

# Nontraded REIT Industry Review: Second Quarter 2014



## Monogram Residential Trust, Inc. (Behringer Harvard Multifamily REIT I, Inc.)

Total Assets .....	\$2,972.4 Million
Real Estate Assets .....	\$2,709.1 Million
Cash .....	\$200.9 Million
Securities .....	\$0.0 Million
Other .....	\$62.3 Million



Cash to Total Assets Ratio: .....	6.8%
Asset Type: .....	Multifamily
Number of Properties: .....	56
Square Feet / Units / Rooms / Acres: .....	9,153 Units
Percent Leased: .....	95%
Weighted Average Lease Term Remaining: .....	Not Applicable
LifeStage: .....	Liquidating
Investment Style: .....	Core
Weighted Average Shares Outstanding: .....	169,096,000

Initial Offering Date: .....	September 5, 2008
Offering Close Date: .....	September 2, 2011
Current Price per Share: .....	\$10.03*
Reinvestment Price per Share: .....	\$9.53
Cumulative Capital Raised during Offering (including DRP): .....	\$1,531.4 Million

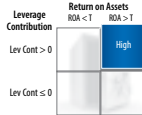
\*See Notes

### Historical Price



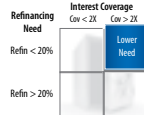
### Performance Profiles

#### Operating Performance



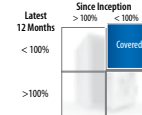
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

#### Financing Outlook



Interest coverage ratio exceeds the 2.0X benchmark and the REIT does not have over 20% of debt maturing within 2 years or at unhedged variable rates. The REIT does not face an immediate need to refinance a significant portion of its debt, and has sufficient earnings to cover interest expense.

#### Cumulative MFFO Payout



Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

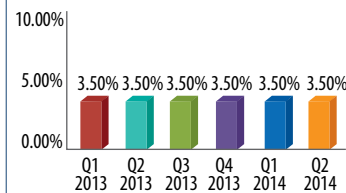
#### Summary

The REIT's 12-month return on assets of 3.82% exceeded the 10-Year Treasury Yield, and it does provide a small positive leverage contribution given the 35.6% debt ratio and 3.64% estimated average cost of debt. The REIT's trailing 12-month interest coverage ratio is a safe 6.4X and just 8% of the REIT's debt matures in two years, suggesting no significant need for refinancing. Less than 9% of debt is at unhedged variable rates. The REIT's cumulative cash distributions, excluding DRP since inception, were 94% of estimated cumulative MFFO, and were 70% of MFFO over the last four quarters, indicating a trend toward sustainable cash distributions.

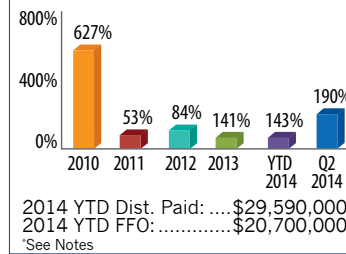
### Contact Information

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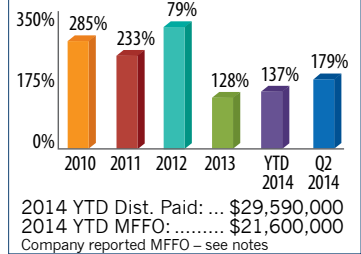
### Historical Distribution



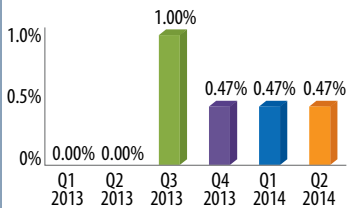
### Historical FFO Payout Ratio\*



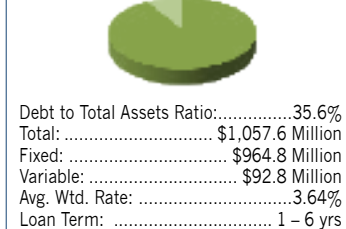
### Historical MFFO Payout Ratio\*



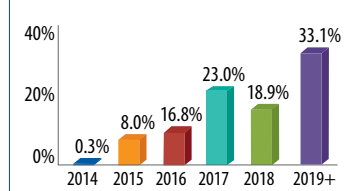
### Redemptions



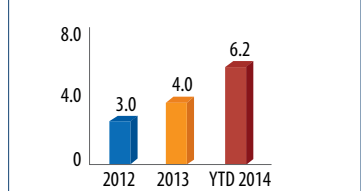
### Debt Breakdown



### 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 first established an estimated per share valuation of Monogram's common stock that was not based solely on the initial public offering price on March 1, 2013. In accordance with Monogram's Third Amended and Restated Policy for Estimation of Common Stock Value, Monogram must periodically repeat the process of estimating the per share value of its common stock. Accordingly, on August 12, 2014, the Board established an estimated per share valuation of the common stock of \$10.41. The valuation of \$10.41 is an increase from the previous estimated per share valuation of the common stock of \$10.03 that was established on March 1, 2013.
- The REIT closed the Self-Management Transition Agreements on June 30, 2014, paying \$5.2 million and effectively terminating substantially all advisory and property management services provided by Behringer. Effective July 1, 2014, it hired the remaining professionals and staff providing advisory and property management services to the REIT that were previously employees of Behringer.
- On August 12, 2014, in connection with the Company's exploration of a potential listing on a national securities exchange, the board of directors elected to suspend the DRIP effective August 24, 2014. As a result, all distributions paid for the month of August will be paid in cash and not reinvested in shares of common stock. The board of directors may in the future reinstate the DRIP, although the REIT can provide no assurances as to if or when this will happen.
- On August 12, 2014, the board of directors also elected to suspend the SRP, effective August 14, 2014. As a result, the Company will be unable to process redemption requests with respect to the third quarter of 2014 or thereafter during such suspension.
- The REIT's Cash to Total Assets ratio decreased to 6.8% as of 2Q 2014 compared to 12.8% as of 2Q 2013.
- The REIT's Debt to Total Assets ratio increased to 35.6% as of 2Q 2014 compared to 35.0% as of 2Q 2013.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- The Company paid total distributions in the first six months of 2014 of \$29.59 million. Cash provided by operating activities for the period were \$23.98 million. Distributions reinvested during the period totaled \$15.49 million.