

NNN Healthcare/Office REIT, Inc.

Form DEF 14A

April 25, 2007

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

NNN HEALTHCARE/OFFICE REIT, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

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**NNN HEALTHCARE/OFFICE REIT, INC.**  
**1551 N. Tustin Avenue, Suite 200**  
**Santa Ana, California 92705**  
**Telephone: (714) 667-8252**

April 25, 2007

Dear Stockholder:

On behalf of the Board of Directors, I cordially invite you to attend the 2007 Annual Meeting of Stockholders of NNN Healthcare/Office REIT, Inc. to be held on June 12, 2007 at 12:00 p.m. local time, at the Irvine Marriott, 18000 Von Karman Avenue, Irvine, California 92612. We look forward to your attendance.

The accompanying Notice of Annual Meeting and Proxy Statement describe the formal business to be acted upon by the stockholders. A report on the status of our initial public offering and our portfolio of properties will also be presented at the annual meeting and our stockholders will have an opportunity to ask questions.

Your vote is very important. Regardless of the number of our shares you own, it is very important that your shares be represented. **ACCORDINGLY, WHETHER OR NOT YOU INTEND TO BE PRESENT AT THE ANNUAL MEETING IN PERSON, I URGE YOU TO SUBMIT YOUR PROXY AS SOON AS POSSIBLE.** You may do this by completing, signing and dating the enclosed proxy card and returning it via fax to (212) 645-8046 or in the accompanying postage-paid return envelope. You also may vote via the Internet at <https://www.proxyvotenow.com/heal> or by telephone by dialing toll-free 1-866-888-4067. Please follow the directions provided in the proxy statement. This will not prevent you from voting in person at our annual meeting, but will assure that your vote will be counted if you are unable to attend our annual meeting.

**YOUR VOTE COUNTS. THANK YOU FOR YOUR ATTENTION TO THIS MATTER, AND FOR YOUR CONTINUED SUPPORT OF, AND INTEREST IN, OUR COMPANY.**

Sincerely,

Scott D. Peters  
*Chief Executive Officer and Chairman*

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**NNN HEALTHCARE/OFFICE REIT, INC.**  
**1551 N. Tustin Avenue, Suite 200**  
**Santa Ana, California 92705**  
**Telephone: (714) 667-8252**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD JUNE 12, 2007**

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of NNN Healthcare/Office REIT, Inc., a Maryland corporation, will be held on June 12, 2007 at 12:00 p.m. local time, at the Irvine Marriott, 18000 Von Karman Avenue, Irvine, California 92612, for the following purposes:

1. To elect six directors, each for a term of one year; and
2. To ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for the current fiscal year.

These items are discussed in the following pages, which are made part of this notice. Our stockholders of record on April 10, 2007, are entitled to vote at the annual meeting. A list of stockholders entitled to vote will be available for inspection at the offices of NNN Healthcare/Office REIT, Inc., 1551 N. Tustin Avenue, Suite 200, Santa Ana, California 92705, for the ten day period immediately preceding the annual meeting.

Please sign and date the accompanying proxy card and return it promptly by fax to (212) 645-8046 or in the enclosed postage-paid envelope whether or not you plan to attend. You also may vote your shares electronically via the Internet at <https://www.proxyvotenow.com/heal> or by telephone by dialing toll-free 1-866-888-4067. Instructions are included with the proxy card. If you attend the annual meeting, you may vote in person if you wish, even if you previously have returned your proxy card or voted your shares electronically. You may revoke your proxy at any time prior to its exercise.

By Order of the Board of Directors  
Andrea R. Biller  
*Executive Vice President & Secretary*

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**NNN HEALTHCARE/OFFICE REIT, INC.**  
**1551 N. Tustin Avenue, Suite 200**  
**Santa Ana, California 92705**  
**Telephone: (714) 667-8252**

**PROXY STATEMENT**

The enclosed proxy is solicited by the Board of Directors of NNN Healthcare/Office REIT, Inc., or NNN Healthcare/Office REIT, for use in voting at the Annual Meeting of Stockholders to be held on June 12, 2007 at 12:00 p.m. local time, at the Irvine Marriott, 18000 Von Karman Avenue, Irvine, California 92612, and at any adjournment or postponement thereof, for the purposes set forth in the attached Notice. The proxy solicitation materials are being mailed to stockholders on or about April 25, 2007.

**About the Meeting**

*What is the purpose of the meeting?*

At our annual meeting, stockholders will vote upon the matters outlined in the accompanying notice of annual meeting, including:

The election of six directors, each for a term of one year; and

Ratification of the selection of Deloitte & Touche LLP, or Deloitte, as our independent registered public accounting firm for the year ending December 31, 2007.

Management will report on the status of our initial public offering, or our Offering, and our portfolio of properties and respond to questions from stockholders. In addition, representatives of Deloitte are expected to be at the annual meeting to respond to questions.

*What are the Board of Directors voting recommendations?*

Unless you give other instructions on your proxy card, the individuals named on the card as proxy holders will vote in accordance with the recommendations of the Board of Directors. The Board of Directors recommends that you vote your shares **FOR** the election of each of the nominees of the Board of Directors and **FOR** the ratification of Deloitte as our independent registered public accounting firm. No director has informed us that he intends to oppose any action intended to be taken by us.

*What happens if additional proposals are presented at the annual meeting?*

Other than the matters described in this proxy statement, we do not expect any additional matters to be presented for a vote at the annual meeting. If other matters are presented and you vote by proxy, your proxy grants the individuals named as proxy holders the discretion to vote your shares on any additional matters properly presented for a vote at the meeting.

*Who is entitled to vote?*

Only stockholders of record at the close of business on April 10, 2007 are entitled to receive notice of the annual meeting and to vote the shares of common stock that they hold on that date at the annual meeting, or any

postponements or adjournments of the annual meeting. As of the record date, we had 3,498,501 shares of common stock issued and outstanding and entitled to vote. Each outstanding share of common stock entitles its holder to cast one vote on each proposal to be voted on.

***What constitutes a quorum?***

If a majority of the shares outstanding on the record date are present at the annual meeting, either in person or by proxy, we will have a quorum at the meeting, permitting the conduct of business at the meeting. Abstentions and broker non-vote occur when a broker, bank or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with

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respect to that matter and has not received voting instructions from the beneficial owner. Abstentions and broker non-votes will be counted to determine whether a quorum is present.

### ***How do I vote my shares at the annual meeting?***

***Voting by Mail*** Stockholders may vote by completing the attached proxy card and mailing it in the enclosed self-addressed postage-paid return envelope.

***Voting by Fax*** Stockholders may vote by completing the attached proxy card and faxing it to (212) 645-8046 until 5:00 p.m. Pacific Daylight Time on June 11, 2007.

***Voting by Telephone*** Stockholders may vote by telephone by dialing toll-free at 1-866-888-4067 until 5:00 p.m. Pacific Daylight Time on June 11, 2007.

***Voting by Internet*** Stockholders may vote electronically using the Internet at <https://www.proxyvotenow.com/heal> until 5:00 p.m. Pacific Daylight Time on June 11, 2007.

### ***Can I change my vote after I return my proxy card or after I vote by telephone or over the Internet?***

If you are a record holder, you may change your vote at any time before the proxy is exercised at the annual meeting by delivering to our Secretary a written notice of revocation or a properly signed proxy bearing a later date, or by attending the annual meeting and voting in person (although attendance at the meeting will not cause your previously granted proxy to be revoked unless you specifically so request). To revoke a proxy previously submitted by telephone or over the Internet, you may simply vote again at a later date, but before the deadline for telephone or Internet voting set forth above, using the same procedures, in which case the later submitted vote will be recorded and the earlier vote revoked.

If you hold shares of our common stock in street name, you will need to contact the institution that holds your shares and follow its instructions for revoking a proxy.

### ***What vote is required to approve each proposal that comes before the annual meeting?***

To obtain approval of the election of the director nominees, the affirmative vote of a majority of the shares of our common stock present in person or by proxy at a meeting at which a quorum is present must be cast in favor of the proposal. To obtain approval of the ratification of the appointment of Deloitte, the affirmative vote of a majority of all votes cast at a meeting at which a quorum is present must be cast in favor of the proposal. Abstentions and broker non-votes will count as votes against the proposal to elect the director nominees but will have no impact on the proposal to ratify the appointment of Deloitte.

### ***Who will bear the costs of soliciting votes for the meeting?***

NNN Healthcare/Office REIT will bear the entire cost of the solicitation of proxies from its stockholders. We have retained Ellen Philip Associates, Inc. to assist us in connection with the solicitation of proxies for the annual meeting. We expect to pay approximately \$27,000 for such services. In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person, by telephone or by electronic communication by our directors and officers who will not receive any additional compensation for such solicitation activities. We will also reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding proxy solicitation materials to our stockholders.



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**PROPOSAL NO. 1**

**ELECTION OF DIRECTORS**

**Background**

The Board of Directors currently consists of six directors. Our bylaws provide for a minimum of three and a maximum of 15 directors and that our directors each serve a term of one year, but may be re-elected. The Board of Directors, acting in its capacity as the Nominating and Governance Committee, has nominated Scott D. Peters, W. Bradley Blair, II, Maurice J. DeWald, Warren D. Fix, Larry L. Mathis and Gary T. Wescombe, for a term of office commencing on the date of the 2007 annual meeting and ending on the date of the 2008 annual meeting and until their successors are elected and qualified. Each of the nominees currently serves as a member of the Board of Directors.

Unless otherwise instructed on the proxy, the shares represented by proxies will be voted **FOR** the election of all of the director nominees named below. Each of the nominees has consented to being named as a nominee in this proxy statement and has agreed that, if elected, he will serve on the Board of Directors for a one-year term and until his successor has been elected and qualified. If any nominee becomes unavailable for any reason, the shares represented by proxies may be voted for a substitute nominee designated by the Board of Directors. We are not aware of any family relationship among any of the nominees to become directors or executive officers of NNN Healthcare/Office REIT. Each of the nominees for election as director has stated that there is no arrangement or understanding of any kind between him and any other person relating to his election as a director except that such nominees have agreed to serve as our directors if elected.

**Information about Director Nominees:**

*Scott D. Peters*, age 49, has served as our Chief Executive Officer since April 2006, Chairman of the Board of Directors since July 2006 and as the Chief Executive Officer of NNN Healthcare/Office REIT Advisor, LLC, or our Advisor, since July 2006. He has also served as the Chief Executive Officer, President and a director of NNN Realty Advisors, Inc., or NNN Realty Advisors, or our Sponsor, since its formation in September 2006 and as the Chief Executive Officer of Triple Net Properties, LLC, or Triple Net Properties, a wholly-owned subsidiary of NNN Realty Advisors and the managing member of our Advisor since November 2006. From September 2004 to October 2006, Mr. Peters served as the Executive Vice President and Chief Financial Officer of Triple Net Properties. Since December 2005, Mr. Peters has also served as the Chief Executive Officer and President of G REIT, Inc. having previously served as its Executive Vice President and Chief Financial Officer since September 2004. Mr. Peters has also served as the Executive Vice President and Chief Financial Officer of T REIT, Inc. from September 2004 to December 2006 and as a director and Executive Vice President of NNN Apartment REIT, Inc. since April 2007 and January 2006, respectively. From February 1997 to February 2007, Mr. Peters served as Senior Vice President, Chief Financial Officer and a director of Golf Trust of America, Inc., a publicly traded real estate investment trust. Mr. Peters received his B.B.A. degree in Accounting and Finance from Kent State University in Ohio.

*W. Bradley Blair, II*, age 63, has served as a director of our company since September 2006. Mr. Blair has served as the Chief Executive Officer, President and Chairman of the board of directors of Golf Trust of America, Inc. since its initial public offering in 1997. From 1993 until February 1997, Mr. Blair served as Executive Vice President, Chief Operating Officer and General Counsel for The Legends Group., a golf course owner, developer and operator in the Southeast and Mid-Atlantic regions of the United States. From 1978 to 1993, Mr. Blair was the managing partner at Blair Conaway Bograd & Martin, P.A., a law firm specializing in real estate, finance, taxation and acquisitions. Mr. Blair earned a B.S. degree in Business from Indiana University and his J.D. degree from the University of North Carolina at Chapel Hill School of Law.

*Maurice J. DeWald*, age 67, has served as a director of our company since September 2006. He has served as the Chairman and Chief Executive Officer of Verity Financial Group, Inc., a financial advisory firm, since 1992. Mr. DeWald also serves as a director of Advanced Materials Group, Inc., Integrated Healthcare Holdings, Inc. and Mizuho Corporate Bank of California. Mr. DeWald was an audit partner and managing partner with the international accounting firm KPMG LLP from 1962 to 1991. Mr. DeWald holds a B.B.A. degree from the

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University of Notre Dame in Indiana and is a member of its Mendoza School of Business Advisory Council. Mr. DeWald is a certified public accountant in California.

*Warren D. Fix*, age 68, has served as a director of our company since September 2006. He serves as the Chief Executive Officer, Chief Financial Officer and a director of WCH, Inc., formerly Candlewood Hotel Company, Inc., having served as its Executive Vice President, Chief Financial Officer and Secretary since 1995. From July 1994 to October 1995, Mr. Fix was a consultant to Doubletree Hotels, primarily developing debt and equity sources of capital for hotel acquisitions and refinancings. Mr. Fix has been a partner in The Contrarian Group, a business management company, from December 1992 to the present. From 1989 to December 1992, Mr. Fix served as President of the Pacific Company, a real estate investment and development company. From 1964 to 1989, Mr. Fix held numerous positions within The Irvine Company, a California-based real estate and development company, including, Chief Financial Officer. Mr. Fix also serves as a director of Audio Visual Services Corporation. Mr. Fix received his B.A. degree from Claremont McKenna College in California and is a graduate of the UCLA Executive Management Program, the Stanford Financial Management Program and the UCLA Anderson Corporate Director Program. Mr. Fix is a certified public accountant in California.

*Larry L. Mathis*, age 63, has served as a director of our company since April 2007. He has served as an executive consultant since 1998 with D. Petersen & Associates, providing counsel to select clients on leadership, management, governance and strategy. He has served in various capacities within The Methodist Hospital System, located in Houston, Texas, for 27 years prior to joining D. Petersen & Associates, including consultant to the Chairman of the board of The Methodist Hospital System from 1997 to 1998, President and Chief Executive Officer, as well as a member of the board of directors from 1983 to 1997. Mr. Mathis has also served as a member of the board of directors of Alexion Pharmaceuticals, Inc. a NASDAQ-listed company since 2004. Mr. Mathis received a B.A. degree in Social Sciences from Pittsburg State University in Kansas and his M.A. degree in Health Administration from Washington University in Missouri.

*Gary T. Wescombe*, age 64, has served as a director of our company since October 2006. He provides consulting services to various entities in the real estate sector and is a principal of American Oak Properties, LLC, a real estate investment company. He is also a director, Chief Financial Officer and Treasurer of the Arnold and Mabel Beckman Foundation, a nonprofit foundation established for the purpose of supporting scientific research. From October 1999 to December 2001, he was a partner in Warmington Wescombe Realty Partners in Costa Mesa, California. Prior to retiring in 1999, Mr. Wescombe was a Partner with Ernst & Young, LLP (previously Kenneth Leventhal & Company) from 1970 to 1999. In addition, Mr. Wescombe has also served as a director of G REIT, Inc. since December 2001. Mr. Wescombe received a B.S. degree in Accounting and Finance from California State University, San Jose in 1965 and is a member of the American Institute of Certified Public Accountants and California Society of Certified Public Accountants.

**The Board of Directors recommends a vote FOR all of the nominees for election as directors.**

**EXECUTIVE OFFICERS**

Information regarding our executive officers is set forth below:

For biographical information regarding Mr. Peters, our Chief Executive Officer, see Information about Director Nominees above.

*Shannon K S Johnson*, age 29, has served as our Chief Financial Officer since August 2006. Ms. Johnson has also served as a financial reporting manager for Triple Net Properties since January 2006 and has served as the Chief Financial Officer of NNN Apartment REIT, Inc. since April 2006. From June 2002 to January 2006, Ms. Johnson

gained public accounting and auditing experience while employed as an auditor with PricewaterhouseCoopers LLP. Prior to joining PricewaterhouseCoopers LLP, from September 1999 to June 2002, Ms. Johnson worked as an auditor with Arthur Andersen LLP, where she worked on the audits of a variety of public and private entities. Ms. Johnson is a certified public accountant in California and graduated *summa cum laude* with her B.A. degree in Business-Economics and a minor in Accounting from the University of California, Los Angeles.

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*Andrea R. Biller*, age 57, has served as our Executive Vice President and Secretary since April 2006 and as the Executive Vice President of our Advisor since July 2006. She has also served as General Counsel, Executive Vice President and Secretary of NNN Realty Advisors since its formation in September 2006. She has served as General Counsel for Triple Net Properties since March 2003 and as its Executive Vice President since January 2007. Ms. Biller has also served as the Secretary and Executive Vice President of G REIT, Inc. since June 2004 and December 2005, respectively, the Secretary of T REIT, Inc. since May 2004 and the Secretary of NNN Apartment REIT, Inc. since January 2006. Ms. Biller practiced as a private attorney specializing in securities and corporate law from 1990 to 1995 and 2000 to 2002. She practiced at the Securities and Exchange Commission, or the SEC, from 1995 to 2000, including two years as special counsel for the Division of Corporation Finance. Ms. Biller earned a B.A. degree in Psychology from Washington University, a M.A. degree in Psychology from Glassboro State University in New Jersey and a J.D. degree from George Mason University School of Law in Virginia in 1990. Ms. Biller is a member of the California, Virginia and the District of Columbia State Bar Associations.

*Danny Prosky*, age 42, serves as our Vice President Acquisitions. He has served as Triple Net Properties Managing Director Health Care Properties since March 2006 and is responsible for all medical property acquisitions, management and dispositions. Mr. Prosky previously worked with Health Care Property Investors, Inc., a healthcare-focused real estate investment trust, where he served as the Assistant Vice President Acquisitions & Dispositions from 2005 to March 2006, and as Assistant Vice President Asset Management from 1999 to 2005. From 1992 to 1999, he served as the Manager, Financial Operations, Multi-Tenant Facilities for American Health Properties, Inc., a healthcare-focused self-administered real estate investment trust. Mr. Prosky received a B.S. degree in Finance from the University of Colorado and a M.S. degree in Management from Boston University.

## **CORPORATE GOVERNANCE**

### **Board of Directors**

The Board of Directors held two meetings during the fiscal year ended December 31, 2006. Each of the directors attended 100% of the aggregate of the total number of meetings of the Board of Directors held during the period for which he served as a director and the total number of meetings held by all committees of the Board on which he served during the periods in which he served.

### **Director Attendance at annual meetings**

Although we have no policy with regard to attendance by the members of the Board of Directors at our annual meeting of stockholders, we invite and encourage the members of the Board of Directors to attend annual meetings to foster communication between stockholders and the Board of Directors.

### **Contacting the Board of Directors**

Any stockholder who desires to contact members of the Board of Directors may do so by writing to: NNN Healthcare/Office REIT, Inc., the Board of Directors, 1551 N. Tustin Avenue, Suite 200, Santa Ana, California 92705, Attention: Secretary. Communications received will be distributed by our Secretary to such member or members of the Board of Directors as deemed appropriate by our Secretary, depending on the facts and circumstances outlined in the communication received. For example, if any questions regarding accounting, internal accounting controls and auditing matters are received, they will be forwarded by the Secretary to the Audit Committee for review.

### **Director Independence**

We have a six-member Board of Directors. One of our directors, Scott D. Peters, is affiliated with us and we do not consider him to be an independent director. The five remaining directors qualify as independent directors as defined in our charter in compliance with the requirements of the North American Securities Administrators Association's Statement of Policy Regarding Real Estate Investment Trusts. Our charter provides that a majority of the directors must be independent directors. As defined in our charter, the term independent



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director means a director who is not on the date of determination, and within the last two years from the date of determination has not been, directly or indirectly associated with NNN Realty Advisors, our Sponsor or NNN Healthcare/Office REIT Advisor, our Advisor by virtue of (i) ownership of an interest in our Sponsor, our Advisor or any of their affiliates, other than the Corporation; (ii) employment by our Sponsor, our Advisor or any of their affiliates; (iii) service as an officer or director of our Sponsor, our Advisor or any of their affiliates, other than as a director; (iv) performance of services, other than as a director; (v) service as a director or trustee of more than three real estate investment trusts, or REITs, organized by our Sponsor or advised by our Advisor; or (vi) maintenance of a material business or professional relationship with our Sponsor, our Advisor or any of their affiliates.

Each of our independent directors would also qualify as independent under the rule of the New York Stock Exchange and our Audit Committee members would qualify as independent under the New York Stock Exchange's rules applicable to Audit Committee members. However, we are not listed on the New York Stock Exchange.

### **Committees of the Board of Directors**

We have one standing committee, the Audit Committee. From time to time the Board may establish certain other committees to facilitate the management of our company.

***Audit Committee.*** The Audit Committee's primary function is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the stockholders and others, the system of internal controls which management has established, and the audit and financial reporting process. The Audit Committee is responsible for the selection, evaluation and, when necessary, replacement of our independent registered public accounting firm. Under our Audit Committee charter, the Audit Committee will always be comprised solely of independent directors. As of April 10, 2007, the Audit Committee is comprised of W. Bradley Blair, II, Maurice J. DeWald, Warren D. Fix and Gary T. Wescombe, all of whom are independent directors. Mr. DeWald currently serves as the Chairman of the committee and has been designated as the Audit Committee financial expert.

The Audit Committee operates under a written charter, which was adopted by the Board of Directors on September 20, 2006. The Audit Committee held two meetings during the fiscal year ended December 31, 2006.

Subsequent to the 2006 year end, the Audit Committee reviewed and discussed the 2006 year-end audited financial statements with our management and discussed with Deloitte, our independent registered public accounting firm for fiscal year 2006, the matters required to be discussed by the statement on Auditing Standards No. 61, as amended. In addition, the Audit Committee received the written disclosures and the letter from Deloitte required by Independence Standards Board Standard No. 1 and discussed the accountants' independence with Deloitte. Based on the review and discussions noted above, the Audit Committee recommended to the Board of Directors that the 2006 year-end audited financial statements be included in our Annual Report on Form 10-K, filed with the SEC on March 2, 2007.

***Compensation Committee.*** We do not have a Compensation Committee because we do not plan to pay any compensation to our officers. However, if in the future we provide any compensation to our officers, we will establish a Compensation Committee comprised entirely of independent directors to determine the nature and amount of such compensation.

***Nominating and Corporate Governance Committee.*** We do not have a separate Nominating and Corporate Governance Committee. We believe that our Board of Directors is qualified to perform the functions typically delegated to a Nominating and Corporate Governance Committee and that the formation of a separate committee is not necessary at this time. Instead, the full Board of Directors performs functions similar to those which might otherwise normally be delegated to such a committee, including, among other things, developing a set of corporate governance principles, adopting a code of ethics, adopting policies with respect to conflicts of interest, monitoring our

compliance with corporate governance requirements of state and federal law, establishing criteria for prospective members of the Board of Directors, conducting candidate searches and interviews, overseeing and evaluating the Board of Directors and our management, evaluating from time to time the appropriate size and composition of the Board of Directors and recommending, as appropriate, increases, decreases and changes to the

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composition of the Board of Directors and formally proposing the slate of directors to be elected at each annual meeting of our stockholders.

The Board of Directors will consider nominees for our Board of Directors recommended by stockholders. Notice of proposed stockholder nominations for director must be delivered not less than 120 days prior to any meeting at which directors are to be elected. Nominations must include the full name of the proposed nominee, a brief description of the proposed nominee's business experience for at least the previous five years and a representation that the nominating stockholder is a beneficial or record owner of our common stock. Any such submission must be accompanied by the written consent of the proposed nominee to be named as a nominee and to serve as a director if elected. Nominations should be delivered to: NNN Healthcare/Office REIT, Inc., the Board of Directors, 1551 N. Tustin Avenue, Suite 200, Santa Ana, California 92705, Attention: Secretary.

In considering possible candidates for election as a director, the Board of Directors is guided by the principle that each director should (i) be an individual of high character and integrity; (ii) be accomplished in his or her respective field, with superior credentials and recognition; (iii) have relevant expertise and experience upon which to be able to offer advice and guidance to management; (iv) have sufficient time available to devote to our affairs; (v) represent the long-term interests of our stockholders as a whole; and (vi) represent a diversity of background and experience.

Qualified candidates for membership on the Board of Directors will be considered without regard to race, color, religion, gender, ancestry, national origin or disability. The Board of Directors will review the qualifications and backgrounds of directors and nominees (without regard to whether a nominee has been recommended by stockholders), as well as the overall composition of the Board, and recommend the slate of directors to be nominated for election at the annual meeting of stockholders. We do not currently employ or pay a fee to any third party to identify or evaluate, or assist in identifying or evaluating, potential director nominees.

## **COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS**

### **Executive Compensation**

We have no employees. Our day-to-day management functions are performed by employees of our Advisor and its affiliates. The individuals who serve as our executive officers do not receive compensation directly from us for services rendered to us, and we do not currently intend to pay any compensation directly to our executive officers. As a result, we do not have, and our Board of Directors has not considered, a compensation policy or program for our executive officers and has not included a Compensation Discussion and Analysis in this proxy statement.

Each of our executive officers, including those officers who serve as directors, is employed by our Advisor or its affiliates, and is compensated by these entities for their services to us. We pay these entities fees and reimburse expenses pursuant to our advisory agreement between us, our Advisor and Triple Net Properties, or the Advisory Agreement.

### **Option/SAR Grants in Last Fiscal Year**

No option grants were made to officers and directors for the year ended December 31, 2006.

### **Director Compensation**

Pursuant to the terms of our director compensation program, which are contained in our 2006 Independent Directors Compensation Plan, a sub-plan of our 2006 Incentive Plan, our independent directors receive the following forms of compensation:

*Annual Retainer.* Our independent directors receive an annual retainer of \$36,000.

*Meeting Fees.* Our independent directors receive \$1,000 for each board meeting attended in person or by telephone, \$500 for each committee meeting attended in person or by telephone, and an additional \$500 to the Audit Committee chair for each Audit Committee meeting attended in person or by telephone. If a

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board meeting is held on the same day as a committee meeting, an additional fee will not be paid for attending the committee meeting.

*Equity Compensation.* Upon initial election to the Board of Directors, each independent director receives 5,000 shares of restricted common stock, and an additional 2,500 shares of restricted common stock upon his or her subsequent election each year. The restricted shares will vest as to 20.0% of the shares on the date of grant and on each anniversary thereafter over four years from the date of grant.

*Other Compensation.* We reimburse our directors for reasonable out-of-pocket expenses incurred in connection with attendance at meetings, including committee meetings, of the Board of Directors. Independent directors do not receive other benefits from us.

Our non-independent director does not receive any compensation from us.

The following table sets forth the compensation earned by our directors from us in 2006:

Name (a)	Fees Earned or		Option Awards (\$) (d)	Non-Equity Incentive Plan Compensation (\$) (e)		Change in Pension Value and Nonqualified Deferred Compensation All Other Compensation (\$) (f) (g)		Total (\$) (h)
	Paid in Cash (\$) (b)(1)	Stock Awards (\$) (c)(2)		Compensation (\$) (f)	Compensation (\$) (g)			
Scott D. Peters(3)	\$	\$	\$	\$	\$	\$	\$	\$
W. Bradley Blair, II	\$ 14,500	\$ 12,778	\$	\$	\$	\$	\$	\$ 27,278
Maurice J. DeWald	\$ 15,000	\$ 12,778	\$	\$	\$	\$	\$	\$ 27,778
Warren D. Fix	\$ 14,500	\$ 12,778	\$	\$	\$	\$	\$	\$ 27,278
Gary T. Wescombe	\$ 10,500	\$ 12,391	\$	\$	\$	\$	\$	\$ 22,891
Larry L. Mathis(4)	\$	\$	\$	\$	\$	\$	\$	\$

(1) Consists of the amounts described below.

Director	Role	Basic Annual Retainer (\$)	Meeting Fees (\$)
Peters(3)	Chairman of the Board of Directors	\$	\$
Blair	Member, Audit Committee	\$ 12,000	\$ 2,500
DeWald	Chairman, Audit Committee	\$ 12,000	\$ 3,000
Fix	Member, Audit Committee	\$ 12,000	\$ 2,500
Wescombe	Member, Audit Committee	\$ 9,000	\$ 1,500
Mathis(4)	Member	\$	\$

- (2) The amounts in this column represent the proportionate amount of the total fair value of stock awards recognized by the Company in 2006 for financial accounting purposes, disregarding for this purpose the estimate of forfeitures related to service-based vesting conditions. The amounts included in the table for each award include the amount recorded as expense in our statement of operations for the period from April 28, 2006 (Date of Inception) through December 31, 2006. The fair values of these awards and the amounts expensed in 2006 were determined in accordance with Statement of Financial Accounting Standards, or SFAS, No. 123(R), *Share-Based Payment*, or SFAS No. 123(R).

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The following table shows the shares of restricted common stock awarded to each independent director during 2006, and the aggregate grant date fair value for each award (computed in accordance with SFAS No. 123(R)).

<b>Director</b>	<b>Grant Date</b>	<b>Number of Restricted Shares (#)</b>	<b>Full Grant Date Fair Value of Award (\$)</b>
Peters(3)			\$
Blair	9/20/06	5,000	\$ 50,000
DeWald	9/20/06	5,000	\$ 50,000
Fix	9/20/06	5,000	\$ 50,000
Wescombe	10/4/06	5,000	\$ 50,000
Mathis(4)			\$

The following table shows the aggregate numbers of nonvested restricted shares of common stock held by each director as of December 31, 2006:

<b>Director</b>	<b>Nonvested Restricted Stock</b>
Peters(3)	
Blair	4,000
DeWald	4,000
Fix	4,000
Wescombe	4,000
Mathis(4)	

(3) Mr. Peters is not an independent director and did not receive any compensation from us as a director.

(4) Mr. Mathis was appointed to serve as a member of the Board of Directors on April 12, 2007 and did not receive any compensation from us in 2006.

**2006 Incentive Plan and Independent Directors Compensation Plan**

Under the terms of our 2006 Incentive Plan, the aggregate number of shares of our common stock subject to options, restricted shares of common stock, stock purchase rights, stock appreciation rights or other awards, including those issuable under its sub-plan, the 2006 Independent Directors Compensation Plan, will be no more than 2,000,000 shares.

On September 20, 2006 and October 4, 2006, we granted 15,000 shares and 5,000 shares, respectively, of restricted common stock, to our independent directors under the 2006 Independent Directors Compensation Plan, of which 20.0% vested on the grant date and 20.0% will vest on each of the first four anniversaries of the date of grant. The fair value of each share of restricted common stock was estimated at the date of grant at \$10.00 per share, the per share price of shares in our Offering, and is amortized on a straight-line basis. Shares of restricted common stock may not

be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered. Such restrictions expire upon vesting. We recognized compensation expense of approximately \$51,000 related to the restricted common stock grants for the period from April 28, 2006 (Date of Inception) through December 31, 2006. Shares of restricted common stock have full voting rights and rights to dividends.

As of December 31, 2006, there was approximately \$149,000 of total unrecognized compensation expense, net of estimated forfeitures, related to non-vested restricted shares of common stock. The expense is expected to be realized over a weighted average period of approximately three years and nine months.

As of December 31, 2006, the fair value of the non-vested restricted shares of common stock was \$160,000.



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**Incentive Stock Plan**

Although we currently do not have any employees and do not currently intend to hire any employees, we have adopted an incentive stock plan, which we will use to attract and retain qualified independent directors, any employees we may hire in the future and consultants providing services to us who are considered essential to our long-term success, by offering these individuals an opportunity to participate in our growth through awards in the form of, or based on, our common stock.

The incentive stock plan provides for the granting of awards to participants in the following forms to those independent directors, employees and consultants selected by the plan administrator for participation in the incentive stock plan:

options to purchase shares of our common stock, which may be nonstatutory stock options or incentive stock options under the U.S. tax code;

stock appreciation rights, which give the holder the right to receive the difference between the fair market value per share on the date of exercise over the grant price;

performance awards, which are payable in cash or stock upon the attainment of specified performance goals;

restricted stock, which is subject to restrictions on transferability and other restrictions set by the Board of Directors or a committee thereof;

restricted stock units, which give the holder the right to receive shares of stock, or the equivalent value in cash or other property, in the future;

deferred stock units, which give the holder the right to receive shares of stock, or the equivalent value in cash or other property, at a future time;

dividend equivalents, which entitle the participant to payments equal to any dividends paid on the shares of stock underlying an award; and/or

other stock based awards at the discretion of the plan administrator, including unrestricted stock grants.

The maximum number of shares of our common stock that may be issued upon the exercise or grant of an award under the incentive stock plan is 2,000,000 shares. In the event of a nonreciprocal corporate transaction that causes the per-share value of our common stock to change, such as a stock dividend, stock split, spin-off, rights offering or large nonrecurring cash dividend, the share authorization limits of the incentive stock plan will be adjusted proportionately.

**EQUITY COMPENSATION PLAN INFORMATION**

<b>Plan Category</b>	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options,</b>	<b>Weighted Average Exercise Price of Outstanding Options,</b>	<b>Number of Securities Remaining Available for Future Issuance</b>
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	<b>Warrants and Rights</b>	<b>Warrants and Rights</b>
Equity compensation plans approved by security holders(1)		1,980,000
Equity compensation plans not approved by security holders		
Total		1,980,000

(1) On September 20, 2006 and October 4, 2006, we granted 15,000 shares and 5,000 shares, respectively, of restricted common stock, as defined in the 2006 Incentive Plan, to our independent directors under the 2006 Independent Directors Compensation Plan. Such shares are not shown in the chart above as they are deemed outstanding shares of our common stock; however such grants reduce the number of securities remaining available for future issuance.

**Table of Contents****PRINCIPAL STOCKHOLDERS**

The following table shows, as of April 10, 2007, the amount of shares of our common stock beneficially owned by (1) any person who is known by us to be the beneficial owner of more than 5.0% of the outstanding shares of our common stock; (2) our directors; (3) our chief executive officer; and (4) all of our directors and executive officers as a group. The percentage of common stock beneficially owned is based on 3,498,501 shares of our common stock outstanding as of April 10, 2007. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes securities over which a person has voting or investment power and securities that a person has the right to acquire within 60 days.

Name of Beneficial Owners(1)	Number of Shares Beneficially Owned	Percentage
Scott D. Peters(2)	200	*
W. Bradley Blair, II(3)	5,000	*
Maurice J. DeWald(3)	5,000	*
Warren D. Fix(3)	5,052	*
Gary T. Wescombe(3)	5,000	*
Larry L. Mathis(4)		
All directors and executive officers as a group (9 persons)	23,252	*

\* Represents less than 1.0% of our outstanding common stock.

- (1) The address of each beneficial owner listed is c/o NNN Healthcare/Office REIT, Inc., 1551 N. Tustin Avenue, Suite 200, Santa Ana, California 92705.
- (2) Includes 200 shares of our common stock owned by our Advisor. Scott D. Peters is the Chief Executive Officer of our Advisor. Our Advisor also owns 20,000 units of NNN Healthcare/Office REIT Holdings, L.P., or our Operating Partnership.
- (3) Includes vested and non-vested shares of restricted common stock.
- (4) Mr. Mathis was appointed to serve as a member of the Board of Directors on April 12, 2007. In connection with his initial appointment as an independent director, Mr. Mathis will receive 5,000 shares of vested and non-vested restricted stock.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Our executive officers, directors and greater than 10.0% stockholders are not currently subject to the beneficial ownership reporting requirements pursuant to Section 16(a) of the Exchange Act, and therefore no reports were filed in 2006 pursuant to Section 16(a).

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**CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS**

Some of our executive officers and our non-independent director are also executive officers and/or holders of direct or indirect interests in our Advisor, NNN Realty Advisors, Triple Net Properties, or other affiliated entities. Triple Net Properties owns a 75.0% managing member interest in our Advisor. NNN Healthcare/Office Management, LLC owns a 25.0% non-managing member interest in our Advisor. The members of NNN Healthcare/Office Management, LLC include Scott D. Peters, our Chief Executive Officer and Chairman of the Board of Directors, our Advisor's Chief Executive Officer, NNN Realty Advisors' Chief Executive Officer and director, and Triple Net Properties' Chief Executive Officer; Andrea R. Biller, our Executive Vice President and Secretary, our Advisor's Executive Vice President, NNN Realty Advisors' Executive Vice President, Secretary and General Counsel, and Triple Net Properties' Executive Vice President and General Counsel; and Triple Net Properties for the benefit of other employees who perform services for us. Each of Mr. Peters and Ms. Biller own an 18.0% membership interest in NNN Healthcare/Office Management, LLC. Anthony W. Thompson, the Chairman of the board of directors of NNN Realty Advisors, is a special member of NNN Healthcare/Office Management, LLC and may receive compensation of up to \$175,000 annually.

Upon the effectiveness of our best efforts initial public offering, we entered into the Advisory Agreement and a dealer manager agreement, or the Dealer Manager Agreement, with NNN Capital Corp., or our Dealer Manager. These agreements entitle our Advisor, our Dealer Manager and their affiliates to specified compensation for certain services with regard to our Offering and the investment of funds in real estate assets, among other services, as well as reimbursement of organizational and offering expenses incurred.

**Offering Stage**

*Selling Commissions*

Our Dealer Manager will receive selling commissions up to 7.0% of the gross offering proceeds from the sale of shares of our common stock in our Offering. Our Dealer Manager may re-allow all or a portion of these fees to participating broker-dealers. Our Dealer Manager did not receive selling commissions for the period from April 28, 2006 (Date of Inception) through December 31, 2006. Selling commissions are not recorded in our accompanying consolidated financial statements because such commissions were not our liability since we had not raised the minimum offering as of December 31, 2006. When recorded by us, such commissions will be charged to stockholders' equity as such amounts are paid to our Dealer Manager from the gross proceeds of our Offering.

*Marketing Support Fee and Due Diligence Expense Reimbursement*

Our Dealer Manager may receive non-accountable marketing support fees up to 2.5% of the gross offering proceeds from the sale of shares of our common stock in our Offering and may re-allow up to 1.5% of these fees to participating broker-dealers. In addition, we may reimburse our Dealer Manager or its affiliates an additional accountable 0.5% of gross offering proceeds for bona fide due diligence expenses and may re-allow up to 0.5% of these fees to participating broker-dealers. Our Dealer Manager or its affiliates did not receive marketing support fees or due diligence expense reimbursements for the period from April 28, 2006 (Date of Inception) through December 31, 2006. Marketing support fees and due diligence expense reimbursements are not recorded in our accompanying consolidated financial statements because such fees and reimbursements were not our liability since we had not raised the minimum offering as of December 31, 2006. When recorded by us, such fees and reimbursements will be charged to stockholders' equity as such amounts are reimbursed to our Dealer Manager or its affiliates from the gross proceeds of our Offering.

*Other Organizational and Offering Expenses*

Our organizational and offering expenses are paid by our Advisor or Triple Net Properties on our behalf. Our Advisor or Triple Net Properties may be reimbursed for actual expenses incurred for up to 1.5% of the gross offering proceeds for the shares sold under our Offering. No reimbursements were made to our Advisor or Triple Net Properties for the period from April 28, 2006 (Date of Inception) through December 31, 2006 for other organizational and offering expenses. Other organizational and offering expenses are not recorded in our accompanying consolidated financial statements because such expenses were not our liability since we had not

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raised the minimum offering as of December 31, 2006. When recorded by us, organizational expenses will be expensed as incurred and offering expenses will be charged to stockholders' equity as such amounts are reimbursed to our Advisor or Triple Net Properties from the gross proceeds of our Offering.

### ***Acquisition and Development Stage***

#### ***Acquisition Fees***

Our Advisor or its affiliates will receive, as compensation for services rendered in connection with the investigation, selection and acquisition of properties, an acquisition fee up to 3.0% of the contract purchase price for each property acquired or up to 4.0% of the total development cost of any development property acquired, as applicable. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, we did not incur such fees.

#### ***Reimbursement of Acquisition Expenses***

Our Advisor or its affiliates will be reimbursed for acquisition expenses related to selecting, evaluating, acquiring and investing in properties, which will not exceed 0.5% of the purchase price of the properties. The reimbursement of acquisition fees and expenses, including real estate commissions paid to unaffiliated parties, will not exceed, in the aggregate, 6.0% of the purchase price or total development costs, unless fees in excess of such limits are approved by a majority of our disinterested independent directors. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, we did not incur such expenses.

### ***Operational Stage***

#### ***Asset Management Fee***

Our Advisor or its affiliates will be paid a monthly fee for services rendered in connection with the management of our assets equal to one-twelfth of 1.0% of the average invested assets calculated as of the close of business on the last day of each month, subject to our stockholders receiving annualized distributions in an amount equal to 5.0% per annum on average invested capital. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, we did not incur such fees.

#### ***Property Management Fees***

Our Advisor or its affiliates will be paid a monthly property management fee equal to 4.0% of the gross cash receipts from each property managed. For properties managed by other third parties besides our Advisor or its affiliates, our Advisor or its affiliates will be paid up to 1.0% of the gross cash receipts from the property for a monthly oversight fee. In addition, our Advisor or its affiliates may be paid a separate fee for any leasing activities in an amount not to exceed the fee customarily charged in arm's length transactions by others rendering similar services in the same geographic area for similar properties as determined by a survey of brokers and agents in such area. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, we did not incur such fees.

#### ***Operating Expenses***

Our Advisor or its affiliates will be reimbursed for expenses incurred in rendering its services, subject to certain limitations. Fees and costs reimbursed to our Advisor or its affiliates cannot exceed the greater of: (1) 2.0% of our average invested assets, as defined in the Advisory Agreement, or (2) 25.0% of our net income, as defined in the Advisory Agreement. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, Triple Net Properties incurred \$312,000 on our behalf. As of December 31, 2006, we had not reimbursed our Advisor or its

affiliates for such expenses.

***Liquidity Stage***

***Disposition Fees***

Our Advisor or its affiliates will be paid, for a substantial amount of services relating to a sale of one or more properties, a disposition fee up to the lesser of 1.75% of the contract sales price or 50.0% of a customary competitive real estate commission given the circumstances surrounding the sale, in each case as determined by our board of directors and will not exceed market norms. The amount of disposition fees paid, including real

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estate commissions paid to unaffiliated parties, will not exceed the lesser of the customary competitive disposition fee or an amount equal to 6.0% of the contract sales price. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, we did not incur such fees.

### *Subordinated Participation Interest*

### *Subordinated Distribution of Net Sales Proceeds*

Upon liquidation of our portfolio, our Advisor will be paid a subordinated distribution of net sales proceeds. The distribution will be equal to 15.0% of the net proceeds from the sales of properties, after subtracting distributions to our stockholders of (1) their initial contributed capital (less amounts paid to repurchase shares pursuant to our share repurchase program) plus (2) an annual cumulative, non-compounded return of 8.0% on average invested capital. Actual amounts depend upon the sales prices of properties upon liquidation. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, we did not incur such distributions.

### *Subordinated Distribution Upon Listing*

Upon the listing of shares of our common stock on a national securities exchange, our Advisor will be paid a distribution equal to 15.0% of the amount by which (1) the market value of our outstanding common stock at listing plus distributions paid prior to listing exceeds (2) the sum of total amount of capital raised from stockholders (less amounts paid to repurchase shares pursuant to our share repurchase plan) and the amount of cash that, if distributed to stockholders as of the date of listing, would have provided them an annual 8.0% cumulative, non-compounded return on average invested capital through the date of listing. Actual amounts depend upon the market value of shares of our common stock at the time of listing, among other factors. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, we did not incur such distributions.

### *Subordinated Distribution Upon Termination*

Upon termination of the Advisory Agreement, other than a termination by us for cause, our Advisor will be entitled to receive a distribution from our Operating Partnership, in an amount equal to 15.0% of the amount, if any, by which (1) the fair market value of all of the assets of our Operating Partnership as of the date of the termination (determined by appraisal), less any indebtedness secured by such assets, plus the cumulative distributions made to us by our Operating Partnership from our inception through the termination date, exceeds (2) the sum of the total amount of capital raised from stockholders (less amounts paid to redeem shares pursuant to our share repurchase plan) plus an annual 8.0% cumulative, non-compounded return on average invested capital through the termination date. However, our Advisor will not be entitled to this distribution if shares of our common stock have been listed on a national securities exchange prior to the termination of the Advisory Agreement. For the period from April 28, 2006 (Date of Inception) through December 31, 2006, we did not incur such distributions.

### *Due to Affiliates*

As of December 31, 2006, approximately \$312,000 was payable to Triple Net Properties, primarily for the reimbursement of insurance premiums.

## **Certain Conflict Resolution Restrictions and Procedures**

In order to reduce or eliminate certain potential conflicts of interest, our charter and the Advisory Agreement contain restrictions and conflict resolution procedures relating to (1) transactions we enter into with our Advisor, our directors or their respective affiliates; (2) certain future offerings; and (3) allocation of properties among affiliated entities. Each



of the restrictions and procedures that applies to transactions with our Advisor and its affiliates will also apply to any transaction with any entity or real estate program advised, managed or controlled by NNN Realty Advisors and its affiliates. These restrictions and procedures include, among others, the following:

Except as otherwise described in our Registration Statement on Form S-11 (File No. 333-133652, effective September 20, 2006) filed with the Securities and Exchange Commission, or the SEC, or our

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Offering prospectus, we will not accept goods or services from our Advisor or its affiliates unless a majority of our directors, including a majority of the independent directors, not otherwise interested in the transactions, approve such transactions as fair, competitive and commercially reasonable to us and on terms and conditions not less favorable to us than those available from unaffiliated third parties.

We will not purchase or lease any asset (including any property) in which our Advisor, any of our directors or any of their respective affiliates has an interest without a determination by a majority of our directors, including a majority of the independent directors, not otherwise interested in such transaction, that such transaction is fair and reasonable to us and at a price to us no greater than the cost of the property to our Advisor, such director or directors or any such affiliate, unless there is substantial justification for any amount that exceeds such cost and such excess amount is determined to be reasonable. In no event will we acquire any such asset at an amount in excess of its appraised value. We will not sell or lease assets to our Advisor any of our directors or any of their respective affiliates unless a majority of our directors, including a majority of the independent directors, not otherwise interested in the transaction, determine the transaction is fair and reasonable to us, which determination will be supported by an appraisal obtained from a qualified, independent appraiser selected by a majority of our independent directors.

We will not make any loans to our Advisor, any of our directors or any of their respective affiliates. In addition, any loans made to us by our Advisor, our directors or any of their respective affiliates must be approved by a majority of our directors, including a majority of the independent directors, not otherwise interested in the transaction, as fair, competitive and commercially reasonable, and no less favorable to us than comparable loans between unaffiliated parties.

Our Advisor and its affiliates shall be entitled to reimbursement, at cost, for actual expenses incurred by them on our behalf or on behalf of joint ventures in which we are a joint venture partner, subject to the limitation on reimbursement of operating expenses to the extent that they exceed the greater of 2.0% of our average invested assets or 25.0% of our net income, as described above.

Our Advisory Agreement provides that if Triple Net Properties identifies an opportunity to make an investment in one or more office buildings or other facilities for which greater than 50.0% of the gross leaseable area is leased to, or reasonably expected to be leased to, one or more medical or healthcare-related tenants, either directly or indirectly through an affiliate or in a joint venture or other co-ownership arrangement, for itself or for any other Triple Net Properties program, then Triple Net Properties will provide us with the first opportunity to purchase such investment. Triple Net Properties will provide all necessary information related to such investment to our Advisor, in order to enable our Board of Directors to determine whether to proceed with such investment. Our Advisor will present the information to our Board of Directors within three business days of receipt from Triple Net Properties. If our Board of Directors does not affirmatively authorize our Advisor to proceed with the investment on our behalf within seven days of receipt of such information from our Advisor, then Triple Net Properties may proceed with the investment opportunity for its own account or offer the investment opportunity to any other person or entity.

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**PROPOSAL NO. 2**

**RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Our Audit Committee has selected Deloitte to be our independent registered public accounting firm for fiscal 2007. A representative of Deloitte is expected to be present at the annual meeting and will have an opportunity to make a statement if he or she so desires. The representative also will be available to respond to appropriate questions from the stockholders.

Although it is not required to do so, the Board of Directors is submitting the Audit Committee's selection of our independent registered public accounting firm for ratification by the stockholders at the annual meeting in order to ascertain the view of the stockholders regarding such selection. The affirmative vote of the holders of a majority of votes cast on the proposal at the annual meeting will be required to approve this proposal.

**The Board of Directors recommends a vote FOR ratification of the selection of Deloitte as our independent registered public accounting firm for 2007.**

**RELATIONSHIP WITH INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**AUDIT AND NON-AUDIT FEES**

Deloitte has served as our independent auditors since April 24, 2006 and audited our consolidated financial statements as of December 31, 2006 and April 28, 2006 (Date of Inception) and for the period from April 28, 2006 (Date of Inception) through December 31, 2006.

The following table lists the fees for services rendered by our independent auditors for 2006:

<b>Services</b>	<b>2006</b>
Audit Fees(1)	\$ 59,000
Audit-Related Fees(2)	
Tax Fees(3)	
All Other Fees	
<b>Total</b>	<b>\$ 59,000</b>

- (1) Audit fees billed in 2006 consisted of the audit of our annual consolidated financial statements, a review of our quarterly consolidated financial statements, statutory and regulatory audits, consents and other services related to our filings with the SEC.
- (2) Audit-related fees consist of financial accounting and reporting consultations.
- (3) Tax services consist of tax compliance and tax planning and advice.

The Audit Committee pre-approves all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for us by our independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act and the rules and regulations of the SEC. The Audit

Committee has approved Deloitte to perform the following non-audit services for us during 2007:

consultations and consents related to SEC filings and registration statements;

consultation of accounting matters; and

tax planning and tax compliance for the U.S. income and other taxes.

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**Auditor Independence**

The Audit Committee has considered whether the provision of the above noted services is compatible with maintaining the independence of our independent registered public accounting firm's independence and has concluded that the provision of such services has not adversely affected the independent registered public accounting firm's independence.

**AUDIT COMMITTEE REPORT TO STOCKHOLDERS**

The Audit Committee of the Board of Directors operates under a written charter adopted by the Board of Directors. The role of the Audit Committee is to oversee our financial reporting process on behalf of the Board of Directors. Our management has the primary responsibility for our financial statements as well as our financial reporting process, principles and internal controls. The independent registered public accounting firm is responsible for performing an audit of our financial statements and expressing an opinion as to the conformity of such financial statements with accounting principles generally accepted in the United States of America.

In this context, the Audit Committee has reviewed and discussed our audited financial statements as of and for the year ended December 31, 2006 with management and the independent registered public accounting firm. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by the statement on Auditing Standards No. 61, as amended (*Professional Standards*), as currently in effect. In addition, the Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by Independence Standards Board Standard No. 1 (*Independence Discussions with Audit Committees*), as currently in effect, and it has discussed their independence with us. The Audit Committee has also considered whether the independent registered public accounting firm's provision of tax preparation, tax consulting services and other non-audit services to us is compatible with maintaining the independent registered public accounting firm's independence.

Based on the reports and discussions described above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2006, which has been filed with the SEC.

Audit Committee:

Maurice J. DeWald, Chairman  
W. Bradley Blair, II  
Warren D. Fix  
Gary T. Wescombe

**ANNUAL REPORT**

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2006 is being mailed to stockholders on or about April 25, 2007. Our Annual Report on Form 10-K is not incorporated in this proxy statement and is not deemed a part of the proxy soliciting material.

**CODE OF BUSINESS CONDUCT AND ETHICS**

We have adopted a Code of Business Conduct and Ethics, or the Code of Ethics, which contains general guidelines for conducting our business and is designed to help directors, employees and independent consultants resolve ethical issues in an increasingly complex business environment. The Code of Ethics applies to our Principal Executive

Officer, Principal Financial Officer, Principal Accounting Officer, Controller and persons performing similar functions and all members of our Board of Directors. The Code of Ethics covers topics including, but not limited to, conflicts of interest, confidentiality of information and compliance with laws and regulations. Stockholders may request a copy of the Code of Ethics, which will be provided without charge, by writing to: NNN Healthcare/Office REIT, Inc., 1551 N. Tustin Avenue, Suite 200, Santa Ana, California 92705, Attention: Secretary.

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**PROPOSALS FOR 2008 ANNUAL MEETING**

Under SEC regulations, any stockholder desiring to make a proposal to be acted upon at the 2008 annual meeting of stockholders must cause such proposal to be received at our principal executive offices located at 1551 N. Tustin Avenue, Suite 200, Santa Ana, California 92705, Attention: Secretary, no later than February 13, 2008, in order for the proposal to be considered for inclusion in our proxy statement for that meeting. Stockholders also must follow the procedures prescribed in SEC Rule 14a-8 promulgated under the Securities Exchange Act of 1934. We presently anticipate holding the 2008 annual meeting of stockholders in June 2008.

**OTHER MATTERS**

**Mailing of Materials; Other Business**

We will mail a proxy card together with this proxy statement to all stockholders of record at the close of business on April 25, 2007. The only business to come before the annual meeting of which management is aware is set forth in this proxy statement. If any other business does properly come before the annual meeting or any postponement or adjournment thereof, the proxy holders will vote in regard thereto according to their discretion insofar as such proxies are not limited to the contrary.

**It is important that proxies be returned promptly. Therefore, stockholders are urged to date, sign and return the accompanying proxy card in the enclosed envelope or by fax to (212) 645-8046 or by telephone by dialing toll-free 1-866-888-4067 or by the Internet at <https://www.proxyvotenow.com/heal>.**

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**PROXY**

**Please Vote by June 11, 2007**

The undersigned stockholder of NNN Healthcare/Office REIT, Inc., a Maryland corporation, hereby appoints Scott D. Peters and Andrea R. Biller and each of them as proxies for the undersigned with full power of substitution in each of them, to attend the Annual Meeting of our Stockholders to be held at the Irvine Marriott, 18000 Von Karman Avenue, Irvine, California 92612, on June 12, 2007 at 12:00 p.m. local time and any and all adjournments and postponements thereof, to cast, on behalf of the undersigned, all votes that the undersigned is entitled to cast, and otherwise to represent the undersigned, at such meeting and all adjournments and postponements thereof, with all power possessed by the undersigned as if personally present and to vote in their discretion on such other matters as may properly come before the meeting. The undersigned hereby acknowledges receipt of the Notice of the Annual Meeting of Stockholders and of the accompanying proxy statement, which is hereby incorporated by reference, and revokes any proxy heretofore given with respect to such meeting.

**This proxy is solicited on behalf of the NNN Healthcare/Office REIT, Inc. Board of Directors. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the annual meeting, including matters incident to its conduct.**

**When properly executed, this proxy will be voted as specified by the undersigned stockholder. If no voting instruction is given as to any item, this proxy will be voted FOR the nominees named in Item 1 and FOR Item 2.**

***THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE NOMINEES NAMED IN ITEM NO. 1 AND FOR ITEM NO. 2. IF NO SPECIFICATION IS MADE, SUCH PROXY WILL BE VOTED FOR SUCH ITEM.***

**1. For the election of Scott D. Peters, W. Bradley Blair, II, Maurice J. DeWald, Warren D. Fix, Larry L. Mathis and Gary T. Wescombe to serve as Directors until the Annual Meeting of Stockholders of NNN Healthcare/Office REIT to be held in the year 2008 and until their successors are elected and qualified.**

- |  |   |  |
|--|---|--|
| <input type="radio"/> For All Nominees | <input type="radio"/> Withheld as to All Nominees | <input type="radio"/> For All Nominees Except* |
| Scott D. Peters                        | W. Bradley Blair, II                              | Maurice J. DeWald                              |
| Warren D. Fix                          | Larry L. Mathis                                   | Gary T. Wescombe                               |

*\*To vote against any individual nominee, strike a line through the nominee's name*

**2. For ratification of the appointment of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm for the fiscal year 2007.**

- |                           |                               |                               |
|---------------------------|-------------------------------|-------------------------------|
| <input type="radio"/> For | <input type="radio"/> Against | <input type="radio"/> Abstain |
|---------------------------|-------------------------------|-------------------------------|

**SIGN, DATE and RETURN:**

Date:           /           /2007

If the stock is jointly owned, both parties must sign.

Date:           /           /2007



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**YOUR VOTE IS IMPORTANT!**

**You can authorize the proxies to cast your vote and otherwise represent you at the annual meeting in one of four ways:**

**MAIL:** Return the completed form in the enclosed postage-paid envelope.

**FAX:** Fax the completed form to (212) 645-8046.

**PHONE:** Call our toll-free number at (866) 888-4067 to vote.

**INTERNET:** Vote online at <https://www.proxyvotenow.com/heal>.