



# ARCTRUST

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*Makers of Reliable Net Lease Properties*

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A N N U A L  
R E P O R T

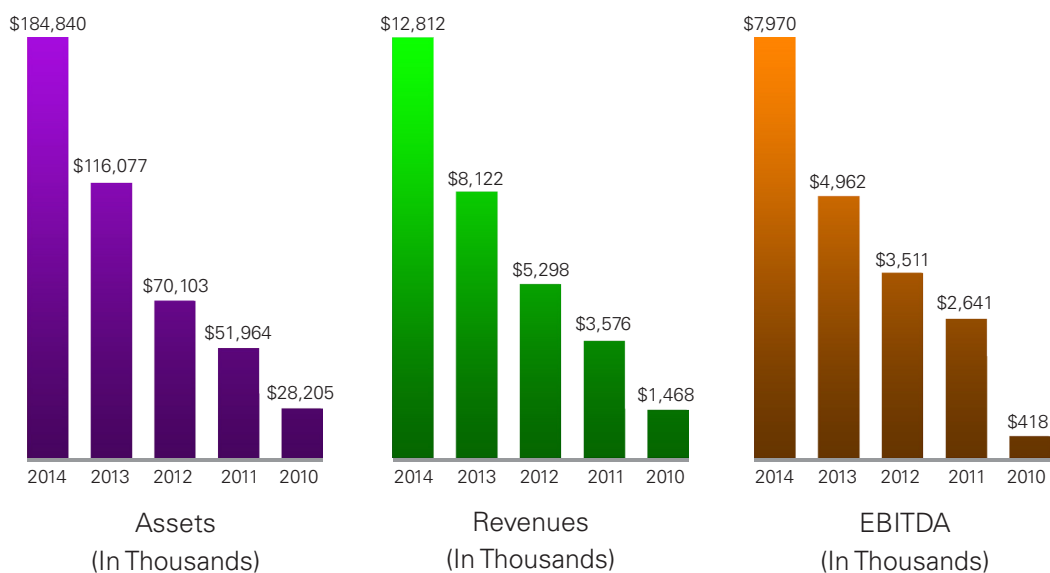
# Company Profile

## Makers of Reliable Net Lease Properties

ARCTRUST is a private real estate investment trust that specializes in the development, acquisition, and financing of Net Lease Properties that are leased long term to nationally or regionally recognized tenants. ARCTRUST is managed by an experienced team of professionals with a proven track record. Our “belt and suspenders” approach to real estate is designed to produce reliable dividends and preserve wealth through steady growth and consistent income.

## Financial Highlights 2010-2014

(Thousands)	2014	2013	2012	2011	2010
Assets	\$ 184,893	\$ 116,077	\$ 70,103	\$ 51,964	\$ 28,205
Equity	\$ 69,449	\$ 55,549	\$ 26,595	\$ 23,904	\$ 9,901
Revenues	\$ 12,812	\$ 8,122	\$ 5,298	\$ 3,576	\$ 1,468
Income	\$ 2,567	\$ 1,951	\$ 1,267	\$ 688	\$ 49
EBITDA	\$ 7,970	\$ 4,962	\$ 3,511	\$ 2,641	\$ 418



## Letter to Shareholders



On behalf of ARCTRUST, I am proud to report to you the success we achieved over the past 12 months, and the goals we look to achieve in the coming years. In 2014, we combined our sound business strategy and excellent performance of our assets, with new investments and relationships to provide results that exceeded expectations

We successfully launched our second Follow-On stock offering of \$30 million, bringing the total capital raised to date in excess of \$7x million. The increased capital base helped to increase our lines of credit, lower our cost of borrowing, and raise our dividend for the second consecutive year, while giving us the ability to accelerate select transactions.



In an increasingly competitive market, we continued to earn our reputation as the "Makers of Reliable Net Lease Properties." Our focus on opportunity driven investments has enhanced ARCTRUST across all phases of our platform by developing new relationships and projects with tenants and developers, acquiring value-add net lease properties, and providing financing for various net lease projects.

Existing assets provided further opportunities to grow, and we capitalized on the value that comes from owning well-located, stable investments leased to nationally recognized tenants. We refinanced assets with new, long-term, lower cost debt, reinvested the proceeds and profits from select property sales, and enhanced our tenant portfolio. Most recently, we signed a stronger credit, higher valued tenant on a long-term lease to replace an existing tenant. These accretive opportunities are made possible by the high quality real estate and tenants that Net Leases provide.

The financial statements reflect the success from these efforts. Assets grew to over \$184 million from \$116 million, and revenue grew to over \$12 million from \$8 million. Most importantly, these results do not yet reflect the years of building our development pipeline – a pipeline we expect to start maturing in the coming months.

As we look ahead to the future, we will continue to grow ARCTRUST by being the capital source for opportunistic investments in the development, acquisition, and financing of reliable net lease properties. Our focus remains on delivering a portfolio of quality investments, and building shareholder wealth through steady growth and consistent income.

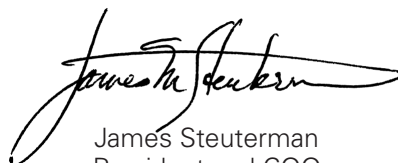
The accomplishments achieved over the past year come from both the hard work of our professional team, and the values created by having over 30 years of experience in the net lease industry.

Finally, I would like to thank you, our shareholders, for your continued support and confidence.

Sincerely,



Robert Ambrosi  
Chairman



James Steuterman  
President and COO

## Our Tenants



# Corporate Information



## Board of Directors and Officers

Robert J. Ambrosi  
*Chairman, CEO, Director*

James Steuterman  
*President, COO, Director*

Marc Perel  
*Executive Vice President, Director*

Joseph M. Morena  
*Vice President, Director*

Bruce Nelson, CPA  
*Chief Financial Officer, Director*

Gary S. Baumann, Esq.  
*General Counsel, Director*

Ed Constantino  
*Independent Director*

Claudia Gibson  
*Director*

Alan Goldstein  
*Director*

Harvey Gutman  
*Director*

## Executive Offices

ARC Properties, Inc.  
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## Auditor

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Baltimore, MD 21202

## Transfer Agent

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Englewood, CO 80112

## Managing Broker Dealer

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Northbrook, Illinois 60062