

Cole Credit Property Trust II Inc
Form 424B3
August 18, 2008
COLE CREDIT PROPERTY TRUST II, INC.

SUPPLEMENT NO. 4 DATED AUGUST 18, 2008

TO THE PROSPECTUS DATED APRIL 30, 2008

This document supplements, and should be read in conjunction with, the prospectus of Cole Credit Property Trust II, Inc. dated April 30, 2008 and Supplement No. 3, which superseded and replaced all previous supplements to the prospectus. Unless otherwise defined in this supplement, capitalized terms used in this supplement shall have the same meanings as set forth in the prospectus.

The purpose of this supplement is to describe the following:

- (1) the status of the offering of shares in Cole Credit Property Trust II, Inc.;
- (2) recent real property investments;
- (3) potential real property investments;
- (4) a Management's Discussion and Analysis of Financial Condition and Results of Operations section substantially the same as that which was filed in the Quarterly Report on Form 10-Q, dated August 14, 2008;
- (5) updated financial information regarding Cole Credit Property Trust II, Inc.; and
- (6) a modified form of Subscription Agreement.

Status of Our Public Offerings

We commenced our initial public offering on June 27, 2005. We terminated our initial public offering on May 22, 2007. We issued a total of 54,838,315 shares in our initial public offering, including 53,909,877 shares sold in the primary offering and 928,438 shares sold pursuant to our distribution reinvestment plan, resulting in gross offering proceeds to us of approximately \$547.4 million.

We commenced our follow-on offering of 150,000,000 shares of common stock on May 23, 2007. Of these shares, we are offering 125,000,000 shares in a primary offering and 25,000,000 shares pursuant to our distribution reinvestment plan. As of August 11, 2008, we had accepted investors' subscriptions for, and issued, approximately 104,204,548 million shares of our common stock in the follow-on offering, including approximately 99,936,082 million shares sold in the primary offering and approximately 4,268,466 million shares sold pursuant to our distribution reinvestment plan, resulting in gross proceeds to us of approximately \$1.0 billion. Combined with our initial public offering, we had received a total of approximately \$1.6 billion in gross offering proceeds as of August 11, 2008.

We will offer shares of our common stock pursuant to the follow-on offering until May 11, 2009, unless all shares being offered have been sold in which case the offering will be terminated. If all of the shares we are offering pursuant to the follow-on offering have not been sold by May 11, 2009, we may extend the offering as permitted under applicable law. In addition, at the discretion of our board of directors, we may elect to extend the termination date of our offering of shares reserved for issuance pursuant to our distribution reinvestment plan until we have sold all

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shares allocated to such plan through the reinvestment of distributions, in which case participants in the plan will be notified. The follow-on offering must be registered in every state in which we offer or sell shares. Generally, such registrations are for a period of one year. Thus, we may have to stop selling shares in any state in which our registration is not renewed or otherwise extended annually. We reserve the right to terminate this offering at any time prior to the stated termination date.

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Real Property Investments

The following information supplements, and should be read in conjunction with, the table in the section captioned *Prospectus Summary Description of Real Estate Investments* beginning on page 7 of the prospectus:

Description of Real Estate Investments

As of August 15, 2008, we owned 405 properties, comprising approximately 15.1 million gross rentable square feet of commercial space located in 45 states and the U.S. Virgin Islands. Properties acquired between July 29, 2008, the date of our last prospectus supplement, and August 15, 2008 are listed below.

Property Description	Type	Tenant	Rentable Square Feet	Purchase Price
Weston Shops Weston, FL	Shopping Center	Various	30,420	\$ 16,400,000
Jo-Ann Fabrics Alpharetta, GA	Specialty Retail	FCA of Ohio, Inc.	38,418	6,441,000
LA Fitness Greenwood, IN	Fitness and Health	LA Fitness International, LLC	45,000	10,605,000
PetSmart Chattanooga, TN	Specialty Retail	Petsmart, Inc.	26,040	4,815,000
PetSmart Daytona Beach, FL	Specialty Retail	Petsmart, Inc.	26,194	5,333,000
PetSmart Fredericksburg, VA	Specialty Retail	Petsmart, Inc.	26,051	5,199,000
			192,123	\$48,793,000

The following information supplements the section of our prospectus captioned *Investment Objectives and Policies - Real Property Investments* beginning on page 87 of the prospectus:

Real Property Investments

We engage in the acquisition and ownership of commercial properties throughout the United States. We invest primarily in income-generating retail, office and distribution properties, net leased to investment grade and other creditworthy tenants.

As of August 15, 2008, we, through separate wholly-owned limited liability companies, have acquired a 100% fee simple interest in 405 properties consisting of approximately 15.1 million gross rentable square feet of commercial space located in 45 states and the U.S. Virgin Islands. The properties were generally acquired through the use of mortgage notes payable and proceeds from our ongoing public offering of our common stock.

The following table summarizes properties acquired between July 29, 2008, the date of our last prospectus supplement, and August 15, 2008 in order of acquisition date:

Property	Date Acquired	Year Built	Purchase Price	Fees Paid to Sponsor (1)	Initial Yield (2)	Physical Occupancy
Weston Shops Weston, FL	July 30, 2008	2007	\$ 16,400,000	\$ 328,000	7.28%	100%
Jo-Ann Fabrics Alpharetta, GA	August 5, 2008	2000	6,441,000	128,820	7.96%	100%

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LA Fitness	Greenwood, IN	August 5, 2008	2008	10,605,000	212,100	7.85%	100%
PetSmart	Chattanooga, TN	August 5, 2008	1996	4,815,000	96,300	7.16%	100%
PetSmart	Daytona Beach, FL	August 5, 2008	1996	5,333,000	106,660	6.74%	100%
PetSmart	Fredericksburg, VA	August 5, 2008	1997	5,199,000	103,980	7.29%	100%
				\$48,793,000	\$ 975,860		

- (1) Fees paid to sponsor include payments made to an affiliate of our advisor for acquisition fees in connection with the property acquisition and payments to our advisor for finance coordination fees for services in connection with the origination or assumption of debt financing obtained to acquire the respective property, where applicable. For more detailed information on fees paid to affiliates of our sponsor, see the section captioned "Management Compensation" beginning on page 62 of the prospectus.
- (2) Initial yield is calculated as the annual rental income for the in-place leases at the respective property divided by the property purchase price, exclusive of closing costs and fees paid to sponsor.

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The following table sets forth the principal provisions of the lease term for the major tenants at the properties listed above:

Property		Number of Tenants	Major Tenants*	Total Square Feet Leased	% of Total Square Feet Leased	Renewal
Weston Shops	Weston, FL	8	Walgreen Co.	14,820	49%	10/5 yr.
			Mayors Jewelers of Florida, Inc.	4,000	13%	2/5 yr.
			Mattress Giant Corporation	3,600	12%	2/5 yr.
Jo-Ann Fabrics	Alpharetta, GA	1	FCA of Ohio, Inc.	38,418	100%	3/5 yr.
LA Fitness	Greenwood, IN	1	LA Fitness International, LLC	45,000	100%	3/5 yr.
PetSmart	Chattanooga, TN	1	Petsmart, Inc.	26,040	100%	3/5 yr.
PetSmart	Daytona Beach, FL	1	Petsmart, Inc.	26,194	100%	3/5 yr.
PetSmart	Fredericksburg, VA	1	Petsmart, Inc.	26,051	100%	3/5 yr.

* Major tenants include those tenants that occupy greater than 10.0% of the rentable square feet of their respective property.

** Represents option renewal period / term of each option.

- (1) The initial annual base rent under the lease, as displayed in the table above, increases every five years by the lessor of the cumulative percentage increase in the Consumer Price Index over the preceding five year period or 10.0% of the then current annual base rent. For the purposes of this presentation, the individual rental escalations are not displayed in the table.
- (2) The initial annual base rent under the lease increases every five years by 3.0% of the then current annual base rent. For the purposes of this presentation, the individual rental escalations are not displayed in the table.

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Cole Realty Advisors has the sole and exclusive right to manage, operate, lease and supervise the overall maintenance of the properties listed above and currently receives a property management fee of 2.0% of the monthly gross revenues from our properties. In accordance with the property management agreement, we may pay Cole Realty Advisors (i) up to 2.0% of gross revenues from our single tenant properties and (ii) up to 4.0% of gross revenues from our multi tenant properties. We currently have no plan for any renovations, improvements or development of the properties listed above and we believe the properties are adequately insured.