	79,000	14,564	100%

aples Crossville, N	Office supply	January 26, 2006	2001	2,900,000	77,000	23,942	100%
ite Aid Saco, ME	Drugstore	January 27, 2006	1997	2,500,000	64,000	11,180	100%
Vadsworth oulevard Denver, O	Specialty Retail/Warehouse Club	February 6, 2006	1991	18,500,000	490,000	198,477	100%
Mountainside tness Chandler, Z	Health and fitness	February 9, 2006	2001	5,863,000	117,000	31,063	100%
rexel Heritage ickory, NC	Furnishings	February 24, 2006	1963	4,250,000	113,000	261,057	100%
ayford Square pring, TX	Automotive parts/Restaurant/Specialty Retail	March 2, 2006	1973	9,900,000	257,000	79,968	100%
VS Portsmouth, H	Drugstore	March 8, 2006	1997	2,166,000	57,000	10,170	100%
Wawa Hockessin, E	Convenience stores	March 29, 2006	2000	4,830,000		5,160	100%
Wawa Manahawkin, J	Convenience stores	March 29, 2006	2000	4,414,000		4,695	100%
Wawa Narbeth, PA	Convenience stores	March 29, 2006	2000	4,206,000		4,461	100%
VS Lakewood, OH	Drugstore/Financial Services	April 20, 2006	1996	2,450,000	62,000	12,800	100%
ite Aid Cleveland, H	Drugstore	April 27, 2006	1997	2,568,700	71,000	11,325	100%
ite Aid Fremont, H	Drugstore	April 27, 2006	1997	2,524,500	70,000	11,325	100%
Walgreens noxville, TN	Drugstore	May 8, 2006	2000	4,750,000	125,000	15,120	100%
VS Madison, MS	Drugstore	May 26, 2006	2004	4,463,088	28,000	13,824	100%
ite Aid Defiance, H	Drugstore	May 26, 2006	2005	4,326,165	23,000	14,564	100%
onns San Antonio, X	Consumer electronics	May 26, 2006	2002	4,624,619	36,000	25,230	100%
ollar General rossville, TN	Specialty retail	June 2, 2006	2006	3,000,000	80,000	24,341	100%
ollar General rdmore, TN	Specialty retail	June 9, 2006	2005	2,775,000	73,000	24,341	100%
ollar General vingston, TN	Specialty retail	June 12, 2006	2006	2,856,000	76,000	24,341	100%
Mehrenberg Arnold, O	Theaters	June 14, 2006	1998	8,200,000	82,000	50,000	100%
portmans Warehouse Wichita, S	Specialty retail	June 27, 2006	2006	8,231,000	226,000	50,003	100%
VS Portsmouth, H	Drugstore	June 28, 2006	1997	2,101,708	61,000	10,650	100%
dvance Auto reenfield, IN	Automotive parts	June 29, 2006	2003	1,375,500	28,000	7,000	100%

Property	Type	Date Acquired	Year Built	Purchase Price	Fees Paid to Sponsor(1)	Rentable Square Feet	Physical Occupancy
Advance Auto Trenton, OH	Automotive parts	June 29, 2006	2003	1,060,000	21,000	7,000	100%
Rite Aid Lansing, MI	Drugstore	June 29, 2006	1950	1,735,000	45,000	11,680	100%
Advance Auto Columbia Heights, MN	Automotive parts	July 6, 2006	2005	1,730,578	45,000	7,000	100%
Advance Auto Fergus Falls, MN	Automotive parts	July 6, 2006	2005	1,203,171	31,000	7,000	100%
CVS Okeechobee, FL	Drugstore	July 7, 2006	2001	6,459,262	41,000	13,050	100%
Office Depot Dayton, OH	Office supply	July 7, 2006	2005	3,416,526	21,000	19,880	100%
Advance Auto Holland, MI	Automotive parts	July 12, 2006	2006	2,071,843	12,000	7,000	100%
Advance Auto Holland Township, MI	Automotive parts	July 12, 2006	2006	2,137,244	12,000	7,000	100%
Advance Auto Zeeland, MI	Automotive parts	July 12, 2006	2006	1,840,715	11,000	7,000	100%
CVS Orlando, FL	Drugstore	July 12, 2006	2005	4,956,763	30,000	13,013	100%
Office Depot Greenville, MS	Office supply	July 12, 2006	2000	3,491,470	22,000	25,083	100%
Office Depot Warrensburg, MO	Office supply	July 19, 2006	2001	2,880,552	18,000	20,000	100%
CVS Gulfport, MS	Drugstore	August 10, 2006	2000	4,414,117	26,000	11,359	100%
Advance Auto Grand Forks, ND	Automotive parts	August 15, 2006	2005	1,399,657	36,000	7,000	100%
CVS Clinton, NY	Drugstore	August 24, 2006	2006	3,050,000	80,000	10,055	100%
Oxford Theatre	Theaters	August 31, 2006	2006	9,692,503	246,000	35,000	100%

Oxford, MS							
Advance Auto Duluth, MN	Automotive parts	September 8, 2006	2006	1,432,565	9,000	7,000	100%
Walgreens Picayune, MS	Drugstore	September 15, 2006	2006	4,255,000	113,000	14,820	100%
Kohl s Wichita, KS	Apparel	September 27, 2006	1996	7,866,000	209,000	86,584	100%
Lowe s Lubbock, TX	Home improvement	September 27, 2006	1996	11,508,000	305,000	137,480	100%
Lowe s Midland, TX	Home improvement	September 27, 2006	1996	11,099,000	293,000	134,050	100%
Advance Auto Grand Bay, AL	Automotive parts	September 29, 2006	2005	1,115,605	22,000	7,000	100%
Advance Auto Hurley, MS	Automotive parts	September 29, 2006	2005	1,083,195	22,000	7,000	100%
Advance Auto Rainsville, AL	Automotive parts	September 29, 2006	2005	1,328,000	27,000	7,000	100%
Gold s Gym O Fallon, IL	Health and fitness	September 29, 2006	2005	7,300,000	183,000	38,000	100%
Rite Aid Glassport, PA	Drugstore	October 4, 2006	2006	3,788,000	99,000	14,564	100%
David s Bridal/Radio Shack Topeka, KS	Specialty Retail/Consumer Electronics	October 13, 2006	2006	3,021,000	60,000	10,150	100%
Rite Aid Hanover, PA	Drugstore	October 17, 2006	2006	6,330,000	168,000	14,584	100%
American TV & Appliance Peoria, IL	Consumer electronics	October 23, 2006	2003	11,336,983	304,000	126,852	100%
Tractor Supply La Grange, TX	Specialty retail	November 6, 2006	2006	2,580,000	66,000	24,727	100%
Staples Peru, IL	Office supply	November 9, 2006	1998	3,215,000	83,000	23,925	100%
Fedex Council Bluffs, IA	Distribution	November 15, 2006	1999	3,361,000	89,000	23,510	100%
Fedex Edwardsville, KS	Distribution	November 15, 2006	1999	19,815,000	525,000	155,965	100%
CVS Glenville Scotia, NY	Drugstore	November 16, 2006	2006	5,250,000	139,000	12,900	100%

Advance Auto Ashland, KY	Automotive parts	November 17, 2006	2006	1,681,000	34,000	7,000	100%
Advance Auto Jackson, OH	Automotive parts	November 17, 2006	2005	1,352,000	27,000	7,000	100%
Advance Auto New Boston, OH	Automotive parts	November 17, 2006	2005	1,516,000	30,000	7,000	100%
Advance Auto Scottsburg, IN	Automotive parts	November 17, 2006	2006	1,272,000	25,000	7,000	100%
Tractor Supply Livingston, TN	Specialty retail	November 22, 2006	2006	3,100,000	79,000	24,727	100%
Tractor Supply New Braunfels, TX	Specialty retail	November 22, 2006	2006	3,150,000	81,000	24,727	100%
Office Depot Benton, AR	Office supply	November 21, 2006	2001	3,275,000	87,000	20,515	100%
Old Time Pottery Fairview Heights, IL	Home furnishings	November 21, 2006	1979	4,280,000	107,000	97,849	100%
Infiniti Davie, FL	Motor vehicle dealerships	November 30, 2006	2006	9,432,000	189,000	20,927	100%
Office Depot Oxford, MS	Office supply	December 1, 2006	2006	3,487,450	93,000	20,000	100%
Tractor Supply Crockett, TX	Specialty retail	December 1, 2006	2006	2,450,000	62,000	24,727	100%
Mercedes Benz Atlanta, GA	Motor vehicle dealerships	December 15, 2006	2000	11,760,000	235,000	40,588	100%

Property	Type	Date Acquired	Year Built	Purchase Price	Fees Paid to Sponsor(1)	Rentable Square Feet	Physical Occupancy
Dick s Sporting Goods Amherst, NY	Sporting goods	December 20, 2006	1986	9,725,000	195,000	55,745	100%
Chili s Paris, TX	Restaurant	December 28, 2006	1999	2,750,000	73,000	6,698	100%
Staples Clarksville, IN	Office supply	December 29, 2006	2006	4,430,000	118,000	20,388	100%
HOM Fargo, ND	Furniture retail	January 4, 2007	2004	12,000,000	288,000	122,108	100%
La-Z-Boy Newington, CT	Furnishings store	January 5, 2007	2006	6,900,000	179,000	20,701	100%
Advance Auto Maryland Heights, MO	Specialty retailer	January 12, 2007	2005	1,893,000	38,000	7,000	100%
Victoria Crossing Victoria, TX	Shopping center	January 12, 2007	2006	12,608,000	338,000	87,473	92.3%
Academy Sports Katy, TX	Headquarters	January 18, 2007	1976	102,000,000	2,683,000	1,500,596	100%
Gordmans Peoria, IL	Department store	January 18, 2007	2006	9,000,000	230,000	60,947	100%
One Pacific Place Omaha, NE	Shopping center	February 6, 2007	1988	36,000,000	954,000	91,564	95.2%
Sack n Save/O Reilly Auto Garland, TX	Shopping center	February 6, 2007	1970	5,060,000	134,000	65,295	100%
Tractor Supply Ankeny, IA	Specialty retail	February 9, 2007	2006	3,000,000	60,000	19,097	100%
ABX Air Coventry, RI	distribution center	February 16, 2007	1998	4,090,000	107,000	33,000	100%
Office Depot Enterprise, AL	office supply	February 27, 2007	2006	2,776,357	75,000	20,000	100%
Northern Tool Blaine, MN	Specialty retail	February 28, 2007	2006	4,900,000	130,000	25,488	100%

Office Max Orangeburg, SC	office supply	February 28, 2007	1999	3,125,000	82,000	23,500	100%
Walgreens Cincinnati, OH	drug store	March 6, 2007	2000	5,140,000	136,000	15,120	100%
Walgreens Madeira, OH	drug store	March 6, 2007	1998	4,425,000	118,000	13,905	100%
Walgreens Sharonville, OH	drug store	March 6, 2007	1998	4,085,000	109,000	13,905	100%
AT&T Beaumont, TX	office building	March 19, 2007	1971	12,275,000	332,000	141,525	100%
Walgreens Shreveport, LA	Drugstore	March 23, 2007	1998	4,140,000	111,000	13,905	100%
Cost-U-Less St. Croix, USVI	Warehouse Club	March 26, 2007	2005	6,210,000	164,000	38,365	100%
Gallina Centro Collierville, TN	Shopping center	March 26, 2007	2000	17,750,000	497,000	142,727	100%
Apria Healthcare St. John, MO	Healthcare	March 28, 2007	1996	6,500,000	130,000	52,200	100%
Logan s Roadhouse Fairfax, VA	Restaurant	March 28, 2007	1998	3,209,000	80,000	7,839	100%
Logan s Roadhouse Johnson City, TN	Restaurant	March 28, 2007	1996	3,866,000	97,000	7,839	100%
Center at 7500 Cottonwood Jenison, MI	Shopping center	March 30, 2007	1993	5,290,000	106,000	84,933	100%
Eckerd Lincolnton, NC	Drugstore	April 3, 2007	1998	2,262,000	61,000	10,908	100%
Tractor Supply Greenfield, MN	Specialty retail	April 2, 2007	2006	4,050,000	103,000	22,675	100%
Lincoln Place Fairview Heights, IL	Shopping center	April 5, 2007	1998	44,000,000	1,234,320	272,829	100%
Ashley Furniture	Furniture retail	April 6, 2007	1980	5,920,000	159,000	74,797	100%

Amarillo, TX							
Pocatello Square Pocatello, ID	Shopping center	April 6, 2007	2006	23,000,000	632,500	138,925	90%
Tractor Supply Paw Paw, MI	Specialty retail	April 9, 2007	2006	3,095,000	82,000	22,670	100%
Tractor Supply Marinette, WI	Specialty retail	April 9, 2007	2006	2,950,000	78,000	19,097	100%
Staples Greenville, SC	Office supply	April 11, 2007	2007	4,545,000	120,000	20,388	100%
Big 5 Center Aurora, CO	Retail center	April 11, 2007	2006	4,290,000	114,000	15,800	100%
				$ 811,349,376	$ 19,235,845	6,032,670	

(1) Fees paid to sponsor include payments made to an affiliate of our advisor for acquisition fees in connection with the property acquisition and payments to our advisor for finance coordination fees for services in connection with the origination or assumption of debt financing obtained to acquire the respective property. For more detailed information on fees paid to affiliates of our sponsor, see the section captioned Management Compensation beginning on page 59 of the prospectus.

The following table sets forth the principal provisions of the lease terms for the major tenants at each property listed above.

erty	Number of Tenants	Major Tenants*	Total Square Feet Leased	% of Total Square Feet	Renewal Options**	Current Annual Base Rent	Base Rent per Square Foot	Lease Term Beginning	To
or ly Parkersburg,	1	Tractor Supply Company	21,688	100%	4/5 yr.	$ 228,147	$ 10.52	9/26/2005	7/31
						250,962	11.57	8/1/2010	7/31
						276,058	12.73	8/1/2015	7/31
reens Brainerd,	1	Walgreen Co.	15,120	100%	8/5 yr.	303,000	20.04	10/5/2005	6/30
Aid Alliance,	1	Rite Aid of Ohio, Inc.	11,348	100%	6/5 yr.	189,023	16.66	10/20/2005	4/30
-Boy Glendale,	1	EBCO, Inc.	23,000	100%	3/5 yr.	419,750	18.25	10/25/2005	10/31
reens ssant, MO	1	Walgreen Co.	15,120	100%	8/5 yr.	344,000	22.75	11/2/2005	2/28
reens Saint , MO (Gravois)	1	Walgreen Co.	15,120	100%	8/5 yr.	408,000	26.98	11/2/2005	10/31
reens Saint , MO graph)	1	Walgreen Co.	15,120	100%	8/5 yr.	335,500	22.19	11/2/2005	12/31
reens mbia, MO	1	Walgreen Co.	13,973	100%	8/5 yr.	427,300	30.58	11/22/2005	6/30
reens Olivette,	1	Walgreen Co.	15,030	100%	10/5 yr.	528,000	35.13	11/22/2005	10/31
Alpharetta, GA	1	Mayfield CVS, Inc.,	10,125	100%	3/5 yr.	206,600	20.40	12/1/2005	5/31
						218,997	21.63	6/1/2008	5/31

						232,136	22.93	6/1/2013	1/31/
e s Enterprise,	1	Lowe s Home Centers, Inc	95,173	100%	6/5 yr.	500,000	5.25	12/1/2005	4/30/
Richland Hills,	1	CVS EGL Grapevine N Richland Hills Texas, LP	10,908	100%	4/5 yr.	265,249	24.32	12/8/2005	8/28/
						270,849	24.83	8/29/2007	8/28/
						276,449	25.34	8/29/2012	8/28/
x Rockford, IL	1	Fed Ex Ground Package System, Inc.	67,925	100%	2/5 yr.	445,632	6.56	12/9/2005	9/30/
ech Auburn MI	1	LDM Technologies, Inc.	111,881	100%	2/5 yr.	1,790,100	16.00	12/15/2005	1/31/20
emy Sports n, GA	1	Academy, LTD	74,532	100%	4/5 yr.	408,804	5.48	1/6/2006	1/31/
						421,064	5.65	2/1/2011	1/31/
						433,695	5.82	2/1/2016	1/31/
						446,706	5.99	2/1/2021	1/31/
d s Bridal xa, KS	1	David s Bridal, Inc.	12,083	100%	2/5 yr.	235,200	19.47	1/11/2006	12/31/
						258,720	21.41	1/1/2011	12/31/
Aid Enterprise,	1	Harco, Inc.	14,564	100%	6/5 yr.	289,629	19.89	1/26/2006	1/31/
Aid Wauseon,	1	Rite Aid of Ohio, Inc.	14,564	100%	6/5 yr.	311,720	21.40	1/26/2006	1/31/
es Crossville,	1	Staples the Office Superstore East, Inc	23,942	100%	3/5 yr.	221,463	9.25	1/26/2006	6/30/
Aid Saco, ME	1	Rite Aid of Maine, Inc.	11,180	100%	4/5 yr.	210,743	18.85	1/27/2006	2/28/

worth evard Denver,	2	Sam s PW, Inc.	108,224	55%	10/5 yr.	820,245	7.58	2/8/2006	11/30/
		Hob-Lob Limited Partnership	90,253	45%	10/5 yr.	585,000	6.48	2/8/2006	10/31/
tainside ss Chandler,	1	Hatten Holdings, Inc.	31,063	100%	2/5 yr.	469,051	15.10	2/10/2006	12/31/
						523,101	16.84	1/1/2007	12/31/
						583,363	18.78	1/1/2012	12/31/
						651,391	20.97	1/1/2017	7/18/
el Heritage ory, NC	1	Drexel Heritage Furniture	261,057	100%	3/5 yr.	338,078	1.30	2/24/2006	9/8/
		Industries, Inc.				390,090	1.49	9/9/2010	9/8/
ord Square g, TX	5	Academy Corp	50,500	63%	2/5 yr.	371,175	7.35	3/1/2006	10/31/
						383,800	7.60	11/1/2009	10/31/
						396,425	7.85	11/1/2014	10/31/
						409,050	8.10	11/1/2019	10/31/
		CB Jackson	12,302	15%	None	125,484	10.20	3/1/2006	12/31/
		Hi-Lo Auto Supply, LP	8,136	10%	1/5 yr.	60,720	7.46	3/1/2006	3/31/
Portsmouth Scioto Trail)	1	Revco Discount Drug Centers, inc.	10,170	100%	4/5 yr.	153,333	15.08	3/8/2006	7/31/
						156,666	15.40	8/1/2008	7/31/
						160,000	15.73	8/1/2013	7/31/
a Hockessin,	1	Wawa, Inc.	5,160	100%	6/5-9 yrs.	365,185	70.77	3/29/2006	12/31/20
a Manahawkin,	1	Wawa, Inc.	4,695	100%	6/5-9 yrs.	332,276	70.77	3/29/2006	12/31/20
a Narbeth, PA	1	Wawa, Inc.	4,461	100%	6/5-9 yrs.	315,715	70.77	3/29/2006	12/31/20

Property	Number of Tenants	Major Tenants*	Total Square Feet Leased	% of Total Square Feet	Renewal Options**	Current Annual Base Rent	Base Rent per Square Foot	Lease Term Beginning	Lease Term To
CVS Lakewood, OH	2	Revco Discount Drug Centers	10,800	84%	2/5 yr.	180,900	16.75	4/20/2006	9/30/2006
						191,700	17.75	10/1/2006	9/30/2016
		Charter One Bank, N.A	2,000	16%	1/5yr	30,992	15.50	4/20/2006	7/31/2006
						33,898	16.95	8/1/2006	7/31/2011
Rite Aid Cleveland, OH	1	Rite Aid of Ohio, Inc.	11,325	100%	6/5 yr.	220,470	19.47	4/27/2006	6/30/2018
Rite Aid Fremont, OH	1	Rite Aid of Ohio, Inc.	11,325	100%	6/5 yr.	201,955	17.83	4/27/2006	2/28/2018
Walgreens Knoxville, TN	1	Walgreen Co.	15,120	100%	8/5 yr.	350,000	23.15	5/8/2006	5/31/2020
CVS Madison, MS	1	CVS EGL Highland Madison MS, Inc.	13,824	100%	4/5 yr.	302,484	21.88	5/26/2006	6/10/2024
Rite Aid Defiance, OH	1	Rite Aid of Ohio, Inc.	14,564	100%	6/5 yr.	337,917	23.20	5/26/2006	1/31/2026
Conns San Antonio, TX	1	CAI, LP	25,230	100%	5/3 yr.	338,000	13.40	5/26/2006	4/30/2008
						351,520	13.93	5/1/2008	4/30/2011
						365,581	14.49	5/1/2011	4/30/2014
						380,204	15.07	5/1/2014	4/30/2017
Dollar General Crossville,	1	Dolgencorp, Inc.	24,341	100%	6/5 yr.	217,852	8.95	6/2/2006	3/31/2016

TN									
						239,637	9.84	4/1/2016	3/31/2021
Dollar General Ardmore, TN	1	Dolgencorp, Inc.	24,341	100%	6/5 yr.	208,116	8.55	6/9/2006	11/30/2015
						228,928	9.41	12/1/2015	11/30/2020
Dollar General Livingston, TN	1	Dolgencorp, Inc.	24,341	100%	6/5 yr.	214,200	8.80	6/12/2006	4/30/2016
						235,620	9.68	5/1/2016	4/30/2021
Wehrenberg Theatre Arnold, MO	1	Wehrenberg, Inc.	50,000	100%	2/5 yr.	784,453	15.69	6/14/2006	3/31/2009
						836,094	16.72	4/1/2009	3/31/2014
						897,572	17.95	4/1/2014	3/31/2019
Sportmans Warehouse Wichita, KS	1	Sportsman s Warehouse, Inc.,	50,003	100%	5/5 yr.	639,046	12.78	6/27/2006	4/30/2011
						670,998	13.42	5/1/2011	4/30/2016
						704,548	14.09	5/1/2016	4/30/2021
CVS Portsmouth OH (Chillicothe)	1	Revco Discount Drug Centers, Inc.	10,650	100%	4/5 yr.	143,700	13.49	6/28/2006	11/30/2007
						149,100	14.00	12/1/2007	11/30/2017
Advance Auto Greenfield, IN	1	Advance Stores Company, Inc.	7,000	100%	2/5 yr.	110,040	15.72	6/29/2006	6/30/2013
Advance Auto Trenton, OH	1	Advance Stores Company, Inc.	7,000	100%	2/5 yr.	84,782	12.11	6/29/2006	6/30/2013
Rite Aid Lansing, MI	1	Rite Aid of Michigan, Inc.	11,680	100%	4/5 yr.	160,480	13.74	6/29/2006	12/31/2006

						166,320	14.24	1/1/2007	12/31/2011
						172,160	14.74	1/1/2012	12/31/2016
Advance Auto Columbia Heights, MN	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	131,524	18.79	7/6/2006	1/31/2016
						138,100	19.73	2/1/2016	1/31/2021
Advance Auto Fergus Falls, MN	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	91,441	13.06	7/6/2006	11/30/2015
						96,013	13.72	12/1/2015	11/30/2020
CVS Okeechobee, FL	1	Eckerd Corporation	13,050	100%	5/5 yr.	435,130	33.34	7/7/2006	7/5/2026
Office Depot Dayton, OH	1	Office Depot, Inc.	19,880	100%	4/5 yr.	237,566	11.95	7/7/2006	12/31/2021
Advance Auto Holland, MI	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	149,063	21.29	7/12/2006	1/31/2016
						163,969	23.42	2/1/2016	1/31/2021
Advance Auto Holland Township, MI	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	153,908	21.99	7/12/2006	1/31/2016
						169,299	24.19	2/1/2016	1/31/2021
Advance Auto Zeeland, MI	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	132,089	18.87	7/12/2006	1/31/2016
						145,298	20.76	2/1/2016	1/31/2026
CVS Orlando, FL	1	CVS EGL Lake Pickett FL, LLC	13,013	100%	4/5 yr.	324,765	24.96	7/12/2006	11/1/2025
Office Depot Greenville, MS	1	Office Depot, Inc.	25,083	100%	3/5 yr.	256,804	10.24	7/12/2006	9/30/2015
	1	Office Depot, Inc.	20,000	100%	4/5 yr.	210,000	10.50	7/19/2006	8/31/2016

Office Depot Warrensburg, MO									
CVS Gulfport, MS	1	CVS EGL East Pass Gulfport MS, Inc.	11,359	100%	4/5 yr.	281,136	24.75	8/10/2006	10/24/2025
Advance Auto Grand Forks, ND	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	106,375	15.20	8/15/2006	12/31/2015
						111,694	15.96	1/1/2016	12/31/2020
CVS Clinton, NY	1	CVS BDI, Inc.,	10,055	100%	4/5 yr.	222,661	22.14	8/24/2006	1/31/2032
Oxford Theatre Oxford, MS	1	Oxford Theater Company, Inc.	35,000	100%	N/A	848,088	24.23	8/31/2006	7/31/2011
						883,092	25.23	8/1/2011	7/31/2016
						918,084	26.23	8/1/2016	7/31/2021
						953,088	27.23	8/1/2021	7/31/2026
Advance Auto Duluth, MN	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	108,875	15.55	9/8/2006	2/28/2016
						114,319	16.33	3/1/2016	2/28/2021
Walgreens Picayune, MS	1	Walgreen Co.	14,820	100%	10/5 yr.	291,385	19.66	9/15/2006	3/31/2031
Kohl s Wichita, KS	1	Kohl s Illinois, Inc.	86,584	100%	6/5 yr.	601,759	6.95	9/27/2006	1/28/2017

Property	Number of Tenants	Major Tenants*	Total Square Feet Leased	% of Total Square Feet	Renewal Options**	Current Annual Base Rent	Base Rent per Square Foot	Lease Term Beginning	Lease Term To
Lowe s Lubbock, TX	1	Lowe s Home Centers, Inc.	137,480	100%	6/5 yr.	861,280	6.26	9/27/2006	4/30/2016
Lowe s Midland, TX	1	Lowe s Home Centers, Inc.	134,050	100%	6/5 yr.	829,960	6.19	9/27/2006	4/30/2016
Advance Auto Grand Bay, AL	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	84,786	12.11	9/29/2006	8/31/2015
						93,265	13.32	9/1/2015	8/31/2020
Advance Auto Hurley, MS	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	82,324	11.76	9/29/2006	3/31/2016
						90,556	12.94	4/1/2016	3/31/2021
Advance Auto Rainsville, AL	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	100,928	14.42	9/29/2006	12/31/2015
						111,021	15.86	1/1/2015	12/31/2020
Gold s Gym O Fallon, IL	1	Gold s St Louis, LLC	38,000	100%	2/5 yr.	588,000	15.47	9/29/2006	9/30/2015
						616,800	16.23	10/1/2015	9/30/2019
Rite Aid Glassport, PA	1	Rite Aid of Pennsylvania, Inc.	14,564	100%	6/5 yr.	295,504	20.29	10/4/2006	7/31/2026
David s Bridal/Radio Shack Topeka, KS	2	David s Bridal, Inc.	7,750	76%		166,625	21.50	10/13/2006	10/31/2011
						183,288	23.65	11/1/2011	10/31/2016

		Radio Shack Corporation	2,400	24%		60,000	25.00	10/13/2006	1/31/2012
Rite Aid Hanover, PA	1	Rite Aid	14,584	100%	4/5 yr.	493,787	33.86	10/17/2006	10/31/2026
American TV & Appliance Peoria, IL	1	American TV & Appliance of Madison, Inc.	126,852	100%	8/5 yr.	840,750	6.63	10/23/2006	9/23/2008
						924,825	7.29	9/24/2008	9/23/2013
						1,017,308	8.02	9/24/2013	9/23/2018
Tractor Supply La Grange, TX	1	Tractor Supply Texas	24,727	100%	4/5 yr.	189,000	7.64	11/6/2006	5/31/2011
						207,900	8.41	6/1/2011	5/31/2016
						228,690	9.25	6/1/2016	5/31/2021
Staples Peru, IL	1	Staples the Office Superstore East, Inc	23,925	100%	3/5 yr.	255,998	10.70	11/10/2006	6/30/2003
						257,194	10.75	7/1/2003	6/30/2008
Fedex Council Bluffs, IA	1	Fedex Freight East, Inc.	23,510	100%	4/5 yr.	258,390 252,054	10.80 10.72	7/1/2008 11/15/2006	6/30/2013 9/30/2021
Fedex Edwardsville, KS	1	Fedex Freight East, Inc.	155,965	100%	4/5 yr.	1,486,123	9.53	11/15/2006	9/30/2021
CVS Glenville Scotia, NY	1	CVS Mack Drug of New York, LLC	12,900	100%	4/5 yr.	371,912	28.83	11/16/2006	1/31/2032
Advance Auto Ashland, KY	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	126,948	18.14	11/17/2006	6/30/2016
						139,643	19.95	7/1/2016	6/30/2021
Advance Auto Jackson, OH	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	102,100	14.59	11/17/2006	9/30/2015

						112,304	16.04	10/1/2015	9/30/2020
Advance Auto New Boston, OH	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	114,501	16.36	11/17/2006	6/30/2015
						125,951	17.99	7/1/2015	6/30/2020
Advance Auto Scottsburg, IN	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	96,008	13.72	11/17/2006	8/31/2016
						100,808	14.40	9/1/2016	8/31/2021
Tractor Supply Livingston, TN	1	Tractor Supply Texas	24,727	100%	4/5 yr.	225,000	9.10	11/22/2006	11/13/2011
						247,500	10.01	11/14/2011	11/13/2016
						272,250	11.01	11/14/2016	11/13/2021
Tractor Supply New Braunfels, TX	1	Tractor Supply Texas	24,727	100%	4/5 yr.	224,500	9.08	11/22/2006	2/28/2011
						246,950	9.99	3/1/2011	2/28/2016
						271,645	10.99	3/1/2016	2/28/2021
Office Depot Benton, AR	1	Office Depot, Inc.	20,515	100%	4/5 yr.	246,180	12.00	11/21/2006	11/30/2011
						251,309	12.25	12/1/2011	11/30/2016
Old Time Pottery Fairview Heights, IL	1	Old Time Pottery, Inc.	97,849	100%	3/5 yr.	342,472	3.50	11/21/2006	12/31/2010
						366,934	3.75	1/1/2011	12/30/2015
Infiniti Davie, FL	1	Warren Henry Automobiles, Inc.	20,927	100%	4/5 yr.	707,395	33.80	11/30/2006	7/1/2021(4)
Office Depot Oxford, MS	1	Office Depot, Inc.	20,000	100%	3/5 yr.	264,000	13.20	12/1/2006	10/31/2016
						290,000	14.50	11/1/2016	10/31/2021

Tractor Supply Crockett, TX	1	Tractor Supply Texas	24,727	100%	4/5 yr.	179,000	7.24	12/1/2006	10/23/2011
						196,900	7.96	10/24/2011	10/23/2016
						216,590	8.76	10/24/2016	10/23/2021
Mercedes Benz Atlanta, GA	1	Atlanta Eurocars	40,588	100%	4/5 yr.	900,000	22.17	12/15/2006	12/31/2011
						990,000	24.39	1/1/2012	12/31/2016
						1,089,000	26.83	1/1/2017	12/31/2021
						1,197,900	29.51	1/1/2022	12/31/2026
Dick s Sporting Goods Amherst, NY	1	Dick s Sporting Goods	55,745	100%	3/5 yr.	762,592	13.68	12/20/2006	11/30/2010
						790,464	14.18	12/1/2010	11/30/2015
Chili s Paris, TX	1	Brinker Texas, L.P.	6,698	100%	2/5 yr.	200,913	30.00	12/28/2006	11/30/2025
Staples Clarksville, IN	1	Staples the Office Superstore East, Inc.	20,388	100%	3/5 yr.	326,208	16.00	12/29/2006	10/31/2011
						356,790	17.50	11/1/2011	10/31/2016

Property	Number of Tenants	Major Tenants*	Total Square Feet Leased	% of Total Square Feet	Renewal Options**	Current Annual Base Rent	Base Rent per Square Foot	Lease Term Beginning	Lease Term To
HOM Fargo, ND	1	HOM Furniture, Inc.	122,108	100%	4/5 yr.	968,000	7.93	1/4/2007	12/31/2011
						1,017,159	8.33	1/1/2012	12/31/2016
						1,070,877	8.77	1/1/2017	1/31/2022
La-Z-Boy Newington, CT	1	LZB Furniture Galleries of Paramus, Inc.	20,701	100%	2/5 yr.	496,824	24.00	1/5/2007	12/31/2016
						558,297	27.00	1/1/2017	12/26/2021
Advance Auto Maryland Heights, MO	1	Advance Stores Company, Inc.	7,000	100%	3/5 yr.	142,940	20.42	1/12/2007	2/28/2016
						150,088	21.44	3/1/2016	2/28/2021
Victoria Crossing Victoria, TX	3	Ross Dress for Less, Inc.	30,187	35%	5/5 yr.	279,230	9.25	1/12/2007	1/31/2012
						286,777	9.50	2/1/2012	1/31/2017
		Bed Bath & Beyond, Inc.	23,000	26%	5/5 yr.	172,500	7.50	1/12/2007	1/31/2017
		Petsmart, Inc.	20,087	23%	6/5 yr.	270,959	13.50	1/12/2007	5/31/2016
Academy Sports Katy, TX	1	Academy Ltd	1,500,596	100%	8/5 yr.	7,038,000	4.69	1/18/2007	1/31/2027(5)
Gordmans Peoria, IL	1	Gordmans, Inc.	60,947	100%	4/5 yr.	684,000	11.22	1/18/2007	3/31/2011
						714,000	11.72	4/1/2011	3/31/2016
	24								

One Pacific Place Omaha, NE		No single tenant occupies greater than 10.0% of the rentable square feet of this property.							
Sack n Save/O Reilly Auto Garland, TX	2	Minyard Food Stores, Inc.	58,695	90%	3/10 yr.	375,648	6.40	2/6/2007	4/30/2010
						396,191	6.75	5/1/2010	4/30/2020
		Hi-Lo Auto Supply, LP	6,600	10%	3/5 yr.	25,920	3.93	2/6/2007	6/30/2011
						27,994	4.24	7/1/2011	6/30/2016
						30,233	4.58	7/1/2016	6/30/2021
Tractor Supply Ankeny, IA	1	Tractor Supply Company	19,097	100%	4/5 yr.	213,252	11.17	2/9/2007	8/23/2011
						234,576	12.28	8/24/2011	8/23/2016
						258,036	13.51	8/24/2016	8/23/2021
ABX Air Coventry, RI	1	ABX Air, Inc.	33,000	100%	4/5 yr.	316,990	9.61	2/14/2007	1/31/2014(6)
Office Depot Enterprise, AL	1	Office Depot, Inc.	20,000	100%	3/5 yr.	215,129	10.76	2/27/2007	10/31/2016
						225,135	11.26	11/1/2016	10/31/2021
Northern Tool Blaine, MN	1	Northern Tool and Equipment, Inc.	25,488	100%	3/5 yr.	344,598	13.52	2/28/2007	11/30/2016
						380,536	14.93	12/1/2016	11/30/2021
Office Max Orangeburg, SC	1	OfficeMax, Inc.	23,500	100%	4/5 yr.	252,625	10.75	2/28/2007	6/30/2014
Walgreens Cincinnati, OH	1	Walgreen Co.	15,120	100%	8/5 yr.	365,000	24.14	3/5/2007	3/31/2020

Walgreens Madeira, OH	1	Walgreen Co.	13,905	100%	8/5 yr.	314,000	22.58	3/5/2007	8/31/2018
Walgreens Sharonville, OH	1	Walgreen Co.	13,905	100%	8/5 yr.	290,000	20.86	3/5/2007	10/31/2023
AT&T Beaumont, TX	1	AT&T Services, Inc.	141,525	100%	2/5 yr.	900,473	6.36	3/19/2007	3/18/2012(7
Walgreens Shreveport, LA	1	Walgreen Co.	13,905	100%	8/5 yr.	327,000	23.52	3/23/2007	9/30/2019
Cost-U-Less St. Croix, USVI	1	CULUSVI, Inc.	38,365	100%	2/5 yr.	512,000	13.35	3/26/2007	3/31/2022
Gallina Centro Collierville, TN	11	Stein Mart, Inc.	36,000	34%	3/5 yr.	234,000	6.50	3/28/2007	3/31/2011
						252,000	7.00	4/1/2011	3/31/2016
		Kroger Limited Partnership, I	59,670	41%	11/5 yr.	172,000	2.88	3/28/2007	3/31/2011
						189,200	3.17	4/1/2011	3/31/2021
		Walgreen Co.	20,071	14%	8/5 yr.	350,000	17.44	5/9/2006	5/31/2016
Apria Healthcare St. John, MO	1	Apria Healthcare, Inc.	52,200	100%	1/5 yr.	514,464	9.86	3/28/2007	10/31/2013
Logan s Roadhouse Fairfax, VA	1	Logan s Roadhouse, Inc.	7,839	100%	5/5 yr.	224,619	28.65	3/28/2007	11/29/2026(8
Logan s Roadhouse Johnson City, TN	1	Logan s Roadhouse, Inc.	7,839	100%	5/5 yr.	270,623	34.52	3/28/2007	11/29/2026(9
Center at 7500 Cottonwood Jenison, MI	4	Hob-Lob Limited Partnership	54,533	64%	2/5 yr.	259,032	4.75	3/30/2007	10/31/2009

		Leppinks, Inc.	16,000	19%	3/5 yr.	97,104	6.07	3/30/2007	7/31/2007
						99,046	6.19	8/1/2007	7/31/2008
						101,027	6.31	8/1/2008	7/31/2009
						103,048	6.44	8/1/2009	7/31/2010
						105,108	6.57	8/1/2010	7/31/2011
Eckerd Lincolnton, NC	1	ECK-001, LLC	10,908	100%	4/5 yr.	169,648	15.55	4/30/2007	8/7/2007
						175,100	16.05	8/8/2007	8/7/2012
						180,552	16.55	8/8/2012	8/7/2017
Tractor Supply Greenfield, MN	1	Tractor Supply Company	22,675	100%	4/5 yr.	289,228	12.76	4/2/2007	3/31/2011
						318,150	14.03	4/1/2011	3/31/2016
						349,965	15.43	4/1/2016	3/31/2021

Property	Number of Tenants	Major Tenants*	Total Square Feet Leased	% of Total Square Feet	Renewal Options**	Current Annual Base Rent	Base Rent per Square Foot	Lease Term Beginning	Lease Term To
Lincoln Place Fairview Heights, IL	19	Kohl s Department Stores, Inc.	86,584	32%	5/5 yr.	530,760	6.13	4/5/2007	2/1/2020
		Ultimate Electronics, Inc.	31,000	13%	2/5 yr.	367,816	11.50	4/5/2007	2/28/2008
						409,780	12.81	3/1/2008	2/28/2010
						439,780	13.75	3/1/2010	2/28/2013
						483,758	15.13	3/1/2013	2/28/2018
		Marshalls of IL, LLC	30,000	11%	3/5 yr.	292,500	9.75	4/5/2007	8/31/2007
						307,500	10.25	9/1/2007	8/31/2012
		LNT, Inc.	28,023	10%		308,000	10.99	4/5/2007	8/31/2007
						322,000	11.49	9/1/2007	8/31/2012
Amarillo Furniture Ashley, TX	1	Choice Furniture, Inc.	74,797	100%	N/A	463,741	6.20	4/6/2007	4/30/2011
						493,660	6.60	5/1/2011	4/30/2016
						523,579	7.00	5/1/2016	4/30/2021
Pocatello Square Pocatello, ID	5	Sportsman s Warehouse, Inc	47,979	35%	5/5 yr.	428,705	8.94	4/6/2007	11/30/2007
						476,605	9.93	12/1/2007	11/30/2008
						493,370	10.28	12/1/2008	11/30/2009
						514,925	10.73	12/1/2009	11/30/2010

						535,522	11.16	12/1/2010	11/30/2011
						562,346	11.72	12/1/2011	11/30/2016
						590,607	12.31	12/1/2016	11/30/2021
		Ross Dress for Less, Inc.	30,187	22%		530,760	17.58	4/6/2007	1/31/2017
		Staples the Office Superstore, Inc.	20,388	15%		243,637	11.95	4/6/2007	9/30/2016
Tractor Supply Paw Paw, MI	1	Tractor Supply Company	22,670	100%	4/5 yr.	277,840	10.05	4/9/2007	12/10/2011
						250,624	11.06	12/11/2011	12/10/2016
						275,686	12.16	12/11/2016	12/10/2021
Tractor Supply Marinette, WI		Tractor Supply Company	19,097	100%	4/5 yr.	213,933	11.20	4/9/2007	12/15/2011
						235,326	12.32	12/16/2011	12/15/2016
						258,858	13.55	12/16/2016	12/15/2021
Staples Greenville, SC	1	Staples the Office Superstore East, Inc.	20,388	100%	4/5 yr.	318,053	15.60	4/11/2007	3/31/2012
						339,460	16.65	4/1/2012	3/31/2017
Big 5 Center Aurora, CO	4	Big 5 Corporation	10,000	63%	3/5 yr.	150,000	15.00	4/11/2007	12/31/2011
						162,000	16.20	1/1/2012	12/31/2016
						178,200	17.82	1/1/2017	1/31/2022
		M-Fast, Inc.	3,500	22%	2/5 yr.	87,500	25.00	4/11/2007	12/31/2007
						88,900	25.40	1/1/2008	12/31/2008
						90,300	25.80	1/1/2009	12/31/2009

91,700	26.20	1/1/2010	12/31/2010
93,100	26.60	1/1/2011	12/31/2011
94,500	27.00	1/1/2012	12/31/2012
95,900	27.40	1/1/2013	12/31/2013
97,300	27.80	1/1/2014	12/31/2014
98,700	28.20	1/1/2015	12/31/2015
100,100	28.60	1/1/2016	12/31/2016

* Major tenants include those tenants that occupy greater than 10.0% of the rentable square feet of their respective property.

** Represents option renewal period / term of each option.

(1) The initial annual rent of $419,750 as displayed in the table above is subject to rental escalations of 2% each year through the remainder of the lease, which expires October 31, 2015. For the purposes of presentation the individual rental escalations were not displayed in the table above.

(2) The annual base rent of $1,790,100 as displayed in the table above is fixed through the first 13 months of the initial lease term, with a 2.5% rental escalation beginning 14 months after the start of the initial lease term, and every 12 months thereafter for the remaining term of the lease, which expires January 31, 2021. For the purposes of presentation the individual rental escalations were not displayed in the table above.

(3) The Wawa Properties are 100% leased to Wawa under a master lease agreement. The current aggregate annual base rent of $1,013,117 is fixed through the initial lease term and was allocated based on the square feet of each property as a percentage of the total square feet for all three properties.

(4) The current aggregate annual base rent of $707,395 as displayed in the table above is fixed through July 1, 2007 with rental escalations of 1.25% each year for the remainder of the initial lease term, which expires July 1, 2021. For the purposes of presentation the individual rental escalations were not displayed in the table above.

(5) The initial annual base rent under the lease is $7,038,000 as displayed in the table above increases each year, by 1.5% of the then current annual base rent. The initial term of the lease expires January 31, 2027. For the purposes of presentation the individual rental escalations were not displayed in the table above.

(6) The current aggregate annual base rent of $316,990 as displayed in the table above is fixed through the first year of the initial lease term and increases 3% each year through the remainder of the lease term, which expires January 31, 2014. For the purposes of presentation the individual rental escalations were not displayed in the table above.

(7) The current aggregate annual base rent of $900,473 is fixed through the first year of the initial lease, and increases 1.5% each year through the initial lease term, which expires March 31, 2017. For the purposes of presentation the individual rental escalations were not displayed in the table above.

(8) The current aggregate annual base rent of $224,619 as displayed in the table above is fixed through November 29, 2007 with rental escalations of 1.75% each year for the remainder of the initial lease term, which expires November 29, 2026. For the purposes of presentation the individual rental escalations were not displayed in the table above.

(9) The current aggregate annual base rent of $270,623 as displayed in the table above is fixed through November 29, 2007 with rental escalations of 1.75% each year for the remainder of the initial lease term, which expires November 29, 2026. For the purposes of presentation the individual rental escalations were not displayed in the table above.

Cole Realty Advisors has the sole and exclusive right to manage, operate, lease and supervise the overall maintenance of the properties listed above and currently will receive a property management fee of 2.0% of the monthly gross revenues from our properties. We currently have no plan for any renovations, improvements or development of the properties listed above and we believe that all are adequately insured.

In connection with the property acquisitions noted above we incurred or assumed the following fixed and variable rate mortgage notes:

Property	Fixed Rate Loan Amount	Fixed Interest Rate	Maturity Date	Variable Rate Loan Amount	Maturity Date	Total Loan Outstanding
Tractor Supply Parkersburg, WV	$ 1,793,000	5.57%	10/11/15	$ 814,000	12/26/05	$ 2,607,000(7)
Walgreens Brainerd, MN	2,814,000	5.44%	10/11/15	649,000	1/4/06	3,463,000(7)

Rite Aid	Alliance, OH		N/A	N/A		N/A	
La-Z-Boy	Glendale, AZ	3,415,000	5.76%	11/11/10	1,138,000	1/25/06	4,553,000(7)
Walgreens	Florissant, MO	3,372,000	5.48%	11/11/15	778,000	2/2/06	4,150,000(7)
Walgreens (Gravois)	Saint Louis, MO	3,289,000	5.48%	11/11/15	759,000	2/2/06	4,048,000(7)
Walgreens (Telegraph)	Saint Louis, MO	3,999,000	5.48%	11/11/15	923,000	2/2/06	4,922,000(7)
Walgreens	Columbia, MO	4,645,369	5.15%	7/11/08		N/A	4,487,895(7)
Walgreens	Olivette, MO	5,567,894	5.15%	7/11/08		N/A	5,379,146(7)
CVS	Alpharetta, GA	2,015,000	5.52%	12/11/10	465,000	3/1/06	2,480,000(7)
Lowe s	Enterprise, AL	4,859,000	5.52%	12/11/10	1,121,000	3/1/06	5,980,000(7)
CVS	Richland Hills, TX	2,379,000	5.52%	12/11/10	549,000	3/8/06	2,928,000(7)
FedEx	Rockford, IL	3,998,000	5.61%	12/11/10	922,000	3/10/06	4,920,000(7)

Property	Fixed Rate Loan Amount	Fixed Interest Rate	Maturity Date	Variable Rate Loan Amount	Maturity Date	Total Loan Outstanding
Plastech Auburn Hills, MI		N/A	N/A	17,700,000	12/14/06	17,700,000(7)
Academy Sports Macon, GA	3,478,000	5.69%	1/11/16	802,000	4/6/06	4,280,000(7)
David s Bridal Lenexa, KS	1,799,000	5.86%	1/11/11	817,000	4/11/06	2,616,000(7)
Rite Aid Enterprise, AL	2,043,000	5.80%	2/11/16	928,000	4/26/06	2,971,000(7)
Rite Aid Wauseon, OH	2,142,000	5.80%	2/11/16	973,000	4/26/06	3,115,000(7)
Staples Crossville, TN	1,885,000	5.71%	2/11/11	435,000	4/26/06	2,320,000(7)
Rite Aid Saco, ME	1,375,000	5.82%	2/11/11	625,000	4/27/06	2,000,000(7)
Wadsworth Boulevard Denver, CO	12,025,000	5.57%	3/1/11	2,275,000	12/31/06	14,300,000(7)
Mountainside Fitness Chandler, AZ		N/A	N/A	4,690,400	12/31/06	4,690,400
Drexel Heritage Hickory, NC	2,763,000	5.80%	3/11/11	637,000	5/24/06	3,400,000(7)
Rayford Square Spring, TX	5,940,000	5.64%	4/1/16		N/A	5,940,000(5)
CVS Portsmouth, OH	1,424,000	5.67%	3/11/11	329,000	6/8/06	1,753,000(7)
Wawa Hockessin, DE, Manahawkin, NJ, Narberth, PA		N/A	N/A	7,234,787	2/26/10	7,234,787(7)
CVS Lakewood, OH	1,348,000	5.77%	5/11/11	612,000	7/20/06	1,960,000(7)
Rite Aid Cleveland, OH	1,413,000	6.05%	5/11/11	642,000	7/27/06	2,055,000(7)
Rite Aid Fremont, OH	1,388,000	6.05%	5/11/11	632,000	7/27/06	2,020,000(7)
Walgreens Knoxville, TN	3,088,000	5.80%	5/11/11	712,000	8/8/06	3,800,000(7)
CVS Madison, MS	2,809,000	5.60%	2/11/16		N/A	2,809,000(7)
Rite Aid Defiance, OH	2,321,000	5.76%	1/11/16		N/A	2,321,000(7)
Conns San Antonio, TX	2,461,000	5.86%	5/11/11	1,119,000	7/25/06	3,580,000(7)
Dollar General Crossville, TN	1,950,000	5.75%	6/11/16	450,000	9/2/06	2,400,000(7)
Dollar General Ardmore, TN	1,804,000	5.79%	6/11/16	416,000	9/9/06	2,220,000(7)
Dollar General Livingston, TN	1,856,000	5.79%	7/11/16	429,000	10/12/06	2,285,000(7)
Wehrenberg Arnold, MO		N/A	N/A		N/A	
Sportmans Warehouse Wichita, KS		N/A	N/A	6,173,250	12/27/06	6,173,250(7)
CVS Portsmouth, OH		N/A	N/A		N/A	
Advance Auto Greenfield, IN		N/A	N/A		N/A	
Advance Auto Trenton, OH		N/A	N/A		N/A	
Rite Aid Lansing, MI	1,041,000	5.90%	7/1/16		N/A	1,041,000
	1,038,000	5.83%	7/11/16	346,000	10/6/06	1,384,000(7)

Advance Auto Columbia Heights, MN						
Advance Auto Fergus Falls, MN	722,000	5.83%	7/11/16	241,000	10/6/06	963,000(7)
CVS Okeechobee, FL	4,076,000	5.60%	2/11/16		N/A	4,076,000(7)
Office Depot Dayton, OH	2,130,000	5.73%	2/11/16		N/A	2,130,000(7)
Advance Auto Holland, MI	1,193,000	5.83%	4/11/16		N/A	1,193,000(7)
Advance Auto Holland Township, MI	1,231,000	5.83%	4/11/16		N/A	1,231,000(7)
Advance Auto Zeeland, MI	1,057,000	5.83%	4/11/16		N/A	1,057,000(7)
CVS Orlando, FL	3,016,000	5.68%	4/11/16		N/A	3,016,000(7)
Office Depot Greenville, MS	2,192,000	5.76%	3/11/11		N/A	2,192,000(7)
Office Depot Warrensburg, MO	1,810,000	5.85%	4/11/11		N/A	1,810,000(7)
CVS Gulfport, MS	2,611,000	5.28%	4/11/16		N/A	2,611,000(7)
Advance Auto Grand Forks, ND	840,000	5.87%	9/11/16	280,000	11/15/06	1,120,000(7)
CVS Clinton, NY	1,983,000	5.74%	9/11/16	457,000	12/24/06	2,440,000(2)(7)

Property	Fixed Rate Loan Amount	Fixed Interest Rate	Maturity Date	Variable Rate Loan Amount	Maturity Date	Total Loan Outstanding
Oxford Theatre Oxford, MS	5,175,000	6.11%	9/1/16		N/A	5,175,000(1)(5)
Advance Auto Duluth, MN	860,000	5.87%	10/11/16	286,000	12/22/06	1,146,000
Walgreens Picayune, MS	2,766,000	5.53%	10/11/16	638,000	1/15/07	3,404,000(2)(7)
Kohl s Wichita, KS	5,200,000	6.11%	9/1/16		N/A	5,200,000(1)(5)
Lowe s Lubbock, TX	7,150,000	6.11%	9/1/16		N/A	7,150,000(1)(5)
Lowe s Midland, TX	7,475,000	6.11%	9/1/16		N/A	7,475,000(1)(5)
Advance Auto Grand Bay, AL		N/A	N/A		N/A	
Advance Auto Hurley, MS		N/A	N/A		N/A	
Advance Auto Rainsville, AL		N/A	N/A		N/A	
Gold s Gym O Fallon, IL	3,650,000	5.83%	10/11/16	2,190,000	17/27/06	5,840,000(2)(7)
Rite Aid Glassport, PA	2,325,000	6.10%	11/1/16		N/A	2,325,000(5)
David s Bridal/Radio Shack Topeka, KS	2,000,000	5.77%	12/1/16		N/A	2,000,000(8)
Rite Aid Hanover, PA	4,115,000	6.11%	11/1/16		N/A	4,115,000(5)
American TV & Appliance Peoria, IL	7,358,971	6.00%	10/1/18		N/A	7,358,971(6)
Tractor Supply La Grange, TX	1,405,000	5.99%	12/1/16		N/A	1,405,000(3)(5)
Staples Peru, IL	1,930,000	5.66%	12/1/11		N/A	1,930,000(5)
Fedex Council Bluffs, IA	2,185,000	5.97%	12/1/16		N/A	2,185,000(5)
Fedex Edwardsville, KS	12,880,000	5.97%	12/1/16		N/A	12,880,000(5)
CVS Glenville Scotia, NY	3,413,000	5.74%	12/11/16	787,000	3/16/07	4,200,000(7)
Advance Auto Ashland, KY		N/A	N/A		N/A	
Advance Auto Jackson, OH		N/A	N/A		N/A	
Advance Auto New Boston, OH		N/A	N/A		N/A	
Advance Auto Scottsburg, IN		N/A	N/A		N/A	
Tractor Supply Livingston, TN	1,725,000	5.99%	12/1/16		N/A	1,725,000(3)(5)
Tractor Supply New Braunfels, TX	1,750,000	5.99%	12/1/16		N/A	1,750,000(3)(5)
Office Depot Benton, AR	2,130,000	5.77%	12/1/16		N/A	2,130,000(8)
Old Time Pottery Fairview Heights, IL	2,140,000	6.31%	12/11/11	1,284,000	3/21/07	3,424,000(7)
Infiniti Davie, FL		N/A	N/A		N/A	
Office Depot Oxford, MS	2,295,000	6.17%	12/1/16		N/A	2,295,000(5)
	1,325,000	5.99%	12/1/16		N/A	1,325,000(3)(5)

Tractor Supply Crockett, TX						
Mercedes Benz Atlanta, GA		N/A	N/A		N/A	
Dick s Sporting Goods Amherst, NY	6,321,000	5.62%	2/1/17		N/A	6,321,000(8)
Chili s Paris, TX	1,790,000	5.65%	1/1/17		N/A	1,790,000(5)
Staples Clarksville, IN	2,900,000	5.78%	1/1/17		N/A	2,900,000(8)
HOM Fargo, ND	4,800,000	5.56%	2/1/2017		N/A	4,800,000(5)
La-Z-Boy Newington, CT	4,140,000	5.66%	2/1/2017		N/A	4,140,000(5)
Advance Auto Maryland Heights, MO		N/A	N/A		N/A	
Victoria Crossing Victoria, TX	8,288,000	5.71%	2/11/17	1,912,000	4/12/07	10,200,000(7)
Academy Sports Katy, TX	68,250,000	5.61%	2/1/17		N/A	68,250,000(5)
Gordmans Peoria, IL	4,950,000	5.71%	2/1/17		N/A	4,950,000(8)
One Pacific Place Omaha, NE	23,400,000	5.53%	3/1/17		N/A	23,400,000(5)
Sack n Save/O Reilly Auto Garland, TX	3,290,000	5.54%	3/1/17		N/A	3,290,000(5)

Property	Fixed Rate Loan Amount	Fixed Interest Rate	Maturity Date	Variable Rate Loan Amount	Maturity Date	Total Loan Outstanding
Tractor Supply Ankeny, IA	1,950,000	5.65%	5/1/17		N/A	1,950,000(5)
ABX Air Coventry, RI	2,454,000	5.70%	4/1/12		N/A	2,454,000(5)
Office Depot Enterprise, AL	1,850,000	6.29%	3/1/17		N/A	1,850,000(5)
Northern Tool Blaine, MN	3,185,000	6.00%	9/1/16		N/A	3,185,000(4)(5)
Office Max Orangeburg, SC	1,875,000	5.61%	4/1/12		N/A	1,875,000(5)
Walgreens Cincinnati, OH	3,341,000	6.00%	9/1/16		N/A	3,341,000(4)(5)
Walgreens Madeira, OH	2,876,000	5.70%	4/1/12		N/A	2,876,000(5)
Walgreens Sharonville, OH	2,655,000	5.62%	4/1/12		N/A	2,655,000(5)
AT&T Beaumont, TX	8,592,000	5.87%	4/1/17		N/A	8,592,000(8)
Walgreens Shreveport, LA	2,815,000	5.56%	4/11/17	497,000	6/23/07	3,312,000(7)
Cost-U-Less,- St. Croix, USVI	4,035,000	5.76%	4/1/17		N/A	4,035,000(5)
Gallina Centro Collierville, TN	14,200,000	5.72%	4/11/17		N/A	14,200,000(7)
Apria Healthcare St. John, MO		N/A	N/A		N/A	
Logan s Roadhouse Fairfax, VA	1,605,000	6.00%	4/11/17	962,000	6/27/07	2,567,000(7)
Logan s Roadhouse Johnson City, TN	1,933,000	6.00%	4/11/17	1,160,000	6/27/07	3,093,000(7)
Center at 7500 Cottonwood Jenison, MI		N/A	N/A		N/A	
Eckerd Lincolnton, NC	1,538,000	5.80%	4/11/17	271,000	7/3/07	1,809,000(7)
Tractor Supply Greenfield, MN	2,227,500	5.57%	7/1/17		N/A	2,227,500(5)
Lincoln Place Fairview Heights, IL	35,432,000	5.70%	5/1/17		N/A	35,432,000(8)
Amarillo Furniture Ashley, TX	4,026,000	5.59%	4/11/17	710,000	7/5/07	4,736,000(7)
Pocatello Square Pocatello, ID	17,250,000	5.53%	4/11/17	1,150,000	8/6/07	18,400,000(7)
	2,048,000	5.65%	5/1/17		N/A	2,048,000(7)

Tractor Supply Paw Paw, MI						
Tractor Supply Marinette, WI	1,918,000	5.65%	5/1/17		N/A	1,918,000(7)
Staples Greenville, SC	2,955,000	5.51%	6/11/17		N/A	2,955,000(5)
Big 5 Center Aurora, CO	2,804,000	5.57%	6/11/17		N/A	2,804,000(5)
	$ 455,344,734			$ 69,920,437		$ 525,265,171

(1) Mortgage note is cross-collateralized and cross-secured with the LO Midland Property, LO Lubbock Property, KO Wichita Property and OT Oxford Property.

(2) Mortgage note is cross-collateralized and cross-secured with the CV Clinton Property, WG Picayune Property and GG O Fallon Property.

(3) Mortgage note is cross-collateralized and cross-secured with the TS La Grange Property, TS Crockett Property, TS Livingston Property and TS New Braunfels Property.

(4) Mortgage note is cross-collateralized and cross-secured with the NT Blaine Property and the WG Cincinnati Property.

(5) Lender: Bear Stearns Commercial Mortgage.

(6) Lender: GE Commercial Finance Business Property Corporation.

(7) Lender: Wachovia Bank, N.A.

(8) Lender: JP Morgan Chase Bank, N.A.

The fixed rate debt mortgage notes require monthly interest-only payments with the principal balance due on various dates from July 2008 through October 2018. The variable rate debt mortgage notes bear interest at the one-month LIBOR rate plus 200 basis points and require monthly interest-only payments and generally mature within 90 days. Each of the mortgage notes are secured by the respective property. The mortgage notes

are generally non-recourse to the Company and Cole Op II, but both are liable for customary non-recourse carveouts.

The fixed rate mortgage notes generally may not be prepaid, in whole or in part, except under the following circumstances: (i) full prepayment may be made on any of the three (3) monthly payment dates occurring immediately prior to the maturity date, and (ii) partial prepayments resulting from the application of insurance or condemnation proceeds to reduce the outstanding principal balance of the mortgage notes. Notwithstanding the prepayment limitations, the Company may sell the properties to a buyer that assumes the respective mortgage loan. The transfer would be subject to the conditions set forth in the individual property s mortgage note document, including without limitation, the lender s approval of the proposed buyer and the payment of the lender s fees, costs and expenses associated with the sale of the property and the assumption of the loan.

In the event that a mortgage note is not paid off on the respective maturity date, each mortgage note includes hyperamortization provisions. The interest rate during the hyperamortization period shall be the fixed interest rate as stated on the respective mortgage note agreement plus two percent (2.0%). The individual mortgage note maturity date, under the hyperamortization provisions, will be extended by twenty (20) years. During such period, the lender will apply 100% of the rents collected to (i) all payments for escrow or reserve accounts, (ii) payment of interest at the original fixed interest rate, (iii) payments for the replacement reserve account, (iv) any other amounts due in accordance with the mortgage note agreement other than any additional interest expense, (v) any operating expenses of the property pursuant to an approved annual budget, (vi) any extraordinary expenses, (vii) payments to be applied to the reduction of the principal balance of the mortgage note, and (viii) any additional interest expense, which is not paid will be added to the principal balance of the mortgage note.

For federal income tax purposes, the depreciable basis in the properties noted above is approximately $708 million in total. When we calculate depreciation expense for tax purposes, we will use the straight-line method. We depreciate buildings and improvements based upon estimated useful lives of 40 years, respectively. The depreciable basis in the properties noted above are detailed as follows:

Property	**Depreciable Tax Basis**
Tractor Supply Parkersburg, WV	$ 2,419,149
Walgreens Brainerd, MN	3,455,534
Rite Aid Alliance, OH	1,721,992
La-Z-Boy Glendale, AZ	3,308,706
Walgreens Florissant, MO	3,798,660
Walgreens Saint Louis, MO (Gravois)	4,041,203
Walgreens Saint Louis, MO (Telegraph)	3,405,433
Walgreens Columbia, MO	4,066,885
Walgreens Olivette, MO	4,920,452
CVS Alpharetta, GA	1,974,033
Lowe s Enterprise, AL	6,620,785
CVS Richland Hills, TX	2,617,497
FedEx Rockford, IL	4,810,302
Plastech Auburn Hills, MI	20,812,140
Academy Sports Macon, GA	4,546,122
David s Bridal Lenexa, KS	2,588,991
Rite Aid Enterprise, AL	2,892,211
Rite Aid Wauseon, OH	2,920,310

Staples	Crossville, TN	2,421,793
Rite Aid	Saco, ME	2,188,010

Property	Depreciable Tax Basis
Wadsworth Boulevard Denver, CO	14,190,910
Mountainside Fitness Chandler, AZ	4,818,016
Drexel Heritage Hickory, NC	3,958,998
Rayford Square Spring, TX	7,936,443
CVS Portsmouth, OH	1,667,154
Wawa Hockessin, DE	3,087,470
Wawa Manahawkin, NJ	2,821,552
Wawa Narbeth, PA	2,688,592
CVS Lakewood, OH	1,973,647
Rite Aid Cleveland, OH	2,070,669
Rite Aid Fremont, OH	1,728,442
Walgreens Knoxville, TN	3,068,515
CVS Madison, MS	3,368,662
Rite Aid Defiance, OH	3,126,556
Conns San Antonio, TX	3,562,750
Dollar General Crossville, TN	2,435,881
Dollar General Ardmore, TN	2,114,108
Dollar General Livingston, TN	2,033,053
Wehrenberg Arnold, MO	5,698,096
Sportmans Warehouse Wichita, KS	6,843,371
CVS Portsmouth, OH	1,770,141
Advance Auto Greenfield, IN	755,462
Advance Auto Trenton, OH	772,177
Rite Aid Lansing, MI	1,547,295
Advance Auto Columbia Heights, MN	1,236,120
Advance Auto Fergus Falls, MN	1,058,994
CVS Okeechobee, FL	4,812,804
Office Depot Dayton, OH	2,583,810
Advance Auto Holland, MI	1,432,089
Advance Auto Holland Township, MI	1,463,900
Advance Auto Zeeland, MI	1,384,950
CVS Orlando, FL	2,807,200
Office Depot Greenville, MS	2,583,810
Office Depot Warrensburg, MO	1,829,024
CVS Gulfport, MS	3,032,978
Advance Auto Grand Forks, ND	1,070,994
CVS Clinton, NY	2,462,819
Oxford Theatre Oxford, MS	9,636,227
Advance Auto Duluth, MN	1,190,975
Walgreens Picayune, MS	3,153,167
Kohl s Wichita, KS	6,289,365
Staples Greenville, SC	4,545,000
Lowe s Lubbock, TX	7,247,827
Lowe s Midland, TX	7,883,933

Property	Depreciable Tax Basis
Advance Auto Grand Bay, AL	905,396
Advance Auto Hurley, MS	952,326
Advance Auto Rainsville, AL	991,239
Gold s Gym O Fallon, IL	6,060,922
Rite Aid Glassport, PA	3,268,815
David s Bridal/Radio Shack Topeka, KS	2,535,491
Rite Aid Hanover, PA	4,638,296
American TV & Appliance Peoria, IL	9,573,469
Tractor Supply La Grange, TX	2,402,825
Staples Peru, IL	2,024,975
Fedex Council Bluffs, IA	2,932,591
Fedex Edwardsville, KS	18,589,934
CVS Glenville Scotia, NY	3,796,109
Advance Auto Ashland, KY	1,096,360
Advance Auto Jackson, OH	952,219
Advance Auto New Boston, OH	1,092,304
Advance Auto Scottsburg, IN	1,054,818
Tractor Supply Livingston, TN	2,761,104
Tractor Supply New Braunfels, TX	2,733,111
Office Depot Benton, AR	2,803,944
Old Time Pottery Fairview Heights, IL	3,338,050
Infiniti Davie, FL	6,661,739
Office Depot Oxford, MS	2,666,293
Tractor Supply Crockett, TX	2,236,043
Mercedes Benz Atlanta, GA	9,401,653
Dick s Sporting Goods Amherst, NY	6,873,019
Chili s Paris, TX	2,234,337
Staples Clarksville, IN	3,598,588
HOM Fargo, ND	12,288,100
La-Z-Boy Newington, CT	7,055,777
Advance Auto Maryland Heights, MO	1,954,435
Victoria Crossing Victoria, TX	12,900,521
Academy Sports Katy, TX	104,953,899
Gordmans Peoria, IL	9,192,935
One Pacific Place Omaha, NE	36,779,512
Sack n Save/O Reilly Auto Garland, TX	5,257,530
Tractor Supply Ankeny, IA	3,075,880
ABX Air Coventry, RI	4,193,919
Office Depot Enterprise, AL	2,859,725
Northern Tool Blaine, MN	5,022,678
Office Max Orangeburg, SC	3,216,571
Walgreens Cincinnati, OH	5,140,000
Walgreens Madeira, OH	4,425,000
Walgreens Sharonville, OH	4,085,000

Property	Depreciable Tax Basis
AT&T Beaumont, TX	12,275,000
Walgreens Shreveport, LA	4,140,000
Cost-U-Less, St. Croix, USVI	6,210,000
Gallina Centro Collierville, TN	17,750,000
Apria Healthcare St. John, MO	6,500,000
Logan s Roadhouse Fairfax, VA	3,209,000
Logan s Roadhouse Johnson City, TN	3,866,000
Center at 7500 Cottonwood Jenison, MI	5,390,000
Eckerd Lincolnton, NC	2,262,000
Tractor Supply Greenfield, MN	4,050,000
Lincoln Place Fairview Heights, IL	44,000,000
Ashley Furniture Amarillo, TX	5,920,000
Pocatello Square Pocatello, ID	23,000,000
Tractor Supply Paw Paw, MI	3,095,000
Tractor Supply Marinette, MI	2,950,000
Big 5 Center Aurora, CO	4,290,000
	$ 716,758,606

Tenant Lease Expirations

The following table sets forth, as of April 11**,** 2007, lease expirations of our portfolio for each of the next ten years 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 which expires during the respective year.

Year Ending December 31,	Number of Leases Expiring	Approx. Square Feet Expiring	Total Annual Base Rent	% of Total Annual Base Rent
2007	1	2,000	$ 37,500	0%
2008	8	43,210	644,731	1%
2009	9	80,143	718,694	1%
2010	6	20,968	398,731	1%
2011	7	34,703	410,627	1%
2012	9	90,077	891,923	2%
2013	11	138,594	1,530,973	3%
2014	5	74,699	1,042,450	2%
2015	9	649,513	3,544,096	6%
2016	18	720,817	6,073,290	10%
2017	13	487,150	4,423,552	8%

96	2,341,874	$	19,716,565	35%

Potential Property Investments

Our advisor has identified the following 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 potential acquisitions is our ability to raise sufficient proceeds in this offering to pay a portion of the purchase price. An additional condition to acquiring these properties will be our securing debt financing to pay the balance of the purchase price. Such financing may not be available on acceptable terms or at all.

Our evaluation of a property as a potential acquisition, including the appropriate purchase price, will include our consideration of 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 patterns and economic conditions; and the presence of demand generators.

We will decide whether to acquire these properties generally based upon:

- satisfaction of the conditions to the acquisitions contained in the respective contracts;
- no material adverse change occurring relating to the properties, the tenants or in the local economic conditions;
- our receipt of sufficient net proceeds from the offering of our common stock to the public and financing proceeds to make these acquisitions; and
- our receipt of satisfactory due diligence information including appraisals, environmental reports and tenant and lease information.

Other properties may be identified in the future that we may acquire before or instead of these properties. Due to the considerable conditions to the consummation of the acquisition of these properties, we cannot make any assurances that the closing of these acquisitions is probable.

Property	Expected Acquisition Date	Seller(1)	Approximate Purchase Price(2)	Approximate Compensation to Sponsor(3)
Rite Aid Fredericksburg, VA	April, 2007	NNN Development, Inc.	5,415,000	189,525
Eckerd Easton, PA	April, 2007	GV (William Penn & 25th), LP	5,970,000	208,950
Sportsman s Warehouse DePere, WI	April, 2007	Spirit Master Funding, LLC	6,010,000	210,350
Rite Aid Plains, PA	April, 2007	Rap Plain, LP	5,200,000	182,000
Tractor Supply Navasota, TX	April, 2007	Navasota Marketplace, LP	3,015,000	105,525
			$ 25,610,000	$ 896,350

(1) Seller is an unaffiliated third party.

(2) Approximate purchase price does not include acquisition costs.

(3)

Amounts include acquisition fees payable to an affiliate of our advisor for acquisition fees in connection with the property acquisition and payments to our advisor for finance coordination fees for services in connection with the origination or assumption of debt financing to acquire the respective property.

Each potential property acquisition is subject to a net lease, pursuant to which the tenants are required to pay substantially all operating expenses and capital expenditures in addition to base rent. In the case of a multi-tenant commercial property the tenants are also required to pay a proportionate amount of common area maintenance charges in addition to the items listed above.

Property	Major Tenants*	Guarantor	Total Square Feet Leased	% of Total Square Feet Leased
Rite Aid Fredericksburg, VA	Rite Aid of Virginia, Inc.	Rite Aid Corporation	14,564	100%
Eckerd Easton, PA	Thrift Drug, Inc.	Eckerd Corporation	13,813	100%
Sportsman s Warehouse DePere, WI	Sportsman s Warehouse, Inc.	Sportsman s Warehouse Holdings, Inc.	48,153	100%
Rite Aid Plains, PA	Rite Aid of Pennsylvania, Inc.	Rite Aid Corporation	14,564	100%
Tractor Supply Navasota, TX	Tractor Supply Co. of Texas, LP	Tractor Supply Company	22,670	100%

* Major tenants are those tenants that occupy greater than 10.0% of the rentable square of their respective property.

The table below provides leasing information for the major tenants at each respective property.

Property	Major Tenants*	Renewal Options	Annual Base Rent	Base Rent per Square Foot	Lease Term Beginning	Lease Term To
Rite Aid Fredericksburg, PA	Rite Aid of Virginia, Inc.	4/5 yr.	392,063	$ 8.09	3/1/07	2/28/27
Eckerd Easton, PA	Thrift Drug, Inc.	2/5 yr.	442,266	$ 30.37	2/1/06	1/31/26
Sportsman s Warehouse DePere, WI	Sportsman s Warehouse, Inc.	5/5 yr.	474,839	$ 20.95	11/1/04	10/31/09
			523,292	$ 23.08	11/1/09	10/31/14
			571,745	$ 25.22	11/1/14	10/31/19
Rite Aid Plains, PA	Rite Aid of Pennsylvania, Inc.	6/5 yr.	390,173	$ 26.79	5/15/06	5/31/26
Tractor Supply Navasota, TX	Tractor Supply Co. of Texas, LP	4/5 yr.	215,640	$ 9.51	9/27/06	9/30/11
			229,657	$ 10.13	10/1/11	9/30/16
			244,584	$ 10.79	10/1/16	9/30/21

The following table outlines the anticipated loan terms on debt financing to be secured in connection with the purchase of the potential property acquisitions our advisor has identified for us. Generally, we expect the loans to have a fixed rate, with interest only payments and a five to ten-year maturity.

Property	Debt Financing	Type	Rate	Maturity Date
Rite Aid Fredericksburg, VA	3,519,750	Interest Only	5.71%	May, 2017
Eckerd Easton, PA	4,059,600	Interest Only	5.77%	May, 2017
Sportsman s Warehouse DePere, WI	3,906,500	Interest Only	6.21%	May, 2017
Rite Aid Plains, PA	3,380,000	Interest Only	5.68%	May, 2017
Tractor Supply Navasota, TX	2,050,200	Interest Only	5.80%	May, 2017

Cole Advisors II, our advisor, is continually evaluating various potential property investments and engaging in discussions and negotiations with sellers, developers and potential tenants regarding the purchase and development of properties for us and other Cole-sponsored programs. At such time while this offering is pending, if we believe that a reasonable probability exists that we will acquire a specific property, this prospectus will be supplemented to disclose the negotiations and pending acquisition of such property. We expect that this will normally occur upon the signing of a purchase agreement for the acquisition of a specific property, but may occur before or after such signing or upon the satisfaction or expiration of major contingencies in any such purchase agreement, depending on the particular circumstances surrounding each potential investment. A supplement to this prospectus will describe any improvements proposed to be constructed thereon and other information that we consider appropriate for an understanding of the transaction. Further data will be made available after any pending acquisition is consummated, also by means of a supplement to this prospectus, if appropriate. YOU SHOULD UNDERSTAND THAT THE DISCLOSURE OF ANY PROPOSED ACQUISITION CANNOT BE RELIED UPON AS AN ASSURANCE THAT

WE WILL ULTIMATELY CONSUMMATE SUCH ACQUISITION OR THAT THE INFORMATION PROVIDED CONCERNING THE PROPOSED ACQUISITION WILL NOT CHANGE PRIOR TO ANY ACTUAL PURCHASE.

Each of our properties is adequately covered by insurance and we intend to obtain adequate insurance coverage for all future properties that we acquire.

Distributions

The following information replaces the section of our prospectus captioned Distribution Policies beginning on page 81 of the prospectus:

Distribution Policy and Distributions

We currently pay distributions to our stockholders and we intend to continue to pay regular distributions to our stockholders. We currently calculate our monthly distributions on a daily record and declaration date. 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 Cole OP II, our operating partnership, our ability to pay distributions depends in large part on Cole OP II s ability to pay distributions to its partners, including to us. In the event we do not have enough cash from operations to fund the distribution, we may borrow, issue additional securities or sell assets in order to fund the distributions or make the distributions out of net proceeds from this offering.

Historically, we have primarily declared distributions to stockholders as of daily record dates and aggregated and paid such distributions monthly. Our board of directors declared distributions equal to $0.05 per share for stockholders of record as of the close of business on the seventh day of each month during the period from October 2005 through February 2006 and $0.0521 per share for stockholders of record on March 7, 2006. During the period from April 1, 2006 through June 30, 2006, our board of directors declared daily distributions of $0.0017123 per share for stockholders of record as of the close of business on each day during the period. During the period from July 1, 2006 through March 31, 2007, our board of directors declared daily distributions of $0.0017808 per share for stockholders of record as of the close of business on each day during the period.

Our board of directors began declaring distributions in October 2005, after we commenced business operations. We have primarily declared distributions on a quarterly basis, with daily record dates. These distributions generally are aggregated and paid monthly. Our board of directors intends to continue this distribution policy for so long as it decides this policy is in the best interests of our stockholders. We have made the following distributions to our stockholders:

Period Ended	**Date Paid**	**Distribution**
12/31/2005(1)	1/3/2006	$ 195,209
3/31/2006(1)	4/3/2006	621,070
4/30/2006	5/26/2006	368,157
5/31/2006	6/15/2006	462,055
6/30/2006	7/15/2006	536,858
7/31/2006	8/15/2006	688,819
8/30/2006	9/15/2006	830,693
9/30/2006	10/15/2006	940,028
10/31/2006	11/15/2006	1,123,576
11/30/2006	12/15/2006	1,308,857
12/31/2006	1/15/2007	1,612,094
1/31/2007	2/15/2007	1,803,080
2/28/2007	3/15/2007	1,835,149
		$ 12,325,645

(1) Distribution was paid on a quarterly basis.

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 and accumulated earnings and profits (calculated for tax purposes) constitute a return of capital for tax purposes rather than a distribution and reduce the shareholders basis in our common shares. To the extent that a distribution exceeds both current and accumulated earnings and profits and the shareholders basis in the common shares, it will generally be

treated as a capital gain. We annually notify stockholders of the taxability of distributions paid during the preceding year.

For the year ended December 31, 2006, approximately 42% of the distributions paid were taxable to the investor as ordinary taxable income and approximately 58% were treated as return of capital for federal income tax purposes. No distributions were paid during the year ended December 31, 2005. The amount of distributions paid and taxable portion in this period are not indicative or predictive of amounts anticipated in future periods.

We expect to continue to regularly pay distributions on a monthly basis, unless our results of operations, our general financial condition, general economic conditions, or other factors inhibit us from doing so. Distributions will be authorized at the discretion of our board of directors, which will be directed, in substantial part, by its obligation to cause us to 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;
- 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; 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 Requirements 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 cash flow 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, 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 Federal Income Tax Considerations Requirements for Qualification as a REIT.

Prior Potential Property Investments

A prior supplement to this prospectus described a potential acquisition of an approximately 75,000 square foot single-tenant retail building on an approximately 6.0 acre site located in Sherwood, Arkansas. The purchase agreement between Cole Acquisitions I, LLC, an affiliate of our advisor, and the seller for the acquisition of the property was terminated prior to assignment to the Company, and this property is no longer under consideration for purchase.