DQC\_0001 **Axis with Inappropriate Members**

**Rule element ID#69:** Products and Services [Axis]

The axis allows CommercialRealEstateMember. Please see the example below and consider adding ResidentialRealEstateMember.

**Sterling Real Estate Trust CIK#:** [**0001412502 6/30/2016 10-Q**](https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001412502&owner=exclude&count=40)

*Principal Business Activity*

Sterling currently owns directly and indirectly 153 properties.  The Trust’s 102 residential properties are located in North Dakota, Minnesota, Missouri and Nebraska and are principally multifamily apartment buildings.  The Trust owns 51 commercial properties primarily located in North Dakota with others located in Arkansas, Colorado, Iowa, Louisiana, Michigan, Minnesota, Mississippi, Nebraska, Texas and Wisconsin. The commercial properties include retail, office, industrial, restaurant and medical properties.  Presently, the Trust’s mix of properties is 68.3% residential and 31.7% commercial (based on cost) and total $609,872 in real estate investments at June 30, 2016. Effective January 1, 2016, Sterling’s acquisition strategy and focus is solely on multifamily apartment properties.  Sterling did complete two commercial transactions during the first quarter of 2016 which transactions were initiated prior to January 1, 2016.  We currently have no plans to dispose of our existing commercial properties.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| **Residential Property** |  | **Location** |  | **No. of Properties** |  | **Units** |
|  |  | North Dakota |  | 83 |  | 5,245 |
|  |  | Minnesota |  | 16 |  | 3,027 |
|  |  | Missouri |  | 1 |  | 164 |
|  |  | Nebraska |  | 2 |  | 316 |
|  |  |  |  | 102 |  | 8,752 |
|  |  |  |  |  |  |  |
| **Commercial Property** |  | **Location** |  | **No. of Properties** |  | **Sq. Ft** |
|  |  | North Dakota |  | 21 |  | 832,908 |
|  |  | Arkansas |  | 2 |  | 29,370 |
|  |  | Colorado |  | 1 |  | 13,390 |
|  |  | Iowa |  | 1 |  | 32,532 |
|  |  | Louisiana |  | 1 |  | 14,560 |
|  |  | Michigan |  | 1 |  | 11,737 |
|  |  | Minnesota |  | 15 |  | 683,090 |
|  |  | Mississippi |  | 1 |  | 14,820 |
|  |  | Nebraska |  | 1 |  | 16,480 |
|  |  | Texas |  | 1 |  | 7,296 |
|  |  | Wisconsin |  | 6 |  | 74,916 |
|  |  |  |  | 51 |  | 1,731,099 |

*Concentration of Credit Risk*

Our cash balances are maintained in various bank deposit accounts. The bank deposit amounts in these accounts may exceed federally insured limits at various times throughout the year.