

2013

MacNicol & Associates
Asset Management Inc.

Scott Baker

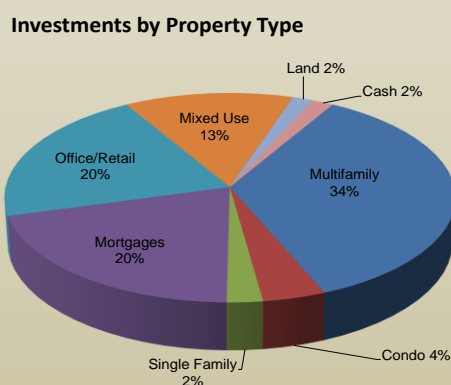
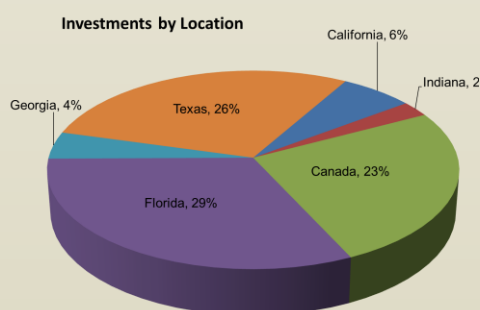
MACNICOL 360 DEGREE REALTY INCOME FUND

Interim Report for the three months ending September 30, 2013

The MacNicol 360 Degree Realty Income Fund is an open ended private real estate fund that invests in a diversified portfolio of income-oriented real estate investments in Canada and the United States



Monterone Multifamily Complex – Purchased August 2013 – Austin, Texas



Message to Limited Partners

We are pleased to present this Quarterly Report for the MacNicol 360 Degree Realty Income Fund LP (the “Fund”) for the third quarter of 2013. The return for the three months ending September 30, 2013 was a loss of 0.3% which, when factored with the prior three quarters, results in a 12-month trailing total return of 8.1% for the Fund’s “C” Class Units.

Operating Activity

The Fund’s operating results from its underlying income-producing and financial assets generated stable and growing net cash flows during the quarter and over the last 12 months. The overall portfolio continues to enjoy strong operating results across the board with 2%-3% rental increases evident in the Fund’s multi-residential projects across the United States. In Canada, our investment in the KingSett Income Fund continues to perform above expectations with a 98% occupancy rates in its commercial portfolio and a 97% occupancy rate in the multi-residential assets. During the quarter the Fund also booked a positive fair market value adjustment in its investments in Carroll Fund II and a negative adjustment in the Reserve at Lakeside in Riviera, Fl. resulting in a slight loss for the portfolio during the third quarter.

Investment Activity

During the third quarter, the 360 Fund made an investment in a 583-unit multifamily complex in the Greater Austin area (Round Rock, TX) named Monterone. The complex is unique in that a large percentage of its units are townhouse style three floor apartments which are highly attractive to families seeking an alternative to home ownership. This complex was purchased from a distressed seller, and the complex had been managed by the lender for the past four years. The business plan is to upgrade the facility in order to increase rents toward the market (currently 30% below) which, in turn, will drive double digit net operating income growth. Brass Enterprises of Toronto is the sponsor and General Partner of Monterone. Brass has an extensive track record of successfully repositioning multifamily complexes in Canada and the United States. Austin Texas is one of the fastest growing cities in the United States with an almost insatiable demand for housing and rental units driving 5%-6% annual rent growth.

Outlook

In the U.S., we expect mortgage rates to gradually rise and modest increases in capitalization rates for commercial and multi-residential properties over the next 2-3 years. This will benefit the Fund as it will allow us to add high-quality assets at reasonable prices for the foreseeable future, while the majority of our current assets utilize fixed-rate assumable debt which will become more valuable in a rising-rate environment.

Financial Highlights Q3 2013

Balance Sheet Highlights Sept 30, 2013

Income-producing properties	42%
Lease up Properties	20%
Mortgages	20%
Properties under Development	13%
Cash and Accrued Dividends	3%
Developable Land	2%
Total Assets	100%
Bank indebtedness	0%
Mortgage Loans* (Partnership Level)	0%
Payables	1%
Total Liabilities	1%
Total Liabilities and Partner's Equity	100%

*Average Loan to Value at Property Level: 44%

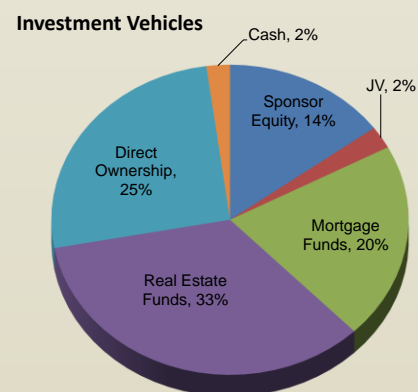
Income Statement Highlights Nine Months

Income-producing property revenues	\$386,842
Mortgage interest	\$31,691
Securities and other income	\$16,000
Fair Value Adjustments*	\$427,621
Realized Gains/Losses	(\$29,489)
Total Revenues	\$813,125
Interest Expense	\$, 000
Partnership Expenses	\$184,062
Net Margin (through Q3)	\$629,063

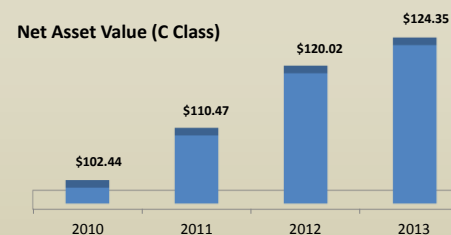
* 13th Floor Florida Value Fund I
Carroll Multifamily Fund II
JCR Capital Finance Fund II
KingSett Capital Income Fund
Prospect Reserve at Lakeside



Bethesda, Georgia, 40% capital returned thru successful refinancing – Carroll Organization



YTD Investment Returns (C Class)



	YTD
Return from Operations:	2.4%
Realized Gains/Losses:	(.2%)
Fair Value Adjustments:	2.5%
Partnership Expenses:	(1.1%)
Net Return:	3.6%

Summary of Property Portfolio:

Representative Properties & Mortgages

Property	Sponsor	Type	Location	Status
Bethesda Park	Carroll Organization	Multi-Residential	Lawrenceville, GA.	Fully Leased
Tech Ridge	Carroll Organization	Multi-Residential	Austin, Texas	Fully Leased
Green Trails	Carroll Organization	Multi-Residential	Houston, Texas	Fully Leased
Cherry Hill	KingSett Capital	Multi-Residential	London, Ontario	Fully Leased
700 Bay Street	KingSett Capital	Multi-Residential	Toronto, Ontario	Fully Leased
Eden House	13 th Floor Investment	Condominiums	North Beach, Miami	100% Sold
Summit Place	13 th Floor Investment	Mixed-Residential	Naples, Florida	100% Sold
Lakeside	Prospect Properties	Multi-Residential	Rivera Beach, Florida	On Market
Monterone	Brass Enterprises	Multi-Residential	Austin, Texas	Fully-Leased

Residential

Bayshore Centre	KingSett Capital	Retail Mall	Ottawa, Ontario	Fully Leased
Burlington Mall	KingSett Capital	Retail Mall	Burlington, Ontario	Fully Leased
130 Bloor West	KingSett Capital	Mixed Use	Toronto, Ontario	Fully Leased
101 Bloor West	KingSett Capital	Mixed Use	Toronto, Ontario	Fully Leased
Field Club	Slate Properties	Grocery Retail	New Castle, PA	Fully Leased
Buckeye Plaza	Slate Properties	Grocery Retail	Cleveland, OH	Fully Leased

Commercial

Sage Hill	KingSett Capital	Retail	Calgary, Alberta	60% Built
Sierra Grande	13 th Floor Investment	Multi-Residential	Naples Florida	70% Built

Development

Builder Loans	United Development	Secured Loans	Texas	Active
Whole Loans	JCR Capital	Loan Modifications	United State	Active
CMBS	WMD Investments	Loan Modifications	United States	Active

Commercial Mortgages