

Nontraded REIT Industry Review: Second Quarter 2014



Behringer Harvard Opportunity REIT I, Inc.

Total Assets.....	\$316.2 Million
Real Estate Assets	\$251.3 Million
Cash	\$32.5 Million
Securities	\$0.0 Million
Other	\$32.4 Million



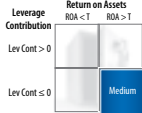
Initial Offering Date: September 20, 2005
 Offering Close Date: December 28, 2007
 Current Price per Share*: \$3.08
 Reinvestment Price per Share: Not Applicable
 Cumulative Capital Raised during Offering (including DRP)..... \$548.6 Million

Cash to Total Assets Ratio: 10.3%
 Asset Type: Diversified
 Number of Properties: 9
 Square Feet / Units / Rooms / Acres: 772,500 Sq. Ft.
 Percent Leased: Not Applicable
 Weighted Average Lease Term Remaining: Not Applicable
 LifeStage: Liquidating
 Investment Style: Opportunistic
 Weighted Average Shares Outstanding: 56,500,472



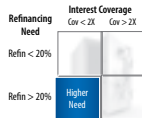
Performance Profiles

Operating Performance



The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is not increasing returns to shareholders.

Financing Outlook



More than 20% of REIT's debt must be repaid within two years or is at unhedged variable rates, and interest coverage is below the 2.0X benchmark. The REIT may face difficulties in refinancing its borrowings, interest rate risks from increasing rates, and need to increase earnings to reassure lenders.

Cumulative MFFO Payout



This REIT is not currently paying cash distributions to common shareholders and cumulative MFFO since inception is currently negative. MFFO payout ratios are not applicable.

Summary

The REIT's 12-month return on assets was 4.33% which exceeded the yield on 10-year Treasuries, but its leverage contribution was negative, given the 43.7% debt ratio and 6.50% estimated average cost of debt. The REIT's 12-month interest coverage ratio is an extremely low 0.8X, 35.1% of the REIT's debt matures within two years and 56% is at variable rates, indicating a potentially serious problem with refinancing. The REIT has does not have a meaningful cumulative MFFO payout ratio or 12-month MFFO payout ratio because both cumulative MFFO and 12-month MFFO are negative and no cash distributions have been paid since 2011.

Contact Information

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Historical Distribution

See Notes

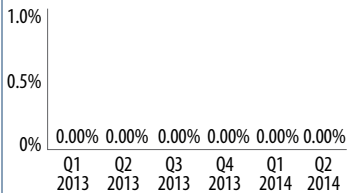
Historical FFO Payout Ratio

Not Applicable

Historical MFFO Payout Ratio

Not Applicable

Redemptions

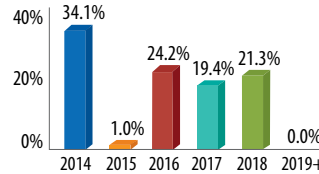


Debt Breakdown

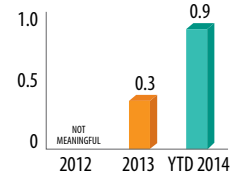


Debt to Total Assets Ratio: 43.7%
 Total: \$138.3 Million
 Fixed: \$60.5 Million
 Variable: \$77.9 Million
 Avg. Wtd. Rate: 6.50%
 Loan Term: 1 – 4 yrs

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- During 2Q 2014 the Company did not acquire or sell any properties.
- The board of directors met on November 11, 2013 to review and consider the valuation analyses prepared by the Advisor and Robert A. Stanger. The board of directors, which is responsible for determining the estimated per share valuation, considered all information provided in light of its own familiarity with REIT's assets and unanimously approved an estimated value of \$3.08 per share.
- The REIT's Cash to Total Assets ratio decreased to 10.3% as of 2Q 2014 compared to 11.3% as of 2Q 2013.
- The REIT's Debt to Total Asset ratio increased to 43.7% as of 2Q 2014 compared to 41.9% as of 2Q 2013.
- In connection with entering the disposition phase, on March 28, 2011, the board of directors discontinued regular quarterly distributions in favor of those that may arise from proceeds available to be distributed from the asset sales. Because the REIT did not pay distributions during this period, the FFO and MFFO Payout Ratios are not applicable.