

Bluerock Enhanced Multifamily Trust became effective with the SEC in 2009 and acquires residential real estate assets. As of the end of the second quarter, the REIT had \$6 million in assets in joint ventures in 5 properties totaling 1,323 units. In November 2010, the company suspended its offering to restate certain financial statements. The offering was reinstated in March 2011. The REIT is in the Emerging LifeStage for Effective REITs, which is typified by high levels of debt, not meaningful distribution payout levels, and limited distributions.

## Key Highlights

- The ownership of the REIT's five properties are held in various joint ventures.
- Until capital raise activity increases, it is expected that limited acquisitions will occur at the REIT.

## Capital Stack Review

- Capital Raised – \$7.4 million has been raised since inception with \$0.9 million raised in the second quarter.
- Debt – Approximately \$5.0 million of variable-rate debt was outstanding on the balance sheet at quarter-end. The debt is held by various affiliates of the joint venture entities.
- Debt Maturity – 100% of the outstanding debt is due within the next year.
- Cash on hand – 3.3% of assets are held in cash.

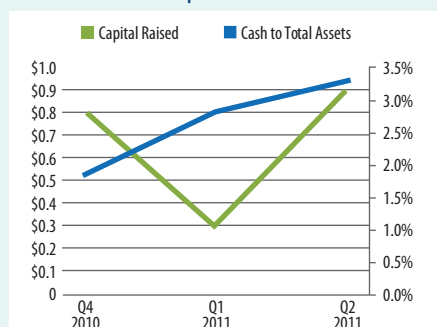
## Metrics

- Distribution – Has held steady at 7.0% for the past three quarters.
- Distribution Source – All of the distributions to date have been paid from proceeds from the public offering.
- MFFO Payout Ratio – Is not meaningful which is consistent with Emerging LifeStage REITs.
- Fee Waivers and Deferrals – \$1.4 million of fees and expenses are outstanding to the Advisor.
- Interest Coverage Ratio – Is not meaningful, which is consistent with Emerging LifeStage REITs.
- Impairments – None reported.

## Real Estate

- Acquisitions – No acquisitions have been made in 2011. The REITs joint ventures were structured in 2009 and 2010.
- Occupancy – 94%, down modestly from 95% at year-end 2010.
- Dispositions – None reported.
- Diversification – Limited, as is typical of Emerging LifeStage REITs.

Cash to Total Assets vs. Capital Raised



Debt to Total Assets vs. Median

