

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 8-K

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CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (date of earliest event reported):  
October 4, 2013

**CORNERSTONE CORE PROPERTIES REIT, INC.**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction  
of incorporation)

**000-52566**  
(Commission  
File Number)

**73-1721791**  
(I.R.S. Employer  
Identification No.)

**1920 Main Street, Suite 400**  
**Irvine, California 92614**  
(Address of principal executive offices)

**(949) 852-1007**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act.
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act.
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act.
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act.
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## **Item 1.01 Entry into a Material Definitive Agreement**

On October 4, 2013 we acquired, through a wholly-owned subsidiary, three healthcare related facilities with a total of 132 units and 188 beds. The transaction purchase price of \$15.3 million was funded by \$3.9 million in cash and an \$11.4 million loan from The Private Bank as described below in Item 2.03. The information in this Report sets forth under Items 2.01 and 2.03 related to this acquisition, including the Carteret House, Hamlet House, and Shelby House facilities (as defined below) and the related financing arrangement is incorporated by reference herein.

## **Item 2.01 Completion of Acquisition or Disposition of Assets**

### **Acquisition of Three Assisted Living and Memory Care Facilities in North Carolina**

#### ***General***

On October 4, 2013, through wholly-owned subsidiaries, we acquired a 32 unit assisted living facility in Newport, North Carolina (“Carteret House”), a 40 unit assisted living facility in Hamlet, North Carolina (“Hamlet House”), and a 60 unit assisted living facility in Shelby, North Carolina (“Shelby House”) (together, the “Properties”) from wholly-owned subsidiaries of Meridian Senior Living (“Meridian”).

The Properties will be leased back to Meridian, the current operator of the Properties, under long-term triple net leases. The lease terms are 15 years, with lessee options to renew for one additional five-year period. The aggregate lease rates for the Properties, calculated as the first year lease payment as a percentage of the aggregate purchase price, is 8.8%. Meridian operates 120 senior living communities in 12 states with over 4,400 units. Meridian operates 44 facilities in North Carolina.

The Properties collectively provide an initial estimated cash on cash yield, which is calculated by dividing the first year lease payment, less debt service and asset management and property management fees paid to our advisor, by the equity contribution, including fees and transaction costs (\$5.1 million), of approximately 11.6%.

The cash contribution for this acquisition came from the proceeds from the sale of the Florida industrial portfolio properties as disclosed in our Form 8-K filed on September 13, 2013.

#### ***Carteret House***

Carteret House is an assisted living facility with 32 units and 64 beds located in Newport, North Carolina. The facility, consisting of a single-story, wood frame structure totaling 29,570 square feet, was constructed in 1994. It currently operates at 92% occupancy.

#### ***Hamlet House***

Hamlet House is an assisted living facility with 60 units and beds located in Hamlet, North Carolina. The facility, consisting of a single-story wood frame structure totaling 34,638 square feet, was constructed in 1999. It currently operates at 97% occupancy.

#### ***Shelby House***

Shelby House is an assisted living facility with 40 units and 64 beds located in Shelby, North Carolina. The facility, consisting of a single-story wood frame structure totaling 23,074 square feet, was constructed in 1991. It currently operates at 89% occupancy.

## **ITEM 2.03 Creation of a Direct Financial Obligation or an Obligation Under an Off Balance Sheet Arrangement of Registrant.**

We acquired our interest in the Properties subject to a secured loan. On October 4, 2013, we entered into a loan agreement with The Private Bank (“PB Loan”) for a loan in the aggregate amount of \$11.4 million collateralized by security interests in the Properties. The PB Loan, which bears interest at LIBOR, with a floor of 100 basis points, plus a spread of 4.25%, matures on October 3, 2016, at which time all outstanding principal, accrued and unpaid interest and any other amounts due under the loan agreement will become due. The PB Loan requires that the payment of principal, based on a 25 year amortization schedule, be deposited into a sinking fund. The loan may be prepaid with no penalty if the Properties are refinanced through the Department of Housing and Urban Development (“HUD”). Interest payments on the PB Loan are due monthly.

## **ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

A list of exhibits filed herewith is contained on the Exhibit Index and is incorporated herein by reference.

Number	Exhibit
99.1	Press release dated October 8, 2013 titled “Cornerstone Core Properties REIT, Inc. Acquires Three Assisted Living Facilities”.

**SIGNATURES**

*Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Company has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.*

CORNERSTONE CORE PROPERTIES REIT, INC.

By: /s/ Timothy C. Collins

Name: Timothy C. Collins

Title: Chief Financial Officer

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Dated: October 8, 2013

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## **NEWS RELEASE**

FOR IMMEDIATE RELEASE

**CONTACT**  
Juli Davenport  
(877) 805-3333  
jdavenport@crefunds.com

### **Cornerstone Core Properties REIT, Inc. Acquires Three Assisted Living Facilities**

**Irvine, Calif., (October 8, 2013)** – Cornerstone Core Properties REIT, Inc. (“Core REIT”) announced today that it acquired on October 4, 2013, three assisted living facilities in North Carolina for a purchase price of approximately \$15.3 million.

The three facilities acquired include Carteret House in Newport, N.C., a 29,570 square foot facility with 64 beds built in 1994; Hamlet House in Hamlet, N.C., a 34,638 square foot facility with 60 beds built in 1999; and Shelby House in Shelby, N.C., a 23,074 square foot facility with 64 beds built in 1991.

The facilities were acquired through a sale/leaseback transaction with wholly-owned subsidiaries of Meridian Senior Living, LLC (“Meridian”). Meridian will continue to operate the facilities pursuant to 15-year triple net leases. Meridian currently operates more than 120 facilities with over 4,400 units located throughout 12 states, including 44 facilities in North Carolina and two other facilities owned by Core REIT.

“We have enjoyed the growth with Meridian and look forward to continued growth,” said Kent Eikanas, President and Chief Operating Officer of Cornerstone Core Properties REIT, Inc.

“Cornerstone and Meridian both bring a commitment to excellence and a history of success to our joint venture. The folks at Cornerstone are among the best in their industry, and we are looking forward to working these outstanding professionals,” said Charlie Trefzger, Chief Executive Officer, Meridian Senior Living, LLC.

#### **About Cornerstone Core Properties REIT, Inc.**

Core REIT is a publicly registered non-traded REIT that currently invests in senior housing real estate located throughout the United States. Since its commencement in 2006, Core REIT has acquired 23 properties for a total purchase price of \$209.5 million. Since 2011, 12 of those properties have been sold. The current portfolio includes one multi-tenant industrial property and 10 long-term triple net leased healthcare facilities.

For more information, please contact Juli Davenport at (877) 805-3333.

*This material does not constitute an offer to sell or a solicitation of an offer to buy Cornerstone Core Properties REIT, Inc.*

*This release may contain forward-looking statements relating to the business and financial outlook of Cornerstone Core Properties REIT, Inc. that are based on our current expectations, estimates, forecasts and projections and are not guarantees of future performance. Actual results may differ materially from those expressed in these forward-looking statements, and you should not place undue reliance on any such statements. A number of important factors could cause actual results to differ materially from any forward-looking statements contained in this release. Such factors include those described in the Risk Factors sections of the Cornerstone Core Properties REIT, Inc.’s annual report on Form 10-K for the year ended December 31, 2012 and quarterly reports for the periods ended March 31, 2013. Forward-looking statements in this document speak only as of the date on which such statements were made, and we undertake no obligation to update any such statements that may become untrue because of subsequent events. We claim the safe harbor protection for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.*

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