

Wells Timberland Real Estate Investment Trust, Inc.

**STOCK DIVIDEND OF ITS COMMON SHARES
TAX REPORTING STATEMENT UNDER IRC SECTION 6045B**

Part I, Form 8937: Reporting Issuer Information

- (i) Reporting Issuer: Wells Timberland REIT, Inc.
6200 The Corners Pkwy
Norcross GA 30092
- (ii) Tax Identification Number: 20-3536671
- (iii) CUSIP Number: 950044-10-7
- (iv) Contact at Reporting Issuer: Krister Romeyn
P.O. Box 219073
Kansas City, MO 64121-9073
Email: client.services@wellsref.com
Phone: 1-800-557-4830
- (v) Date(s) of Action: March 15, 2011
June 15, 2011
September 15, 2011
December 15, 2011
- (vi) Classification and Description: Stock Dividend on Common Shares

Part II, Form 8937: Organizational Action

Item 14. On December 14, 2010, the board of directors of Wells Timberland REIT, Inc, declared a stock dividend of .000055556 shares per day on the outstanding shares of common stock to shareholders of record at the close of business on each day during the period commencing on December 16, 2010 through and including March 15, 2011. This stock distribution was made on March 15, 2011. The public offering price at the time of the distribution was \$10 per share.

On February 28, 2011, the board of directors of Wells Timberland REIT, Inc, declared a stock dividend of .000054348 shares per day on the outstanding shares of common stock to shareholders of record at the close of business on each day during the period commencing on March 16, 2011 through and including June 15, 2011. This stock distribution was made on June 15, 2011. The public offering price at the time of the distribution was \$10 per share.

On May 9, 2011, the board of directors of Wells Timberland REIT, Inc, declared a stock dividend of .000054348 shares per day on the outstanding shares of common stock to shareholders of record at the close of business on each day during the period

commencing on June 16, 2011 through and including September 15, 2011. This stock distribution was made on September 15, 2011. The public offering price at the time of the distribution was \$10 per share.

On August 8, 2011, the board of directors of Wells Timberland REIT, Inc, declared a stock dividend of .000054945 shares per day on the outstanding shares of common stock to shareholders of record at the close of business on each day during the period commencing on September 16, 2011 through and including December 15, 2011. This stock distribution was made on December 15, 2011. The public offering price at the time of the distribution was \$10 per share.

Item 15. The aggregate tax basis in the shares of Wells Timberland REIT, Inc. held by the shareholder should be the same basis as it was immediately prior to the stock distribution. Pursuant to IRC section 307(a) and the regulations, the basis of the old stock is allocated between the new stock and old stock on the date of distribution.

The holding period for the new stock includes the period for which the old stock was held, pursuant to IRC section 1223(4).

Item 16. There shall be no aggregate change in basis resulting from the stock distribution. The per share change in basis can be calculated by taking the old basis and dividing by the new number of shares.

Item 17. The tax treatment of the basis is based on Internal Revenue Code Sections 305(a) and 307(a) for each of the actions. The stock distribution is not taxable gross income to the shareholder.

Item 18. No resulting losses can be recognized.