



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

January 4, 2013

Via Facsimile & U.S. Mail

Rosemarie A. Thurston, Esq.
Alston & Bird LLP
One Atlantic Center
1201 West Peachtree Street
Atlanta, Georgia 30309-3424

**Re: RREEF Property Trust, Inc.
Request for No-Action Relief Under Rule 13e-4**

Dear Ms. Thurston:

We are responding to your letter dated January 4, 2013 addressed to Michele M. Anderson and David L. Orlic, as supplemented by telephone conversations with our staff, regarding your request for no-action relief. To avoid having to recite or summarize the facts set forth in your letter, a copy of that letter is attached to this response. Unless otherwise noted, capitalized terms in this response have the same meaning as in your letter.

Based on the facts and representations made in your letter, conversations with our staff, and your opinion that the proposed transaction does not constitute an issuer tender offer subject to Rule 13e-4 of the Exchange Act, the Division of Corporation Finance (the "Division") will not recommend that the Securities and Exchange Commission (the "Commission") take enforcement action under Rule 13e-4 if the Company redeems shares from its stockholders under the Redemption Plan in the manner described in your letter. In issuing this no-action relief, we considered the following facts, among others:

- All material information relating to the Redemption Plan will be fully and timely disclosed to all stockholders. The terms of the Redemption Plan will be fully disclosed in the prospectus as well as any prospectus used for subsequent offerings, and the NAV per share for each class will always be available on the Company's website and toll-free information line;
- The Company will not solicit redemptions under the Redemption Plan other than through the prospectus for the Offering and prospectus supplements disclosing the NAV per share of each class of shares. Stockholders desiring to request redemption of all or a portion of their shares will do so of their own volition and not at the behest, invitation or encouragement of the Company. The role of the Company in effectuating redemptions under the Redemption Plan will be ministerial;

- The shares will be redeemed daily under the Redemption Plan at the daily NAV per share of the class of shares being redeemed, and the Company will file prospectus supplements with the Commission with such frequency as is required by the Securities Act disclosing the historical NAV per share of each class of shares and also provide each day the NAV per share for each class of shares on its website and toll-free information line. Subject to the terms of the Redemption Plan, the Company will be obligated to redeem shares at the published NAV per share for the applicable class of shares;
- Redemptions will be made on a daily basis. The redemption price normally will be paid in cash no later than three business days following a redemption request and will be the same for all shares of the same class redeemed on a given day;
- Redemptions under the Redemption Plan will be limited in any calendar quarter to shares whose aggregate value (based on the redemption price per share on the day the redemption is effected) is 5% of the combined NAV of all classes of shares of common stock as of the last day of the previous calendar quarter. In addition, if redemptions do not reach the 5% limit in a calendar quarter, the unused portion will be carried over to the next quarter and not any subsequent quarter, except that the maximum amount of redemptions during any quarter may never exceed 10% of the combined NAV for both classes of shares as of the last day of the previous calendar quarter;
- If the Company's board of directors materially amends (including any reduction of the quarterly limit) or suspends the Redemption Plan during any quarter, other than any temporary suspension to address external events (that is, any temporary suspension that is put into effect for reasons other than issues relating to or materially affecting the Company's business, as determined by the Company's board of directors), any unused portion of that quarter's 5% limit will not be carried forward to the next quarter or any subsequent quarter;
- Redemptions under the Redemption Plan are on a first-come, first-served basis during each calendar quarter, and stockholders will be paid promptly for the shares redeemed; all redemption requests received on a day the quarterly cap is reached, however, will be made pro rata;
- If the quarterly volume limitation is reached on or before the third business day of a calendar quarter, redemption requests during the next quarter will be satisfied based on a Per Stockholder Allocation basis, pursuant to which each stockholder would be allowed to request redemption at any time during such quarter of a total number of shares not to exceed 5% of the shares of common stock the stockholder held as of the end of the prior quarter. The Per Stockholder Allocation requirement will remain in

effect for each succeeding quarter for which the total redemptions for the immediately preceding quarter exceeded 4% of the Company's aggregate NAV on the last business day of such preceding quarter;

- Stockholders may cancel any redemption request submitted before 4:00p.m. EST on a business day before 4:00p.m. EST on the same day by notifying a customer service representative at the Company's toll-free information line;
- Material modifications, including any reduction to the quarterly limitation on redemptions, and suspensions of the Redemption Plan will be promptly disclosed in a prospectus supplement (or post-effective amendment if required by the Securities Act), or special or periodic report filed by the Company, as well as on the Company's website;
- There will be no established regular trading market for the Company's common stock. The Redemption Plan will be terminated in the event the Company's shares are listed on a national securities exchange or included for quotation in a national securities market, or in the event a secondary market for the Company's common shares develops;
- The Redemption Plan is intended to remain open indefinitely for the life of the Company unless modified or suspended by the board of directors. The Company is structured as a perpetual-life entity and has no intention to list its shares for trading on an exchange or other trading market; and
- The Redemption Plan is open to all stockholders.

The foregoing no-action position is based solely on the facts presented and the representations made in your letter dated January 4, 2013, as supplemented by telephone conversations with our staff. The relief is strictly limited to the application of the rules listed above to this transaction. You should discontinue this transaction pending further consultations with the staff if any of the facts or representations set forth in your letter change.

Finally, we direct your attention to the anti-fraud and anti-manipulation provision of the federal securities laws, particularly Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Responsibility for compliance with these and any other applicable provisions of the federal securities laws rests with the Company. The Division expresses no view with respect to any other questions that the proposed transaction may raise, including but not limited to, the adequacy of disclosure concerning, and the applicability of any other federal or state laws to, the proposed transaction.

Rosemarie A. Thurston, Esq.
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Sincerely,

Michele M. Anderson
Chief
Office of Mergers and Acquisitions
Division of Corporation Finance

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January 4, 2013

Ms. Michele M. Anderson, Chief
Mr. David L. Orlic, Special Counsel
Office of Mergers and Acquisitions
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

**Re: RREEF Property Trust, Inc.
Request for No-Action Relief Under Rule 13e-4**

Dear Ms. Anderson:

Alston & Bird LLP is counsel to RREEF Property Trust, Inc. (the “Company”) in connection with its Registration Statement on Form S-11 under the Securities Act of 1933, as amended (the “Securities Act”) (Registration Number 333-180356), initially filed with the Securities and Exchange Commission (the “Commission”) on March 26, 2012, as amended from time to time (the “Registration Statement”), to register the offer and sale of up to \$2,500,000,000 of its shares of common stock in an initial public offering (the “Offering”), of which \$2,250,000,000 of shares will be offered to the public in a primary offering and \$250,000,000 of shares will be offered to stockholders of the Company pursuant to the Company’s distribution reinvestment plan. The Registration Statement was declared effective by the Commission on January 3, 2013 (the “Effective Date”). The Company will offer to the public two classes of common stock: Class A common stock (the “Class A Shares”) and Class B common stock (the “Class B Shares”). The Class A Shares and the Class B Shares will have different selling commissions and ongoing fees. No selling commissions or distribution fees will be paid with respect to Class B shares. The Company will offer to sell any combination of Class A and Class B shares with a dollar value up to the maximum offering amount. The Company will not sell any shares until the date it has received and accepted purchase orders for at least \$10,000,000 in any combination of purchases of Class A Shares and Class B Shares and the Company’s board of directors has authorized the release of these funds to the Company (the “Minimum Offering Date”). Prior to the Minimum Offering Date, subscriptions will be placed in an interest-bearing escrow account.

The Company was formed as a Maryland corporation on February 7, 2012 for the purpose of investing in a diversified portfolio of (i) high quality, income-producing commercial real estate properties, (ii) common and preferred stock of publicly traded REITs and other real estate companies, and (iii) debt backed principally by real estate. The Company is externally advised and intends to qualify and elect to be treated as a real estate investment trust (“REIT”). The Company does not intend to register as an investment company under the Investment Company Act of 1940, as amended.

The Company considers itself to be a perpetual-life investment vehicle because it has no finite date for liquidation and no intention to list its shares of common stock for trading on a national securities exchange or other over-the-counter trading market. Although the Company is registering a fixed amount of its shares pursuant to the Registration Statement, it intends to effectively conduct a continuous offering of an unlimited amount of shares of common stock over an unlimited time period by filing a new registration statement prior to the end of the three-year period described in Rule 415 under the Securities Act. This perpetual-life structure is aligned with the Company’s overall objective of investing in real estate and real estate-related assets with a long-term view towards making regular cash distributions and generating capital appreciation consistent with a broadly diversified investment focus.

The Offering provides for the sale, on a daily basis following the Minimum Offering Date, of Class A Shares and Class B Shares at a price equal to the Company’s net asset value (“NAV”) per share for the applicable class of shares, calculated for each class by dividing the NAV for such class by the number of shares of such class outstanding as of the close of business on such day (after giving effect to any share sales or redemptions to be effected on such day), plus, for Class A shares only, applicable selling commissions. The NAV for each class of shares will be calculated at the close of each business day in accordance with valuation guidelines approved by the Company’s board of directors. A fundamental feature of the Offering is the Company’s share redemption plan (the “Redemption Plan”), which will serve as the primary source of liquidity for stockholders.¹ Redemptions under the Redemption Plan are not contingent on the sale of a certain number of shares in a given period. Following the Minimum Offering Date, holders of Class A Shares and Class B Shares will be offered the opportunity to request that the Company redeem their shares on a daily basis at a price that may vary each trading day based on NAV (subject to a 2% discount for shares redeemed within 365 days of purchase). The Redemption Plan is similar to the redemption plans of other perpetual-life, non-listed REITs with respect to which the Commission has recently granted no-action relief.² Like these other REITs, the Company has been structured to address well-known shortcomings associated with traditional non-listed REITs, principally (1) lack of liquidity; (2) the rigidities

¹ The Redemption Plan meets the conditions for exemption from Rule 102(a) of Regulation M, as articulated in the Commission’s letter to Alston & Bird LLP dated October 22, 2007 granting class relief for non-listed REIT share redemption programs (Regulation M Rule 102 – TP File No. 08-06).

² See Jones Lang LaSalle Income Property Trust, Inc. SEC No-Action Letter, 2012 WL 5450035 (Oct. 11, 2012); Dividend Capital Total Realty Trust Inc. SEC No-Action Letter, 2012 WL 2903983 (July 12, 2012); Cole Real Estate Income Strategy (Daily NAV), Inc. SEC No-Action Letter, 2011 WL 6071983 (Dec. 6, 2011); American Realty Capital Daily Net Asset Value Trust, Inc. SEC No-Action Letter, 2011 WL 2938525 (July 21, 2011); Clarion Partners Property Trust Inc. SEC No-Action Letter, 2012 WL 1999926 (Feb. 24, 2012); and Clarion Partners Property Trust Inc. SEC No-Action Letter, 2011 WL 1999926 (May 17, 2011).

implicit in a closed-end, finite-life, fixed price investment; and (3) high fees. The Company's structure is designed to benefit investors by (A) providing investors the flexibility to increase or decrease their investments in the Company as their individual situations change; (B) minimizing the risk that their long-term investment goals will conflict with short-term liquidity needs; and (C) allowing investors to seek returns of their capital and monetize any investment gain at a time of their choice, rather than being forced to wait for a terminal liquidity event outside their control. Shares redeemed by the Company will become authorized but unissued shares and will not be resold to the public unless their sale is first registered with the Commission under the Securities Act and under appropriate state securities laws or otherwise sold in compliance with such laws.

NO-ACTION REQUEST UNDER RULE 13e-4

The Company has adopted the Redemption Plan in an effort to provide stockholders with liquidity with respect to their investments in the Company's shares. The Company believes that many features of its Redemption Plan are substantially similar to redemption plans of other companies with respect to which the staff of the Division of Corporation Finance of the Commission (the "Staff") has granted no-action relief relative to the issuer tender offer rules found in Rule 13e-4 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

The features of the Redemption Plan are similar to the features of the redemption plans with respect to which, as described above, the Staff has granted no-action relief. First, the redemption price will vary based on the daily NAV per share of the class of shares being redeemed. Second, the redemption of shares during any given calendar quarter will be limited to shares whose aggregate value (based on the redemption price per share on the day the redemption is effected) is 5% of the combined NAV of all classes of shares as of the last day of the previous calendar quarter.³ If redemptions do not reach the 5% limit in a calendar quarter, the unused portion will be carried over to the next quarter and not any subsequent quarter, such that the maximum amount of redemptions during any quarter may never exceed 10% of the combined NAV for both classes of shares as of the last day of the previous calendar quarter. Third, redemptions will be made using the "forward-pricing" mechanism described below. As a result, we respectfully submit that redemptions pursuant to the Redemption Plan do not implicate the concerns that the issuer tender offer rules were adopted to address. Specifically, the Redemption Plan, which offers stockholders no premium, has no set termination date and provides stockholders with adequate substantive disclosure upon which to base a decision to redeem their shares, will not have the effect of pressuring uninformed stockholders to redeem their shares.

³ The Redemption Plan's limitation is applied quarterly rather than annually. The 5% limitation is determined for each quarter based upon the combined NAV of all classes of shares as of the last day of the previous calendar quarter. Because the Issuer anticipates that the combined NAV will change over time, each quarter's limitation is expected to be different from the limitation in other quarters. As a result, the Company describes its annual limitation in approximate terms.

The Company requests that the Staff issue the Company a letter stating that it will not recommend that the Commission take enforcement action under Rule 13e-4 with respect to redemptions of Class A Shares and Class B Shares made under the Redemption Plan.

OVERVIEW OF THE COMPANY AND THE REDEMPTION PLAN

The Company

The Company is externally managed by its advisor and sponsor, RREEF America L.L.C. (the “Advisor”). The dealer manager for the Offering is SC Distributors, LLC (the “Dealer Manager”). The Dealer Manager is not required to sell any specific number or dollar amount of the shares, but will use its reasonable best efforts to sell the shares offered in the primary offering.

The Company will seek to invest in a diversified portfolio of high quality, income-producing commercial real estate located throughout the United States, including, without limitation, office, industrial, retail and multifamily properties. Although the Company intends to invest primarily in real properties, it also intends to acquire common and preferred stock of publicly traded REITs and other real estate companies (“Real Estate Equity Securities”) and debt backed principally by real estate, such as senior mortgage loans, subordinated mortgage loans, mezzanine loans and commercial mortgage-backed securities (“Real Estate Loans” and together with the Real Estate Equity Securities, the “Real Estate-Related Assets”). The Company will seek geographic diversification of its property portfolio and for the properties underlying its investments in Real Estate-Related Assets principally in major metropolitan areas and secondary markets throughout the United States.

After the Company has raised substantial proceeds in the Offering, it will seek to have up to 80% of its net assets invested in properties; up to 35% of its net assets invested in Real Estate Equity Securities; up to 15% of its net assets in Real Estate Loans; and up to 10% of its net assets invested in cash, cash equivalents and other short-term investments.

The Redemption Plan

Purpose of the Redemption Plan

The Company adopted a Redemption Plan in an effort to provide the holders of Class A Shares and Class B Shares with liquidity with respect to their investment in the Company’s common stock, subject to specified limitations. Through the Redemption Plan, holders of Class A Shares and Class B Shares can liquidate all or a portion of their investment. The Redemption Plan is an important feature of the investment in the shares, since the Company expects the Redemption Plan will serve as its stockholders’ sole meaningful source of liquidity. Without an effective redemption plan, stockholders in the Company would generally be required to hold their shares for an indefinite time period because (1) there will be no established trading market for the shares upon issuance, (2) the Company does not anticipate that a secondary trading market will develop, and (3) unlike traditional non-listed REITs, the Company is not required to consummate a transaction providing liquidity to its stockholders by a future date (such as listing

its common stock on a securities exchange, merger with a publicly traded company or liquidation).

The Company is aware that a limited secondary market has in some cases developed for traditional non-listed REITs. However, these markets are very small and inefficient. Additionally, third parties have also made “mini-tender offers” to stockholders in non-listed REITs. These limited secondary markets and mini-tender offers to date have generally resulted in purchase prices that are typically at a substantial discount to the offering price for the shares and the prices offered in redemption plans made available by the issuers. Mini-tender offers are also subject to potential manipulation by the purchaser, and stockholders often receive limited disclosure about the terms, structure and conditions of the offer. The Company believes that the mini-tender offers further evidence that sufficient liquidity options may not always exist for stockholders in non-listed REITs with traditional redemption plans and that stockholders in these types of non-listed REITs often suffer financially as a result. The Company also notes that lack of liquidity is often cited in the investment community as a primary disadvantage of investing in non-listed REITs, as most non-listed REITs are closed-end entities (with set dates for a terminal liquidity event) and offer redemption plans that are subject to substantial limitations on redemptions. The Company believes that many investment professionals and investors consider the traditional non-listed REIT redemption plans to be inadequate to provide stockholders with a viable liquidity option. Because the Company intends to engage in a continuous offering of its shares of an unlimited duration, a redemption plan that provides a source of liquidity is especially important to the Company, because, absent this feature, potential investors would be reluctant to purchase shares in the Offering.

The Offering and the Redemption Plan are designed to provide investors with an investment vehicle that the Company believes is a superior alternative to traditional non-listed REITs. Unlike traditional non-listed REIT offerings, the price of the Company’s shares after the Minimum Offering Date will be based on the underlying fair value of its assets, rather than an arbitrary dollar amount. The Redemption Plan provides the Company’s stockholders with greater liquidity than traditional non-listed REITs by allowing stockholders to redeem all or a portion of their shares on a daily basis, with less restrictive limitations on the aggregate number of shares that may be redeemed in any particular period and no limitation on the sources of cash used by the Company to fund redemptions (as compared to the typical non-listed REIT redemption plan in which the sources of cash are limited to proceeds from the sale of additional shares through the distribution reinvestment plan).

Valuation of the Company’s Assets and Liabilities

The Company’s board of directors, including a majority of its independent directors, has adopted valuation guidelines that contain a comprehensive set of methodologies that will be used by the Advisor and the Company’s independent valuation advisor when estimating the values of the Company’s assets and liabilities for purposes of calculating NAV. These guidelines are designed to produce a fair and accurate estimate of the price that would be received for the Company’s investments in an arm’s-length transaction between a willing buyer and a willing seller in possession of all material information about the Company’s investments. From time to time, the Company’s board of directors, including a majority of its independent directors, may

adopt changes to the valuation guidelines if it (1) determines that such changes are likely to result in a more accurate reflection of NAV or a more efficient or less costly procedure for the determination of NAV without having a material adverse effect on the accuracy of such determination or (2) otherwise reasonably believes a change is appropriate for the determination of NAV.

The Company's independent valuation advisor will provide valuations of the Company's real properties, subject to the oversight of the Company's board of directors, in accordance with the Company's valuation guidelines. These valuations will be one of several components to be used by the Company's unaffiliated fund accountant in its calculation of the Company's NAV per share.

At the beginning of each calendar year, the independent valuation advisor will prepare a schedule with the objective of having all of the Company's real properties valued each quarter by an appraisal. Appraisals will be performed in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP), the real estate appraisal industry standards created by The Appraisal Foundation, and other appropriate standards as reasonably agreed to by the Advisor and the independent valuation advisor. Each appraisal must be reviewed, approved and signed by an individual with the professional designation of MAI (a Designated Member of the Appraisal Institute). Although the independent valuation advisor will perform the majority of the appraisals, to enhance the accuracy of the NAV calculation, the valuation guidelines will require that on a rotating basis, approximately 25% of the Company's properties in any particular quarter must be appraised by one or more independent third-party appraisers who are not affiliated with the Company, the Advisor, the fund accountant or the independent valuation advisor.

Between quarterly valuations, if the independent valuation advisor becomes aware of an event that, in its opinion, had or is likely to have a material impact on previously provided estimated values of the affected properties, the independent valuation advisor will recommend intra-quarter valuation adjustments that the fund accountant will then incorporate into the Company's NAV.

While the methodologies contained in the valuation guidelines will be designed to operate reliably within a wide variety of circumstances, it is possible that in certain unanticipated situations or after the occurrence of certain extraordinary events (such as a terrorist attack or an act of nature), the fund accountant's ability to calculate NAV may be impaired or delayed, including, without limitation, circumstances where there is a delay in accessing or receiving information from vendors or other reporting agents upon which the fund accountant may rely upon in determining the daily value of the Company's NAV. In these circumstances, a more accurate valuation of the Company's NAV could be obtained by using different assumptions or methodologies. Accordingly, in special situations when, in the Advisor's reasonable judgment, the administration of the valuation guidelines would otherwise result in a valuation that does not represent a fair and accurate estimate of the value of the Company's investment, the Advisor and, to the extent of the independent valuation advisor's responsibilities with respect to the valuation of the Company's real properties, the independent valuation advisor, may apply

alternative methodologies; provided, that the Advisor and, if applicable, the independent valuation advisor, must notify the Company's board of directors of any alternative methodologies utilized and their impact on the overall valuation of the Company's investment at the next scheduled board meeting. Notwithstanding the foregoing, the board of directors may suspend the Offering and the Redemption Plan if it determines that the calculation of NAV is materially incorrect or there is a condition that restricts the valuation of a material portion of the Company's assets.

NAV and NAV Per Share Calculation

On the date that the Class A Shares and Class B Shares are first offered to the public, the purchase price for the Class A Shares and Class B Shares will be \$12.00 per share, plus, for Class A Shares only, applicable selling commissions. Following the Minimum Offering Date, the purchase price for Class A Shares and Class B Shares will vary from day to day, and on any given day will be equal to the Company's NAV per share for such class, plus, for Class A shares only, applicable selling commissions of up to 3.0% of the daily NAV per share.

At the Minimum Offering Date, NAV for each class of shares will be equal to the aggregate dollar amount paid to the Company by stockholders during the escrow period to purchase shares in each respective class, less the Company's liabilities, and, for Class A shares only, selling commissions. Thereafter, at the end of each business day that the New York Stock Exchange is open for unrestricted trading, before taking into consideration additional issuances of shares of common stock, redemptions or class-specific expense accruals for that day, any change in the Company's aggregate NAV (whether an increase or decrease) will be allocated among each class of shares based on each class's relative percentage of the previous aggregate NAV. The daily NAV calculation will include, without limitation, daily accruals of net portfolio income, interest expense, the advisory fee, the dealer manager fee, distributions, unrealized/realized gains and losses on assets and any expense reimbursements. The net portfolio income will be calculated and accrued on the basis of data extracted from (1) the quarterly budget for each property and at the company level, including organization and offering expenses incurred following the Effective Date and certain operating expenses, (2) material, unbudgeted non-recurring income and expense events such as capital expenditures, prepayment penalties, assumption fees, tenant buyouts, lease termination fees and tenant turnover with respect to the Company's properties when the Advisor becomes aware of such events and the relevant information is available and (3) material property acquisitions and dispositions occurring during the month. On an ongoing basis, based on real estate valuations provided periodically by the independent valuation advisor and information provided by the Advisor, the fund accountant will adjust the accruals to reflect actual operating results and the outstanding receivable, payable and other account balances resulting from the accumulation of daily accruals for which financial information is available. The Advisor has agreed to pay the Company's organization and offering expenses on the Company's behalf through the commencement of the Offering, and the Company will reimburse the Advisor for such expenses ratably over the 60 months following the first anniversary of the commencement of the Offering. The organization and offering costs incurred prior to the commencement of the Offering will not be recognized as expenses and reflected in the NAV calculations until the Company reimburses the Advisor for these costs.

Following the aggregation of the net asset values of the Company's investments, the addition of any other assets (such as cash on hand), the deduction of any other liabilities and the allocation of income and expenses, the fund accountant will incorporate any class-specific adjustments to NAV, including additional issuances and redemptions of common stock and accruals of class-specific expenses such as the distribution fee. The share classes may have different expense accruals associated with the advisory fee because the performance component of the advisory fee will be calculated separately with respect to each class. At the close of business on the date that is one business day after each record date for any declared distribution, NAV for each class will be reduced to reflect the accrual of the Company's liability to pay the distribution to stockholders of record of each class as of the record date. NAV per share for each class will be calculated by dividing such class's NAV at the end of each trading day by the number of shares outstanding for that class on such day.

Timing and Settlement

Under the Redemption Plan, and subject to specified limitations, stockholders may request that the Company redeem all or any portion of their shares on any business day at the published NAV per share for the class of shares being redeemed. The redemption price will be equal to the NAV per share of the class of shares being redeemed calculated at the end of the business day that the Company's transfer agent receives and processes the redemption request, unless such request is received and processed after the close of business, in which case the redemption price will be equal to the NAV per share calculated on the next business day. Following the Minimum Offering Date, at the end of each business day, the Company will post the NAV per share for each class of shares for that business day on the Company's public website at www.rreefpropertytrust.com and make publicly available the NAV per share for each class of shares on the Company's toll-free, automated information line. Subject to the terms of the Redemption Plan, the Company will be obligated to redeem Class A Shares and Class B Shares at their published NAV per share. The Company's website will contain the current prospectus, including all supplements thereto. The Company will also disclose its NAV per share for each business day of the preceding month in prospectus supplements it files with the SEC on a monthly basis and will file post-effective amendments to its Registration Statement as required by the Securities Act. In addition, the Company will also disclose, on a quarterly basis in a prospectus supplement filed with the SEC, the primary valuation components of its NAV. Each of the Company's prospectus supplements will provide the historical NAV per share for each class of shares since it was last reported in a prospectus supplement.

All redemption requests received and processed by the Company's transfer agent during a given day will be settled at the price determined after the close of business on that day. The redemption price per share received by a stockholder will be equal to the NAV per share of the class of shares being redeemed as of the close of business on the day the redemption request is received and processed (which will generally be the day the redemption request is received and processed or the next business day if the redemption request is received and processed on a day that is not a business day or after the close of business on a business day). The Company will utilize a mutual fund-style technology platform for processing redemption requests and anticipates that redemptions will be paid, less any applicable tax or other withholding required by law, on the first business day following the execution of a redemption request. Although a

stockholder will not know at the time he or she redeems shares the exact price at which such redemption request will be processed, the stockholder may cancel the redemption request before it has been processed by notifying a customer service representative available on the Company's toll-free information line. Redemption requests submitted before 4:00 p.m. Eastern Time on a business day must be cancelled before 4:00 p.m. on the same day. Redemption requests received after 4:00 p.m. on a business day, or at any time on a day that is not a business day, must be cancelled before 4:00 p.m. on the next business day. If the redemption request is not cancelled before the applicable time described above, the stockholder will be contractually bound to the redemption of the shares and will not be permitted to cancel the request prior to the payment of redemption proceeds.

In contrast to the market prices of exchange-traded securities, which often fluctuate as a result of, among other things, supply and demand in the trading market, the purchase and redemption prices of the Company's shares will reflect NAV and will not change based on the level of demand for new shares or the volume of requests for redemption of outstanding shares. NAV per share of each class of shares will be calculated at the end of each business day using the valuation policies and procedures described earlier and none of the Company, the Advisor, the Dealer Manager or any financial intermediary will be able to change the manner in which NAV is determined, other than by first modifying the valuation guidelines as described above, nor will they have any discretion to set a "clearing" price. Because a substantial portion of the Company's portfolio will be in investments in stabilized commercial real estate, it is not anticipated that the NAV per share will fluctuate materially from one day to the next, so the previous day's NAV per share will likely be a good indicator of the redemption price.

The Redemption Plan is designed to generally follow settlement practices that have been developed over time in the mutual fund industry to the extent such practices are applicable. As with mutual funds, NAV will be determined at the end of each business day and will apply to all requests for redemption that have accumulated during the day. This pricing mechanism is commonly referred to as "forward-pricing." Under a forward-pricing mechanism, a stockholder will not know before the end of the day on which he or she makes a redemption request the precise price at which his or her request will be settled.

Forward-pricing is not a matter of convenience or a mere "operational" model that the Company has developed for its own business purposes. Rather, it is a pricing model that has widespread use in mutual funds for the protection of investors. It evolved out of the fact that a mutual fund's shares (excluding exchange traded funds or ETFs) are only priced once per day after the close of business, creating the potential to expose the fund and its stockholders to market timing by opportunistic, short-term investors. For example, if the price at which shares are sold on any given day was based on NAV as of the close of business on the previous day, current investors would have an opportunity to exit the fund, and new or existing investors would have an opportunity to enter or increase their holdings in the fund, at the previous day's price based on knowledge of events that have taken place since then, which may cause the current day's value of the fund's shares to be higher or lower than the previous day's price. Under a forward-pricing model, these opportunities to engage in market timing are eliminated. Market timing harms legitimate, long-term investors because market timers capture an unfair share of gains or avoid their fair share of losses. The Company has adopted a forward-pricing model as a

necessary mechanism to prevent speculative trading detrimental to legitimate, long-term investors.

Funding and Limitations of the Redemption Plan

The Redemption Plan will permit the redemption during any calendar quarter of Class A Shares and Class B Shares whose aggregate value (based on the redemption price per share on the day the redemption is effected) is up to 5% of the combined NAV of all classes of shares as of the last day of the prior calendar quarter. In addition, if redemptions do not reach the 5% limit in a calendar quarter, the unused portion will be carried over to the next quarter and not any subsequent quarter, such that the maximum amount of redemptions during any quarter may never exceed 10% of the combined NAV for both classes of shares as of the last day of the previous calendar quarter. The Company will disclose the amount of the limit for the current calendar quarter in the prospectus supplements that it will file on a quarterly basis to disclose the primary valuation components of its NAV. If the Company's board of directors materially amends (including any reduction of the quarterly limit) or suspends the Redemption Plan during any quarter, other than any temporary suspension to address external events (i.e. any temporary suspension that is put into effect for reasons other than issues relating to or materially affecting the Company's business, as determined by the Company's board of directors), any unused portion of that quarter's 5% limit will not be carried forward to the next quarter or any subsequent quarter. Other than the limitations described above and the application of the Per Stockholder Allocation (as defined and described below), only the suspension or termination of the Redemption Plan by the Company's board of directors could cause the Company to redeem less than all requested redemptions. Under normal circumstances, the Company intends to maintain an allocation to publicly traded equity securities, cash and cash equivalents and other short-term investments of at least 10% of its NAV.

The Company has disclosed throughout its prospectus that it may not always have sufficient liquid resources to satisfy all redemption requests. The Company intends to fund redemptions from any available cash sources at its disposal, including available cash, proceeds from sales of shares of its common stock, excess cash flow from operations, sales of liquid investments, incurrence of indebtedness and, if necessary, proceeds from the disposition of properties or Real Estate-Related Assets.

Except during periods in which the Per Stockholder Allocation is in effect (as described below), redemptions under the Redemption Plan are on a first-come, first-served basis during each calendar quarter which enables stockholder redemptions to be paid promptly. If redemption requests reach the quarterly limitation on a given day during a quarter, available funds will be allocated *pro rata* based on the total number of shares subject to pending redemption requests without regard to class.⁴ All unsatisfied redemption requests due to the quarterly limitation of

⁴ The redemption plans of American Realty Capital Daily Net Asset Value Trust, Inc. ("ARC"), Clarion Partners Property Trust Inc. ("Clarion"), Cole Real Estate Income Strategy (Daily NAV), Inc. ("Cole"), Dividend Capital Total Realty Trust Inc. ("Dividend Capital") and Jones Lang LaSalle Income Property Trust, Inc. ("JLLIPT") also paid redemption requests *pro rata* on the day the limitation was reached; provided, however, that ARC allowed for the personal circumstances of certain stockholders to give them greater priority (e.g. death or disability). See American Realty Capital Daily Net Asset Value Trust, Inc. SEC No-Action Letter,

the Redemption Plan must be resubmitted after the start of the next quarter or upon the recommencement of the Redemption Plan, as applicable.

On the first business day during any quarter in which the Company has reached that quarter's redemption limitation, the Company will publicly disclose such fact through a filing with the Commission and a posting on the Company's website in order to notify stockholders that it will not accept additional redemption requests during such quarter. In such event, unless the board of directors determines to suspend the Redemption Plan or the Per Stockholder Allocation mechanism is triggered, each as described below, the Redemption Plan will automatically and without stockholder notification resume on a first-come, first-served basis the first day of the calendar quarter following the quarter in which redemptions were suspended due to reaching such quarter's volume limitation.

If the quarterly volume limitation is reached on or before the third business day of a calendar quarter, repurchase requests during the next quarter will be satisfied on a stockholder by stockholder basis (a "Per Stockholder Allocation") instead of a first-come, first-served basis. Pursuant to the Per Stockholder Allocation, each stockholder would be allowed to request redemption at any time during such quarter of a total number of shares not to exceed 5% of the shares of common stock the stockholder held as of the end of the prior quarter. The Per Stockholder Allocation requirement will remain in effect for each succeeding quarter for which the total redemptions for the immediately preceding quarter exceeded 4% of the Company's aggregate NAV on the last business day of such preceding quarter. If total redemptions during a quarter for which the Per Stockholder Allocation applies are equal to or less than 4% of the Company's aggregate NAV on the last business day of such preceding quarter, then redemptions will again be first-come, first-served for the next succeeding quarter. During any quarter in which the Per Stockholder Allocation mechanism is in place, (1) if redemptions do not reach the 5% limit, the unused portion will be carried over to the next quarter and not any subsequent quarter and (2) if there has been a carryover from the preceding quarter, the Per Stockholder Allocation for each stockholder will be based on a percentage equal to 5% plus such carried over amount.

The board of directors' primary objective regarding the Redemption Plan is to maintain the uninterrupted redemption of shares in order to provide stockholders with liquidity with respect to their investment in the Company. Nonetheless, the board must exercise its oversight responsibilities in light of its fiduciary duties to all stockholders and must have the ability to suspend the redemption of shares under the appropriate circumstances, as well as to make appropriate modifications to the Redemption Plan to ensure its effective operation. Those fiduciary duties require that, as with any decision made by the board, any decision to modify or suspend the Redemption Plan be made in good faith, with a reasonable belief that the action is in the best interests of the Company and its stockholders, and with the care of an ordinarily prudent

2011 WL 2938525 (July 21, 2011); Clarion Partners Property Trust Inc. SEC No-Action Letter, 2012 WL 1999926 (Feb. 24, 2012); Clarion Partners Property Trust Inc. SEC No-Action Letter, 2011 WL 1999926 (May 17, 2011); Cole Real Estate Income Strategy (Daily NAV), Inc. SEC No-Action Letter, 2011 WL 6071983 (Dec. 6, 2011); Dividend Capital Total Realty Trust Inc. SEC No-Action Letter, 2012 WL 2903983 (July 12, 2012); and Jones Lang LaSalle Income Property Trust, Inc. SEC No-Action Letter, 2012 WL 5450035 (Oct. 11, 2012).

person in a like position under similar circumstances. The Company believes that the board's responsibility to monitor and, under unusual or compelling circumstances, suspend the redemption of shares is necessary to ensure the integrity and long-term operation of the Redemption Plan. Accordingly, should redemption requests, in the business judgment of the board of directors, place an undue burden on the Company's liquidity, adversely affect the Company's operations or risk having an adverse impact on stockholders whose shares are not redeemed, then the Company's board of directors may modify or suspend the Redemption Plan if it deems such action to be in the best interest of the Company's stockholders. In addition, the board of directors may determine to suspend the Redemption Plan due to regulatory changes, changes in law or if the board of directors becomes aware of undisclosed material information that it believes should be publicly disclosed before shares are redeemed. If the Company's board of directors materially amends (including any reduction of the quarterly limit) or suspends the Redemption Plan during any quarter, other than any temporary suspension to address external events (i.e. any temporary suspension that is put into effect for reasons other than issues relating to or materially affecting the Company's business, as determined by the Company's board of directors), any unused portion of that quarter's 5% limit will not be carried forward to the next quarter or any subsequent quarter. Material modifications, including any reduction to the quarterly limitation on redemptions, and suspensions to the Redemption Plan will be promptly disclosed to stockholders in a prospectus supplement (or post-effective amendment if required by the Securities Act) or special or periodic report filed by the Company. Material modifications will also be disclosed on the Company's website.

The Company believes that, in the face of such unforeseen circumstances as may arise over the indefinite life of the Company, a degree of flexibility in the administration of the Redemption Plan is necessary and warranted to ensure that the board can discharge its fiduciary duties to promote the long-term efficacy of the Redemption Plan, while also ensuring the equitable treatment of stockholders who do and do not request redemption of their shares. Notwithstanding the foregoing, the board of directors has no current intention to modify or suspend the Redemption Plan and expects that the Redemption Plan will continue indefinitely. In addition, the Company will seek confirmation of the no-action relief requested hereby if the board proposes to (1) modify the Redemption Plan from daily to less frequent redemptions, (2) reduce the redemption price to an amount that reflects a discount to NAV per share or (3) modify other aspects of the Redemption Plan upon which the Company's request for no-action relief is predicated other than immaterial modifications for the proper administration and operation of the Redemption Plan which are consistent with the factual and legal representations contained in this letter.

Disclosure

The Company does not intend to publicize separately the existence of the Redemption Plan or engage in any activity to encourage stockholders to submit requests for redemption of their shares other than disclosures required under federal securities laws, disclosure in offering materials used in connection with the Offering, procedural/redemption price disclosure in stockholder communications after the commencement of the Offering and the provision of NAV per share on the Company's website and toll-free information line and in prospectus supplements filed with the Commission. Neither the Company nor any of its affiliates will make any

recommendation to holders of shares of the Company's common stock as to whether to participate in the Redemption Plan. The prospectus for the Offering will contain a comprehensive description of all terms, conditions and features of the Redemption Plan and will be updated to reflect any material modifications made during the Offering. As a result, with the exception of the redemption price, an investor will have all of the material information necessary to make a redemption decision at the time the investor makes an investment decision.

LEGAL DISCUSSION

Reasons for No-Action Relief

The Company's request for no-action relief is substantially similar to the no-action requests of other perpetual-life non-listed REITs that have recently commenced similar public offerings.⁵ Like one or more of these perpetual non-listed REITs, the Company's request for no-action relief includes: (1) a limitation on the number of shares of both classes that will be redeemed in any quarter whose aggregate value (based on the redemption price per share on the day the redemption is effected) is 5% of the combined NAV of both classes of shares as of the last day of the previous calendar quarter, (2) if redemptions do not reach the 5% limit in a calendar quarter, the unused portion will be carried over to the next quarter and not any subsequent quarter, such that the maximum amount of redemptions during any quarter may never exceed 10% of the combined NAV for both classes of shares as of the last day of the previous calendar quarter, (3) the daily pricing of redemptions based on a daily NAV per share calculation, and (4) the forward-pricing mechanism. These features are designed to offer liquidity to investors and provide investors with a redemption price that is based on the underlying fair value of the Company's NAV rather than an arbitrary fixed price or a discount to NAV, as is the case in traditional non-listed REIT offerings currently available to public investors.

The Company has adopted its NAV-based pricing methodology with the objective of having its shares sold and redeemed daily at a price that reflects the value of its investments. Absent extraordinary circumstances, the price at which the Company sells new shares and redeems outstanding shares will not be affected by the volume of sales and redemptions. Stockholders may request the redemption of all or a portion of their shares on any business day. However, if a significant or protracted imbalance develops between sales and redemptions or other extraordinary events occur (as described above), then the board of directors maintains the discretion to modify or suspend the Redemption Plan to ensure viability of the investment for continuing stockholders.

Redemptions will not be solicited by the Company and will not be made with the purpose of trading in, and should not have the effect of manipulating or raising the offering price of, the

⁵ See Jones Lang LaSalle Income Property Trust, Inc. SEC No-Action Letter, 2012 WL 5450035 (Oct. 11, 2012); Dividend Capital Total Realty Trust Inc. SEC No-Action Letter, 2012 WL 2903983 (July 12, 2012); Cole Real Estate Income Strategy (Daily NAV), Inc. SEC No-Action Letter, 2011 WL 6071983 (Dec. 6, 2011); American Realty Capital Daily Net Asset Value Trust, Inc. SEC No-Action Letter, 2011 WL 2938525 (July 21, 2011); Clarion Partners Property Trust Inc. SEC No-Action Letter, 2012 WL 1999926 (Feb. 24, 2012); and Clarion Partners Property Trust Inc. SEC No-Action Letter, 2011 WL 1999926 (May 17, 2011).

Company's common stock. Although stockholders of the Company are made aware of the availability of the Redemption Plan at the time they purchase their shares by means of prospectus disclosure, and will be informed in writing of any changes to the plan, the Company will not affirmatively solicit participation by its stockholders in the Redemption Plan. Stockholders desiring to present all or a portion of their shares for redemption will do so of their own volition and not at the behest, invitation or encouragement of the Company.

The role of the Company in effectuating redemptions under the Redemption Plan will be ministerial and will merely facilitate the stockholders' decision to exit from their investment in the Company. Shares redeemed by the Company will become authorized but unissued shares and will not be resold to the public unless their sale is first registered with the Commission under the Securities Act and under appropriate state securities laws or otherwise sold in compliance with such laws. The Company will terminate the Redemption Plan in the event the shares are listed on a national securities exchange or included for quotation on a national securities market, or in the event a secondary market for the Company's shares develops. However, the Company does not intend to list its shares for trading on any exchange or other trading market and does not expect that a secondary trading market will develop.

Rule 13e-4 – No-Action Request

Rule 13e-4

Pursuant to Rule 13e-4 under the Exchange Act, an issuer with equity securities registered under Section 12 of the Exchange Act or that is required to file periodic reports with the Commission pursuant to Section 15(d) is required, in connection with any tender offer for its own equity securities, to make certain disclosures and comply with other procedures with respect to such offers. The provisions of Rule 13e-4 are intended to prevent fraudulent, deceptive or manipulative acts in connection with issuer tender offers, principally the time pressure and inadequate disclosures present in coercive tender offers.

The Redemption Plan is not an Issuer Tender Offer

We believe that the Redemption Plan is not an "issuer tender offer" subject to Rule 13e-4. We reach this conclusion based on an analysis of the factors expressed in *Wellman v. Dickinson*, 475 F. Supp. 783 (S.D.N.Y. 1979), and applied in subsequent cases by the Commission and its staff in determining what constitutes a tender offer, as well as the fact that the terms of the Redemption Plan will be fully disclosed to potential investors of Class A Shares and Class B Shares prior to the purchase of shares of the Company's common stock. Since stockholders will be aware of the NAV per share for each class of shares through the Company's website and toll-free information line, and the historical daily NAV per share through the Company's prospectus supplements, stockholders do not require additional information regarding the Redemption Plan at the time they decide to make a redemption request. No new investment decision is being made at the time of redemption. Because the Redemption Plan is not a tender offer, the structural protections generally afforded to stockholders in a tender offer under the tender offer rules are unnecessary for the protection of investors.

We also believe that the Redemption Plan does not raise the same tender offer concerns under Rule 13e-4 that are addressed in the no-action requests by traditional non-listed REITs for redemption plans that offer periodic redemptions for limited numbers of shares at an arbitrary fixed price.⁶ We believe the perpetual-life structure of the Redemption Plan and the application of the Per Stockholder Allocation mechanism reduces the pressure on stockholders with respect to making a redemption request. There will not be a limited time period in which to redeem. Stockholders may request the redemption of all or a portion of their shares throughout the continuous offering, which has no anticipated termination date, at the daily NAV per share. As discussed above, this structure is very similar to an open-end mutual fund to which the tender offer rules do not apply. In addition, in the event the quarterly volume limitation is reached in the first three business days of a quarter, the Per Stockholder Allocation mechanism will alleviate any pressure to request redemptions at the beginning of the subsequent quarter.

Although stockholders will not know the precise redemption price (the NAV per share of the class of shares being redeemed) at the time they request redemption because of the forward-pricing model previously described herein, the NAV per share of the class of shares being redeemed as of the previous day and all preceding days during the Offering will be disclosed to them through the Company's website, toll-free information line and prospectus supplements. By reviewing this information, stockholders will be able to anticipate the approximate price applicable to their redemption based on their evaluation of the degree of recent historical pricing volatility. In addition and as described above under "The Redemption Plan – Timing and Settlement," a stockholder may cancel a redemption request before it has been processed by notifying a customer service representative available on the Company's toll-free information line. The shares are not subject to the same market supply and demand pressures as securities listed on an exchange or traded over the counter where the price of a security fluctuates based on the supply and demand of a security. Without these market pressures and because the price is based on the Company's NAV, the Company believes that material fluctuations in the NAV per share on a day-to-day basis are unlikely.

The Company further believes that material daily fluctuations in NAV per share are unlikely because the bulk of the Company's investments will be direct ownership of stabilized commercial real estate properties (which are generally not subject to volatile price fluctuations), consisting of a broadly diversified portfolio by geography, property sector, type and tenant base (which should reduce the effect of price variances in any one subset of assets). Although certain of the Company's Real Estate-Related Assets are subject to greater price fluctuations than its real properties, the majority of the Company's net assets will be allocated to investments in

⁶ See Hines Real Estate Investment Trust, Inc., SEC No-Action Letter, 2006 WL 3007365 (Sept. 7, 2006); Apple REIT Six, Inc., SEC No-Action Letter, 2006 WL 1880375 (June 30, 2006); Behringer Harvard REIT I, Inc., SEC No-Action Letter, 2004 WL 2439520 (Oct. 26, 2004); Paladin Realty Income Properties, Inc., SEC No-Action Letter, 2004 WL 2375781 (Oct. 22, 2004); Orange Hospitality, Inc., SEC No-Action Letter, 2004 WL 2065831 (Sept. 9, 2004); Hines Real Estate Investment Trust, Inc., SEC No-Action Letter, 2004 WL 1432321 (June 18, 2004); CNL Income Properties, Inc., SEC No-Action Letter, 2004 WL 892249 (Mar. 10, 2004); Inland Western Retail Real Estate Trust, Inc., SEC No-Action Letter, 2003 WL 22119707 (Aug. 25, 2003); T REIT Inc., SEC No-Action Letter, 2001 WL 649546 (June 4, 2001); CNL American Properties Fund, Inc., SEC No-Action Letter, 1998 WL 476210 (Aug. 13, 1998).

properties. Thus, it is unlikely that the redemption price of the Company's shares will fluctuate materially from one day to the next and the redemption price for the prior business day is likely to serve as a good indicator of the redemption price the stockholder will actually receive. In addition, the fact that the Company and its stockholders will not know the exact redemption price at the time of a redemption request will be disclosed to stockholders at the time they purchase shares and make their investment decision.

Analysis of the Wellman Factors

An analysis of the *Wellman* factors demonstrates that the Redemption Plan should not be viewed as a tender offer.⁷ Set forth below is an application of these factors to the Redemption Plan.

(i) *Active and widespread solicitation of public stockholders for the shares of an issuer.* The Company will not engage in an active and widespread solicitation for the redemption of its shares. The Redemption Plan will be described in the prospectus and any communications to stockholders identifying changes to the plan will be communicated through reports the Company files with the Commission, a press release or via the Company's website. However, the Company believes that this disclosure is required by the Securities Act and is provided to make stockholders aware of the plan's existence. The Company will not make any other significant public communications about the Redemption Plan except as contained in or related to the Offering prospectus and supplements, offering materials used in connection with the Offering, required communications in reports filed under the Exchange Act, the providing of the daily NAV per share of each class of shares on the Company's website and toll-free information line, and communications required by the plan itself. Stockholders desiring to request redemption of all or a portion of their shares will do so of their own volition and not at the behest, invitation or encouragement of the Company. The Company will not solicit or encourage stockholders to request redemption of their shares. The role of the Company in effectuating redemptions under the Redemption Plan will be ministerial and will merely facilitate the stockholder's full or partial exit from its investment in the Company.

(ii) *The offer to purchase is made at a premium over the prevailing market price.* No premium will be paid over the prevailing market price by the Company for the shares redeemed. The offering price will be the daily NAV per share for each class of shares, plus, for Class A shares only, applicable selling commissions, and the redemption price will be the daily NAV per share of the class of shares being redeemed. Subject to limited exceptions, shares redeemed within 365 days of the date of purchase will be subject to a short-term trading discount equal to 2% of the of the gross proceeds otherwise payable with respect to the redemption. Further, there is no established regular trading market for the Company's common stock. The Redemption Plan will be terminated in the event the Company's shares are listed on a national securities exchange or included for quotation in a national securities market. Because there is no trading market and the offering price and redemption price each day are equal (except that selling

⁷ The absence of one particular factor does not necessarily mean the non-existence of an issuer tender offer and depending upon the circumstances involved in the particular case, one or more of the factors may be found more compelling and determinative than the others. See *Wellman v. Dickinson*, 475 F. Supp. 783, 824 (S.D.N.Y. 1979).

commissions are not included in the calculation of the redemption price), this factor does not apply.

(iii) *The solicitation is made for a substantial percentage of the issuer's stock.* As noted above, the Company will not actively solicit redemptions under the Redemption Plan. Further, numerous no-action letters have been issued to traditional non-listed REITs with redemption plans similar to the Redemption Plan, except that those plans generally limit redemptions to 5% of the outstanding shares, measured at the beginning of the prior 12-month period. The Redemption Plan limits redemptions in any calendar quarter to 5% of the combined NAV of all classes of shares of common stock as of the last day of the previous calendar quarter. In addition, if redemptions do not reach the 5% limit in a calendar quarter, the unused portion will be carried over to the next quarter and not any subsequent quarter, such that the maximum amount of redemptions during any quarter may never exceed 10% of the combined NAV for both classes of shares as of the last day of the previous calendar quarter. Other than the “five per centum” threshold contained in Section 14(d)(1) of the Exchange Act, we are not aware of any authority that defines what constitutes a “substantial percentage” of an issuer’s stock. However, we believe that whether the Redemption Plan constitutes an issuer tender offer subject to Rule 13e-4 does not hinge on the presence of a 5% limitation on the number of shares of the Company that can be redeemed over a 12-month period. We also believe there is no reasonable likelihood that the Redemption Plan will have the effect of the Company redeeming a substantial percentage of the shares of its common stock.

The Redemption Plan merely provides stockholders with a means of liquidity in respect of their investment, as discussed previously in this letter. The Redemption Plan does not exist for the same reasons that issuers typically conduct tender offers. The Company intends to continuously raise capital through a continuous public offering and invest the net proceeds in real properties and Real Estate-Related Assets. Redeeming shares decreases funds available for such investments and reduces NAV, which creates a disincentive for the Company to redeem shares.

Under the Redemption Plan, the maximum amount of shares that may be redeemed over a 12-month period is approximately 25% of the Company's NAV. However, this is a theoretical limit, and one which is not expected to occur given that it requires both the highest possible carryover limit and the Per Stockholder Allocation never being triggered. Moreover, the 25% scenario cannot by definition occur in sequential 12-month periods because it requires both a quarter to accumulate unused redemption capacity via the carryover limit and time to use up that accumulated capacity. In addition, if the quarterly limit is reached on before the third business day of any quarter, the Per Stockholder Allocation will then apply for at least the next quarter. As a result, the Per Stockholder Allocation will act to temper the amount of redemptions that may be made over a 12-month period because it is unlikely that total redemptions in the aggregate will reach the maximum allowed of 5% of the Company's NAV per quarter, as it should be expected that far fewer than all stockholders will take advantage of their right to request redemption for their entire individual quota.

(iv) *The terms of the offer are firm, rather than negotiable.* The terms of the Redemption Plan are firm with respect to the process by which stockholders may request redemption. While the redemption price is not negotiable, it is not fixed at the same amount for

the duration of the Redemption Plan, but rather it is determined each day using an established methodology to arrive at NAV per share. The Company believes, however, that this feature does not compel the finding of a tender offer because the firmness of the terms of the Redemption Plan will not increase pressure on stockholders to request redemption of their shares. The pressure on stockholders that Rule 13e-4 attempts to eliminate is that which is caused by “a high premium with a threat that the offer will disappear within a certain time.”⁸ Where these factors exist, firmness of the terms of the offer may have the effect of exacerbating the pressure. However, as previously discussed, the Redemption Plan will not offer stockholders a premium for their shares and the Company intends that the Redemption Plan will exist indefinitely (subject to the authority of the board of directors in its reasonable discretion to suspend the plan under specified circumstances or to make modifications to promote its proper and fair operation).

To the contrary, the formulaic NAV-based price should have the effect of mitigating pressure because stockholders will know that they can request to have their shares redeemed by the Company at NAV per share at any time. The Company will not have discretion in the determination of the redemption price, contrary to an issuer tender offer. In a typical tender offer, the offeror conceivably has both an incentive and the ability to set the offer price at a level that will maximize the chances of obtaining the desired volume of tenders, while minimizing the overall premium paid. Conversely, the Company, absent extenuating circumstances, will apply, each day, the same comprehensive set of valuation policies and procedures to ascertain the NAV per share. Therefore, the daily redemption price under the Redemption Plan will be based upon criteria that are beyond the day-to-day control of the Company.

In addition, in the event the quarterly volume limitation is reached in the first three business days of a quarter, the Per Stockholder Allocation mechanism will alleviate any pressure to request redemptions at the beginning of subsequent quarter by ensuring that stockholders will be able to request redemption for 5% of their shares regardless of the particular day during the quarter when the stockholder chooses to submit its redemption request.

(v) *The offer is contingent on the tender of a fixed number of shares.* The Redemption Plan is not contingent on a fixed number of shares being redeemed. Stockholders may choose to request the Company to redeem none, all or a portion of their shares on a daily basis.

(vi) *The offer is open only for a limited period of time.* The Redemption Plan is open for an indefinite period. The risk of manipulation and pressure to sell typically associated with tender offers are not present in the Redemption Plan. This feature of the Redemption Plan makes it most unlike a tender offer.

(vii) *The offeree is subjected to pressure to sell.* As noted above, the Company will not encourage, invite, solicit or in any way pressure stockholders to participate in the Redemption Plan. The role of the Company in effectuating redemptions under the Redemption Plan will be purely ministerial. Because the Redemption Plan has no set termination date, stockholders will not feel rushed to make decisions regarding participation in the plan.

⁸ See *Brascan Ltd. v. Edper Equities*, 477 F. Supp 773, 792 (S.D.N.Y. 1979).

Redemptions under the Redemption Plan will be on a first-come, first-served basis during each calendar quarter because redemptions will be paid promptly and all redemption requests received on a day the quarterly cap is reached will be redeemed *pro rata*. If the Redemption Plan reaches its cap in a calendar quarter, it will automatically reopen on the first day of the next calendar quarter. In addition, the combination of (1) disclosure of the Redemption Plan as an integral element of the Offering at the time of the original investment decision with respect to Class A Shares and Class B Shares, (2) the daily regularity of redemptions, (3) the Per Stockholder Allocation mechanism that is triggered when the quarterly volume limitation is reached within the first three business days of any calendar quarter, (4) the comprehensive policies and procedures for determining NAV, and (5) “forward-pricing” to minimize damage to long-term investors from market timing and opportunistic behavior by existing or new stockholders, collectively should act to decrease pressure on stockholders. The Company acknowledges that some features of the Redemption Plan may, to a limited extent, encourage a stockholder to request redemption of its shares at a particular time given the perpetual-life structure of the plan. Stockholders may feel pressure to request redemption of their shares if the daily NAV per share reaches a certain level at which stockholders may realize an attractive return above the amount of their initial investment. Or, stockholders may feel pressure to request redemption of their shares if they believe the Company may receive redemption requests in a calendar quarter in excess of the established maximum amount for that quarter. However, we do not believe that these pressures are the types of pressures placed on offerees in a tender offer which the tender offer rules were intended to address. As noted, the features of the Redemption Plan are first disclosed to purchasers of Class A Shares and Class B Shares at the time the shares are purchased. As such, stockholders are informed of the terms of the Redemption Plan substantially in advance of the time of their decision to participate in the Redemption Plan. Stockholders are therefore not presented with a “new” investment decision at the time they become eligible to request the Company to redeem their shares under the plan. Additionally, the pressures inherent in the plan noted above exist regardless of whether the redemption price is established daily according to the NAV or monthly or quarterly by the board of directors as is the case in other redemption plans for which no-action relief has been granted by the Commission. Moreover, even if stockholders believe the Company may receive repurchase requests in a calendar quarter in excess of the established maximum for that quarter, as a result of the Per Stockholder Allocation mechanism, they will be assured that they will be able to request repurchase for at least a portion of their shares in the subsequent quarter, regardless of the particular day during such subsequent quarter when they choose to submit their repurchase request.

(viii) *A public announcement of an acquisition program prior to the accumulation of stock by a purchaser, followed by a rapid accumulation of a large amount of securities.*⁹ The intent of the Redemption Plan is to provide the Company’s stockholders with liquidity, not for the Company to re-acquire its own shares. It is possible that the Company, subject to the Redemption Plan’s quarterly limits, may redeem a significant number of shares over a short time pursuant to the Redemption Plan depending on stockholders’ decisions to exit the investment. Any such shares redeemed by the Company, however, would not be deemed outstanding for purposes of receiving dividends or voting on matters submitted to stockholders.

⁹ The *Wellman* case did not include the eighth factor but acknowledged the Commission had listed an eighth factor in *Hoover v. Fuqua Industries, Inc.* See *Wellman*, 475 F. Supp. at 824.

The Company will describe the Redemption Plan in the prospectus and related offering materials, and when required, in filings made pursuant to the Exchange Act. The Company will promptly inform stockholders, as required by the Redemption Plan, of any modification or suspension of the Redemption Plan. The Company will also file prospectus supplements as required by the Securities Act disclosing the historical NAV per share of each class of shares and provide each day the NAV per share of each class of shares on its website and toll-free information line. The Company believes, however, that the Redemption Plan is not characteristic of a publicly-announced acquisition plan which is followed by a rapid accumulation of a large amount of stock. Though disclosure of the Redemption Plan as described above constitutes a public announcement of its existence and precedes any redemption, the Company believes that any redemption of shares that might occur will not be driven by pressure exerted by the Company, as the Redemption Plan imposes no deadline and offers no premium. Rather, any such accumulation would occur solely as a result of stockholders opting to exit from the investment at a particular NAV per share of their own volition without pressure or prompting by the Company, which is not the type of untoward pressure the tender offer rules were designed to prohibit. Several courts have agreed that offers without a deadline or premium are not tender offers within the meaning of Rule 13e-4, as stockholders are not subjected to the pressure the rule was designed to mitigate.¹⁰

Based on analysis of the eight factors discussed above, the Company believes that redemptions of the Company's shares pursuant to the Redemption Plan do not implicate the concerns that the issuer tender offer rules were intended to address.

The Redemption Plan Withstands a "Totality of Circumstances" Analysis

We also note that some courts have rejected a rigid application of the *Wellman* test and have, instead, applied what the Company considers a reasonable "totality of circumstances" analysis.¹¹ This analysis looks to all the circumstances surrounding the transaction to determine whether the chief objectives of the tender offer rules and regulations are being met, specifically, to remove the element of secrecy and undue pressure associated with such transaction and to provide stockholders with adequate information to make an informed investment decision in connection therewith.¹²

¹⁰ See *Panter v. Marshall Field & Co.*, 646 F.2d 271, 286 (7th Cir. 1981) (ruling that where no deadline and no premium existed, stockholders "were simply not subjected to the proscribed pressures the Williams Act was designed to alleviate"); *Brascan*, 477 F. Supp. at 792 (ruling that without high premium and threat that the offer will disappear, large purchases in short time do not represent the kind of pressure the Williams Act was designed to prevent); *Kennecott Copper Corp. v. Curtiss-Wright Corp.*, 449 F. Supp. 951, 961 (S.D.N.Y. 1978) (ruling that where no deadline and no premium existed, there was no pressure, other than normal pressure of the marketplace, exerted on the stockholders), *aff'd in relevant part, rev'd in part*, 584 F.2d 1195, 1207 (2d Cir. 1978).

¹¹ See *Hanson Trust PLC v. SCM Corp.*, 774 F.2d 47 (2d Cir. 1985); see also *Pin v. Texaco Inc.*, 793 F.2d 1448, 1454-55 (5th Cir. 1986) (applying same analysis to issuer tender offer case).

¹² See, e.g., *Wellman*, 475 F. Supp. at 821-23; *Pin*, 793 F. Supp. at 1454; *Hanson Trust*, 774 F.2d at 54-56.

We believe that the Redemption Plan withstands such a “totality of circumstances” analysis. Purchasers of Class A Shares and Class B Shares are provided full disclosure of the plan before they purchase shares and invest in the Company and are informed that participation in the Redemption Plan will be their only viable liquidity option if they want to sell their shares. Finally, the perpetual-life structure of the Redemption Plan and the Per Stockholder Allocation mechanism eliminate any undue pressure on stockholders that is typical in tender offers. The Company believes that the protections afforded to stockholders by the tender offer rules are not needed for stockholders who participate in the Redemption Plan. We do not believe that a “substantial risk of ill-considered sales” made “by ill-informed shareholders” will exist for redemptions under the Redemption Plan if the Rule 13e-4 procedural protections are not implemented.¹³

For the reasons described above, we believe that under a “totality of circumstances” analysis, the Company’s stockholders are not the “particular class of persons [that] need the protection of” the tender offer rules because the terms of the Redemption Plan were fully disclosed at the time of purchase. Finally, courts have specifically mentioned full disclosure of the time in which to make investment decisions, withdrawal rights, and requirements for *pro rata* purchases of shares accepted in the event the offer is oversubscribed when referring to the substantive and procedural protections provided by Rule 13e-4.¹⁴ We note that these protections are already inherent in the Redemption Plan even if Rule 13e-4 is inapplicable.

Rule 13e-4 No Action Request

We respectfully request that the Staff confirm that it will not recommend that the Commission take enforcement action under Rule 13e-4 with respect to redemptions of any of the Company’s shares under the Redemption Plan. The Redemption Plan is substantially similar to the redemption plans of other perpetual-life non-listed REITs for which the Staff has granted no-action relief.¹⁵ In addition, other than the redemption price and the limitation on the number of shares that can be redeemed during each calendar quarter and cumulatively during the Offering, as noted above, the Redemption Plan is otherwise substantially similar to redemption plans for which the Staff granted no-action relief.¹⁶ We do not believe that daily redemptions based upon a daily NAV per share calculation, coupled with a higher limitation on the aggregate value of

¹³ See *Hanson Trust*, 774 F.2d at 58.

¹⁴ See *SEC v. Carter Hawley Hale Stores, Inc.*, 760 F.2d 945, 949 (9th Cir. 1985).

¹⁵ See *Jones Lang LaSalle Income Property Trust, Inc.* SEC No-Action Letter, 2012 WL 5450035 (Oct. 11, 2012); *Dividend Capital Total Realty Trust Inc.* SEC No-Action Letter, 2012 WL 2903983 (July 12, 2012); *Cole Real Estate Income Strategy (Daily NAV), Inc.* SEC No-Action Letter, 2011 WL 6071983 (Dec. 6, 2011); *American Realty Capital Daily Net Asset Value Trust, Inc.* SEC No-Action Letter, 2011 WL 2938525 (July 21, 2011); *Clarion Partners Property Trust Inc.* SEC No-Action Letter, 2012 WL 1999926 (Feb. 24, 2012); and *Clarion Partners Property Trust Inc.* SEC No-Action Letter, 2011 WL 1999926 (May 17, 2011).

¹⁶ See *Hines Real Estate Investment Trust, Inc.* (Sept. 7, 2006); *Apple REIT Six, Inc.* (June 30, 2006); *Boston Capital Real Estate Investment Trust, Inc.* (Feb. 10, 2005); *Behringer Harvard REIT I, et al.*, (Oct. 26, 2004); *Paladin Realty Income Properties, Inc.* (Oct. 14, 2004); *Orange Hospitality, Inc.* (Sept. 9, 2004); *Hines Real Estate Investment Trust, Inc.* (June 18, 2004); *CNL Income Properties, Inc.* (Mar. 10, 2004); *Inland Western Retail Real Estate Trust, Inc.* (Aug. 25, 2003); *T REIT Inc.*, (June 4, 2001); *CNL American Properties Fund, Inc.* (Aug. 13, 1998).

shares that can be redeemed in a calendar quarter and an additional limitation on the aggregate value of shares that can be redeemed cumulatively during the Offering, impact the analysis included in the no-action letters granted to traditional non-listed REITs. Factors that we believe address these objectives and support this request include:

- All material information relating to the Redemption Plan will be fully and timely disclosed to all stockholders. The terms of the Redemption Plan will be fully disclosed in the prospectus as well as any prospectus used for subsequent offerings and the NAV per share for each class will always be available on the Company's website and toll-free information line.
- The Company will not solicit redemptions under the Redemption Plan other than through the prospectus for the Offering and prospectus supplements disclosing the NAV per share of each class of shares. Stockholders desiring to request redemption of all or a portion of their shares will do so of their own volition and not at the behest, invitation or encouragement of the Company. The role of the Company in effectuating redemptions under the Redemption Plan will be ministerial.
- The shares will be redeemed daily under the Redemption Plan at the daily NAV per share of the class of shares being redeemed and the Company will file prospectus supplements with the Commission with such frequency as is required by the Securities Act disclosing the historical NAV per share of each class of shares and also provide each day the NAV per share for each class of shares on its website and toll-free information line.
- Redemptions will be made on a daily basis. The redemption price normally will be paid in cash no later than three business days following a redemption request and will be the same for all shares of the same class redeemed on a given day.
- Redemptions under the Redemption Plan will be limited in any calendar quarter to shares whose aggregate value (based on the redemption price per share on the day the redemption is effected) is 5% of the combined NAV of all classes of shares of common stock as of the last day of the previous calendar quarter. In addition, if redemptions do not reach the 5% limit in a calendar quarter, the unused portion will be carried over to the next quarter and not any subsequent quarter, such that the maximum amount of redemptions during any quarter may never exceed 10% of the combined NAV for both classes of shares as of the last day of the previous calendar quarter.
- If the Company's board of directors materially amends (including any reduction of the quarterly limit) or suspends the Redemption Plan during any quarter, other than any temporary suspension to address external events (i.e. any temporary suspension that is put into effect for reasons other than issues relating to or materially affecting the Company's business, as determined by the Company's board of directors), any unused portion of that quarter's 5% limit will not be carried forward to the next quarter or any subsequent quarter.
- Redemptions under the Redemption Plan are on a first-come, first-served basis during each calendar quarter and stockholders will be paid promptly for the shares redeemed; all redemption requests received on a day the quarterly cap is reached, however, will be redeemed *pro rata*.

- If the quarterly volume limitation is reached on or before the third business day of a calendar quarter, redemption requests during the next quarter will be satisfied based on a Per Stockholder Allocation basis, pursuant to which each stockholder would be allowed to request redemption at any time during such quarter of a total number of shares not to exceed 5% of the shares of common stock the stockholder held as of the end of the prior quarter. The Per Stockholder Allocation requirement will remain in effect for each succeeding quarter for which the total redemptions for the immediately preceding quarter exceeded 4% of the Company's aggregate NAV on the last business day of such preceding quarter.
- There will be no established regular trading market for the Company's common stock. The Redemption Plan will be terminated if the Company's shares are listed on a national securities exchange or included for quotation on a national securities market, or in the event a secondary market for the Company's shares develops.
- The Redemption Plan is intended to remain open indefinitely for the life of the Company unless modified or suspended by the board of directors. The Company is structured as a perpetual-life entity and has no intention to list its shares for trading on an exchange or other trading market.
- The Redemption Plan is open to all stockholders, although those who have held their shares less than 365 days will be subject to a 2% short-term trading discount which is intended to offset the Company's costs resulting from short-term trading of its shares and to discourage market timing.

The Company believes the Redemption Plan as proposed would not result in the potential for the abuses Rule 13e-4 was intended to prevent and should not be subject to Rule 13e-4. Rather, the Company believes it would be a disservice to stockholders if the Redemption Plan were not implemented.

Rule 13e-3 – Does Not Apply

Rule 13e-3 should not apply to the Redemption Plan. Rule 13e-3 governs, among other transactions described in paragraph (a)(3)(i) of the rule, purchases of an equity security by the issuer of such security or by an affiliate of such issuer which has either a reasonable likelihood or a purpose of producing, either directly or indirectly, a "going private" transaction as described in paragraph (a)(3)(ii) of the rule. The Redemption Plan is not being undertaken for the purpose of causing the Company's shares to become eligible for termination of registration under Rule 12g-4 or Rule 12h-6 or causing the Company's reporting obligations to become eligible for termination under Rule 12h-6 or suspension under Rule 12h-3 or Section 15(d) of the Exchange Act. Moreover, there is not a reasonable likelihood that any of the foregoing effects would result from the operation of the Redemption Plan insofar as the Redemption Plan has limitations on the amount of redemptions that may be made in each calendar quarter and the Company intends to operate as an perpetual-life vehicle with no finite date set for liquidation by conducting a continuous offering of an unlimited amount of its shares that will be registered under the

Securities Act in compliance with Rule 415 under the Securities Act over an unlimited time period.

Under the Redemption Plan, the maximum amount of shares that may be redeemed over a 12-month period is approximately 25% of the Company's NAV. However, this is a theoretical limit, and one which is not expected to occur given that it requires both the highest possible 5% carryover limit and redemption requests reaching the full 5% quarterly limit for four consecutive quarters without triggering the Per Stockholder Allocation mechanism. Moreover, the 25% scenario cannot by definition occur in sequential 12-month periods because it requires a carryover of unused redemption capacity and time to use that capacity.

If the extent of redemptions under the Redemption Plan, after considering offers and sales of new shares as part of such continuous offering, were such that any of the effects described in paragraph (a)(3)(ii)(A) of Rule 13e-3 becomes reasonably likely, then the board of directors will undertake to modify or suspend the Redemption Plan.

If you have any questions or need any additional information, please do not hesitate to contact me at (404) 881-4417.

Very truly yours,

/s/ ROSEMARIE A. THURSTON

Rosemarie A. Thurston

cc: Mr. James N. Carbone, RREEF Property Trust, Inc.
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