

## ERECT FUND II-EQUITY ASSET VALUATION

*September 30, 2010*

Original Investment	Security	Asset Book Value At 9/30/2010	Asset Market Value At 9/30/2010	Current Yield	Estimated Annual Income
	Cash	\$0	\$0	0.00%	\$0
	Interest Receivable Net of Accrued Expenses	\$3,931,041	\$3,931,041	0.00%	\$0
	Receivable Reserve Allowance	(891,115)	(891,115)		
	ASRV Specialty Trust Money Market	\$2,599,312	\$2,599,312	0.27%	\$7,018
	Fed Prime Obligation Fund #10	<u>\$4,789,679</u>	<u>\$4,789,679</u>	<u>0.22%</u>	<u>\$10,537</u>
	TOTAL	<u>\$10,428,917</u>	<u>\$10,428,917</u>	<u>0.17%</u>	<u>\$17,555</u>
	<b>LIMITED PARTNERSHIPS</b>				
\$1,583,372	Airside Business Park	\$0	\$6,448,750	13.50%	\$0
\$3,105,822	Bath Springside (320 Springside Place)	\$2,095,019	\$1,186,575	12.82%	\$268,680
\$4,185,384	BPA II LTD (Bridgeside Point II)	\$4,185,384	\$4,315,773	11.00%	\$460,392
\$500,000	Cranberry 200 Business Park	\$500,000	\$942,361	12.50%	\$62,500
\$5,120,000	Cranwoods-WST LTD	\$5,120,000	\$5,120,000	5.00%	\$256,000
\$1,341,598	Fifth & Craig Street LP (Rand Building)	\$1,063,198	\$1,620,999	8.00%	\$85,056
\$2,720,000	Kanawha Associates, LLC (Shops at Kanawha)	\$2,720,000	\$0	0.00%	\$0
\$4,000,000	North Hills Raquet Club, LP (Oxford Athletic Club)	\$4,000,000	\$3,737,487	10.00%	\$400,000
\$855,268	930 Penn Ave Apts	\$669,049	\$0	0.00%	\$0
\$200,587	930 Penn Ave Apts II	\$145,123	\$0	0.00%	\$0
\$250,000	South Negley Associates (Giant Eagle Shadyside)	\$249,045	\$336,427	7.20%	\$17,931
\$223,782	Stonegate Corporate Center I	\$223,782	\$333,579	6.62%	\$14,809
\$1,846,667	Turnpike Distribution, LP (Turnpike Distribution Center)	<u>\$1,846,667</u>	<u>\$1,389,945</u>	<u>10.50%</u>	<u>\$193,900</u>
	TOTAL	<u>\$22,817,266</u>	<u>\$25,431,897</u>	<u>7.71%</u>	<u>\$1,759,268</u>
	<b>REAL ESTATE OWNED</b>				
\$3,250,096	Franklin Park Travel Center	\$3,250,096	\$1,805,397	4.52%	\$146,988
\$2,167,867	North Fayette Business Park II	<u>\$2,167,867</u>	<u>\$1,617,866</u>	0%	\$0
	TOTAL	<u>\$5,417,963</u>	<u>\$3,423,263</u>	<u>4.52%</u>	<u>\$146,988</u>
<b>FUND TOTAL</b>		<u>\$38,664,146</u>	<u>\$39,284,077</u>	<u>4.98%</u>	<u>\$1,923,811</u>
	19,432.8729 Units Outstanding with a Unit Value of \$2,021.5270				

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

**(1) COMMITTED AND UNFUNDED PROJECTS**

None

**\*\* APPROVED PROJECTS NOT CLOSED**

None

\*\*The projects designated "Approved Projects Not Closed" have been recommended for approval by the ERECT Fund Advisory Board and have been internally approved by the Trustee. However, these projects have not yet been closed via documents prepared by legal counsel. Thus, the possibility exists that these investments may not close and ultimately may not be reflected within the fund's asset portfolio as an investment. Based on prior experience, many investments at this stage typically close providing that all conditions of the approval are satisfied.

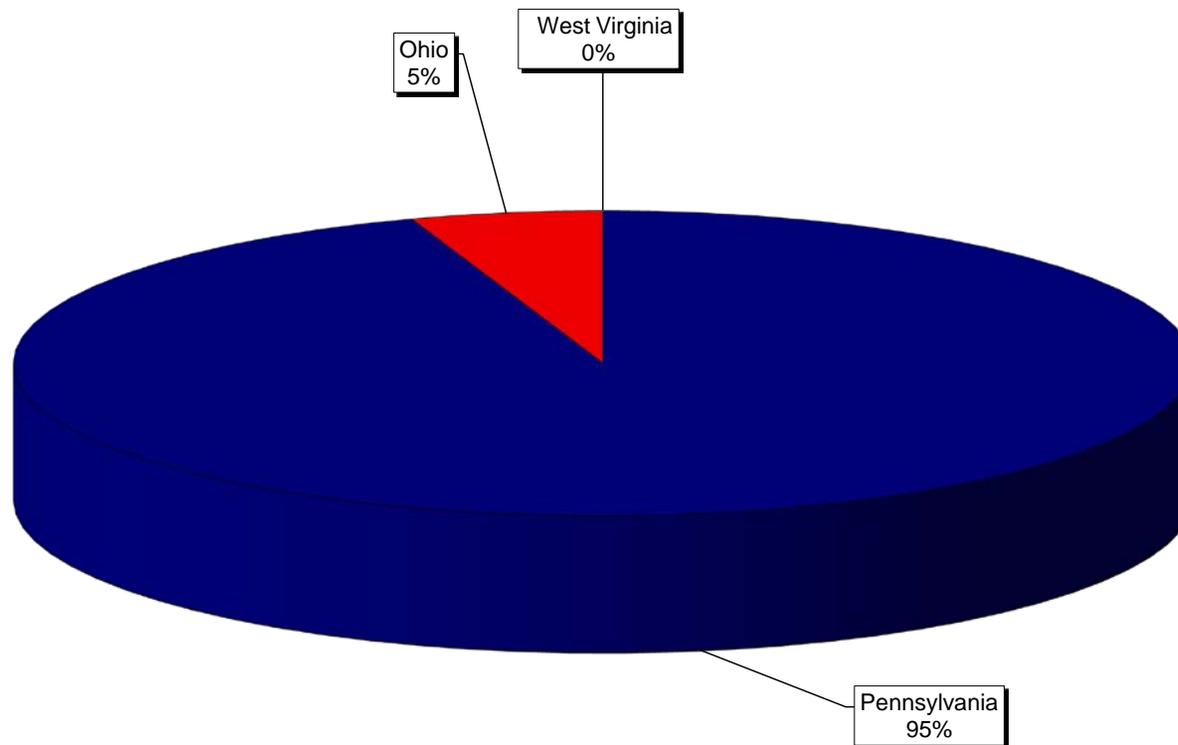
**ERECT Fund II- Equity  
Profile & Diversification Analysis  
9/30/2010**

Net Asset Market Value (as of 3Q 2010) \$39,284,077

Property Characteristics: w/cash	Amount	% of Total	Targeted Diversification	# of Properties
<b>Property Type</b>				
Industrial /Warehouse	\$1,389,945	3.54%	10% - 30%	1
Office	\$15,652,265	39.84%	20% - 40%	6
Lodging	\$0	0.00%	5% - 20%	0
Medical	\$4,315,773	10.99%	5% - 25%	1
Multi-Family	\$0	0.00%	5% - 25%	2
Retail	\$2,141,824	5.45%	20% - 40%	3
Special Purpose	\$5,355,353	13.63%	5% - 20%	2
Cash/Other	<u>\$10,428,917</u>	<u>26.55%</u>		-
<b>Total</b>	<b>\$39,284,077</b>	<b>100.00%</b>		<b>15</b>
<b>Geographic Distribution*</b>				
Pennsylvania	\$27,335,006	94.73%		12
Ohio	\$1,520,154	5.27%		2
West Virginia	<u>\$0</u>	<u>0.00%</u>		1
<b>Total</b>	<b>\$28,855,160</b>	<b>100.00%</b>		<b>15</b>
<b>Life Cycle*</b>				
Pre-development	\$1,617,866	5.61%		1
Development	\$5,120,000	17.74%		2
Initial Leasing	\$0	0.00%		0
Operating	<u>\$22,117,294</u>	<u>76.65%</u>		<u>12</u>
<b>Total</b>	<b>\$28,855,160</b>	<b>100.00%</b>		<b>15</b>
<b>Investment Size*</b>				
0-3 Million	\$11,679,749	41.37%		11
3-5 Million	\$11,435,480	40.50%		3
5-10 Million	<u>\$5,120,000</u>	<u>18.13%</u>		1
<b>Total</b>	<b>\$28,235,228</b>	<b>100.00%</b>		<b>15</b>
<b>Property Size*</b>				
0-5 Million	\$4,365,624	15.13%		3
5-10 Million	\$0	0.00%		2
10-20 Million	\$13,096,337	45.39%		5
20-50 Million	<u>\$11,393,199</u>	<u>39.48%</u>		<u>5</u>
<b>Total</b>	<b>\$28,855,160</b>	<b>100.00%</b>		<b>15</b>
<b>Investment Structure</b>				
Leveraged Equity	\$25,431,897	64.74%		13
Mortgage Asset	\$0	0.00%		0
Real Estate Owned	\$3,423,263	8.71%		2
Cash/Other	<u>\$10,428,917</u>	<u>26.55%</u>		<u>0</u>
<b>Total</b>	<b>\$39,284,077</b>	<b>100.00%</b>		<b>15</b>

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

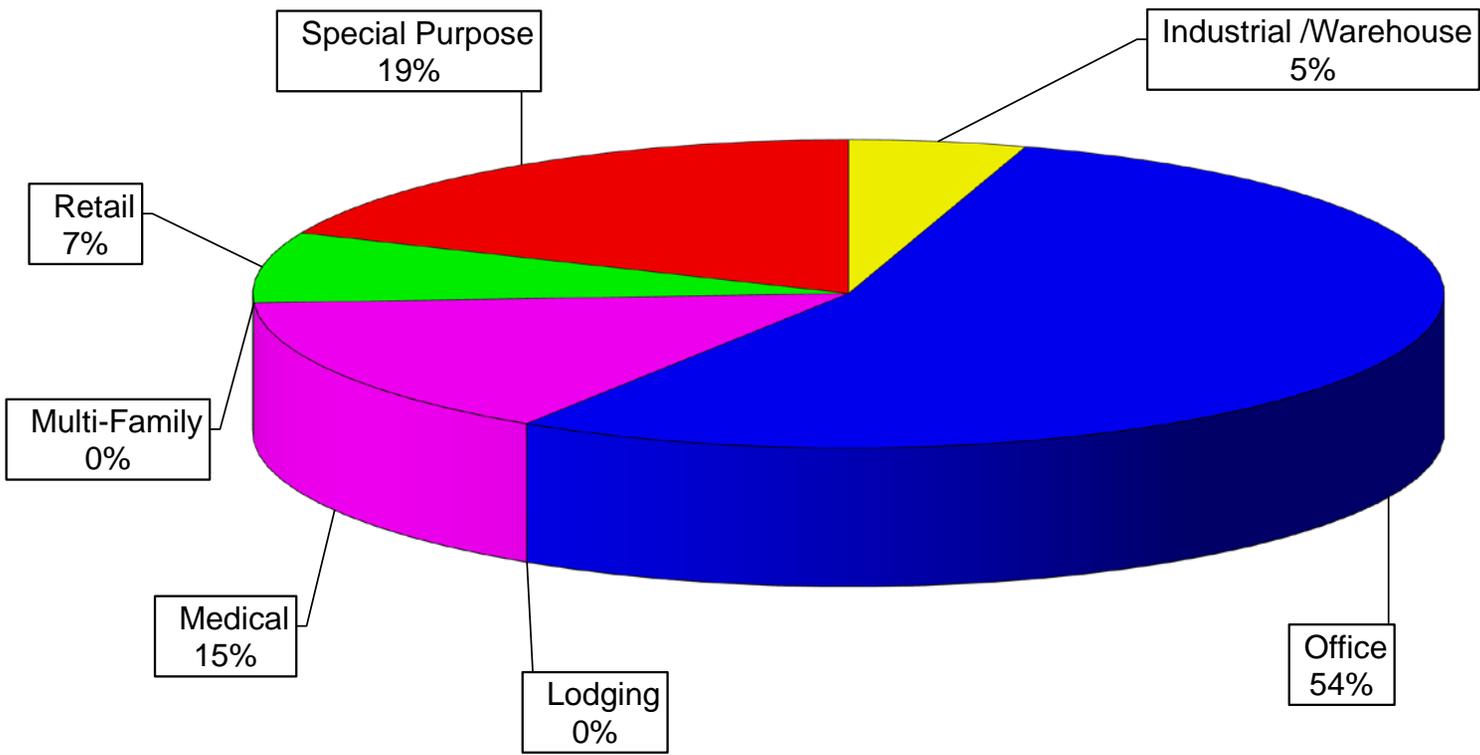
**ERECT FUND II - EQUITY**  
**PROJECT TYPE GEOGRAPHICAL AREA**



\*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.

As of 9/30/10

# ERECT FUND II - Equity Project Type



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