



Cornerstone Healthcare Plus REIT To Invest In \$16.3 Million Long-Term Acute Care Hospital in Rome, GA.

(Irvine, CA) **January 12, 2010** - Cornerstone Real Estate Funds, and its strategic alliance partner and sub-advisor Servant Healthcare Investments, announced a new development project today. The Cornerstone Healthcare Plus REIT (formerly Cornerstone Growth & Income REIT) will invest in the development of a \$16.3 million long-term acute care hospital (LTACH) on the campus of Floyd Medical Center in Rome, Georgia. The project will be approximately 53,000 square feet of which approximately 86% will be occupied by the LTACH, with the remainder being occupied by Floyd Medical Center for clinical space. Construction is expected to begin in January of 2010 with the project opening slated for March of 2011. On January 8, 2010, the Cornerstone Growth & Income REIT changed its name to Cornerstone Healthcare Plus REIT to better reflect its focus on healthcare real estate.



The project is a joint venture between Cornerstone Healthcare Plus REIT, another Cornerstone sponsored fund and The Cirrus Group, LLC a real estate development company specializing in the development and delivery of customized, state-of-the-art medical and healthcare-related real estate. The Cirrus Group is based in Dallas and has completed over 65 medical projects nationwide since its inception in 1996.



The LTACH will be an expansion of The Specialty Hospital, an existing 24-bed LTACH within the main hospital building. The new LTACH will be a separate freestanding building connected to the existing hospital and will have a total of 45 beds. RehabCare Group, Inc., which currently owns 80% of The Specialty Hospital and operates the existing facility, will continue to operate the new facility and has signed a long term lease for its space.

RehabCare is one of the country's largest providers of services in the post-acute setting, providing services to over 1,200 hospitals, skilled nursing facilities and other long-term care operators. RehabCare specializes in providing less capital intensive and more efficient rehab services to their patients. The company is publicly listed on the NYSE under the ticker RHB.

The expanded LTACH will serve patients throughout the northwest Georgia and northeast Alabama region who are in need of intensive care for an extended period of time. There are no competing LTACH facilities within a 50 mile radius of the new development project

This material does not constitute an offer to sell or a solicitation of an offer to buy Cornerstone Healthcare Plus REIT. An offer can only be made by a prospectus that contains more complete information on risks, management fees and other expenses. There is no guarantee that any real estate strategy will be successful. Past performance does not guarantee future results. Investors in a real estate investment fund will be subjected to risks associated with owning real estate including: economic and regulatory changes that impact the real estate market, lease terminations which reduce rental income, rising expenses, environmental claims, uninsured losses, potential loss of principal and the relative illiquidity of equity real estate investments. Investments are not bank guaranteed, not FDIC insured and may lose value.

*This material must be preceded or accompanied by a prospectus in order to fully understand all of the implications and risks of the offering. This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements involve risk and uncertainties which could cause actual results to vary materially from those expressed in or indicated by the forward-looking statements. Factors that may cause actual results to differ materially include changes in general economic conditions, changes in real estate conditions, changes in interest rates, lease-up risks, lack of financing availability and lack of capital proceeds. **Securities offered through Pacific Cornerstone Capital, Inc. Member FINRA and SIPC.** Investments are not FDIC insured, not bank guaranteed and may lose value.*

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