Behringer Harvard Multifamily REIT I, Inc.

Behringer Harvard Multifamily REIT I became effective with the SEC in 2008 and acquires multifamily communities and other real estate related assets. As of the end of the second quarter, the REIT had $1.3 billion in assets in 36 properties totaling 9,871 units. Approximately 69% of its properties are owned in a joint venture with the Stichting Depositary PGGM Private Real Estate Fund, a Dutch foundation acting in its capacity as depositary of and for the account and risk of PGGM Private Real Estate Fund, an investment vehicle for Dutch pension funds ("PGGM"). The REIT closed to new investments on September 2, 2011. As of June 30, the REIT is in the Stabilization LifeStage which is marked by the distinct formation of its investment premise and stabilization of operating metrics. Due to the offering close, the REIT will begin its transition into the Maturing LifeStage of Closed REITs which is marked by a refinement of the portfolio through strategic acquisitions, dispositions and debt.

Key Highlights

- As reported in this quarter's 10-Q, the REIT expects total offering expenses to be 11% of gross proceeds, netting approximately 89% for new investment.
- Over $266 million (20.6%) in cash was on the REIT's balance sheet due to above average capital raised as a result of the public offering close.
- A total of 36 investments are in the portfolio with approximately 31% wholly owned and 69% held in joint ventures.

Capital Stack Review

- Capital Raised – $1.2 billion has been raised since inception, with a steady uptick in capital raise rate this year at $113 million and $238 million in the first and second quarters, respectively.
- Debt – With a debt ratio of only 14.7%, the REIT has a below median usage of debt for Effective REITs. However, the REIT does not consolidate the $431 million of debt on its joint venture properties. On a combined basis (consolidated and unconsolidated asset) the REIT's debt ratio is 44.4%. Financing is distributed 68% to fixed instruments and 32% to variable.
- Debt Maturity – Almost 74% of the on-book debt matures in 2016 or later, with 24% maturing in 2013.
- Cash on Hand – Is 20.6% and above the median of 7.4% for the Stabilizing LifeStage.

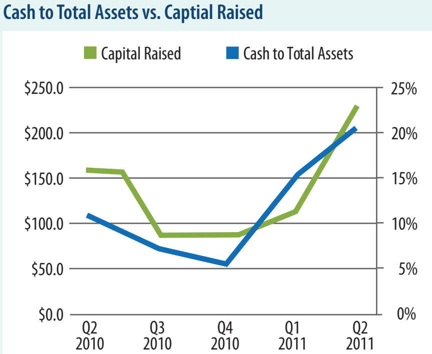
Metrics

- Distribution – Steady at 6.0% for past 3 quarters after being reduced from 7.0%.
- Distribution Source – Some of the distributions paid during the second quarter were funded from sources other than cash flow from operating activities.
- MFFO Payout Ratio – Above median at 203% though trending down from 2010 average of 285%.
- Fee Waivers and Deferrals – Fees totaling $170,000 were waived for property and asset management. In addition, $2.2 million of O&O expense has been deferred through the closing date.
- Interest Coverage Ratio – 4.9x EBIDTA reflects the low debt ratio in the REIT.
- Impairments – None reported.

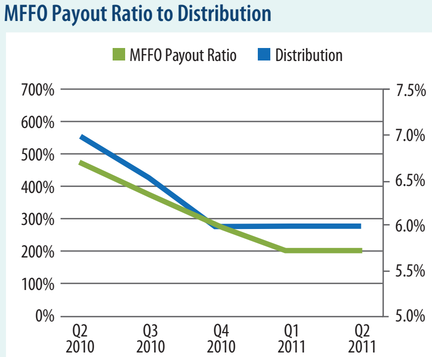
Real Estate

- Acquisitions – Three joint venture acquisitions totaling 711 units were acquired in the quarter for $194.7 million ($273,840/unit):
  - Stone Gate – 332 units in Marlborough, Mass.
  - West Village – 200 units in Mansfield, Mass.
  - Argenta – 179 units in San Francisco, Calif.
- Occupancy – 92%, up nicely from 88% at year-end 2010.
- Revenue – Not reported on a same-store basis to compare with previous years.
- Dispositions – The REIT's 55% interest in Waterford Place was sold for a GAAP gain of $18.1 million in May. The proceeds were used to fund other acquisitions.
- Diversification – Significant ownership concentrations exist in California and Texas.

Cash to Total Assets vs. Captial Raised



MFFO Payout Ratio to Distribution



Debt Ratio to Interest Coverage Ratio