

WELLS REAL ESTATE INVESTMENT TRUST, INC.
SUPPLEMENT NO. 3 DATED APRIL 25, 2000 TO THE PROSPECTUS
DATED DECEMBER 20, 1999

This document supplements, and should be read in conjunction with, the prospectus of Wells Real Estate Investment Trust, Inc. dated December 20, 1999, as supplemented and amended by Supplement No. 2 dated March 15, 2000. When we refer to the "prospectus" in this supplement, we are also referring to any and all supplements to the prospectus. Unless otherwise defined in this supplement, capitalized terms used in this supplement shall have the same meanings as set forth in the prospectus.

The purpose of this supplement is to describe the following:

- (1) The status of the offering of shares of common stock of Wells Real Estate Investment Trust, Inc. (Wells REIT);
- (2) The acquisition of an office building in Scottsdale, Arizona leased to Dial Corporation (Dial Building);
- (3) The acquisition of an office building in Tempe, Arizona leased to ASM Lithography, Inc. (ASML Building);
- (4) The acquisition of an office building in Tempe, Arizona leased to Motorola, Inc. (Motorola Building);
- (5) The status of the Matsushita project;
- (6) The status of the ABB Richmond project;
- (7) Revisions to the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of the prospectus;
- (8) Updated audited financial statements of the Wells REIT, audited statements of revenue over operating expenses for the Dial Building, the ASML Building and the Motorola Building and unaudited pro forma financial information of the Wells REIT; and
- (9) Updated prior performance tables.

Status of the Offering

We commenced our initial public offering of common stock on January 30, 1998. Our initial public offering was terminated on December 20, 1999. We received approximately \$132,181,919 in gross offering proceeds from the sale of 13,218,192 shares in our initial public offering.

Pursuant to the prospectus, we commenced a second offering of common stock on December 20, 1999. As of April 20, 2000, we had received an additional \$34,905,285 in gross offering proceeds from the sale of 3,490,528 shares in the second offering. Accordingly, as of

April 20, 2000, we had received in the aggregate approximately \$167,087,204 in gross offering proceeds from the sale of 16,708,720 shares of our common stock.

Acquisition of Real Properties

On March 29, 2000, Wells Operating Partnership, L.P. (Wells OP), our operating partnership, purchased three office buildings located in the Scottsdale/Tempe area from Ryan Companies US, Inc. (Ryan). Ryan is not in any way affiliated with the Wells REIT or its advisor.

The city of Scottsdale is located eight miles northeast of the center of Phoenix and is an integral part of metropolitan Phoenix. The city was incorporated in June 1951, but has experienced most of its growth since 1960. The city's expansion has been forced to the north, due to the physical restrictions imposed on the west, south, and east by the city limits of Phoenix, Tempe, and the Salt River Indian Reservation, respectively. Scottsdale is a vibrant city with a national and international reputation. Further contributing to Scottsdale's growth is its popularity as a destination stop for tourists. Over 6 million people per year visit Scottsdale and provide an economic impact of over \$2 billion annually.

Tempe is the fifth largest city in Arizona and has developed from a small college town and bedroom community into a thriving city with a strong diversified economy. It is home to Arizona State University, the fourth largest university in the nation. Known for its highly educated populace, Tempe is a sophisticated city and a center for learning, culture and technology. Tempe has developed a multifaceted economic base, including 750 manufacturing firms with more than 32,000 employees that produce electronics, semiconductors, computers and computer software. MircroAge, Avnet and America West Airlines all have their corporate headquarters in Tempe.

The Dial Building

Purchase of the Dial Building. On March 29, 2000, Wells OP purchased a two story

office building with approximately 129,689 rentable square feet located at 15501 N. Dial Boulevard, Scottsdale, Maricopa County, Arizona (Dial Building) from Ryan pursuant to that certain Agreement of Purchase and Sale of Property between Ryan and our advisor.

The rights under the Dial contract were assigned to Wells OP by our advisor at closing. The purchase price paid for the Dial Building was \$14,250,000. Wells OP also incurred additional acquisition expenses in connection with the purchase of the Dial Building, including attorneys' fees, loan fees, recording fees and other closing costs, of approximately \$35,712.

Description of the Building and the Site. As set forth above, the Dial Building

is a two story office building containing approximately 129,689 rentable square feet. The Dial Building, which was completed in 1997, is located on an approximately 8.8 acre tract of land within the Scottsdale Airpark Development. The Airpark Development serves as headquarters for over 25 national and regional companies and is the work place for more than 30,000 employees.

The Dial Building consists of 101,598 square feet on the first floor and 28,091 square feet on the second floor. The Dial Building also contains a 1,481 square foot central plant. The building is constructed of painted concrete tilt-up panels with a glass curtain wall at the main lobby entrance. The roofing consists of a wood truss system with wood roof decking supported by steel columns.

An independent appraisal of the Dial Building was prepared by CB Richard Ellis, Inc., real estate appraisers, as of February 29, 2000, pursuant to which the market value of the land and the leased fee interest subject to the Dial lease (described below) was estimated to be \$14,350,000, in cash or terms equivalent to cash. This value estimate was based upon a number of assumptions, including that the Dial Building will continue operating at a stabilized level with Dial Corporation (Dial) occupying 100% of the rentable area, and is not necessarily an accurate reflection of the fair market value of the property or

the net proceeds which would result from an immediate sale of this property. Wells OP also obtained an environmental report and an engineering inspection report prior to the closing evidencing that the condition of this land and the Dial Building were satisfactory.

The Dial Lease. The entire 129,689 rentable square feet of the Dial Building is -----

currently under a net lease agreement with Dial. The landlord's interest in the Dial lease was assigned to Wells OP at the closing. The Dial lease commenced on August 14, 1997, and the initial term expires on August 31, 2008. Dial has the right to extend the Dial lease for two additional five year periods of time at 95% of the then current fair market rental rate. The annual rent payable for the initial term of the Dial lease is \$1,387,672.

Under the Dial lease, Dial is required to pay as additional monthly rent its electricity costs and all operating costs, including, but not limited to, garbage and waste disposal, janitorial service, security, insurance premiums, all taxes, assessments and other governmental levies and such other operating costs with respect to the Dial Building. In addition, Dial is responsible for all routine maintenance and repairs to its portion of the Dial Building. Wells OP, as landlord, is responsible for maintaining the common and service areas of the Dial Building and the repair and replacement of the roof, foundation, exterior windows, load bearing items, exterior surface walls, plumbing, pipes and conduits located in the common and service areas, central heating, ventilation and air conditioning systems, and electrical, mechanical and plumbing systems of the Dial Building. Additionally, the Dial lease grants the tenant a right of first refusal to purchase the Dial Building if Wells OP attempts to sell the property during the term of the lease.

Dial currently has its headquarters in the Dial Building and is one of the leading consumer product manufacturers in the United States. Dial's brands include Dial soap, Purex detergents, Renuzit air fresheners, Armour canned meats, and a variety of other leading consumer products. During the fiscal year 1999, Dial had net income of \$116 million on revenues of over \$1.7 billion and a net worth of over \$411 million.

The ASML Building

Purchase of the ASML Building. On March 29, 2000, Wells OP purchased a -----
two story office building with approximately 95,133 rentable square feet located at 8555 South River Parkway, Tempe, Maricopa County, Arizona (ASML Building) from Ryan pursuant to that certain Agreement of Purchase and Sale of Property between Ryan and our advisor.

The rights under the ASML contract were assigned to Wells OP by our advisor at closing. The purchase price paid for the ASML Building was \$17,355,000. Wells OP also incurred additional acquisition expenses in connection with the purchase of the ASML Building, including attorneys' fees, recording fees, loan fees, and other closing costs, of approximately \$48,875.

Description of the Building and the Site. As set forth above, the ASML Building -----

is a two story office and warehouse building containing approximately 95,133 rentable square feet consisting of 60,953 square feet on the first floor and 34,180 square feet on the second floor. The ASML Building is constructed of painted concrete tilt-up panels with glass curtain walls and an exterior insulated finish system (EIFS) on a reinforced concrete foundation system. The roofing system consists of a steel beam with steel roof decking system supported by steel columns.

The ASML Building, which was completed in June 1995, is located on a 9.51 acre tract of land within the Arizona State University Research Park (Research Park). The land upon which the ASML Building is situated is subject to a long-term ground lease (as described below) with Price-Elliott Research Park,

Inc. (Price-Elliott). At closing, Wells OP was assigned and assumed all of the tenant's rights, duties and obligations under the ASML ground lease.

An independent appraisal of the ASML Building was prepared by CB Richard Ellis, Inc., real estate appraisers, as of March 1, 2000, pursuant to which the market value of the land and the leased fee interest subject to the ASML lease (described below) was estimated to be \$17,500,000, in cash or terms equivalent to cash. This value estimate was based upon a number of assumptions, including that the ASML Building will continue operating at a stabilized level with ASM Lithography, Inc. (ASML) occupying 100% of the rentable area, and is not necessarily an accurate reflection of the fair market value of the property or the net proceeds which would result from an immediate sale of this property. Wells OP also obtained an environmental report and an engineering inspection report prior to the closing evidencing that the condition of this land and the ASML Building were satisfactory.

The ASML Lease. The entire 95,133 rentable square feet of the ASML Building is

currently under a net lease agreement with ASML. The landlord's interest in the ASML lease was assigned to Wells OP at the closing. The ASML lease commenced on June 4, 1998, and the initial term expires on June 30, 2013. ASML has the right to extend the ASML lease for two additional five year periods of time at the then prevailing market rental rate, but in no event less than the rate in force at the end of the preceding lease term.

ASML is a wholly-owned subsidiary of ASM Lithography Holdings NV (ASML Holdings), a Dutch multi-national corporation that supplies lithography systems used for printing integrated circuit designs onto very thin disks of silicon, commonly referred to as wafers. These systems are supplied to integrated circuit manufacturers throughout the United States, Asia, and Western Europe. ASML Holdings is 24% owned by Philips Electronics and has strategic partnerships with a number of major companies including Lucent Technologies, Applied Materials, Samsung, Hyundai and Motorola. During the fiscal year 1999, ASML Holdings had net income of \$81.3 million on revenues of over \$1.2 Billion and a net worth of over \$615 million. ASML Holdings is the guarantor of the ASML lease.

The base rent payable for the ASML Building, out of which Wells OP will be required to make the ground lease payments described below, is as follows:

Lease Year	Annual Base Rent	Monthly Base Rent
1 thru 5	\$ 1,927,788	\$ 160,649
6 thru 10	\$ 2,130,124	\$ 177,510
11 thru 15	\$ 2,354,021	\$ 196,168

Under the ASML lease, ASML is required to pay as additional monthly rent all utility costs, and operating costs, including, but not limited to, insurance premiums, general and special real estate taxes, assessments, and other governmental levies and such other operating costs with respect to the ASML Building, including those pertaining to the ASML ground lease. In addition, ASML is responsible for all routine maintenance and repairs to the ASML Building. ASML is responsible for maintaining the common and service areas of the ASML Building and ordinary repair and replacement of the roof, foundation, exterior surface walls, plumbing, pipes and conduits located in the common and service areas, central heating, ventilation and air conditioning systems, and electrical, mechanical and plumbing systems of the ASML Building.

Notwithstanding the above, Wells OP is responsible for capital improvements, alterations or expenditures, depreciation, damages due to fire or other casualty, and repairs related to any defect in design, materials, or workmanship of the ASML Building.

ASML has an expansion option which allows ASML the ability to expand the building into at least an additional 30,000 rentable square feet, to be constructed by Wells OP. If the expansion option exercised is for less than 30,000 square feet, Wells OP may reject the exercise at its sole discretion. In the event that ASML exercises its expansion option after the first five years of the initial lease term, such lease term will be extended to 10 years from the date of such expansion.

The ASML Ground Lease. The ASML ground lease commenced on August 22, 1997, and expires on December 31, 2082. The ground lease payments required pursuant to the ASML ground lease are as follows:

Lease Years	Annual Rent
Years 1 to 15	\$ 186,368
Years 16 to 25	\$ 273,340
Years 26 to 35	\$ 356,170
Years 36 to 45	10% of Fair Market Value of Land in year 35
Years 46 to 55	Rent from year 45 plus 3% per year increase
Years 56 to 65	Rent from year 55 plus 3% per year increase
Years 66 to 75	10% of Fair Market Value in Year 65
Years 76 to 85	Rent from year 75 plus 3% per year increase

Wells OP has the right to terminate the ASML ground lease prior to the expiration of the 30/th/ year, and prior to the expiration of each subsequent ten-year period thereafter.

The Motorola Building

Purchase of the Motorola Building. On March 29, 2000, Wells OP purchased a two story office building with approximately 133,225 rentable square feet located at 8075 South River Parkway, Tempe, Maricopa County, Arizona (Motorola Building) from Ryan pursuant to that certain Agreement of Purchase and Sale of Property between Ryan and our advisor.

The rights under the Motorola contract were assigned to Wells OP by our advisor at closing. The purchase price paid for the Motorola Building was \$16,000,000. Wells OP also incurred additional acquisition expenses in connection with the purchase of the Motorola Building, including attorneys' fees, recording fees, loan fees, and other closing costs, of approximately \$36,622.

Description of the Building and Site. As set forth above, the Motorola Building is a two story office building containing approximately 133,225 rentable square feet with approximately 66,877 gross square feet on each floor. The Motorola Building was completed in July 1998, and is located on a 12.44 acre tract of

land within the Research Park. The land upon which the Motorola building is situated is subject to a long-term ground lease (as described below) with Price-Elliott. At closing, Wells OP was assigned and assumed all of tenant's rights, duties and obligations under the Motorola ground lease.

The Motorola Building is constructed using painted light-sand and fine pebble exterior insulated finish system (EIFS) on steel framing with some concrete masonry unit block. The Motorola Building also contains one-quarter inch high-performance tinted glass covering approximately 50% of the Motorola Building's exterior with several full height sections on a reinforced concrete foundation system. The roofing system consists of steel beams with steel roof decking system supported by steel columns.

An independent appraisal of the Motorola Building was prepared by CB Richard Ellis, Inc., real estate appraisers, as of March 1, 2000, pursuant to which the market value of the land and the leased fee interest subject to the Motorola lease (described below) was estimated to be \$16,150,000, in cash or terms equivalent to cash. This value estimate was based upon a number of assumptions, including that the Motorola Building will continue operating at a stabilized level with Motorola, Inc. (Motorola) occupying 100% of the rentable area, and is not necessarily an accurate reflection of the fair market value of the property or the net proceeds which would result from an immediate sale of this property. Wells OP also obtained an environmental report and an engineering inspection report prior to the closing evidencing that the condition of this land and the Motorola Building were satisfactory.

The Motorola Lease. The entire 133,225 rentable square feet of the Motorola

Building is currently under a net lease agreement with Motorola. The landlord's interest in the Motorola lease was assigned to Wells OP at the closing. The Motorola lease commenced on August 17, 1998, and the initial term expires on August 31, 2005. Motorola has the right to extend the Motorola lease for four additional five-year periods of time at the then prevailing market rental rate.

The Motorola Building is occupied by Motorola's Satellite Communications Division (SATCOM). SATCOM is a worldwide developer and manufacturer of space and ground communications equipment and systems. This division is the prime contractor for the Iridium system and is primarily engaged in computer design and development functions. Motorola, a New York Stock Exchange Company, had net income of \$891 million on revenues of \$33.1 billion for the fiscal year 1999, and has a net worth of over \$18.7 billion.

The rent payable under the Motorola lease, out of which Wells OP will be required to make the ground lease payments described below, is as follows:

Lease Year	Annual Base Rent	Monthly Base Rent
1 thru 4	\$ 1,843,834	\$ 153,653
5 thru 7	\$ 2,054,329	\$ 171,194

Under the Motorola lease, Motorola is required to pay as additional monthly rent all operating costs, including, but not limited to, garbage and waste disposal, central heating, ventilation and air conditioning systems, janitorial service, security, insurance premiums for comprehensive general public liability insurance, real estate taxes, assessments and other

governmental levies and such other operating costs with respect to the Motorola Building. In addition, Motorola is responsible for all routine maintenance and

repairs to the Motorola Building, including maintaining the common and service areas. Wells OP is responsible for structural repair and replacement of the roof, foundation, and exterior surface walls. Wells OP is also responsible for maintaining property damage insurance for damage to the building by fire and other risks.

Motorola has an expansion option which allows Motorola the ability to expand the building between 21,000 and 40,000 rentable square feet with additional parking spaces to be constructed by Wells OP. Motorola must exercise its expansion right before August 17, 2001. In the event that Motorola exercises its expansion option, the rent on the expansion space will be calculated based upon a 10.5% return on costs of the expansion, including construction costs, and Wells OP will be entitled to a development fee in an amount equal to 8% of the cost of the construction of the expansion building shell.

The Motorola Ground Lease. The Motorola ground lease commenced November 19, 1997, and expires on December 31, 2082. The ground lease payments required pursuant to the Motorola ground lease are as follows:

Lease Years	Annual Rent
Years 1 to 15	\$ 243,825
Years 16 to 25	\$ 357,240
Years 26 to 35	\$ 466,015
Years 36 to 45	10% of Fair Market Value of Land in year 35
Years 46 to 55	Rent from year 45 plus 3% per year increase
Years 56 to 65	Rent from year 55 plus 3% per year increase
Years 66 to 75	10% of Fair Market Value in year 65
Years 76 to 85	Rent from year 75 plus 3% per year increase

Wells OP has the right to terminate the Motorola ground lease prior to the expiration of the 30th/ year and prior to the expiration of each subsequent 10-year period thereafter.

Property Management Fees.

Wells Management Company, Inc. (Wells Management), an affiliate of the advisor, has been retained to manage and lease the Dial Building, the ASML Building and the Motorola Building. Wells REIT shall pay management and leasing fees to Wells Management in the amount of 4.5% of gross revenues from each of these buildings.

Financing for the Arizona Buildings

The aggregate purchase price paid for the three Arizona buildings was \$47,605,000. The aggregate amount of \$47,726,209 required to close the acquisition of the Arizona buildings consisted of (a) \$7,226,209 in cash funded from a capital contribution by the Wells REIT, (b) \$9,000,000 in loan proceeds obtained from a revolving credit facility established with SouthTrust Bank, N.A. (SouthTrust Loan), (c) \$26,500,000 in loan proceeds obtained from a revolving credit facility established with Bank of America, N.A. (BOA Loan), and (d) \$5,000,000 in loan proceeds provided by Ryan as seller financing in connection

with the purchase of the Motorola Building (Ryan Loan).

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Description of SouthTrust Loan. The SouthTrust Loan requires monthly payments of

interest only and matures on December 31, 2000. The interest rate on the SouthTrust Loan is an annual variable rate equal to the London InterBank Offered Rate for a thirty day period plus 200 basis points. The current interest rate under the SouthTrust Loan is 8.13% per annum. The SouthTrust Loan is secured by a first mortgage against the PWC Building located in Tampa, Florida, which was purchased by Wells OP on December 31, 1998. As of March 31, 2000, the outstanding principal balance of the SouthTrust Loan was \$11,320,000.

Description of BOA Loan. The BOA Loan requires monthly payments of interest only

and matures on February 1, 2001. The interest rate on the BOA Loan is an annual variable rate equal to the London InterBank Offered Rate for a thirty day period plus 200 basis points. The current interest rate under the BOA is 8.13% per annum. The BOA Loan is secured by a first mortgage against the AT&T Building (formerly the Vanguard Cellular Building) located in Harrisburg, Pennsylvania, which was purchased by Wells OP on February 4, 1999, and the Videojet Building located in Wood Dale, Illinois, which was purchased by Wells OP on September 10, 1999. As of March 31, 2000, the outstanding principal balance of the BOA Loan was \$26,660,798.

Description of Ryan Loan. The Ryan Loan requires monthly payments of interest

only and matures on April 1, 2001. The interest rate on the Ryan Loan is 9.00% per annum, and is secured by a first mortgage against the Motorola Building.

Status of the Matsushita Project

The construction of the Matsushita project consisting of the approximately 150,000 square foot office building in Lake Forest, California is complete. Matsushita Avionics Systems Corporation commenced its lease on January 4, 2000 and is currently paying monthly base rent based upon the budgeted construction amount of \$18,400,000.

Status of the ABB Richmond Project

As of April 20, 2000, Wells REIT, LLC - VA I (Wells LLC), a limited liability company wholly owned by Wells OP, had spent approximately \$5,714,000 towards the construction of the approximately 100,000 square foot office building in Richmond, Virginia. The ABB Richmond project is approximately 50% complete and is expected to be completed in June 2000. We estimate that the aggregate cost and expenses to be incurred by Wells LLC with respect to the acquisition and construction of the ABB Richmond project will total approximately \$11,560,000.

Management's Discussion and Analysis of Financial Condition and Results of Operation

The information contained on page 97 in the "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources" section of the prospectus is revised as of the date of this supplement by the deletion of the first paragraph of that section and the insertion of the following paragraphs in lieu thereof:

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We received approximately \$132,181,919 in gross offering proceeds from the sale of 13,218,192 shares of common stock in our initial public offering, which commenced on January 30, 1998 and was terminated on December 20, 1999. Of the \$132,181,919 raised in the initial offering, we invested a total of \$111,032,812 in properties.

Pursuant to the prospectus, we commenced this second offering of shares of our common stock on December 20, 1999. As of April 20, 2000, we had received an additional \$34,905,285 in gross offering proceeds from the sale of 3,490,528 shares in the second offering.

As of April 20, 2000, we had received in the aggregate approximately \$167,087,204 in gross offering proceeds from the sale of 16,708,720 shares of our common stock. As of April 20, 2000, we had repurchased 17,143 shares of common stock through our share redemption program resulting in gross offering proceeds of \$166,915,777 net of such shares repurchased. Out of this amount, as of April 20, 2000, we had paid \$5,848,052 in acquisition and advisory fees and acquisition expenses, had paid \$20,885,901 in selling commissions and organizational and offering expenses, had invested \$128,842,937 in properties and were holding net offering proceeds of \$11,510,314 available for investment in additional properties.

Financial Statements and Prior Performance Tables

The financial statements of the Wells REIT as of December 31, 1999 and 1998, and for each of the years in the two year period ended December 31, 1999, included in this supplement and elsewhere in the registration statement, have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto, and are included in this supplement in reliance upon the authority of said firm as experts in giving said report.

The statements of revenues over certain operating expenses of the Dial Building, the ASML Building and the Motorola Building for the year ended December 31, 1999, included in this supplement and elsewhere in the registration statement, have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto, and are included in this supplement in reliance upon the authority of said firm as experts in giving said reports. The proforma financial information for the Wells REIT as of December 31, 1999 and for the year ended December 31, 1999, which are included in this supplement, have not been audited.

The prior performance tables dated as of December 31, 1999, which are included in this supplement, have not been audited.

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To Wells Real Estate Investment Trust, Inc.:

We have audited the accompanying consolidated balance sheets of WELLS REAL ESTATE INVESTMENT TRUST, INC. (a Maryland corporation) AND SUBSIDIARY as of December 31, 1999 and 1998 and the related consolidated statements of income, shareholders' equity, and cash flows for each of the two years in the period ended December 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Wells Real Estate Investment Trust, Inc. and subsidiary as of December 31, 1999 and 1998 and the results of their operations and their cash flows for each of the two years in the period ended December 31, 1999 in conformity with accounting principles generally accepted in the United States.

ARTHUR ANDERSEN LLP

/s/ Arthur Andersen LLP

Atlanta, Georgia
January 20, 2000

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WELLS REAL ESTATE INVESTMENT TRUST, INC.

AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 1999 AND 1998

ASSETS	1999	1998
	-----	-----
REAL ESTATE ASSETS, at cost:		
Land	\$ 14,500,822	\$ 1,520,834
Building, less accumulated depreciation of \$1,726,103 and \$0 at December 31, 1999 and 1998, respectively	81,507,040	20,076,845
Construction in progress	12,561,459	0
Total real estate assets	108,569,321	21,597,679
INVESTMENT IN JOINT VENTURES	29,431,176	11,568,677
CASH AND CASH EQUIVALENTS	2,929,804	7,979,403
DEFERRED OFFERING COSTS	964,941	548,729
DEFERRED PROJECT COSTS	28,093	335,421
DUE FROM AFFILIATES	648,354	262,345
PREPAID EXPENSES AND OTHER ASSETS	1,280,601	540,319
Total assets	\$143,852,290	\$42,832,573
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 461,300	\$ 187,827
Notes payable	23,929,228	14,059,930
Dividends payable	2,166,701	408,176
Due to affiliate	1,079,466	554,953
Total liabilities	27,636,695	15,210,886
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COMMITMENTS AND CONTINGENCIES		
MINORITY INTEREST OF UNIT HOLDER IN OPERATING PARTNERSHIP	200,000	200,000

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SHAREHOLDERS' EQUITY:		
Common shares, \$.01 par value; 40,000,000 shares authorized, 13,471,085 shares issued and outstanding at December 31, 1999 and 3,154,136 shares issued and outstanding at December 31, 1998	134,710	31,541
Additional paid-in capital	115,880,885	27,056,112
Retained earnings	0	334,034
	-----	-----
Total shareholders' equity	116,015,595	27,421,687
	-----	-----
Total liabilities and shareholders' equity	\$143,852,290	\$42,832,573
	=====	=====

The accompanying notes are an integral part of these consolidated balance sheets.

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WELLS REAL ESTATE INVESTMENT TRUST, INC.

AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	1999	1998
	-----	-----
REVENUES:		
Rental income	\$4,735,184	\$ 20,994
Equity in income of joint ventures	1,243,969	263,315
Interest income	502,993	110,869
Other income	13,249	0
	-----	-----
	6,495,395	395,178
	-----	-----
EXPENSES:		
Depreciation	1,726,103	0
Interest expense	442,029	11,033
Operating costs, net of reimbursements	(74,666)	0
Management and leasing fees	257,744	0
General and administrative	123,776	29,943
Legal and accounting	115,471	19,552
Computer costs	11,368	616
Amortization of organizational costs	8,921	0
	-----	-----
	2,610,746	61,144
	-----	-----
NET INCOME	\$3,884,649	\$334,034
	=====	=====
EARNINGS PER SHARE:		
Basic and diluted	\$ 0.50	\$ 0.40
	=====	=====

The accompanying notes are an integral part of these consolidated statements.

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WELLS REAL ESTATE INVESTMENT TRUST, INC.

AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	Common Stock		Additional Paid-In Capital	Retained Earnings	Total Shareholders' Equity
	Shares	Amount			
BALANCE, December 31, 1997	100	\$ 1	\$ 999	\$ 0	\$ 1,000
Issuance of common stock	3,154,036	31,540	31,508,820	0	31,540,360
Net income	0	0	0	334,034	334,034
Dividends (\$.31 per share)	0	0	(511,163)	0	(511,163)
Sales commissions	0	0	(2,996,334)	0	(2,996,334)
Other offering expenses	0	0	(946,210)	0	(946,210)
BALANCE, December 31, 1998	3,154,136	31,541	27,056,112	334,034	27,421,687
Issuance of common stock	10,316,949	103,169	103,066,321	0	103,169,490
Net income	0	0	0	3,884,649	3,884,649
Dividends (\$.70 per share)	0	0	(1,346,240)	(4,218,683)	(5,564,923)
Sales commissions	0	0	(9,801,197)	0	(9,801,197)
Other offering expenses	0	0	(3,094,111)	0	(3,094,111)
BALANCE, December 31, 1999	13,471,085	\$ 134,710	\$ 115,880,885	\$ 0	\$ 116,015,595

The accompanying notes are an integral part of these consolidated statements.

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WELLS REAL ESTATE INVESTMENT TRUST, INC.

AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 3,884,649	\$ 334,034
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Equity in income of joint ventures	1,243,969	(263,315)
Depreciation	1,726,103	0
Amortization of organizational costs	8,921	0
Changes in assets and liabilities:		
Prepaid expenses and other assets	(749,203)	(540,319)
Accounts payable and accrued expenses	273,473	187,827
Due to affiliates	108,301	6,224
Total adjustments	123,626	(609,583)
Net cash provided by (used in) operating activities	4,008,275	(275,549)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in real estate	(85,514,506)	(21,299,071)
Investment in joint ventures	(17,641,211)	(11,276,007)
Deferred project costs paid	(3,610,967)	(1,103,913)
Distributions received from joint ventures	1,371,728	178,184
Net cash used in investing activities	(105,394,956)	(33,500,807)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	40,594,463	14,059,930
Repayments of notes payable	(30,725,165)	0
Dividends paid to shareholders	(3,806,398)	(102,987)
Issuance of common stock	103,169,490	31,540,360
Sales commissions paid	(9,801,197)	(2,996,334)
Other offering costs paid	(3,094,111)	(946,210)
Net cash provided by financing activities	96,337,082	41,554,759
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(5,049,599)	7,778,403
CASH AND CASH EQUIVALENTS, beginning of year	7,979,403	201,000
CASH AND CASH EQUIVALENTS, end of year	\$ 2,929,804	\$ 7,979,403
SUPPLEMENTAL DISCLOSURES OF NONCASH ACTIVITIES:		
Deferred project costs applied to real estate assets	\$ 3,183,239	\$ 298,608
Deferred project costs contributed to joint ventures	\$ 735,056	\$ 469,884
Deferred offering costs due to affiliate	\$ 416,212	\$ 0

The accompanying notes are an integral part of these consolidated statements.

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WELLS REAL ESTATE INVESTMENT TRUST, INC.

AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Wells Real Estate Investment Trust, Inc. (the "Company") is a Maryland corporation that qualifies as a real estate investment trust ("REIT"). The Company is conducting an offering for the sale of a maximum of 40,000,000 (exclusive of 2,200,000 shares available pursuant to the Company's dividend reinvestment plan) shares of common stock, \$.01 par value per share, at a price of \$10 per share. The Company will seek to acquire and operate commercial properties, including, but not limited to, office buildings, shopping centers, business and industrial parks, and other commercial and industrial properties, including properties which are under construction, are newly constructed, or have been constructed and have operating histories. All such properties may be acquired, developed, and operated by the Company alone or jointly with another party. The Company is likely to enter into one or more joint ventures with affiliated entities for the acquisition of properties. In connection with this, the Company may enter into joint ventures for the acquisition of properties with prior or future real estate limited partnership programs sponsored by Wells Capital, Inc. (the "Advisor") or its affiliates.

Substantially all of the Company's business is conducted through Wells Operating Partnership, L.P. (the "Operating Partnership"), a Delaware limited partnership. During 1997, the Operating Partnership issued 20,000 limited partner units to the Advisor in exchange for \$200,000. The Company is the sole general partner in the Operating Partnership and possesses full legal control and authority over the operations of the Operating Partnership; consequently, the accompanying consolidated financial statements of the Company include the amounts of the Operating Partnership.

The Operating Partnership owns the following properties directly: (i) the PriceWaterhouseCoopers property (the "PwC Building"), a four-story office building located in Tampa, Florida; (ii) the AT&T Building, a four-story office building located in Harrisburg, Pennsylvania; (iii) the Marconi Data Systems property (the "Marconi Building"), a two-story office building located in Wood Dale, Illinois; and (iv) the Cinemark Building, a five-story office building located in Plano, Texas.

The Company also owns interests in several properties through a joint venture among the Operating Partnership, Wells Real Estate Fund IX, L.P. ("Wells Fund IX"), Wells Real Estate Fund X, L.P. ("Wells Fund X"), and Wells Real Estate Fund XI, L.P. ("Wells Fund XI"). This joint venture is referred to as the Fund IX, Fund X, Fund XI, and REIT Joint Venture ("Fund IX, X, XI, and REIT Joint Venture"). In addition, the Company owns an interest in several properties through a joint venture between Wells Fund XI, Wells Real Estate Fund XII, L.P. ("Wells Fund XII"), and the Operating Partnership, which is referred to as Wells Fund XI, XII and REIT Joint Venture. The Company owns two properties through a joint venture between the Operating Partnership and Fund X and XI Associates, a joint venture between Wells Fund X and Wells Fund XI.

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Through its investment in the Fund IX, X, XI, and REIT Joint Venture, the Company owns interests in the following properties: (i) a three-story

office building in Knoxville, Tennessee (the "ABB Building"), (ii) a two-story office building in Louisville, Colorado (the "Ohmeda Building"), (iii) a three-story office building in Broomfield, Colorado (the "360 Interlocken Building"), (iv) a one-story warehouse facility in Ogden, Utah (the "Iomega Building"), and (v) a one-story office building in Oklahoma City, Oklahoma (the "Lucent Technologies Building").

The following properties are owned by the Company through its investment in a joint venture with Fund X and XI Associates: (i) a one-story office and warehouse building in Fountain Valley, California (the "Cort Furniture Building") owned by Wells/Orange County Associates and (ii) a warehouse and office building in Fremont, California (the "Fairchild Building") owned by Wells/Fremont Associates.

Through its investment in the Wells Fund XI, XII, and REIT Joint Venture, the Company owns interests in the following properties: (i) a two-story manufacturing and office building in Greenville County, South Carolina (the "EYBL CarTex Building"), (ii) a three-story office building Leawood, Kansas (the "Sprint Building"), (iii) an office and warehouse building in Chester County, Pennsylvania (the "Johnson Matthey Building"), and (iv) a two-story office building in Ft. Myers, Florida (the "Gartner Building").

Use of Estimates and Factors Affecting the Company

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The carrying values of real estate are based on management's current intent to hold the real estate assets as long-term investments. The success of the Company's future operations and the ability to realize the investment in its assets will be dependent on the Company's ability to maintain rental rates, occupancy, and an appropriate level of operating expenses in future years. Management believes that the steps it is taking will enable the Company to realize its investment in its assets.

Income Taxes

The Company has elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"), commencing with the taxable year ended December 31, 1998. As a result, the Company generally will not be subject to federal income taxation at the corporate level to the extent it distributes annually at least 95% of its REIT taxable income, as defined in the Code, to its shareholders and satisfies certain other requirements. Additionally, the Operating Partnership is not subject to federal or state income taxes. Accordingly, no provision has been made for federal or state income taxes in the accompanying consolidated financial statements for the years ended December 31, 1999 and 1998.

Real Estate Assets

Real estate assets held by the Company and joint ventures are stated at cost less accumulated depreciation. Major improvements and betterments are capitalized when they extend the useful life of the related asset. All repair and maintenance are expensed as incurred.

Management continually monitors events and changes in circumstances which could indicate that carrying amounts of real estate assets may not be recoverable. When events or changes in circumstances

are present which indicate that the carrying amounts of real estate assets

may not be recoverable, management assesses the recoverability of real estate assets by determining whether the carrying value of such real estate assets will be recovered through the future cash flows expected from the use of the asset and its eventual disposition. Management has determined that there has been no impairment in the carrying value of real estate assets held by the Company or the joint ventures as of December 31, 1999.

Depreciation of building and improvements is calculated using the straight-line method over 25 years. Tenant improvements are amortized over the life of the related lease or the life of the asset, whichever is shorter.

Investment in Joint Ventures

Basis of Presentation. The Operating Partnership does not have control over the operations of the joint ventures; however, it does exercise significant influence. Accordingly, the Operating Partnership's investment in the joint ventures is recorded using the equity method of accounting.

Partners' Distributions and Allocations of Profit and Loss. Cash available for distribution and allocations of profit and loss to the Operating Partnership by the joint ventures are made in accordance with the terms of the individual joint venture agreements. Generally, these items are allocated in proportion to the partners' respective ownership interests. Cash is paid from the joint ventures to the Operating Partnership on a quarterly basis.

Deferred Lease Acquisition Costs. Costs incurred to procure operating leases are capitalized and amortized on a straight-line basis over the terms of the related leases.

Revenue Recognition

All leases on real estate assets held by the Company or the joint ventures are classified as operating leases, and the related rental income is recognized on a straight-line basis over the terms of the respective leases.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents include cash and short-term investments. Short-term investments are stated at cost, which approximates fair value, and consist of investments in money market accounts.

Earnings Per Share

Earnings per share is calculated based on the weighted average number of common shares outstanding during each period. The weighted average number of common shares outstanding is identical for basic and fully diluted earnings per share, as there is no dilutive impact created from the Company's stock option plan (Note 10) using the treasury stock method.

2. DEFERRED PROJECT COSTS

The Company paid a percentage of shareholder contributions to the Advisor for acquisition and advisory services. These payments, as stipulated in the prospectus, can be up to 3.5% of shareholder contributions, subject to certain overall limitations contained in the prospectus. Aggregate fees paid

through December 31, 1999 were \$4,714,880 and amounted to 3.5% of shareholders' contributions received. These fees are allocated to specific properties as they are purchased or developed and are included in

capitalized assets of the joint ventures or real estate assets. Deferred project costs at December 31, 1999 and 1998 represent fees not yet applied to properties.

3. DEFERRED OFFERING COSTS

Organization and offering expenses, to the extent they exceed 3% of gross offering proceeds, will be paid by the Advisor and not by the Company. Organization and offering expenses do not include sales or underwriting commissions but do include such costs as legal and accounting fees, printing costs, and other offering expenses.

As of December 31, 1999, the Advisor paid organization and offering expenses on behalf of the Company in the aggregate amount of \$5,005,262, of which the Advisor was reimbursed \$4,040,321, which did not exceed the 5% limitation. The unpaid portion of deferred offering costs is \$964,941 and is included in due to affiliate in the accompanying balance sheet.

4. RELATED-PARTY TRANSACTIONS

Due from affiliates at December 31, 1999 represents the Operating Partnership's share of the cash to be distributed from its joint venture investments for the fourth quarter of 1999 and 1998 as follows:

	1999	1998
	-----	-----
Fund IX, X, XI, and REIT Joint Venture	\$ 32,079	\$ 38,360
Wells/Orange County Associates	75,953	77,123
Wells/Fremont Associates	152,681	146,862
Fund XI, XII, and REIT	387,641	0
	-----	-----
	\$ 648,354	\$ 262,345
	=====	=====

The Company entered into a property management agreement with Wells Management Company, Inc. ("Wells Management"), an affiliate of the Advisor. In consideration for supervising the management and leasing of the Operating Partnership's properties, the Operating Partnership will pay Wells Management management and leasing fees equal to the lesser of (a) fees that would be paid to a comparable outside firm, or (b) 4.5% of the gross revenues generally paid over the life of the lease plus a separate competitive fee for the one-time initial lease-up of newly constructed properties generally paid in conjunction with the receipt of the first month's rent. In the case of commercial properties which are leased on a long-term (ten or more years) net lease basis, the maximum property management fee from such leases shall be 1% of the gross revenues generally paid over the life of the leases except for a one-time initial leasing fee of 3% of the gross revenues on each lease payable over the first five full years of the original lease term.

The Operating Partnership's portion of the management and leasing fees and lease acquisition costs paid to Wells Management by the joint ventures was \$336,517 for the year ended December 31, 1999.

The Advisor performs certain administrative services for the Operating Partnership, such as accounting and other partnership administration, and incurs the related expenses. Such expenses are allocated among the Operating Partnership and the various Wells Real Estate Funds based on time spent on each

fund by individual administrative personnel. In the opinion of management, such allocation is a reasonable basis for allocating such expenses.

The Advisor is a general partner in various Wells Real Estate Funds. As such, there may exist conflicts of interest where the Advisor, while

serving in the capacity as general partner for Wells Real Estate Funds, may be in competition with the Operating Partnership for tenants in similar geographic markets.

5. INVESTMENT IN JOINT VENTURES

The Operating Partnership's investment and percentage ownership in joint ventures at December 31, 1999 and 1998 are summarized as follows:

	1999		1998	
	Amount	Percent	Amount	Percent
Fund IX, X, XI, and REIT Joint Venture	\$ 1,388,884	4%	\$ 1,443,378	4%
Wells/Orange County Associates	2,893,112	44	2,958,617	44
Wells/Fremont Associates	6,988,210	78	7,166,682	78
Fund XI, XII, and REIT Joint Venture	18,160,970	57	0	0
	\$ 29,431,176		\$ 11,568,677	

The following is a rollforward of the Operating Partnership's investment in joint ventures for the years ended December 31, 1999 and 1998:

	1999	1998
Investment in joint ventures, beginning of year	\$11,568,677	\$ 0
Equity in income of joint ventures	1,243,969	263,315
Contributions to joint ventures	18,376,267	11,745,890
Distributions from joint ventures	(1,757,737)	(440,528)
Investment in joint ventures, end of year	\$29,431,176	\$11,568,677

Fund IX, X, XI, and REIT Joint Venture

On March 20, 1997, Wells Fund IX and Wells Fund X entered into a joint venture agreement. The joint venture, Fund IX and X Associates, was formed to acquire, develop, operate, and sell real properties. On March 20, 1997, Wells Fund IX contributed a 5.62-acre tract of real property in Knoxville, Tennessee, and improvements thereon, known as the ABB Building, to the Fund IX and X Associates joint venture. A 83,885-square-foot, three-story building was constructed and commenced operations at the end of 1997.

On February 13, 1998, the joint venture purchased a two-story office building, known as the Ohmeda Building, in Louisville, Colorado. On March 20, 1998, the joint venture purchased a three-story office building, known as the 360 Interlocken Building, in Broomfield, Colorado. On June 11, 1998, Fund IX and X Associates was amended and restated to admit Wells Fund XI and the Operating Partnership. The joint venture was renamed the Fund IX, X, XI, and REIT Joint Venture. On June 24, 1998, the new joint venture purchased a one-story office building, known as the Lucent Technologies Building, in Oklahoma City, Oklahoma. On April 1, 1998, Wells Fund X purchased a one-story warehouse facility, known as

the Iomega Building, in Ogden, Utah. On July 1, 1998, Wells Fund X contributed the Iomega Building to the Fund IX, X, XI, and REIT Joint Venture.

Following are the financial statements for the Fund IX, X, XI, and REIT Joint Venture:

The Fund IX, X, XI, and REIT Joint Venture
 (A Georgia Joint Venture)
 Balance Sheets

December 31, 1999 and 1998

Assets

	1999	1998
	-----	-----
Real estate assets, at cost:		
Land	\$ 6,698,020	\$ 6,454,213
Building and improvements, less accumulated depreciation of \$2,792,068 in 1999 and \$1,253,156 in 1998	29,878,541	30,686,845
Construction in progress	0	990
	-----	-----
Total real estate assets	36,576,561	37,142,048
Cash and cash equivalents	1,146,874	1,329,457
Accounts receivable	554,965	133,257
Prepaid expenses and other assets	526,409	441,128
	-----	-----
Total assets	\$ 38,804,809	\$ 39,045,890
	=====	=====

Liabilities and Partners' Capital

Liabilities:		
Accounts payable	\$ 704,914	\$ 409,737
Due to affiliates	6,379	4,406
Partnership distributions payable	804,734	1,000,127
	-----	-----
Total liabilities	1,516,027	1,414,270
	-----	-----
Partners' capital:		
Wells Real Estate Fund IX	14,590,626	14,960,100
Wells Real Estate Fund X	18,000,869	18,707,139
Wells Real Estate Fund XI	3,308,403	2,521,003
Wells Operating Partnership, L.P.	1,388,884	1,443,378
	-----	-----
Total partners' capital	37,288,782	37,631,620
	-----	-----
Total liabilities and partners' capital	\$ 38,804,809	\$ 39,045,890
	=====	=====

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The Fund IX, X, XI, and REIT Joint Venture
(A Georgia Joint Venture)
Statements of Income (Loss)
for the Years Ended December 31, 1999, 1998, and 1997

	1999	1998	1997
	-----	-----	-----
Revenues:			
Rental income	\$3,932,962	\$2,945,980	\$ 28,512
Interest income	120,080	20,438	0
	-----	-----	-----
Total revenues	4,053,042	2,966,418	28,512
	-----	-----	-----
Expenses:			
Depreciation	1,538,912	1,216,293	36,863
Management and leasing fees	286,139	226,643	1,711
Operating costs, net of reimbursements	(43,501)	(140,506)	10,118
Property administration expense	63,311	34,821	0
Legal and accounting	35,937	15,351	0
	-----	-----	-----
Total expenses	1,880,798	1,352,602	48,692
	-----	-----	-----
Net income (loss)	\$2,172,244	\$1,613,816	\$ (20,180)
	=====	=====	=====
Net income (loss) allocated to Wells Real Estate Fund IX	\$ 850,072	\$ 692,116	\$ (10,145)
	=====	=====	=====
Net income (loss) allocated to Wells Real Estate Fund X	\$1,056,316	\$ 787,481	\$ (10,035)
	=====	=====	=====
Net income allocated to Wells Real Estate Fund XI	\$ 184,355	\$ 85,352	0
	=====	=====	=====
Net income allocated to Wells Operating Partnership, L.P.	\$ 81,501	\$ 48,867	\$ 0
	=====	=====	=====

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The Fund IX, X, XI, and REIT Joint Venture
(A Georgia Joint Venture)
Statements of Partners' Capital
for the Years Ended December 31, 1999, 1998, and 1997

	Wells Real Estate Fund IX	Wells Real Estate Fund X	Wells Real Estate Fund XI	Wells Operating Partnership, L.P.	Total Partners' Capital
Balance, December 31, 1996	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net loss	(10,145)	(10,035)	0	0	(20,180)
Partnership contributions	3,712,938	3,672,838	0	0	7,385,776
Balance, December 31, 1997	3,702,793	3,662,803	0	0	7,365,596
Net income	692,116	787,481	85,352	48,867	1,613,816
Partnership contributions	11,771,312	15,613,477	2,586,262	1,480,741	31,451,792
Partnership distributions	(1,206,121)	(1,356,622)	(150,611)	(86,230)	(2,799,584)
Balance, December 31, 1998	14,960,100	18,707,139	2,521,003	1,443,378	37,631,620
Net income	850,072	1,056,316	184,355	81,501	2,172,244
Partnership contributions	198,989	0	911,027	0	1,110,016
Partnership distributions	(1,418,535)	(1,762,586)	(307,982)	(135,995)	(3,625,098)
Balance, December 31, 1999	\$14,590,626	\$18,000,869	\$3,308,403	\$1,388,884	\$37,288,782

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The Fund IX, X, XI, and REIT Joint Venture
(A Georgia Joint Venture)
Statements of Cash Flows
for the Years Ended December 31, 1999, 1998, and 1997

	1999	1998	1997
Cash flows from operating activities:			
Net income (loss)	\$ 2,172,244	\$ 1,613,816	\$ (20,180)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	1,538,912	1,216,293	36,863
Changes in assets and liabilities:			
Accounts receivable	(421,708)	(92,745)	(40,512)
Prepaid expenses and other assets	(85,281)	(111,818)	(329,310)
Accounts payable	295,177	29,967	379,770
Due to affiliates	1,973	1,927	2,479
Total adjustments	1,329,073	1,043,624	49,290
Net cash provided by operating activities	3,501,317	2,657,440	29,110
Cash flows from investing activities:			
Investment in real estate	(930,401)	(24,788,070)	(5,715,847)
Cash flows from financing activities:			
Distributions to joint venture partners	(3,820,491)	(1,799,457)	0
Contributions received from partners	1,066,992	24,970,373	5,975,908
Net cash (used in) provided by financing activities	(2,753,499)	23,170,916	5,975,908
Net (decrease) increase in cash and cash equivalents	(182,583)	1,040,286	289,171
Cash and cash equivalents, beginning of year	1,329,457	289,171	0
Cash and cash equivalents, end of year	\$ 1,146,874	\$ 1,329,457	\$ 289,171
Supplemental disclosure of noncash activities:			
Deferred project costs contributed to joint venture	\$ 43,024	\$ 1,470,780	\$ 318,981
Contribution of real estate assets to joint venture	\$ 0	\$ 5,010,639	\$ 1,090,887

Wells/Orange County Associates

On July 27, 1998, the Operating Partnership entered into a joint venture agreement with Wells Development Corporation, referred to as Wells/Orange County Associates. On July 31, 1998, Wells/Orange County Associates acquired a 52,000-square-foot warehouse and office building located in Fountain Valley, California, known as the Cort Furniture Building.

On September 1, 1998, Fund X and XI Associates acquired Wells Development Corporation's interest in Wells/Orange County Associates which resulted in Fund X and XI Associates becoming a joint venture partner with the Operating Partnership in the ownership of the Cort Furniture Building.

Following are the financial statements for Wells/Orange County Associates:

Wells/Orange County Associates
(A Georgia Joint Venture)
Balance Sheets
December 31, 1999 and 1998

Assets	1999	1998
	-----	-----
Real estate assets, at cost:		
Land	\$2,187,501	\$2,187,501
Building, less accumulated depreciation of \$278,652 in 1999 and \$92,087 in 1998	4,385,463	4,572,028
Total real estate assets	6,572,964	6,759,529
Cash and cash equivalents	176,666	180,895
Accounts receivable	49,679	13,123
Total assets	\$6,799,309	\$6,953,547
	=====	=====
Liabilities and Partners' Capital		
Liabilities:		
Accounts payable	\$ 0	\$ 1,550
Partnership distributions payable	173,935	176,614
Total liabilities	173,935	178,164
	-----	-----
Partners' capital:		
Wells Operating Partnership, L.P.	2,893,112	2,958,617
Fund X and XI Associates	3,732,262	3,816,766
Total partners' capital	6,625,374	6,775,383
Total liabilities and partners' capital	\$6,799,309	\$6,953,547
	=====	=====

Wells/Orange County Associates
(A Georgia Joint Venture)
Statements of Income
for the Years Ended December 31, 1999 and 1998

	1999	1998
	-----	-----
Revenues:		
Rental income	\$795,545	\$331,477
Interest income	0	448
	795,545	331,925
	-----	-----
Expenses:		
Depreciation	186,565	92,087
Management and leasing fees	30,360	12,734
Operating costs, net of reimbursements	22,229	2,288
Interest	0	29,472
Legal and accounting	5,439	3,930
	244,593	140,511
	-----	-----

Net income	\$550,952	\$191,414
	=====	=====
Net income allocated to Wells Operating Partnership, L.P.	\$240,585	\$ 91,978
	=====	=====
Net income allocated to Fund X and XI Associates	\$310,367	\$ 99,436
	=====	=====

Wells/Orange County Associates
(A Georgia Joint Venture)
Statements of Partners' Capital
for the Years Ended December 31, 1999 and 1998

	Wells Operating Partnership, L.P.	Fund X and XI Associates	Total Partners' Capital
	-----	-----	-----
Balance, December 31, 1997	\$ 0	\$ 0	\$ 0
Net income	91,978	99,436	191,414
Partnership contributions	2,991,074	3,863,272	6,854,346
Partnership distributions	(124,435)	(145,942)	(270,377)
	-----	-----	-----
Balance, December 31, 1998	2,958,617	3,816,766	6,775,383
Net income	240,585	310,367	550,952
Partnership distributions	(306,090)	(394,871)	(700,961)
	-----	-----	-----
Balance, December 31, 1999	\$ 2,893,112	\$3,732,262	\$6,625,374
	=====	=====	=====

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Wells/Orange County Associates
(A Georgia Joint Venture)
Statements of Cash Flows
for the Years Ended December 31, 1999 and 1998

	1999	1998
	-----	-----
Cash flows from operating activities:		
Net income	\$ 550,952	\$ 191,414
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	186,565	92,087
Changes in assets and liabilities:		
Accounts receivable	(36,556)	(13,123)
Accounts payable	(1,550)	1,550
Total adjustments	148,459	80,514
Net cash provided by operating activities	699,411	271,928
	-----	-----
Cash flows from investing activities:		
Investment in real estate	0	(6,563,700)
	-----	-----
Cash flows from financing activities:		
Issuance of note payable	0	4,875,000
Payment of note payable	0	(4,875,000)
	-----	-----
Distributions to partners	(703,640)	(93,763)
Contributions received from partners	0	6,566,430
Net cash (used in) provided by financing activities	(703,640)	6,472,667
	-----	-----
Net (decrease) increase in cash and cash equivalents	(4,229)	180,895
Cash and cash equivalents, beginning of year	180,895	0
	-----	-----
Cash and cash equivalents, end of year	\$ 176,666	\$ 180,895
	=====	=====

Supplemental disclosure of noncash activities:

Deferred project costs contributed to joint venture	\$ 0	\$ 287,916
	-----	-----

Wells/Fremont Associates

On July 15, 1998, the Operating Partnership entered into a joint venture agreement with Wells Development Corporation, referred to as Wells/Fremont Associates. On July 21, 1998, Wells/Fremont Associates acquired a 58,424-square-foot warehouse and office building located in Fremont, California, known as the Fairchild Building.

On October 8, 1998, Fund X and XI Associates acquired Wells Development Corporation's interest in Wells/Fremont Associates which resulted in Fund X and XI Associates becoming a joint venture partner with the Operating Partnership in the ownership of the Fairchild Building.

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Following are the financial statements for Wells/Fremont Associates:

Wells/Fremont Associates
(A Georgia Joint Venture)
Balance Sheets
December 31, 1999 and 1998

Assets

	1999	1998
	-----	-----
Real estate assets, at cost:		
Land	\$2,219,251	\$2,219,251
Building, less accumulated depreciation of \$428,246 in 1999 and \$142,720 in 1998	6,709,912	6,995,439
Total real estate assets	8,929,163	9,214,690
Cash and cash equivalents	189,012	192,512
Accounts receivable	92,979	34,742
Total assets	\$9,211,154	\$9,441,944
	=====	=====

Liabilities and Partners' Capital

Liabilities:		
Accounts payable	\$ 2,015	\$ 3,565
Due to affiliate	5,579	2,052
Partnership distributions payable	186,997	189,490
Total liabilities	194,591	195,107
Partners' capital:		
Wells Operating Partnership, L.P.	6,988,210	7,166,682
Fund X and XI Associates	2,028,353	2,080,155
Total partners' capital	9,016,563	9,246,837
Total liabilities and partners' capital	\$9,211,154	\$9,441,944
	=====	=====

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Wells/Fremont Associates
(A Georgia Joint Venture)
Statements of Income
for the Years Ended December 31, 1999 and 1998

	1999 -----	1998 -----
Revenues:		
Rental income	\$902,946	\$401,058
Interest income	0	3,896
	-----	-----
	902,946	404,954
	-----	-----
Expenses:		
Depreciation	285,526	142,720
Management and leasing fees	37,355	16,726
Operating costs, net of reimbursements	16,006	3,364
Interest	0	73,919
Legal and accounting	4,885	6,306
	-----	-----
	343,772	243,035
	-----	-----
Net income	\$559,174	\$161,919
	=====	=====
Net income allocated to Wells Operating Partnership, L.P.	\$433,383	\$122,470
	=====	=====
Net income allocated to Fund X and XI Associates	\$125,791	\$ 39,449
	=====	=====

Wells/Fremont Associates
(A Georgia Joint Venture)
Statements of Partners' Capital
for the Years Ended December 31, 1999 and 1998

	Wells Operating Partnership, L.P. -----	Fund X and XI Associates -----	Total Partners' Capital -----
Balance, December 31, 1997	\$ 0	\$ 0	\$ 0
Net income	122,470	39,449	161,919
Partner contributions	7,274,075	2,083,334	9,357,409
Partnership distributions	(229,863)	(42,628)	(272,491)
	-----	-----	-----
Balance, December 31, 1998	7,166,682	2,080,155	9,246,837
Net income	433,383	125,791	559,174
Partnership distributions	(611,855)	(177,593)	(789,448)
	-----	-----	-----
Balance, December 31, 1999	\$ 6,988,210	\$2,028,353	\$9,016,563
	=====	=====	=====

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Wells/Fremont Associates
(A Georgia Joint Venture)
Statements of Cash Flows
for the Years Ended December 31, 1999 and 1998

	1999 -----	1998 -----
Cash flows from operating activities:		
Net income	\$ 559,174	\$ 161,919

Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	285,526	142,720
Changes in assets and liabilities:		
Accounts receivable	(58,237)	(34,742)
Accounts payable	(1,550)	3,565
Due to affiliate	3,527	2,052
Total adjustments	229,266	113,595
Net cash provided by operating activities	788,440	275,514
Cash flows from investing activities:		
Investment in real estate	0	(8,983,111)
Cash flows from financing activities:		
Issuance of note payable	0	5,960,000
Payment of note payable	0	(5,960,000)
Distributions to partners	(791,940)	(83,001)
Contributions received from partners	0	8,983,110
Net cash (used in) provided by financing activities	(791,940)	8,900,109
Net (decrease) increase in cash and cash equivalents	(3,500)	192,512
Cash and cash equivalents, beginning of year	192,512	0
Cash and cash equivalents, end of year	\$ 189,012	\$ 192,512
Supplemental disclosure of noncash activities:		
Deferred project costs contributed to joint venture	\$ 0	\$ 374,299

Fund XI, XII, and REIT Joint Venture

On May 1, 1999, the Operating Partnership entered into a joint venture with Wells Fund XII and Wells Fund XI. On May 18, 1999, the joint venture purchased a 169,510-square-foot, two-story manufacturing and office building, known as EYBL CarTex, in Fountain Inn, South Carolina. On July 21, 1999, the joint venture purchased a 68,900 square-foot, three-story-office building, known as the Sprint Building, in Leawood, Kansas. On August 17, 1999, the joint venture purchased a 130,000 square-foot office and warehouse building, known as the Johnson Matthey Building, in Chester County, Pennsylvania. On September 20, 1999, the joint venture purchased a 62,400 square-foot, two-story office building, known as the Gartner Building, in Fort Myers, Florida.

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Following are the financial statements for the Fund XI, XII, and REIT Joint Venture:

The Fund XI, XII, and REIT Joint Venture
(A Georgia Joint Venture)
Balance Sheet
December 31, 1999

Assets

Real estate assets, at cost:	
Land	\$ 5,048,797
Building and improvements, less accumulated depreciation of \$506,582	26,811,869
Total real estate assets	31,860,666
Cash and cash equivalents	766,278
Accounts receivable	133,777
Prepaid assets and other expenses	26,486
Total assets	\$32,787,207

Liabilities and Partners' Capital

Liabilities:	
Accounts payable	\$ 112,457
Partnership distributions payable	680,294
Total liabilities	792,751
Partners' capital:	
Wells Real Estate Fund XI	8,365,852
Wells Real Estate Fund XII	5,467,634
Wells Operating Partnership, L.P.	18,160,970
Total partners' capital	31,994,456

Total liabilities and partners' capital

\$32,787,207
=====

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The Fund XI, XII, and REIT Joint Venture
(A Georgia Joint Venture)
Statement of Income
for the Year Ended December 31, 1999

Revenues:		
Rental income		\$1,443,446
Other income		57

		1,443,503
Expenses:		
Depreciation		506,582
Management and leasing fees		59,230
Operating costs, net of reimbursements		6,433
Property administration		14,185
Legal and accounting		4,000

		590,430
Net income		\$ 853,073
		=====
Net income allocated to Wells Real Estate Fund XI		\$ 240,031
		=====
Net income allocated to Wells Real Estate Fund XII		\$ 124,542
		=====
Net income allocated to Wells Operating Partnership, L.P.		\$ 488,500
		=====

The Fund XI, XII, and REIT Joint Venture
(A Georgia Joint Venture)
Statement of Partners' Capital
for the Year Ended December 31, 1999

	Wells Real Estate Fund XI	Wells Real Estate Fund XII	Wells Operating Partnership, L.P.	Total Partners' Capital
	-----	-----	-----	-----
Balance, December 31, 1998	\$ 0	\$ 0	\$ 0	\$ 0
Net income	240,031	124,542	488,500	853,073
Partnership contributions	8,470,160	5,520,835	18,376,267	32,367,262
Partnership distributions	(344,339)	(177,743)	(703,797)	(1,225,879)
	-----	-----	-----	-----
Balance, December 31, 1999	\$8,365,852	\$5,467,634	\$18,160,970	\$31,994,456
	=====	=====	=====	=====

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The Fund XI, XII, and REIT Joint Venture
(A Georgia Joint Venture)
Statement of Cash Flows
for the Year Ended December 31, 1999

Cash flows from operating activities:	
Net income	\$ 853,073

Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	506,582

Changes in assets and liabilities:	
Accounts receivable	(133,777)
Prepaid expenses and other assets	(26,486)
Accounts payable	112,457

Total adjustments	458,776

Net cash provided by operating activities	1,311,849

Cash flows from financing activities:	
Distributions to joint venture partners	(545,571)

Net increase in cash and cash equivalents	766,278
Cash and cash equivalents, beginning of year	0

Cash and cash equivalents, end of year	\$ 766,278
	=====
Supplemental disclosure of noncash activities:	
Deferred project costs contributed to joint venture	\$ 1,294,686
	=====
Contribution of real estate assets to joint venture	\$31,072,562
	=====

6. INCOME TAX BASIS NET INCOME AND PARTNERS' CAPITAL

The Operating Partnership's income tax basis net income for the years ended December 31, 1999 and 1998 are calculated as follows:

	1999	1998
	-----	-----
Financial statement net income	\$3,884,649	\$334,034
Increase (decrease) in net income resulting from:		
Depreciation expense for financial reporting purposes in excess of amounts for income tax purposes	949,631	82,618
Rental income accrued for financial reporting purposes in excess of amounts for income tax purposes	(789,599)	(35,427)
Expenses deductible when paid for income tax purposes, accrued for financial reporting purposes	49,906	1,634
	-----	-----
Income tax basis net income	\$4,094,587	\$382,859
	=====	=====

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The Operating Partnership's income tax basis partners' capital at December 31, 1999 and 1998 is computed as follows:

	1999	1998
	-----	-----
Financial statement partners' capital	\$116,015,595	\$27,421,687
Increase (decrease) in partners' capital resulting from:		
Depreciation expense for financial reporting purposes in excess of amounts for income tax purposes	1,032,249	82,618
Capitalization of syndication costs for income tax purposes, which are accounted for as cost of capital for financial reporting purposes	12,896,312	3,942,545
Accumulated rental income accrued for financial reporting purposes in excess of amounts for income tax purposes	(825,026)	(35,427)
Accumulated expenses deductible when paid for income tax purposes, accrued for financial reporting purposes	51,540	1,634
Dividends payable	2,166,701	408,176
	-----	-----
Income tax basis partners' capital	\$131,337,371	\$31,821,233
	=====	=====

7. RENTAL INCOME

The future minimum rental income due from the Operating Partnership's direct investment in real estate or its respective ownership interest in the joint ventures under noncancelable operating leases at December 31, 1999 is as follows:

Year ended December 31:

2000	\$ 11,737,408
2001	11,976,253
2002	12,714,291
2003	12,856,557
2004	12,581,882
Thereafter	54,304,092

	\$ 116,170,483
	=====

Three tenants contributed 32%, 16%, and 15% of rental income for the year ended December 31, 1999. In addition, four tenants will contribute 34%, 20%, 17%, and 11% of future minimum rental income.

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The future minimum rental income due the Fund IX, X, XI, and REIT Joint Venture under noncancelable operating leases at December 31, 1999 is as follows:

Year ended December 31:	
2000	\$ 3,666,570
2001	3,595,686
2002	3,179,827
2003	3,239,080
2004	3,048,152
Thereafter	5,181,003

	\$ 21,910,318
	=====

Four tenants contributed 25%, 18%, 13%, and 12% of rental income for the year ended December 31, 1999. In addition, four tenants will contribute 28%, 22%, 15%, and 10% of future minimum rental income.

The future minimum rental income due Wells/Orange County Associates under noncancelable operating leases at December 31, 1999 is as follows:

Year ended December 31:	
2000	\$ 758,964
2001	809,580
2002	834,888
2003	695,740

	\$ 3,099,172
	=====

One tenant contributed 100% of rental income for the year ended December 31, 1999 and will contribute 100% of future minimum rental income.

The future minimum rental income due Wells/Fremont Associates under noncancelable operating leases at December 31, 1999 is as follows:

Year ended December 31:	
2000	\$ 869,492
2001	895,577
2002	922,444
2003	950,118
2004	894,833

	\$ 4,532,464
	=====

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One tenant contributed 100% of rental income for the year ended December 31, 1999 and will contribute 100% of future minimum rental income.

The future minimum rental income due from XI, XII and REIT under noncancelable operating leases at December 31, 1999 is as follows:

Year ended December 31:	
2000	\$ 3,085,362
2001	3,135,490
2002	3,273,814
2003	3,367,231
2004	3,440,259
Thereafter	9,708,895

	\$ 26,011,051
	=====

Four tenants contributed approximately 34%, 22%, 22%, and 12% of rental income for the year ended December 31, 1999. In addition, four tenants will contribute approximately 30%, 27%, 22%, and 18% of future minimum rental income.

8. NOTES PAYABLE

At December 31, 1999, the Operating Partnership had outstanding debt of \$23,929,228. Of this amount, \$11,430,696 was borrowed under a construction loan with Bank of America in order to finance the construction of a new building for Matsushita Avionics (the "Matsushita Project") and improvements for the AT&T Building. This loan is secured by the Matsushita Project and matures on May 10, 2001. The remaining \$12,498,532 was borrowed against the revolving line of credit from SouthTrust Bank, which is collateralized by the PwC Building and matures on December 31, 2000. Interest is paid monthly and accrued at a variable rate based on LIBOR plus 200 basis points for both of these debt instruments. During 1999, the Company paid and capitalized interest costs of \$847,451 and \$463,873, respectively. The estimated fair value of these notes approximates their carrying value.

The Operating Partnership also has a \$9,825,000 line of credit from Bank of America, which bears interest at a variable rate based on LIBOR plus 200 basis points. No balance was outstanding at December 31, 1999 under this line of credit.

9. COMMITMENTS AND CONTINGENCIES

On February 18, 1999, the Operating Partnership entered into a rental income guaranty agreement with Fund VIII and IX Associates (the "joint venture"), whereby the Operating Partnership guaranteed that the joint venture would receive rental income on the existing Matsushita Building, equal to at least the rent and building expenses that the joint venture would have received from Matsushita Avionics over the remaining term of the existing lease. Matsushita Avionics vacated the building on January 3, 2000, while the existing lease term extends through September 2003. The Company paid approximately \$61,000 to the joint venture related to the rental income and building expenses due from Matsushita Avionics for the remainder of January 2000. Such payments are made from the Company's operating cash flow and reduce cash available for dividends.

On July 22, 1999, the Operating Partnership purchased a 7.49 acre tract of land located in Midlothian, Chesterfield County, Virginia for the purpose of constructing a four-story, 100,000 rentable square foot office building (the "ABB Project"). The Operating Partnership entered into an office lease with ABB Power Generation, Inc. ("ABB"), pursuant to which ABB has agreed to lease the ABB Project upon its completion.

Management, after consultation with legal counsel, is not aware of any significant litigation or claims against the Company, the Operating Partnership, or the Advisor. In the normal course of business, the Company, the Operating Partnership, or the Advisor may become subject to such litigation or claims.

10. COMMON STOCK OPTION PLAN

The Wells Real Estate Investment Trust, Inc. Independent Director Stock Option Plan ("the Plan") provides for grants of stock to be made to independent nonemployee directors of the Company. Options to purchase 2,500 shares of common stock at \$12 per share are granted upon initially becoming an independent director of the Company. Of these shares, 20% are exercisable immediately on the date of grant. An additional 20% of these shares become exercisable on each anniversary following the date of grant for a period of four years. Effective on the date of each annual meeting of shareholders of the Company, beginning in 2000, each independent director will be granted an option to purchase 1,000 additional shares of common stock. These options vest at the rate of 500 shares per full year of service thereafter. All options granted under the Plan expire no later than the date immediately following the tenth anniversary of the date of grant and may expire sooner in the event of the disability or death of the optionee or if the optionee ceases to serve as a director.

The Company has adopted the disclosure provisions in SFAS No. 123, "Accounting for Stock-Based Compensation." As permitted by the provisions of SFAS No. 123, the Company applies Accounting Principles Board ("APB") Opinion No. 25 and the related interpretations in accounting for its stock option plans and, accordingly, does not recognize compensation cost.

A summary of the Company's stock option activity during 1999 is as follows:

	Number -----	Exercise Price -----
Outstanding at December 31, 1998	0	\$ 0
Granted	27,500	12
	-----	-----
Outstanding at December 31, 1999	27,500	\$ 12
	-----	-----
Outstanding options exercisable as of December 31, 1999	5,500	\$ 12
	-----	-----

The weighted average remaining contractual life of options outstanding at December 31, 1999 is approximately 9.5 years. Based on the terms of the options, the fair value of the options granted during 1999 is \$0.

11. QUARTERLY RESULTS (UNAUDITED)

Presented below is a summary of the unaudited quarterly financial information for the years ended December 31, 1999 and 1998:

	1999 Quarters Ended			
	March 31	June 30	September 30	December 31
	-----	-----	-----	-----
Revenues	\$988,000	\$1,204,938	\$1,803,352	\$2,499,105
Net income	393,438	601,975	1,277,019	1,612,217
Basic and diluted earnings per share	\$0.10	\$0.09	\$0.18	\$0.13
Dividends per share	0.17	0.17	0.18	0.18
	-----	-----	-----	-----
	1998 Quarters Ended			
	-----	-----	-----	-----

	March 31	June 30	September 30	December 31
Revenues	\$ 0	\$10,917	\$73,292	\$310,969
Net income	0	10,899	62,128	261,007
Basic and diluted earnings per share	\$0.00	\$ 0.16	\$ 0.06	\$ 0.18
Dividends per share	0.00	0.00	0.15	0.16

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Wells Real Estate Investment Trust, Inc.:

We have audited the accompanying statement of revenues over certain operating expenses for the DIAL BUILDING for the year ended December 31, 1999. This financial statement is the responsibility of management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, this financial statement excludes certain expenses that would not be comparable with those resulting from the operations of the Dial Building after acquisition by the Wells Operating Partnership, L.P. (on behalf of Wells Real Estate Investment Trust, Inc.). The accompanying statement of revenues over certain operating expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and is not intended to be a complete presentation of the Dial Building's revenues and expenses.

In our opinion, the statement of revenues over certain operating expenses presents fairly, in all material respects, the revenues over certain operating expenses of the Dial Building for the year ended December 31, 1999, in conformity with accounting principles generally accepted in the United States.

ARTHUR ANDERSEN LLP

/s/ Arthur Andersen LLP

Atlanta, Georgia
April 10, 2000

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DIAL BUILDING
STATEMENT OF REVENUES
OVER CERTAIN OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 1999

RENTAL REVENUES	\$1,388,868
OPERATING EXPENSES, net of reimbursements	0

REVENUES OVER CERTAIN OPERATING EXPENSES	\$1,388,868
	=====

The accompanying notes are an integral part of this statement.

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DIAL BUILDING
NOTES TO STATEMENT OF REVENUES
OVER CERTAIN OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 1999

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Real Estate Property Acquired

On March 29, 2000, the Wells Operating Partnership L.P. ("Wells OP"), a Delaware Limited Partnership formed to acquire, own, lease, operate and manage real properties on behalf of the Wells Real Estate Investment Trust, Inc., acquired the Dial Building from Ryan Companies US, Inc. ("Ryan"). Ryan is not an affiliate of Wells OP. The purchase price of the Dial Building was \$14,250,000. Wells OP incurred additional acquisition expenses in connection with the purchase of the Dial Building, including attorney's fees, recording fees, loan fees, and other closing costs, of approximately \$35,712. The funds used to purchase the Dial Building consisted of cash and proceeds from Wells OP's lines of credit with SouthTrust Bank, N.A. and Bank of America, N.A.

The entire 129,689 rentable square feet of the Dial Building is currently under a net lease agreement (the "Lease") with Dial Corporation ("Dial"). The Lease was assigned to Wells OP at closing. The Lease commenced on August 14, 1997 and expires on August 31, 2008. Dial has the right to extend the Lease for two additional five-year periods at 95% of the then-current fair market rental rate. Under the Lease, Dial is required to pay as additional rent all real estate taxes, special assessments, utilities, insurance, and other operating costs associated with the Dial Building during the term of the Lease. In addition, Dial is responsible for repair and maintenance of the roof, walls, structure, and foundation, landscaping, and heating, ventilating, air conditioning, mechanical, electrical, plumbing, and other systems.

Rental Revenues

Rental income from the lease is recognized on a straight-line basis over the life of the lease.

2. BASIS OF ACCOUNTING

The accompanying statement of revenues over certain operating expenses is presented on the accrual basis. This statement has been prepared in accordance with the applicable rules and regulations of the Securities and Exchange Commission for real estate properties acquired. Accordingly, the statement excludes certain historical expenses, such as depreciation, interest, and management fees, not comparable to the operations of the Dial Building after acquisition by Wells OP.

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To the Wells Real Estate Investment Trust, Inc.:

We have audited the accompanying statement of revenues over certain operating expenses for the ASML BUILDING for the year ended December 31, 1999. This financial statement is the responsibility of management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, this financial statement excludes certain expenses that would not be comparable with those resulting from the operations of the ASML Building after acquisition by the Wells Operating Partnership, L.P. (on behalf of Wells Real Estate Investment Trust, Inc.). The accompanying statement of revenues over certain operating expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and is not intended to be a complete presentation of the ASML Building's revenues and expenses.

In our opinion, the statement of revenues over certain operating expenses presents fairly, in all material respects, the revenues over certain operating expenses of the ASML Building for the year ended December 31, 1999, in conformity with accounting principles generally accepted in the United States.

ARTHUR ANDERSEN LLP

/s/ Arthur Andersen LLP

Atlanta, Georgia
April 10, 2000

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ASML BUILDING
STATEMENT OF REVENUES
OVER CERTAIN OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 1999

REVENUES:

Rental income	\$1,849,908
Tenant reimbursements	242,143

Total revenues	2,092,051

OPERATING EXPENSES:

Ground lease	206,625
Insurance	9,628

Total operating expenses	216,253

REVENUES OVER CERTAIN OPERATING EXPENSES	\$1,875,798
	=====

The accompanying notes are an integral part of this statement.

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ASML BUILDING

NOTES TO STATEMENT OF REVENUES

OVER CERTAIN OPERATING EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 1999

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Real Estate Property Acquired

On March 29, 2000, the Wells Operating Partnership L.P. ("Wells OP"), a Delaware Limited Partnership formed to acquire, own, lease, operate, and manage real properties on behalf of the Wells Real Estate Investment Trust, Inc., acquired the ASML Building from Ryan Companies U.S., Inc. ("Ryan"). Ryan is not an affiliate of Wells OP. The purchase price of the ASML Building was \$17,355,000. Wells OP incurred additional acquisition expenses in connection with the purchase of the ASML Building, including attorney's fees, recording fees, loan fees, and other closing costs, of approximately \$48,875. The funds used to purchase the ASML Building consisted of cash and proceeds obtained from Wells OP's lines of credit with SouthTrust Bank, N.A. and Bank of America, N.A. Wells OP also assumed a ground lease with Research Park on 9.51 acres. The ground lease commenced August 22, 1997 and expires on December 31, 2082.

The entire 95,133 rentable square feet of the ASML Building is currently under a net lease agreement (the "Lease") with ASML Lithography, Inc. ("ASML"). The Lease was assigned to Wells OP at closing. The Lease commenced on June 4, 1998 and expires on June 30, 2013. ASML has the right to extend the Lease for two additional five-year periods at the prevailing market rental rate, but in no event less than the rate in force at the end of the preceding lease term. Under the Lease, ASML is required to pay as additional rent the rent associated with the ground lease described above and all real estate taxes, special assessments, utilities, insurance, and other operating costs associated with the ASML Building during the term of the Lease. In addition, ASML is responsible for repair and maintenance of the roof, walls, structure, and foundation, landscaping, and the heating, ventilating, air conditioning, mechanical, electrical, plumbing, and other systems.

Rental Revenues

Rental income from the lease is recognized on a straight-line basis over the life of the lease.

2. BASIS OF ACCOUNTING

The accompanying statement of revenues over certain operating expenses is presented on the accrual basis. This statement has been prepared in accordance with the applicable rules and regulations of the Securities and Exchange Commission for real estate properties acquired. Accordingly, the statement excludes certain historical expenses, such as depreciation, interest, and management fees, not comparable to the operations of the ASML Building after acquisition by Wells OP.

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Wells Real Estate Investment Trust, Inc.:

We have audited the accompanying statement of revenues over certain operating expenses for the MOTOROLA BUILDING for the year ended December 31, 1999. This financial statement is the responsibility of management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, this financial statement excludes certain expenses that would not be comparable with those resulting from the operations of the Motorola Building after acquisition by the Wells Operating Partnership, L.P. (on behalf of Wells Real Estate Investment Trust, Inc.). The accompanying statement of revenues over certain operating expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and is not intended to be a complete presentation of the Motorola Building's revenues and expenses.

In our opinion, the statement of revenues over certain operating expenses presents fairly, in all material respects, the revenues over certain operating expenses of the Motorola Building for the year ended December 31, 1999, in conformity with accounting principles generally accepted in the United States.

ARTHUR ANDERSEN LLP

/s/ Arthur Andersen LLP

Atlanta, Georgia
April 10, 2000

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MOTOROLA BUILDING
STATEMENT OF REVENUES
OVER CERTAIN OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 1999

REVENUES:

Rental income	\$1,817,366
Tenant reimbursements	290,287

Total revenues	2,107,653

OPERATING EXPENSES:

Ground lease	243,826
Insurance	11,951

Total operating expenses	255,777

REVENUES OVER CERTAIN OPERATING EXPENSES	\$1,851,876
	=====

The accompanying notes are an integral part of this statement.

MOTOROLA BUILDING

NOTES TO STATEMENT OF REVENUES

OVER CERTAIN OPERATING EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 1999

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Real Estate Property Acquired

On March 29, 2000, the Wells Operating Partnership L.P. ("Wells OP"), a Delaware Limited Partnership formed to acquire, own, lease, operate and manage real properties on behalf of the Wells Real Estate Investment Trust, Inc., acquired the Motorola Building from Ryan Companies US, Inc. ("Ryan"). Ryan is not an affiliate of Wells OP. The purchase price of the Motorola Building was \$16,000,000. Wells OP incurred additional acquisition expenses in connection with the purchase of the Motorola Building, including attorney's fees, recording fees, loan fees, and other closing costs, of approximately \$36,622. The funds used to purchase the Motorola Building consisted of cash and proceeds obtained from Wells OP's lines of credit with SouthTrust Bank, N.A. and Bank of America, N.A. In addition, \$5,000,000 in loan proceeds were provided by Ryan as seller financing. Wells OP also assumed a ground lease with Research Park on 12.44 gross acres. The ground lease commenced November 19, 1997 and expires on December 31, 2082.

The entire 133,225 rentable square feet of the Motorola Building is currently under a net lease agreement (the "Lease") with Motorola, Inc. ("Motorola"). The Lease was assigned to Wells OP at closing. The initial term of the Lease is seven years, which commenced on August 17, 1998 and expires on August 31, 2005. Motorola has the right to extend the Lease for four additional five-year periods at the prevailing market rental rate. Under the lease, Motorola is required to pay as additional rent the rent associated with the ground lease described above and all real estate taxes, special assessments, utilities, insurance, and other operating costs associated with the Motorola Building during the term of the Lease. In addition, Motorola's responsible for repair and maintenance of the roof, walls, structure, and foundation, landscaping, and the heating,

ventilating, air conditioning, mechanical, electrical, plumbing, and other systems.

Rental Revenues

Rental income from the lease is recognized on a straight-line basis over the life of the lease.

2. BASIS OF ACCOUNTING

The accompanying statement of revenues over certain operating expenses is presented on the accrual basis. This statement has been prepared in accordance with the applicable rules and regulations of the Securities and Exchange Commission for real estate properties acquired. Accordingly, the statement excludes certain historical expenses, such as depreciation, interest, and management fees, not comparable to the operations of the Motorola Building after acquisition by Wells OP.

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WELLS REAL ESTATE INVESTMENT TRUST, INC.

UNAUDITED PRO FORMA FINANCIAL STATEMENTS

The following unaudited pro forma balance sheet as of December 31, 1999 has been prepared to give effect to the acquisition of the Dial Building, the ASML Building, and the Motorola Building by the Wells Operating Partnership, L.P. ("Wells OP"), as if each acquisition occurred as of December 31, 1999. The following unaudited pro forma statement of income for the year ended December 31, 1999 has been prepared to give effect to the acquisition of the Dial Building, the ASML Building, and the Motorola Building by the Wells OP as if each acquisition occurred on January 1, 1999.

Wells OP is a Delaware limited partnership that was organized to own and operate properties on behalf of the Wells Real Estate Investment Trust, Inc. Wells Real Estate Investment Trust, Inc. is the general partner of the Wells OP.

These unaudited pro forma financial statements are prepared for informational purposes only and are not necessarily indicative of future results or of actual results that would have been achieved had the acquisitions been consummated at the beginning of the period presented.

As of December 31, 1999, the date of the accompanying pro forma balance sheet, Wells OP held cash of \$2,929,804. The additional cash used to purchase the Dial Building, the ASML Building, and the Motorola Building, including deferred project costs paid to Wells Capital Inc. (an affiliate of the Wells OP), were raised through the issuance of additional shares subsequent to December 31, 1999, but prior to the acquisition date of March 29, 2000. This balance is reflected in due to affiliate in the accompanying pro forma balance sheet.

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WELLS REAL ESTATE INVESTMENT TRUST, INC.

PRO FORMA BALANCE SHEET

DECEMBER 31, 1999

(Unaudited)

	Wells Real Estate Investment Trust, Inc.	Pro Forma Adjustments			Pro Forma Total
		Dial Building	ASML Building	Motorola Building	
ASSETS:	-----	-----	-----	-----	-----

REAL ESTATE ASSETS, at cost:					
Land	\$ 14,500,822	\$ 3,500,000 (a) 145,950 (b)	\$ 0	\$ 0	\$ 18,146,772
Buildings less accumulated depreciation of \$1,726,103	81,507,040	10,785,712 (a) 449,764 (b)	17,403,875 (a) 725,742 (b)	16,036,622 (a) 668,727 (b)	127,577,482
Construction in progress	12,561,459	0	0	0	12,561,459
Total real estate assets	108,569,321	14,881,426	18,129,617	16,705,349	158,285,713
INVESTMENT IN JOINT VENTURES	29,431,176	0	0	0	29,431,176
CASH AND CASH EQUIVALENTS	2,929,804	(878,941) (a)	(1,054,729) (a)	(996,134) (a)	0
DEFERRED OFFERING COSTS	964,941	0	0	0	964,941
DEFERRED PROJECT COSTS	28,093	(8,428) (b)	(10,113) (b)	(9,552) (b)	0
DUE FROM AFFILIATES	648,354	0	0	0	648,354
PREPAID EXPENSES AND OTHER ASSETS	1,280,601	0	0	0	1,280,601
Total assets	\$143,852,290	\$13,994,057	\$17,064,775	\$15,699,663	\$190,610,785
liabilities and shareholders' equity					
LIABILITIES:					
Accounts payable and accrued expenses	\$ 461,300	\$ 0	\$ 0	\$ 0	\$ 461,300
Notes payable	23,929,228	12,150,000 (a)	14,580,000 (a)	13,770,000 (a)	64,429,228
Dividends payable	2,166,701	0	0	0	2,166,701
Due to affiliate	1,079,466	1,256,771 (a) 587,266 (b)	1,769,146 (a) 715,629 (b)	1,270,488 (a) 659,175 (b)	7,337,961
Total liabilities	27,636,695	13,994,057	17,064,775	15,699,663	74,395,190
COMMITMENTS AND CONTINGENCIES					
MINORITY INTEREST OF UNIT HOLDER IN OPERATING PARTNERSHIP	200,000	0	0	0	200,000
SHAREHOLDERS' EQUITY:					
Common shares, \$.01 par value; 40,000,000 shares authorized, 13,471,085 shares issued and outstanding	134,710	0	0	0	134,710
Additional paid-in capital	115,880,885	0	0	0	115,880,885
Retained earnings	0	0	0	0	0
Total shareholders' equity	116,015,595	0	0	0	116,015,595
Total liabilities and shareholders' equity	\$143,852,290	\$13,994,057	\$17,064,775	\$15,699,663	\$190,610,785

(a) Reflects Wells Real Estate Investment Trust Inc.'s purchase price for the building.

(b) Reflects deferred project costs allocated to the building at approximately 4.17% of the purchase price.

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WELLS REAL ESTATE INVESTMENT TRUST, INC.

PRO FORMA STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 1999

(Unaudited)

	Wells Real Estate Investment Trust, Inc.	Pro Forma Adjustments			Pro Forma Total
		Dial Building	ASML Building	Motorola Building	
REVENUES:					
Rental income	\$4,735,184	\$1,388,868 (a)	\$1,849,908 (a)	\$1,817,366 (a)	\$ 9,791,326
Equity in income of joint ventures	1,243,969	0	0	0	1,243,969
Interest income	502,993	0	0	0	502,993
Other income	13,249	0	0	0	13,249
	6,495,395	1,388,868	1,849,908	1,817,366	11,551,537
EXPENSES:					
Depreciation	1,726,103	449,419 (b)	724,185 (b)	668,214 (b)	3,568,921
Interest	442,029	944,055 (c)	1,132,866 (c)	681,429 (c)	3,650,379
				450,000 (d)	
Operating costs, net of reimbursements	(74,666)	0	(25,890) (e)	(34,510) (e)	(135,066)
Management and leasing fees	257,744	83,332 (f)	104,114 (f)	94,670 (f)	539,860
General and administrative	123,776	0	0	0	123,776
Legal and accounting	115,471	0	0	0	115,471
Computer costs	11,368	0	0	0	11,368

Amortization of organizational costs	8,921	0	0	0	8,921
	-----	-----	-----	-----	-----
	2,610,746	1,476,806	1,936,275	1,859,803	7,883,630
	-----	-----	-----	-----	-----
NET INCOME	\$3,884,649	\$ (87,938)	\$ (86,367)	\$ (42,437)	\$ 3,667,907
	=====	=====	=====	=====	=====
HISTORICAL EARNINGS PER SHARE (BASIC AND DILUTED)	\$ 0.50				
	=====				
PRO FORMA EARNINGS PER SHARE (BASIC AND DILUTED)				\$ 0.23 (g)	
				=====	

- (a) Rental income recognized on a straight-line basis.
- (b) Depreciation expense on the building using the straight-line method and a 25-year life.
- (c) Interest expense on the \$9,000,000 line-of-credit with SouthTrust Bank, N.A. and the \$26,500,000 line-of-credit with Bank of America N.A., which bear interest at 7.77%. Total proceeds from both lines-of-credit and the seller financing have been allocated based on the properties' pro-rata portion of the total purchase price.
- (d) Interest expense on the \$5,000,000 note payable with Ryan Companies U.S. Inc., the seller, which bears interest at 9%. The seller financing specifically relates to the Motorola Building; consequently, all of the related interest expense is allocated to the Motorola Building.
- (e) Consists of ground lease and insurance expense, which total \$216,253 (ASML) and \$255,777 (Motorola), net of tenant reimbursements.
- (f) Management and leasing fees equal approximately 6% of rental income.
- (g) As of the property acquisition date of March 29, 2000, Wells Real Estate Investment Trust, Inc. had 16,104,224 shares of common stock outstanding; pro forma earnings per share is calculated as if these shares were outstanding for the entire year ended December 31, 1999.

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PRIOR PERFORMANCE TABLES

The following prior performance tables (Tables) provide information relating to real estate investment programs sponsored by the advisor and its affiliates (Wells Public Programs) which have investment objectives substantially similar to Wells Real Estate Investment Trust, Inc. (Wells REIT). (See "Investment Objectives and Criteria.") All of the Wells Public Programs, except for the Wells REIT, have used substantial amounts of capital, and no acquisition indebtedness, to acquire their properties.

Prospective investors should read these Tables carefully together with the summary information concerning the Wells Public Programs as set forth in the "Prior Performance Summary" section of this prospectus.

Investors in the Wells REIT will not own any interest in the other Wells Public Programs and should not assume that they will experience returns, if any, comparable to those experienced by investors in the Wells Public Programs.

The advisor is responsible for the acquisition, operation, maintenance and resale of the real estate properties. The financial results of the Wells Public Programs thus provide an indication of the advisor's performance of its obligations during the periods covered. However, general economic conditions affecting the real estate industry and other factors contribute significantly to

financial results.

The following tables are included in this Supplement to the Prospectus:

Table I - Experience in Raising and Investing Funds (As a Percentage of Investment)

Table II - Compensation to Sponsor (in Dollars)

Table III - Annual Operating Results of Wells Public Programs

Table IV (Results of completed programs) and Table V (sales or disposals of property) have been omitted since none of the Wells Public Programs have sold any of their properties to date.

Additional information relating to the acquisition of properties by the Wells Public Programs is contained in Table VI, which is included in Part II of the registration statement which the Wells REIT has filed with the Securities and Exchange Commission. As described above, no Wells Public Program has sold or disposed of any property held by it. Copies of any or all information will be provided to prospective investors at no charge upon request.

The following are definitions of certain terms used in the Tables:

"Acquisition Fees" shall mean fees and commissions paid by a Wells Public Program in connection with its purchase or development of a property, except development fees paid to a person not affiliated with the Wells Public Program or with a general partner or advisor of the Wells Public Program in connection with the actual development of a project after acquisition of the land by the Wells Public Program.

"Organization Expenses" shall include legal fees, accounting fees, securities filing fees, printing and reproduction expenses and fees paid to the sponsor in connection with the planning and formation of the Wells Public Program.

"Underwriting Fees" shall include selling commissions and wholesaling fees paid to broker-dealers for services provided by the broker-dealers during the offering.

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TABLE I
(UNAUDITED)

EXPERIENCE IN RAISING AND INVESTING FUNDS

This Table provides a summary of the experience of the sponsors of Wells Public Programs for which offerings have been completed since December 31, 1996. Information is provided with regard to the manner in which the proceeds of the offerings have been applied. Also set forth is information pertaining to the timing and length of these offerings and the time period over which the proceeds have been invested in the properties. All figures are as of December 31, 1999.

	Wells Real Estate Fund IX, L.P.	Wells Real Estate Fund X, L.P.	Wells Real Estate Fund XI, L.P.	Wells Real Estate Investment Trust, Inc.
Dollar Amount Raised	\$35,000,000/(3)/	\$ 27,128,912/(4)/	\$ 16,532,802/(5)/	\$ 132,181,919/(6)/
Percentage Amount Raised	100.0%/(3)/	100%/(4)/	100%/(5)/	100%/(6)/
Less Offering Expenses				
Underwriting Fees	10.0%	10.0%	9.5%	9.5%
Organizational Expenses	5.0%	5.0%	3.0%	3.0%
Reserves/(1)/	0.0%	0.0%	0.0%	0.0%
Percent Available for Investment	85.0%	85.0%	87.5%	87.5%
Acquisition and Development Costs				
Prepaid Items and Fees related to				

Purchase of Property	2.0%	5.4%	0.0%	1.1%
Cash Down Payment	67.1%	60.5%	84.0%	82.0%
Acquisition Fees/(2)/	4.0%	4.0%	3.5%	3.5%
Development and Construction Costs	11.9%	14.1%	0.0%	0.3%
Reserve for Payment of Indebtedness	0.0%	0.0%	0.0%	0.0%
	----	----	----	----
Total Acquisition and Development Cost	85.0%	84.0%	87.5%	86.9%
Percent Leveraged	0.0%	0.0%	0.0%	17.6%
	====	====	====	
Date Offering Began	01/05/96	12/31/96	12/31/97	01/30/98
Length of Offering	12 mo.	12 mo.	12 mo.	23 mo.
Months to Invest 90% of Amount Available for Investment (Measured from Beginning of Offering)	14 mo.	19 mo.	20 mo.	21 mo.
Number of Investors as of 12/31/99	2,120	1,812	1,345	3,839

- (1) Does not include general partner contributions held as part of reserves.
- (2) Includes acquisition fees, real estate commissions, general contractor fees and/or architectural fees paid to affiliates of the general partners.
- (3) Total dollar amount registered and available to be offered was \$35,000,000. Wells Real Estate Fund IX, L.P. closed its offering on December 30, 1996, and the total dollar amount raised was \$35,000,000.
- (4) Total dollar amount registered and available to be offered was \$35,000,000. Wells Real Estate Fund X, L.P. closed its offering on December 30, 1997, and the total dollar amount raised was \$27,128,912.
- (5) Total dollar amount registered and available to be offered was \$35,000,000. Wells Real Estate Fund XI, L.P. closed its offering on December 30, 1998, and the total dollar amount raised was \$16,532,802.
- (6) Total dollar amount registered and available to be offered was \$165,000,000. Wells Real Estate Investment Trust, Inc. closed its initial offering on December 20, 1999, and the total dollar amount raised in its initial offering was \$132,181,919.

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TABLE II
(UNAUDITED)
COMPENSATION TO SPONSOR

The following sets forth the compensation received by our advisor or their affiliates, including compensation paid out of offering proceeds and compensation paid in connection with the ongoing operations of Wells Public Programs having similar or identical investment objectives, including our initial public offering the offerings of which have been completed since December 31, 1996. None of these Wells Public Programs have sold or refinanced any of its properties to date. All figures are as of December 31, 1999.

	Wells Real Estate Fund IX, L.P.	Wells Real Estate Fund X, L.P.	Wells Real Estate Fund XI, L.P.	Wells Real Estate Investment Trust, Inc.	Other Public Programs/(1)/
	-----	-----	-----	-----	-----
Date Offering Commenced	01/05/96	12/31/96	12/31/97	01/30/98	--
Dollar Amount Raised to Sponsor from Proceeds of Offering:	\$35,000,000	\$ 27,128,912	\$ 16,532,802	\$132,181,919	\$206,241,095
Underwriting Fees/(2)/	\$ 309,556	\$ 260,748	\$ 151,911	\$ 1,530,882	\$ 924,156
Acquisition Fees	--	--	--	--	--
Real Estate Commissions	--	--	--	--	--
Acquisition and Advisory Fees/(3)/	\$ 1,400,000	\$ 1,085,157	\$ 578,648	\$ 4,626,367	\$ 10,159,399
Dollar Amount of Cash Generated from Operations Before Deducting Payments to Sponsor/(4)/	\$ 7,064,631	\$ 4,262,319	\$ 2,133,705	\$ 8,002,132	\$ 38,076,886
Amount Paid to Sponsor from Operations:					
Property Management Fee(1)	\$ 169,661	\$ 105,410	\$ 22,200	\$ 129,208	\$ 1,434,957
Partnership Management Fee	--	--	--	--	--
Reimbursements	\$ 133,784	\$ 105,132	\$ 61,058	\$ 101,605	\$ 1,613,725
Leasing Commissions	\$ 260,082	\$ 176,108	\$ 33,492	\$ 129,208	\$ 1,580,482
General Partner Distributions	--	--	--	--	--
Other	--	--	--	--	--

Dollar Amount of Property Sales and Refinancing

Payments to Sponsors:					
Cash	--	--	--	--	--
Notes	--	--	--	--	--
Amount Paid to Sponsor from Property Sales and Refinancing:					
Real Estate Commissions	--	--	--	--	--
Incentive Fees	--	--	--	--	--
Other	--	--	--	--	--

- (1) Includes compensation paid to general partners from Wells Real Estate Fund I, Wells Real Estate Fund II, Wells Real Estate Fund II-OW, Wells Real Estate Fund III, L.P., Wells Real Estate Fund IV, L.P., Wells Real Estate Fund V, L.P., Wells Real Estate Fund VI, L.P., Wells Real Estate Fund VII, L.P. and Wells Real Estate Fund VIII, L.P. during the past three years. In addition to the amounts shown, affiliates of the general partners of Wells Real Estate Fund I are entitled to certain property management and leasing fees but have elected to defer the payment of such deferred fees until a later year on properties owned by Wells Real Estate Fund I. At December 31, 1999, the amount of such fees due the general partners totaled \$2,397,266.
- (2) Includes net underwriting compensation and commissions paid to Wells Investment Securities, Inc. in connection with the offering which was not reallocated to participating broker-dealers.
- (3) Fees paid to the advisor and its affiliates for acquisition and advisory services in connection with the review and evaluation of potential real property acquisitions.

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- (4) Includes \$487,134 in net cash provided by operating activities, \$6,013,970 in distributions to limited partners and \$563,527 in payments to sponsor for Wells Real Estate Fund IX, L.P.; \$400,825 in net cash provided by operating activities, \$3,474,844 in distributions to limited partners and \$386,650 in payments to sponsor for Wells Real Estate Fund X, L.P.; \$(150,720) in net cash used by operating activities, \$2,167,675 in distributions to limited partners and \$116,750 in payments to sponsor for Wells Real Estate Fund XI, L.P.; \$3,732,726 in net cash provided by operating activities, \$3,909,385 in dividends and \$360,021 in payments to sponsor for Wells Real Estate Investment Trust, Inc.; and \$2,167,163 in net cash provided by operating activities, \$31,280,559 in distributions to limited partners and \$4,629,164 in payments to sponsor for other public programs.

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TABLE III
(UNAUDITED)

The following six tables set forth operating results of Wells Public Programs the offerings of which have been completed since December 31, 1994. The information relates only to public programs with investment objectives similar to those of the Wells REIT. All figures are as of December 31 of the year indicated.

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TABLE III (UNAUDITED)
OPERATING RESULTS OF WELLS PUBLIC PROGRAMS
WELLS REAL ESTATE FUND VII, L.P.

1999	1998	1997	1996	1995
----	----	----	----	----

Gross Revenues/(1)/	\$ 982,630	\$ 846,306	\$ 816,237	\$ 543,291	\$ 925,246
Profit on Sale of Properties	--	--	--	--	--
Less: Operating Expenses/(2)/	85,273	85,722	76,838	84,265	114,953
Depreciation and Amortization/(3)/	1,562	6,250	6,250	6,250	6,250
	-----	-----	-----	-----	-----
Net Income GAAP Basis/(4)/	\$ 895,795	\$ 754,334	\$ 733,149	\$ 452,776	\$ 804,043
	=====	=====	=====	=====	=====
Taxable Income: Operations	\$ 1,255,666	\$ 1,109,096	\$ 1,008,368	\$ 657,443	\$ 812,402
	=====	=====	=====	=====	=====
Cash Generated (Used By):					
Operations	(82,763)	(72,194)	(43,250)	20,883	431,728
Joint Ventures	1,777,010	1,770,742	1,420,126	760,628	424,304
	-----	-----	-----	-----	-----
	\$ 1,694,247	\$ 1,698,548	\$ 1,376,876	\$ 781,511	\$ 856,032
Less Cash Distributions to Investors:					
Operating Cash Flow	1,688,290	1,636,158	1,376,876	781,511	856,032
Return of Capital	--	--	2,709	10,805	22,064
Undistributed Cash Flow from Prior Year Operations	--	--	--	--	9,643
	-----	-----	-----	-----	-----
Cash Generated (Deficiency) after Cash Distributions	\$ 5,957	\$ 62,390	\$ (2,709)	\$ (10,805)	\$ (31,707)
Special Items (not including sales and financing):					
Source of Funds:					
General Partner Contributions	--	--	--	--	--
Increase in Limited Partner Contributions	\$ --	\$ --	\$ --	\$ --	\$ 805,212
	-----	-----	-----	-----	-----
	\$ 5,957	\$ 62,390	\$ (2,709)	\$ (10,805)	\$ 773,505
Use of Funds:					
Sales Commissions and Offering Expenses	--	--	--	--	\$ 244,207
Return of Original Limited Partner's Investment	--	--	--	--	100
Property Acquisitions and Deferred Project Costs	0	181,070	169,172	736,960	14,971,002
	-----	-----	-----	-----	-----
Cash Generated (Deficiency) after Cash Distributions and Special Items	\$ 5,957	\$ (118,680)	\$ (171,881)	\$ (747,765)	\$ (14,441,804)
	=====	=====	=====	=====	=====
Net Income and Distributions Data per \$1,000 Invested:					
Net Income on GAAP Basis:					
Ordinary Income (Loss)	93	85	86	62	57
- Operations Class A Units	(248)	(224)	(168)	(98)	(20)
- Operations Class B Units	--	--	--	--	--
Capital Gain (Loss)	--	--	--	--	--
Tax and Distributions Data per \$1,000 Invested:					
Federal Income Tax Results:					
Ordinary Income (Loss)	89	82	78	55	55
- Operations Class A Units	(144)	(134)	(111)	(58)	(16)
- Operations Class B Units	--	--	--	--	--
Capital Gain (Loss)	--	--	--	--	--
Cash Distributions to Investors:					
Source (on GAAP Basis)	83	81	70	43	52
- Investment Income Class A Units	--	--	--	--	--
- Return of Capital Class A Units	--	--	--	--	--
- Return of Capital Class B Units	--	--	--	--	--
Source (on Cash Basis)	83	81	70	42	51
- Operations Class A Units	--	--	--	1	1
- Return of Capital Class A Units	--	--	--	--	--
- Operations Class B Units	--	--	--	--	--
Source (on a Priority Distribution Basis)/(5)/	67	65	54	29	30
- Investment income Class A Units	16	16	16	14	22
- Return of Capital Class A Units	--	--	--	--	--
- Return of Capital Class B Units	--	--	--	--	--
Amount (in Percentage Terms) Remaining Invested in Program Properties at the end of the Last Year Reported in the Table	100%				

- (1) Includes \$403,325 in equity in earnings of joint ventures and \$521,921 from investment of reserve funds in 1995, \$457,144 in equity in earnings of joint ventures and \$86,147 from investment of reserve funds in 1996, \$785,398 in equity in earnings of joint ventures and \$30,839 from investment of reserve funds in 1997, \$839,037 in equity in earnings of joint ventures and \$7,269 from investment of reserve funds in 1998, and \$981,104 in equity in earnings of joint ventures and \$1,526 from investment of reserve funds in 1999. At December 31, 1999, the leasing status was 97% including developed property in initial lease up.
- (2) Includes partnership administrative expenses.
- (3) Included in equity in earnings of joint ventures in gross revenues is depreciation of \$140,533 for 1995, \$605,247 for 1996, \$877,869 for 1997, \$955,245 for 1998, and \$982,052 for 1999.
- (4) In accordance with the partnership agreement, net income or loss, depreciation and amortization are allocated \$950,826 to Class A Limited Partners, \$(146,503) to Class B Limited Partners and \$(280) to the General Partners for 1995; \$1,062,605 to Class A Limited Partners, \$(609,829) to Class B Limited Partners and \$0 to the General Partners for 1996; \$1,615,965 to class A Limited Partners, \$(882,816) to Class B Limited Partners and \$0 to the General Partners for 1997; \$1,704,213 to Class A Limited Partners, \$(949,879) to Class B Limited Partners and \$0 to the General Partners for 1998; and \$1,879,410 to Class A Limited Partners, \$(983,615) to Class B Limited Partners and \$0 to the General Partners for 1999.
- (5) Pursuant to the terms of the partnership agreement, an amount equal to the cash distributions paid to Class A Limited Partners is payable as priority distributions out of the first available net proceeds from the sale of

partnership properties to Class B Limited Partners. The amount of cash distributions paid per unit to Class A Limited Partners is shown as a return of capital to the extent of such priority distributions payable to Class B Limited Partners. As of December 31, 1999, the aggregate amount of such priority distributions payable to Class B Limited Partners totaled \$1,680,730.

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TABLE III (UNAUDITED)
OPERATING RESULTS OF WELLS PUBLIC PROGRAMS
WELLS REAL ESTATE FUND VIII, L.P.

	1999	1998	1997	1996	1995
	----	----	----	----	----
Gross Revenues/(1)/	\$ 1,360,497	\$ 1,362,513	\$ 1,204,018	\$ 1,057,694	\$ 402,428
Profit on Sale of Properties	--	--	--	--	--
Less: Operating Expenses/(2)/	87,301	87,092	95,201	114,854	122,264
Depreciation and Amortization/(3)/	6,250	6,250	6,250	6,250	6,250
Net Income GAAP Basis/(4)/	1,266,946	1,269,171	\$ 1,102,567	\$ 936,590	273,914
Taxable Income: Operations	1,672,844	1,683,192	\$ 1,213,524	\$ 1,001,974	404,348
Cash Generated (Used By):					
Operations	(87,298)	(63,946)	7,909	623,268	204,790
Joint Ventures	2,558,623	2,293,504	1,229,282	279,984	20,287
Less Cash Distributions to Investors:					
Operating Cash Flow	2,379,215	2,218,400	1,237,191	903,252	--
Return of Capital	--	--	183,315	2,443	--
Undistributed Cash Flow from Prior Year	--	--	--	225,077	--
Operations	\$ 92,110	\$ 11,158	\$ (183,315)	\$ (227,520)	225,077
Cash Generated (Deficiency) after Cash Distributions					
Special Items (not including sales and financing):					
Source of Funds:					
General Partner Contributions	--	--	--	--	--
Increase in Limited Partner Contributions/(5)/	--	--	--	1,898,147	30,144,542
	\$	\$ 11,158	\$ (183,315)	\$ 1,670,627	30,369,619
Use of Funds:					
Sales Commissions and Offering Expenses	--	--	--	464,760	4,310,028
Return of Limited Partner's Investment	--	--	8,600	--	--
Property Acquisitions and Deferred Project Costs	0	1,850,859	10,675,811	7,931,566	6,618,273
Cash Generated (Deficiency) after Cash Distributions and Special Items	\$ 92,110	\$ (1,839,701)	\$ (10,867,726)	\$ (6,725,699)	19,441,318
Net Income and Distributions Data per \$1,000 Invested:					
Net Income on GAAP Basis:					
Ordinary Income (Loss)					
- Operations Class A Units	91	91	73	46	28
- Operations Class B Units	(247)	(212)	(150)	(47)	(3)
Capital Gain (Loss)	--	--	--	--	--
Tax and Distributions Data per \$1,000 Invested:					
Federal Income Tax Results:					
Ordinary Income (Loss)	88	89	65	46	17
- Operations Class A Units	154	(131)	(95)	(33)	(3)
- Operations Class B Units	--	--	--	--	--
Capital Gain (Loss)	--	--	--	--	--
Cash Distributions to Investors:					
Source (on GAAP Basis)					
- Investment Income Class A Units	87	83	54	43	--
- Return of Capital Class A Units	--	--	--	--	--
- Return of Capital Class B Units	--	--	--	--	--
Source (on Cash Basis)					
- Operations Class A Units	87	83	47	43	--
- Return of Capital Class A Units	--	--	7	0	--
- Operations Class B Units	--	--	--	--	--
Source (on a Priority Distribution Basis)/(5)/					
- Investment Income Class A Units	70	67	42	33	--
- Return of Capital Class A Units	17	16	12	10	--
- Return of Capital Class B Units	--	--	--	--	--
Amount (in Percentage Terms) Remaining Invested in Program Properties at the end of the Last Year Reported in the Table	100%				

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(1) Includes \$28,377 in equity in earnings of joint ventures and \$374,051 from investment of reserve funds in 1995, \$241,819 in equity in earnings of

joint ventures and \$815,875 from investment of reserve funds in 1996, \$1,034,907 in equity in earnings of joint ventures and \$169,111 from investment of reserve funds in 1997, \$1,346,367 in equity in earnings of joint ventures and \$16,146 from investment of reserve funds in 1998, and \$1,360,494 in equity in earnings of joint ventures and \$3 from investment of reserve funds in 1999. At December 31, 1999, the leasing status was 98% including developed property in initial lease up.

- (2) Includes partnership administrative expenses.
- (3) Included in equity in earnings of joint ventures in gross revenues is depreciation of \$14,058 for 1995, \$265,259 for 1996, \$841,666 for 1997, \$1,157,355 for 1998, and \$1,209,171 for 1999.
- (4) In accordance with the partnership agreement, net income or loss, depreciation and amortization are allocated \$294,221 to Class A Limited Partners, \$(20,104) to Class B Limited Partners and \$(203) to the General Partners for 1995; \$1,207,540 to Class A Limited Partners, \$(270,653) to Class B Limited Partners and \$(297) to the General Partners for 1996; \$1,947,536 to Class A Limited Partners, \$(844,969) to Class B Limited Partners and \$0 to the General Partners for 1997; \$2,431,246 to Class A Limited Partners, \$(1,162,075) to Class B Limited Partners and \$0 to the General Partners for 1998; and \$2,481,559 to Class A Limited Partners, \$(1,214,613) to Class B Limited Partners and \$0 to the General Partners for 1999.
- (5) Pursuant to the terms of the partnership agreement, an amount equal to the cash distributions paid to Class A Limited Partners is payable as priority distributions out of the first available net proceeds from the sale of partnership properties to Class B Limited Partners. The amount of cash distributions paid per unit to Class A Limited Partners is shown as a return of capital to the extent of such priority distributions payable to Class B Limited Partners. As of December 31, 1999, the aggregate amount of such priority distributions payable to Class B Limited Partners totaled \$1,464,810.

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TABLE III (UNAUDITED)
OPERATING RESULTS OF WELLS PUBLIC PROGRAMS
WELLS REAL ESTATE FUND IX, L.P.

	1999 ----	1998 ----	1997 ----	1996 ----	1995 ----
Gross Revenues/(1)/	\$ 1,593,734	\$ 1,561,456	\$ 1,199,300	\$ 406,891	N/A
Profit on Sale of Properties	-	-	-	-	
Less: Operating Expenses/(2)/	90,903	105,251	101,284	101,885	
Depreciation and Amortization/(3)/	12,500	6,250	6,250	6,250	
Net Income GAAP Basis/(4)/	\$ 1,490,331	\$ 1,449,955	\$ 1,091,766	\$ 298,756	
Taxable Income: Operations	\$ 1,924,542	\$ 1,906,011	\$ 1,083,824	\$ 304,552	
Cash Generated (Used By):					
Operations	\$ (94,403)	\$ 80,147	\$ 501,390	\$ 151,150	
Joint Ventures	2,814,870	2,125,489	527,390	-	
	\$ 2,720,467	\$ 2,205,636	\$ 1,028,780	\$ 151,150	
Less Cash Distributions to Investors:					
Operating Cash Flow	2,720,467	2,188,189	1,028,780	149,425	
Return of Capital	15,528	-	\$ 41,834	-	
Undistributed Cash Flow From Prior Year Operations	17,447	-	1,725	-	
Cash Generated (Deficiency) after Cash Distributions	\$ (32,975)	\$ 17,447	\$ (43,559)	\$ 1,725	
Special Items (not including sales and financing):					
Source of Funds:					
General Partner Contributions	-	-	-	-	
Increase in Limited Partner Contributions	-	-	-	35,000,000	
	\$ (32,975)	\$ 17,447	\$ (43,559)	\$35,001,725	
Use of Funds:					
Sales Commissions and Offering Expenses	-	-	323,039	4,900,321	
Return of Original Limited Partner's Investment	-	-	100	-	
Property Acquisitions and Deferred Project Costs	190,853	9,455,554	13,427,158	6,544,019	
Cash Generated (Deficiency) after Cash Distributions and Special Items	\$ (223,828)	\$ (9,438,107)	\$ (13,793,856)	\$23,557,385	
Net Income and Distributions Data per \$1,000 Invested:					

Net Income on GAAP Basis:				
Ordinary Income (Loss)				
- Operations Class A Units	89	88	53	28
- Operations Class B Units	(272)	(218)	(77)	(11)
Capital Gain (Loss)	-	-	-	-
Tax and Distributions Data per \$1,000 Invested:				
Federal Income Tax Results:				
Ordinary Income (Loss)				
- Operations Class A Units	86	85	46	26
- Operations Class B Units	(164)	(123)	(47)	(48)
Capital Gain (Loss)	-	-	-	-
Cash Distributions to Investors:				
Source (on GAAP Basis)				
- Investment Income Class A Units	88	73	36	13
- Return of Capital Class A Units	2	-	-	-
- Return of Capital Class B Units	-	-	-	-
Source (on Cash Basis)				
- Operations Class A Units	89	73	35	13
- Return of Capital Class A Units	1	-	1	-
- Operations Class B Units	-	-	-	-
Source (on a Priority Distribution Basis)/(5)/				
- Investment Income Class A Units	77	61	29	10
- Return of Capital Class A Units	13	12	7	3
- Return of Capital Class B Units	-	-	-	-
Amount (in Percentage Terms) Remaining Invested in Program Properties at the end of the Last Year Reported in the Table				
	100%			

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- (1) Includes \$23,007 in equity in earnings of joint ventures and \$383,884 from investment of reserve funds in 1996, and \$593,914 in equity in earnings of joint ventures and \$605,386 from investment of reserve funds in 1997, \$1,481,869 in equity in earnings of joint ventures and \$79,587 from investment of reserve funds in 1998, and \$1,593,734 in equity in earnings of joint ventures and \$0 from investment of reserve funds in 1999. At December 31, 1999, the leasing status was 100% including developed property in initial lease up.
- (2) Includes partnership administrative expenses.
- (3) Included in equity in earnings of joint ventures in gross revenues is depreciation of \$25,286 for 1996, \$469,126 for 1997, \$1,143,407 for 1998, and \$1,210,939 for 1999.
- (4) In accordance with the partnership agreement, net income or loss, depreciation and amortization are allocated \$330,270 to Class A Limited Partners, \$(31,220) to Class B Limited Partners and \$(294) to the General Partners for 1996; \$1,564,778 to Class A Limited Partners, \$(472,806) to Class B Limited Partners and \$(206) to the General Partners for 1997; \$2,597,938 to Class A Limited Partners, \$(1,147,983) to Class B Limited Partners and \$0 to the General Partners for 1998; and \$2,713,636 to Class A Limited Partners, \$(1,223,305) to Class B Limited Partners and \$0 to the General Partners for 1999.
- (5) Pursuant to the terms of the partnership agreement, an amount equal to the cash distributions paid to Class A Limited Partners is payable as priority distributions out of the first available net proceeds from the sale of partnership properties to Class B Limited Partners. The amount of cash distributions paid per unit to Class A Limited Partners is shown as a return of capital to the extent of such priority distributions payable to Class B Limited Partners. As of December 31, 1999, the aggregate amount of such priority distributions payable to Class B Limited Partners totaled \$993,010.

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TABLE III (UNAUDITED)
OPERATING RESULTS OF WELLS PUBLIC PROGRAMS
WELLS REAL ESTATE FUND X, L.P.

	1999	1998	1997	1996	1995
	----	----	----	----	----
Gross Revenues/(1)/	\$ 1,309,281	\$ 1,204,597	\$ 372,507	N/A	N/A
Profit on Sale of Properties	--	--	--		
Less: Operating Expenses/(2)/	98,213	99,034	88,232		
Depreciation and Amortization/(3)/	18,750	55,234	6,250		
Net Income GAAP Basis(4)	\$ 1,192,318	\$ 1,050,329	\$ 278,025		
Taxable Income: Operations	\$ 1,449,771	\$ 1,277,016	\$ 382,543		
Cash Generated (Used By):					
Operations	(99,862)	\$ 300,019	\$ 200,668		
Joint Ventures	2,175,915	886,846	--		
	2,076,053	\$ 1,186,865	\$ 200,668		
Less Cash Distributions to Investors:					
Operating Cash Flow	2,067,801	1,186,865	--		
Return of Capital	--	19,510	--		
Undistributed Cash Flow From Prior Year	--	200,668	--		
Operations	\$ 8,252	\$ (220,178)	\$ 200,668		
Cash Generated (Deficiency) after Cash Distributions					
Special Items (not including sales and financing):					
Source of Funds:					
General Partner Contributions	--	--	--		
Increase in Limited Partner Contributions	--	--	27,128,912		
	\$ 8,252	\$ (220,178)	\$ 27,329,580		
Use of Funds:					
Sales Commissions and Offering Expenses	--	300,725	3,737,363		
Return of Original Limited Partner's Investment	--	--	100		
Property Acquisitions and Deferred Project	0	17,613,067	5,188,485		
Costs					
Cash Generated (Deficiency) after Cash Distributions and Special Items	\$ 8,252	\$ (18,133,970)	\$ 18,403,632		
Net Income and Distributions Data per \$1,000 Invested:					
Net Income on GAAP Basis:					
Ordinary Income (Loss)	97	85	28		
- Operations Class A Units	(160)	(123)	(9)		
- Operations Class B Units	--	--	--		
Capital Gain (Loss)	--	--	--		
Tax and Distributions Data per \$1,000 Invested:					
Federal Income Tax Results:					
Ordinary Income (Loss)					
- Operations Class A Units	92	78	35		
- Operations Class B Units	(100)	(64)	0		
Capital Gain (Loss)	--	--	--		
Cash Distributions to Investors:					
Source (on GAAP Basis)					
- Investment Income Class A Units	95	66	--		
- Return of Capital Class A Units	--	--	--		
- Return of Capital Class B Units	--	--	--		
Source (on Cash Basis)					
- Operations Class A Units	95	56	--		
- Return of Capital Class A Units	--	10	--		
- Operations Class B Units	--	--	--		
Source (on a Priority Distribution Basis)/(5)/					
- Investment Income Class A Units	71	48	--		
- Return of Capital Class A Units	24	18	--		
- Return of Capital Class B Units	--	--	--		
Amount (in Percentage Terms) Remaining Invested in Program Properties at the end of the Last Year Reported in the Table	100%				

- (1) Includes \$(10,035) in equity in earnings of joint ventures and \$382,542 from investment of reserve funds in 1997, \$869,555 in equity in earnings of joint ventures, \$120,000 in rental income and \$215,042 from investment of reserve funds in 1998, and \$1,309,281 in equity in earnings of joint ventures and \$0 from investment of reserve funds in 1999. At December 31, 1999, the leasing status was 100% including developed property in initial lease up.
- (2) Includes partnership administrative expenses.
- (3) Included in equity in earnings of joint ventures in gross revenues is depreciation of \$18,675 for 1997, \$674,986 for 1998, and \$891,911 for 1999.
- (4) In accordance with the partnership agreement, net income or loss, depreciation and amortization are allocated \$302,862 to Class A Limited Partners, \$(24,675) to Class B Limited Partners and \$(162) to the General Partners for 1997, \$1,779,191 to Class A Limited Partners, \$(728,524) to Class B Limited Partners and \$(338) to General Partners for 1998; and \$2,084,229 to Class A Limited Partners, (\$891,911) to Class B Limited Partners and \$0 to the General Partners for 1999.

(5) Pursuant to the terms of the partnership agreement, an amount equal to the cash distributions paid to Class A Limited Partners is payable as priority distributions out of the first available net proceeds from the sale of partnership properties to Class B Limited Partners. The amount of cash distributions paid per unit to Class A Limited Partners is shown as a return of capital to the extent of such priority distributions payable to Class B Limited Partners. As of December 31, 1999, the aggregate amount of such priority distributions payable to Class B Limited Partners totaled \$909,527.

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TABLE III (UNAUDITED)
OPERATING RESULTS OF WELLS PUBLIC PROGRAMS
WELLS REAL ESTATE FUND XI, L.P.

	1999	1998	1997	1996	1995
	----	----	----	----	----
Gross Revenues/(1)/	\$ 766,586	\$ 262,729	N/A	N/A	N/A
Profit on Sale of Properties	--	--			
Less: Operating Expenses/(2)/	111,058	113,184			
Depreciation and Amortization/(3)/	25,000	6,250			
Net Income GAAP Basis/(4)/	\$ 630,528	\$ 143,295			
Taxable Income: Operations	\$ 704,108	\$ 177,692			
Cash Generated (Used By):					
Operations	40,906	(50,858)			
Joint Ventures	705,394	102,662			
	746,300	51,804			
Less Cash Distributions to Investors:					
Operating Cash Flow	746,300	51,804			
Return of Capital	49,761	48,070			
Undistributed Cash Flow From Prior Year	--	--			
Operations	\$ (49,761)	\$ (48,070)			
Cash Generated (Deficiency) after Cash Distributions					
Special Items (not including sales and financing):					
Source of Funds:					
General Partner Contributions	--	--			
Increase in Limited Partner Contributions		16,532,801			
	\$ (49,761)	\$ 16,484,731			
Use of Funds:					
Sales Commissions and Offering Expenses	214,609	1,779,661			
Return of Original Limited Partner's Investment	100	--			
Property Acquisitions and Deferred Project Costs	9,005,979	5,412,870			
Cash Generated (Deficiency) after Cash Distributions and Special Items	\$ 9,270,449	\$ 9,292,200			
Net Income and Distributions Data per \$1,000 Invested:					
Net Income on GAAP Basis:					
Ordinary Income (Loss)	77	50			
- Operations Class A Units	(112)	(77)			
- Operations Class B Units	--	--			
Capital Gain (Loss)					
Tax and Distributions Data per \$1,000 Invested:					
Federal Income Tax Results:					
Ordinary Income (Loss)	71	18			
- Operations Class A Units	(73)	(17)			
- Operations Class B Units	--	--			
Capital Gain (Loss)					
Cash Distributions to Investors:					
Source (on GAAP Basis)					
- Investment Income Class A Units	60	14			
- Return of Capital Class A Units	--	--			
- Return of Capital Class B Units	--	--			
Source (on Cash Basis)					
- Operations Class A Units	56	7			
- Return of Capital Class A Units	4	7			
- Operations Class B Units	--	--			
Source (on a Priority Distribution Basis)/(5)/					
- Investment Income Class A Units	46	11			
- Return of Capital Class A Units	14	3			
- Return of Capital Class B Units	--	--			
Amount (in Percentage Terms) Remaining Invested in Program Properties at the end	100%				

- (1) Includes \$142,163 in equity in earnings of joint ventures and \$120,566 from investment of reserve funds in 1998, and \$607,579 in equity in earnings of joint ventures and \$159,007 from investment of reserve funds for 1999. At December 31, 1999, the leasing status was 100% including developed property in initial lease up.
- (2) Includes partnership administrative expenses.
- (3) Included in equity in earnings of joint ventures in gross revenues is depreciation of \$105,458 for 1998, and \$353,840 for 1999.
- (4) In accordance with the partnership agreement, net income or loss, depreciation and amortization are allocated \$254,862 to Class A Limited Partners, \$(111,067) to Class B Limited Partners and \$(500) to General Partners for 1998; and \$1,009,368 to Class A Limited Partners, \$(378,840) to Class B Limited Partners and \$0 to the General Partners for 1999.
- (5) Pursuant to the terms of the partnership agreement, an amount equal to the cash distributions paid to Class A Limited Partners is payable as priority distributions out of the first available net proceeds from the sale of partnership properties to Class B Limited Partners. The amount of cash distributions paid per unit to Class A Limited Partners is shown as a return of capital to the extent of such priority distributions payable to Class B Limited Partners. As of December 31, 1999, the aggregate amount of such priority distributions payable to Class B Limited Partners totaled \$213,006.