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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 8-K  
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

March 29, 2012

Hines Real Estate Investment Trust, Inc.

-----  
(Exact name of registrant as specified in its charter)

Maryland

000-50805

20-0138854

-----  
(State or other jurisdiction  
of incorporation)

-----  
(Commission  
File Number)

-----  
(I.R.S. Employer  
Identification No.)

2800 Post Oak Blvd, Suite 5000, Houston, Texas

77056-6118

-----  
(Address of principal executive offices)

-----  
(Zip Code)

Registrant's telephone number, including area code:

(888) 220-6121

Not Applicable  
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Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02 Results of Operations and Financial Condition.**

On March 29, 2012, Hines Real Estate Investment Trust, Inc. (“Hines REIT”) made a presentation to certain broker-dealers and financial advisors called the “Hines REIT Update as of December 31, 2011.” This presentation provides certain updated information about Hines REIT as of December 31, 2011. Hines REIT is simultaneously making this information available to its stockholders by furnishing the presentation as Exhibit 99.1 to this Current Report on Form 8-K. The information in this Item 2.02 of this Current Report on Form 8-K, including the exhibit hereto, is furnished pursuant to Item 2.02 and shall not be deemed “filed” for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of Section 18. The information in this Current Report on Form 8-K shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, regardless of any general incorporation language in any such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits-

99.1 Hines REIT Update Presentation as of December 31, 2011

Statements in this Current Report on Form 8-K, including intentions, beliefs, expectations or projections relating to Hines REIT's opportunities are forward-looking statements within the meaning of Section 21E of the Exchange Act. Such statements are based on current expectations and assumptions with respect to, among other things, future economic, competitive and market conditions and future business decisions that may prove to be incorrect or inaccurate. Important factors that could cause actual results to differ materially from those in the forward looking statements include the risks described in the “Risk Factors” section of Hines REIT's Annual Report on Form 10-K for the year ended December 31, 2010 and its other filings with the Securities and Exchange Commission.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Hines Real Estate Investment Trust, Inc.

March 29, 2012

By: /s/ J. Shea Morgenroth  
Name: J. Shea Morgenroth  
Title: Chief Accounting Officer and Treasurer

## Exhibit Index

<b>Exhibit No.</b>	<b>Description</b>
99.1	Hines REIT Update Presentation as of December 31, 2011

# Hines REIT Update

As of December 31, 2011



**Hines**  

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**Securities**

Hines Real Estate Investment Trust, Inc. (Hines REIT) is closed to new investors.

Hines Securities, Inc., Member FINRA/SIPC, is the Dealer Manager. 3/12

# Hines REIT Overview

- Commenced capital raising in 2004
- Raised and invested significant capital in 2006 and 2007 which represented a peak in the overall economic cycle and real estate cycle
- In 2008 and 2009, amidst the economic downturn towards the recession, we experienced significant declines in capital raising and significant increases in redemption requests
- At the end of 2009, capital raising ceased and we suspended our redemption plan to prudently preserve liquidity

# Hines REIT Overview

- Since 2009, the Company has been keenly focused on the following:
  - Leasing: keeping our tenants in occupancy to preserve and maintain operating income
  - Strategic asset sales: identifying opportunities to sell certain stabilized assets to harvest liquidity and attractive profits
  - Liquidity: ensuring we have sufficient funds to meet liquidity needs for operating expenses, leasing capital, and debt refinancings, while still maintaining reasonable levels of distributions to our shareholders
- We continue to be patient and disciplined in managing our portfolio in order to benefit from the overall economic recovery and recovery of the U.S. office markets

# Hines REIT Portfolio Overview

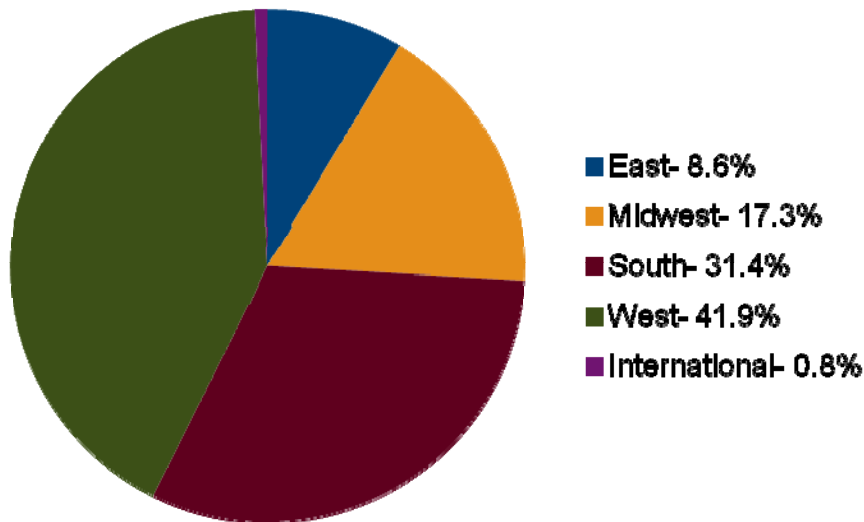
## as of December 31, 2011

- 57 projects / 22 different geographic markets / U.S. and Brazil
- Predominately Class A office, industrial and grocery-anchored retail centers
- Over 26 million square feet / 87% leased / approximately 2% above the national average
- Latest valuation of portfolio was as of March 2011 resulting in estimated per share value of \$7.78 effective May 2011
- Significant cash on hand for near-term liquidity needs resulting in a strong balance sheet

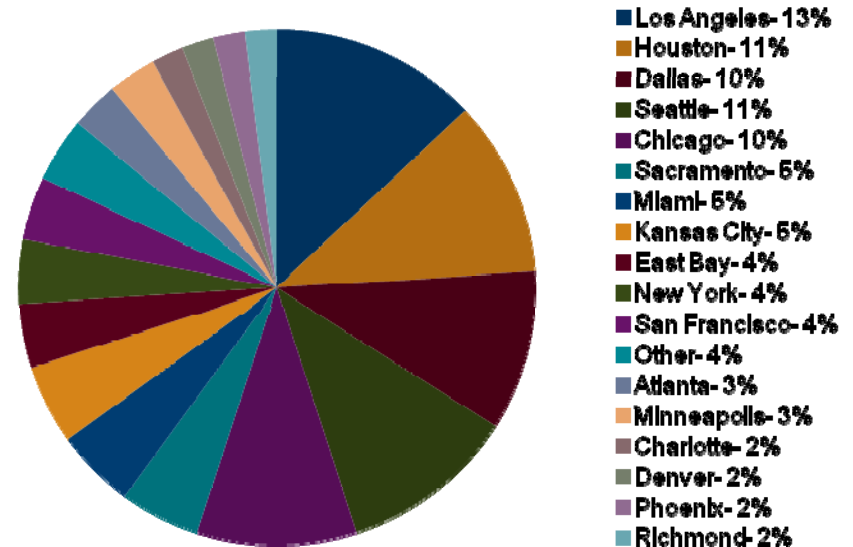


# Regional Diversification and Lease Expirations as of December 31, 2011

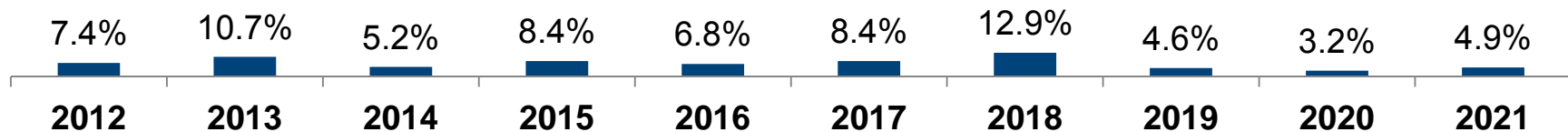
## Regional Diversification<sup>1</sup>



## City Diversification<sup>1</sup>



## Lease expirations as % of total leasable square feet in the current portfolio<sup>2</sup>



<sup>1</sup>Data is based on Hines REIT's pro-rata share of the estimated aggregate value. <sup>2</sup>Data is based on Hines REIT's effective ownership in each property and is compiled based on leased square feet.

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# Top 10 Tenants

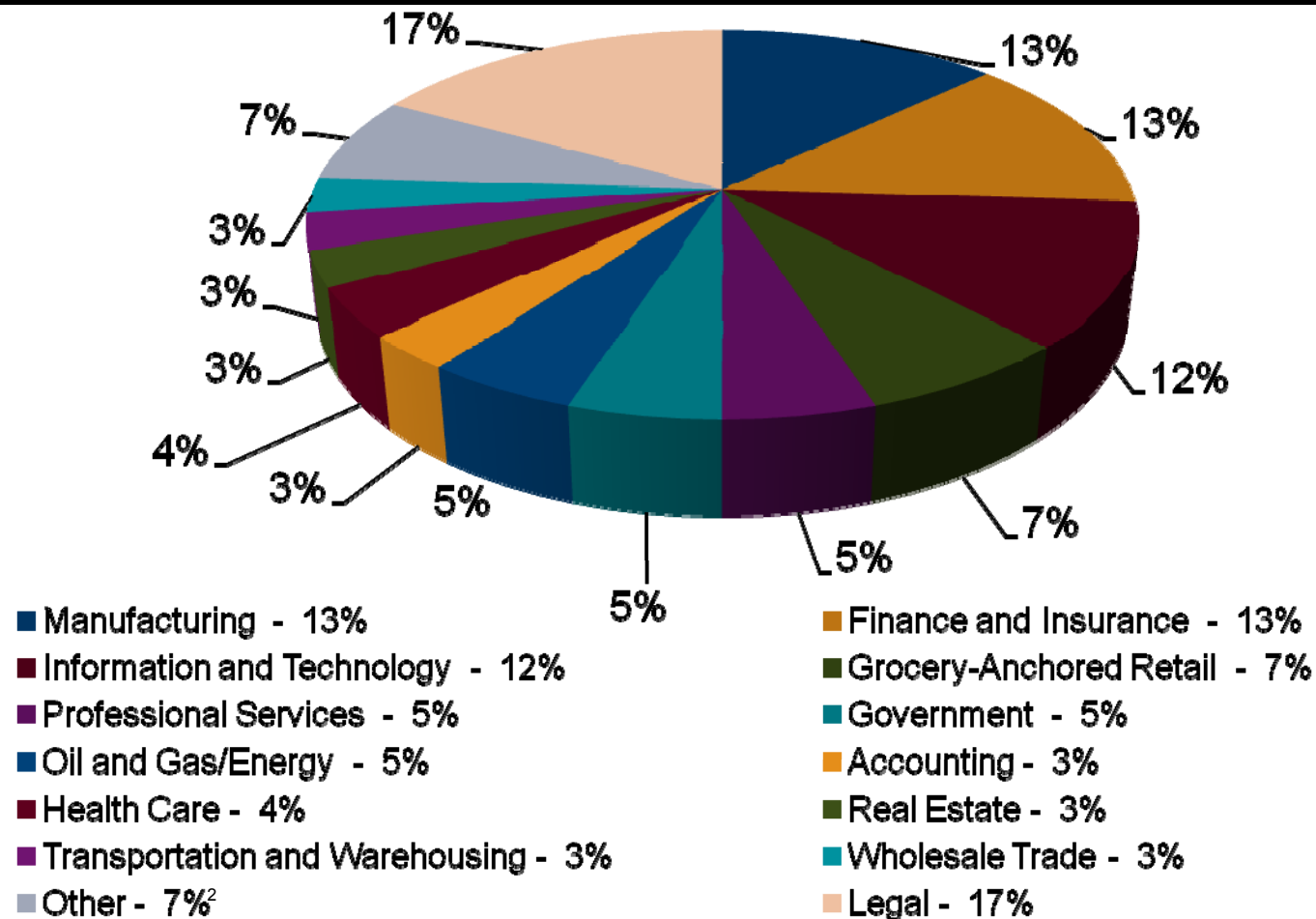
## as of December 31, 2011

Top 10 Tenants <sup>1</sup>	
<b>Shook, Hardy &amp; Bacon LLP</b> <i>International law firm</i> 2555 Grand 2024 Expiration	<b>Honeywell International</b> <i>Engineering services</i> Daytona-Laguna Portfolio & 345 Inverness Drive 2016, 2017 Expirations
<b>Williams Companies</b> <i>Integrated natural gas</i> Williams Tower 2018, 2021 Expirations	<b>Oracle</b> <i>Multinational technology company</i> 2100 Powell 2013 Expiration
<b>Raytheon Company</b> <i>Defense aerospace systems</i> Raytheon/DIRECTV Buildings 2018 Expiration	<b>Kay Chemical</b> <i>Private specialty cleaning</i> 4050 & 4055 Corporate Drive 2018 Expiration
<b>State of California</b> <i>State government</i> 1515 S. Street 2012, 2018 Expirations	<b>Norwegian Cruise Line</b> <i>Cruise line</i> Airport Corporate Center 2019 Expiration
<b>Microsoft Corporation</b> <i>Multinational software development</i> Daytona-Laguna Portfolio 2015, 2017 Expirations	<b>Foley &amp; Lardner</b> <i>International law firm</i> 321 North Clark 2018 Expiration

<sup>1</sup>Based on Hines REIT's effective ownership in each property and compiled based on leased square feet.

# Tenant Industry Diversification<sup>1</sup>

as of December 31, 2011



<sup>1</sup>Based on Hines REIT's pro rata share of the leased square feet of each property. <sup>2</sup>Other includes Arts/Entertainment, Other Services, Construction and Retail industries, as well as those accounting for less than 1% of the portfolio.

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# Hines REIT Leasing Update

- Leasing has been a priority given the challenging economic environment which had a broad impact on U.S. and International businesses
- Many businesses adversely impacted
  - Layoff of employees
  - Reduced space needs
  - Move to lower quality / less expensive space
  - Out of Business or Bankrupt
- Leased percentage is down slightly from the beginning of the year; remains above the national average
- During 2011
  - Lease renewals for approximately 3.5 million square feet (13% of our gross square footage) to keep tenants in occupancy and extend the term of their leases
  - New leases for approximately 1.4 million square feet with new tenants moving into our assets from other competitive space

# 2011 Proactive Leasing Highlights



## **Shell Plaza (One and Two) Houston, TX**

Shell Corporation  
Renewal 1.22 million SF and  
extension to 2025

Dune Energy  
Renewal 15,000 SF  
through 2016

## **4050 Corporate Dr. Dallas, TX**

Kay Chemical Company  
Early Renewal 241,000 SF  
through 2018

Fleetpride Corporation  
Early Renewal 200,000 SF  
through 2019



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# 2011 Proactive Leasing Highlights



## **Williams Tower Houston, TX**

Williams Field Services  
Expansion 60,000 SF  
through 2018

Ryan & Company  
Renewal 32,000 SF  
through 2019

Rowan Companies, Inc.  
Expansion 10,000 SF  
through 2020

## **321 North Clark Chicago, IL**

American Bar Association  
Renewal 200,000 SF  
through 2024

Claro Group  
New lease 26,000 SF  
through 2019



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# 2011 Proactive Leasing Highlights

## **Warner Center Los Angeles, CA**

Health Net Inc.  
Renewal 334,000 SF through 2021

## **One North Wacker Chicago, IL**

PricewaterhouseCoopers, LLP  
Renewal 279,000 SF through 2028

## **Airport Corporate Center Miami, FL**

- United Health Care Services, Inc.  
Renewal 23,000 SF through 2013
- Corporate American Solutions  
New lease 16,000 SF through 2019
- Armani & Associati  
New lease 10,000 SF through 2017

## **The KPMG Building San Francisco, CA**

- Buchalter Nemer  
New lease 30,000 SF through 2022
- Funzio, Inc.  
New lease 20,000 SF through 2015
- RadiumOne  
New lease 14,000 SF through 2017

## **499 Park Avenue New York, NY**

Quadrant Capital Advisors, Inc.  
Renewal 11,000 SF through 2022

# Strategic Dispositions

- Significant capital demand for high quality stabilized assets
- Certain assets in the portfolio provided Hines REIT the opportunity to capture significant gains and strengthen the Company's liquidity position



# Strategic Dispositions



## **One North Wacker Chicago, IL**

Acquired: Mar. 2008  
for \$540 million

Sold 49% interest in Dec. 2011  
for \$298.9 million\*

Effective ownership: 22%\*\*



## **Three First National Chicago, IL**

Acquired: Mar. 2005 for  
\$245 million

Sold: Aug. 2011  
for \$344 million

Effective ownership: 18%\*\*

\*The Core Fund, in which Hines REIT invests, did not recognize a gain or loss on the sale due to the carrying amount of the noncontrolling interest being adjusted to reflect the change in ownership of One North Wacker. Effective ownership as of 9/30/11, prior to the sale. \*\*This asset was owned indirectly through the Core Fund.

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# Strategic Dispositions



## **Atrium on Bay, Toronto, ON, Canada**

Acquired: Feb. 2007  
for \$215 million USD

Sold: Jun. 2011  
for \$353 million USD

Effective ownership:100%

## **600 Lexington, New York, NY**

Acquired: Feb. 2004  
for \$92 million

Sold: May 2010 for  
\$193 million

Effective ownership:11.67%\*



\*This asset was owned indirectly through the Core Fund.

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# Strategic Dispositions



## **Land Parcel Adjacent to Williams Tower Houston, TX**

Acquired: May 2008

Sold: Sept. 2010 generating net proceeds of \$12 million

Effective ownership:100%



## **Brazilian Industrial Parks Araucaria, Elouveira and Vinhedo**

Acquired: Dec. 2008 for \$115

Sold: Jan. 2010 and Apr. 2010 for \$141 million

Effective ownership:100%

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# Hines REIT Leverage Overview

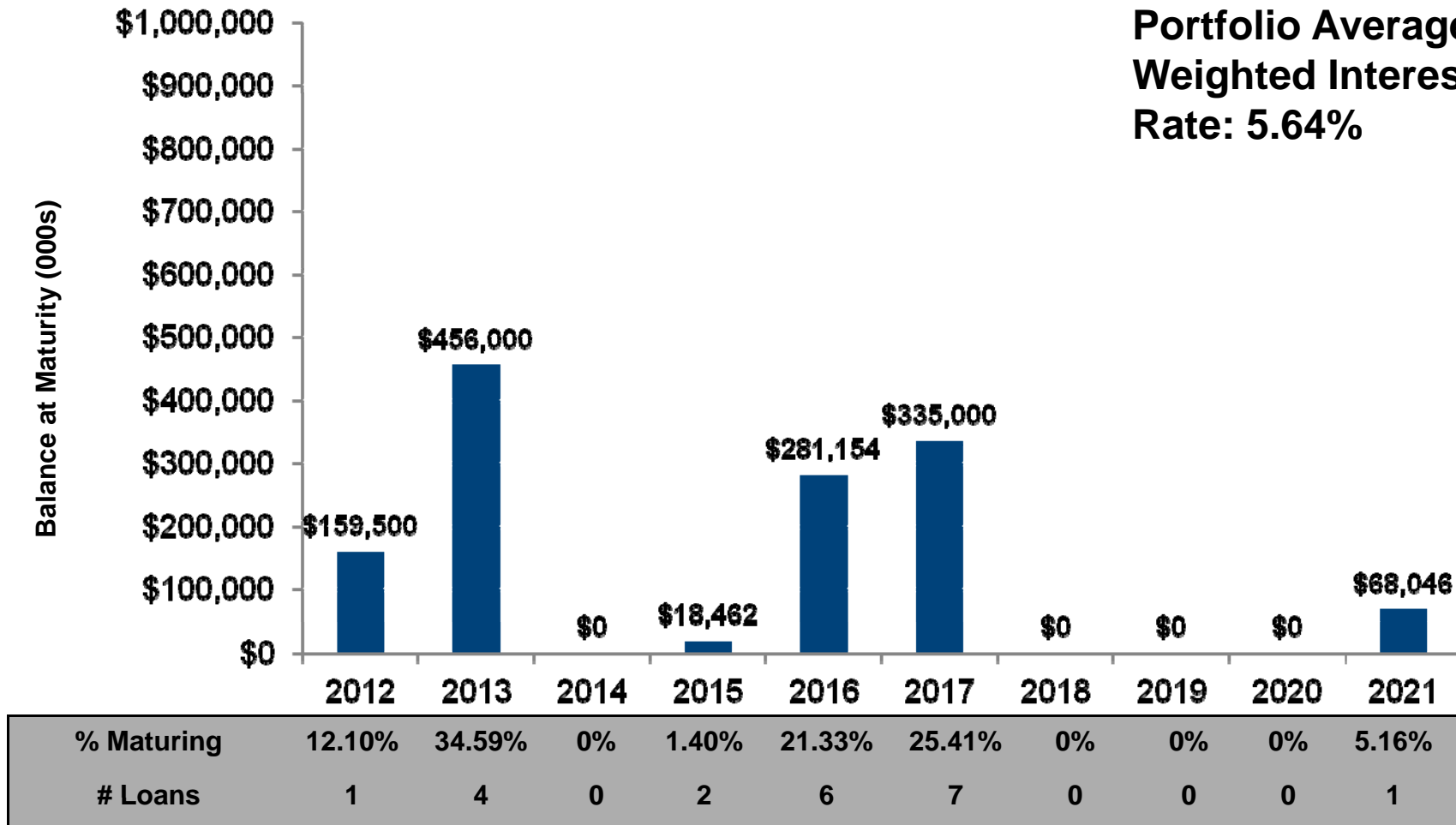
- Leverage level as of December 31, 2011 was 55%
- Consists primarily of asset level fixed rate mortgage loans and a corporate level revolving credit facility which provides \$45 million of additional liquidity
- Average weighted interest rate of approximately 5.64%
- Manageable debt maturities over the next few years



# Debt Maturity Chart

## as of December 31, 2011

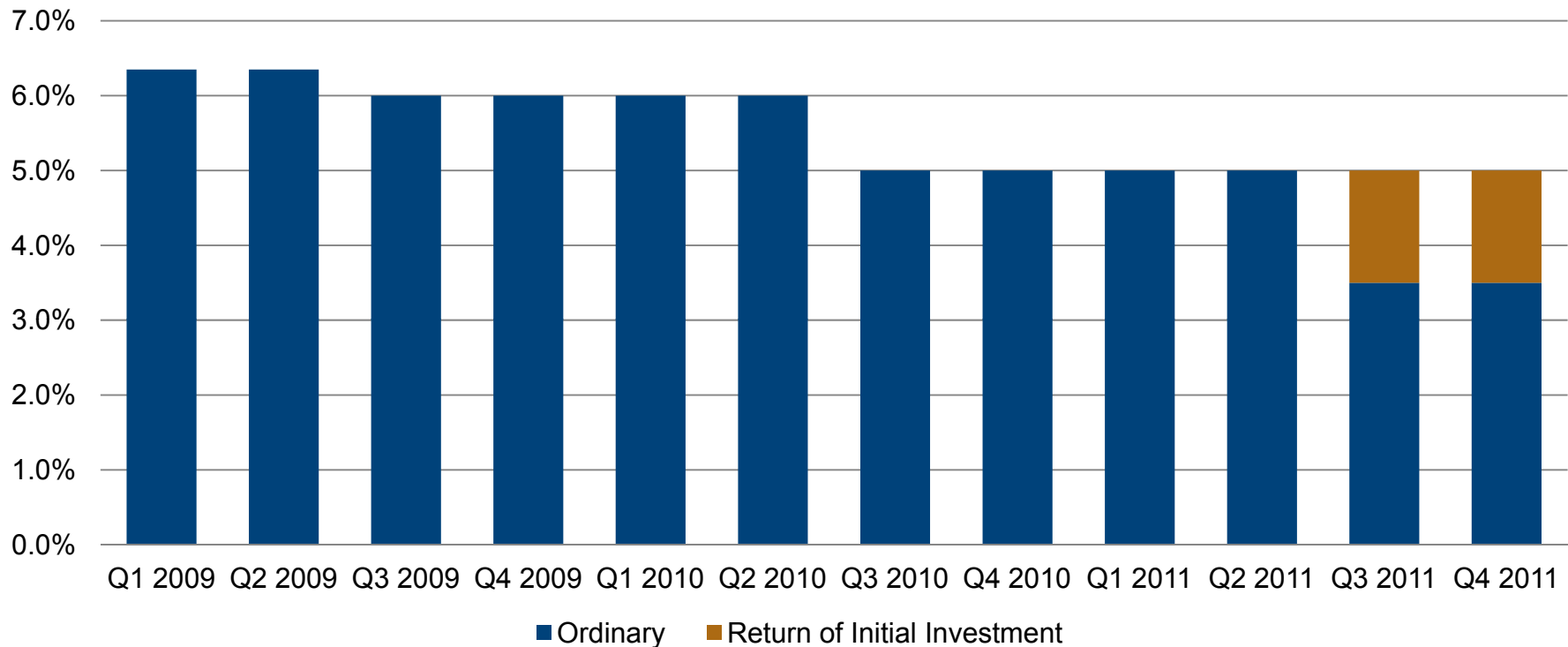
**Portfolio Average  
Weighted Interest  
Rate: 5.64%**



The amounts represented above are the projected loan balances at maturity assuming all required principal and interest payments are made prior to maturity.

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# Distribution History\*



\*Annual distribution rates have been calculated based on the most recent primary offering price of \$10.08 per share. In May 2011, we announced an estimated per share value of \$7.78. The distribution rate on the \$7.78 share price is 6.5%. Rates assumes consistent distribution rate for 12-month period. Hines REIT declared distributions from July 2011 through the month of April 2012 in an amount equal to \$0.00138082 per share, per day. Of the amount described above, \$0.00041425 of the per share, per day dividend will be designated by the Company as a special distribution which will be a return of a portion of the shareholders' invested capital and, as such, will reduce their remaining investment in the Company. The special distribution represents a portion of the profits from sales of investment property. The above designations of a portion of the distribution as a special distribution will not impact the tax treatment of the distributions to our shareholders. We funded our cash distributions with cash flows from operating activities, distributions received from our unconsolidated investments, proceeds from the sales of our real estate investments and cash generated during prior periods.

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# Looking Forward: Hines REIT Exit Strategy

- Goal: maximize investor returns
- Possible exit options:
  - Targeted sale of individual or groups of assets
  - Sale or merger
  - Listing on a national exchange
- Continue identifying opportunities for strategic asset sales



# Alignment of Interest

Hines' alignment of interests with investors –

- Hines has approximately \$100 million invested in Hines REIT
- Continues to earn half of its fees in equity / same as receiving cash and reinvesting back into Hines REIT
- Waived 1/3 of cash asset management fees from July 2011 through December 2012 in an effort to enhance the REIT's cash flows and distributions to shareholders
- Fee waiver is projected to total over \$7.5 million



# Long Term Priorities

- Near-term priorities:
  - Lease-up existing assets
  - Strategic asset sales
  - Manage debt maturities
  - Manage liquidity
  - Maximize distributions to investors
- Long-term priorities:
  - Evaluate exit strategies
  - Maximize return of capital
  - Maximize total return over the long term



# Thank You



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