

## ERECT FUND II-EQUITY ASSET VALUATION

*June 30, 2011*

Original Investment	Security	Asset Book Value At 6/30/2011	Asset Market Value At 6/30/2011	Asset Market Value At 3/31/2011
<b>CASH AND EQUIVALENTS</b>				
	Receivables Net of Accrued Expenses	\$4,138,726	\$4,138,726	\$4,315,244
	Receivable Reserve Allowance	(1,258,499)	(1,258,499)	(\$1,196,690)
	ASRV Specialty Trust Money Market	\$3,604,998	\$3,604,998	\$3,593,225
	Fed Prime Obligation Fund #10	<u>\$5,617,457</u>	<u>\$5,617,457</u>	<u>\$4,752,866</u>
	<b>TOTAL</b>	<b><u>\$12,102,681</u></b>	<b><u>\$12,102,681</u></b>	<b><u>\$11,464,644</u></b>
<b>LIMITED PARTNERSHIPS</b>				
\$1,583,372	Airside Business Park	\$0	\$6,271,485	\$6,108,218
\$3,105,822	Bath Springside (320 Springside Place)	\$2,095,019	\$1,199,396	\$1,326,718
\$4,185,384	Bridgeside Point II, LTD	\$4,185,384	\$0	\$0
\$500,000	Cranberry 200 Business Park	\$500,000	\$1,079,702	\$972,757
\$5,120,000	Cranwoods-Westinghouse LTD	\$5,120,000	\$5,876,633	\$5,120,000
\$1,341,598	Fifth & Craig Street LP (Rand Building)	\$1,024,798	\$1,811,191	\$1,785,047
\$2,720,000	Shops at Kanawha (Kanawha Mall)	\$2,720,000	\$0	\$0
\$4,000,000	North Hills Raquet Club, LP (Oxford Athletic Club)	\$4,000,000	\$3,890,655	\$3,482,161
\$855,268	930 Penn Ave Apts	\$669,049	\$0	\$0
\$200,587	930 Penn Ave Apts II	\$145,123	\$0	\$0
\$250,000	South Negley Associates (Giant Eagle Shadyside)	\$249,045	\$392,407	\$347,706
\$223,782	Stonegate Corporate Center I	\$223,782	\$365,793	\$326,363
\$1,846,667	Turnpike Distribution Center	<u>\$1,846,667</u>	<u>\$1,615,176</u>	<u>\$1,693,824</u>
	<b>TOTAL</b>	<b><u>\$22,778,866</u></b>	<b><u>\$22,502,439</u></b>	<b><u>\$21,162,792</u></b>
<b>REAL ESTATE OWNED</b>				
\$3,250,096	Franklin Park Travel Center	\$3,250,096	\$1,787,265	\$1,722,999
\$2,167,867	North Fayette Business Park II	<u>\$2,167,867</u>	<u>\$1,100,149</u>	<u>\$1,617,866</u>
	<b>TOTAL</b>	<b><u>\$5,417,963</u></b>	<b><u>\$2,887,414</u></b>	<b><u>\$3,340,865</u></b>
	<b>FUND TOTAL</b>	<b><u>\$40,299,510</u></b>	<b><u>\$37,492,534</u></b>	<b><u>\$35,968,301</u></b>
19,432.8729 Units Outstanding with a Unit Value of \$1,929.3356				

An audited annual financial report is available without charge, upon request.

### COMMITTED AND UNFUNDED PROJECTS

None

### APPROVED PROJECTS NOT CLOSED

None

**ERECT Fund II- Equity**  
**Profile & Diversification Analysis**  
**6/30/2011**

Net Asset Market Value (as of 2Q 2011) \$37,492,534

Property Characteristics: w/cash	Amount	% of Total	Targeted Diversification	# of Properties
<b>Property Type</b>				
Industrial /Warehouse	\$1,615,176	4.31%	10% - 30%	1
Office	\$16,604,201	44.29%	20% - 40%	7
Lodging	\$0	0.00%	5% - 20%	0
Medical	\$0	0.00%	5% - 25%	0
Multi-Family	\$0	0.00%	5% - 25%	2
Retail	\$2,179,672	5.81%	20% - 40%	3
Special Purpose	\$4,990,804	13.31%	5% - 20%	2
Cash/Other	<u>\$12,102,681</u>	<u>32.28%</u>		-
<b>Total</b>	<b>\$37,492,534</b>	<b>100.00%</b>		<b>15</b>

**Geographic Distribution\***

Allegheny County, PA	\$15,253,152	60.08%	Less than 75%	9
Beaver County, PA	\$1,615,176	6.36%	Less than 20%	1
Butler County, PA	\$6,956,335	27.40%	Less than 30%	2
Kanawha County, WV	\$0	0.00%	Less than 20%	1
Summit County, OH	<u>\$1,565,189</u>	<u>6.16%</u>	Less than 20%	<u>2</u>
<b>Total</b>	<b>\$25,389,853</b>	<b>100.00%</b>		<b>15</b>

**Life Cycle\***

Construction Phase	\$1,100,149	4.33%		1
Lease-Up Phase	\$1,615,176	6.36%		2
Stabilized Phase	<u>\$22,674,528</u>	<u>89.31%</u>		<u>12</u>
<b>Total</b>	<b>\$25,389,853</b>	<b>100.00%</b>		<b>15</b>

**Investment Size\***

0 - 2.99 Million	\$11,641,349	41.29%	Less than 50%	11
3 Million - 4.99 Million	\$11,435,480	40.56%	Less than 60%	3
5 Million - 9.99 Million	\$5,120,000	18.16%	Less than 30%	1
10 Million and Greater	<u>\$0</u>	<u>0.00%</u>	Less than 20%	<u>0</u>
<b>Total</b>	<b>\$28,196,828</b>	<b>100.00%</b>		<b>15</b>

**Property Size\***

0 - 9.99 Million	\$3,967,116	15.62%		5
10 Million - 19.99 Million	\$13,342,506	52.55%		5
20 Million - 29.99 Million	\$2,203,598	8.68%		3
30 Million and Greater	<u>\$5,876,633</u>	<u>23.15%</u>		<u>2</u>
<b>Total</b>	<b>\$25,389,853</b>	<b>100.00%</b>		<b>15</b>

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<b>Investment Structure</b>			
Leveraged Equity	\$22,502,439	60.02%	13
Mortgage Assets	\$0	0.00%	0
Real Estate Owned	\$2,887,414	7.70%	2
Cash/Other	<u>\$12,102,681</u>	<u>32.28%</u>	<u>0</u>
<b>Total</b>	<b>\$37,492,534</b>	<b>100.00%</b>	<b>15</b>

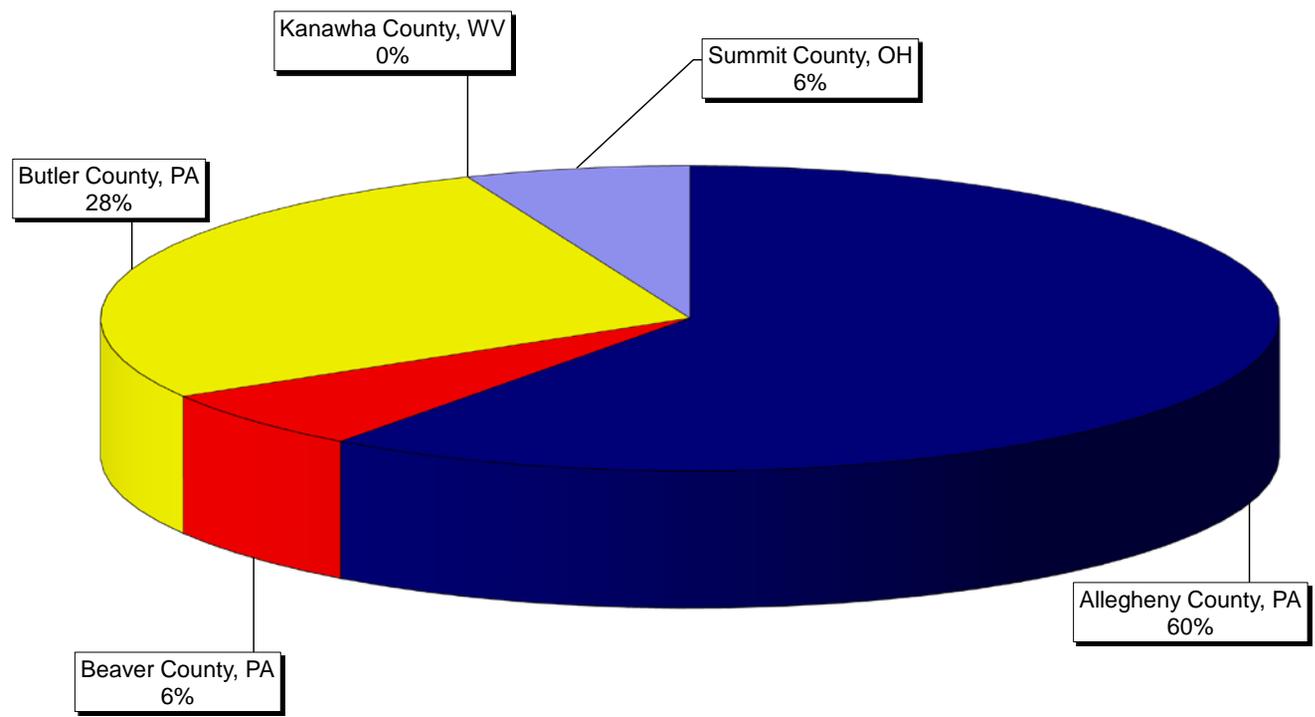
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<b>Development Company*</b>				
Elmhurst Group	\$8,082,676	31.83%	Less than 40%	2
CAM Incorporated	\$1,565,189	6.16%	Less than 20%	2
The Ferchill Group	\$5,876,633	23.15%	Less than 40%	2
Chaska Properties	\$1,079,702	4.25%	Less than 20%	1
Simpson Properties	\$0	0.00%	Less than 0%	1
Oxford Development Company	\$3,890,655	15.32%	Less than 20%	1
Rugby Realty	\$0	0.00%	Less than 20%	2
ECHO Developers	\$392,407	1.55%	Less than 20%	1
Castlebrook Development Group	\$1,615,176	6.36%	Less than 40%	1
Real Estate Owned	<u>\$2,887,414</u>	<u>11.37%</u>	Less than 20%	<u>2</u>
<b>Total</b>	<b>\$25,389,853</b>	<b>100.00%</b>		<b>15</b>

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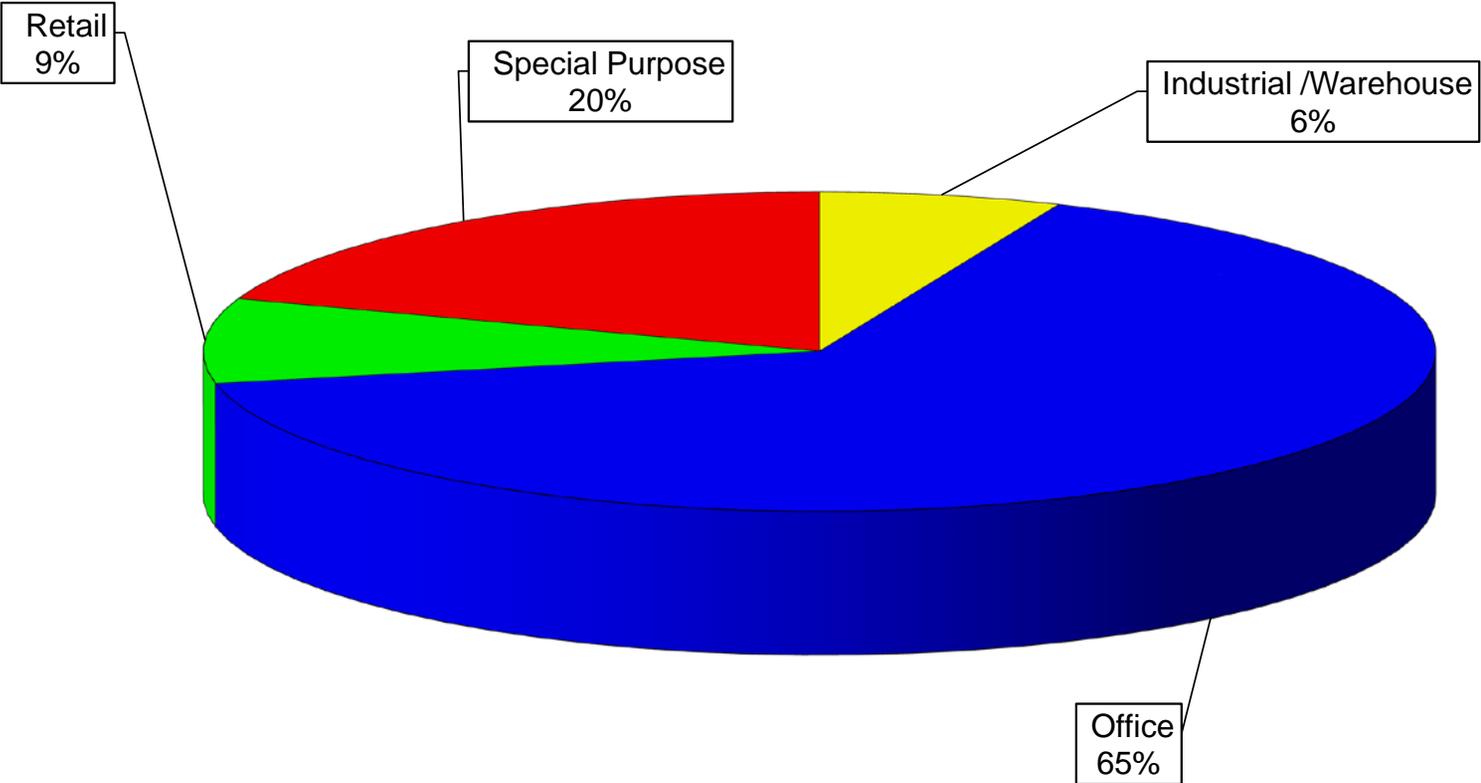
\* Note: Cash is not included in this calculation.

**ERECT FUND II - EQUITY**  
**PROJECT TYPE GEOGRAPHICAL AREA**



\*Kanawha Associates, LLC (Shops at Kanawha), located in West Virginia, is included in the ERECT II Fund but has a current market value of zero.

**ERECT FUND II - EQUITY  
PROJECT TYPE**



\*Percentages reflected are based on current market values excluding cash balances.