Estates at Perimeter | Augusta, GA

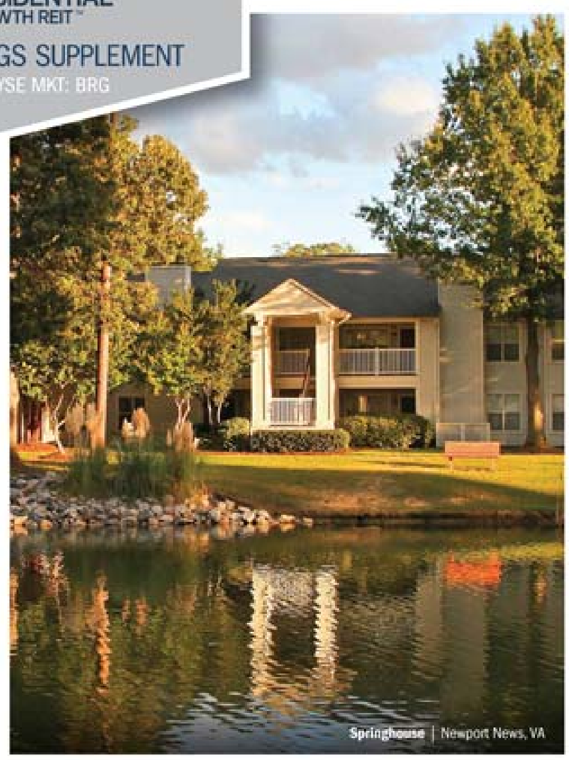
Lansbrook Village | Palm Harbor, FL

BRG BLUEROCK RESIDENTIAL GROWTH REIT™

Q3 2014 EARNINGS SUPPLEMENT

Listed on the NYSE MKT: BRG

Alexan CityCentre | Houston, TX



Springhouse | Newport News, VA

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This press release contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward looking statements are based on the Company's present expectations, but these statements are not guaranteed to occur, including claims relative to the Company's pipeline, the Company's dividends, the fee structure under the Management Agreement, the Company's future performance, management's commentary relating to future income and portfolio growth and operating results, dividend coverage and future acquisitions. Furthermore, the Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. Investors should not place undue reliance upon forward looking statements. For further discussion of the factors that could affect outcomes, please refer to the "Risk Factors" section of the prospectus dated October 2, 2014 and filed by the Company with the Securities and Exchange Commission ("SEC") on October 3, 2014, and subsequent filings by the Company with the SEC.

Bluerock Residential Growth REIT Announces Third Quarter 2014 Results at Top End of Guidance, AFFO at $0.22 per share vs. prior quarter at $0.13 and prior year at ($0.34)

New York, NY (November 3, 2014) – Bluerock Residential Growth REIT, Inc. (NYSE MKT: BRG) (“the Company”) announced today its financial results for the quarter ended September 30, 2014.

Management Commentary

“We are pleased with our third quarter results as we met the top end of our AFFO guidance of $0.22 per share, which was an increase of 69% or $0.09 per share compared to the second quarter of 2014. We anticipate continued AFFO growth in the fourth quarter, as we successfully deployed the remaining capital from our IPO in the second quarter,” said Ramin Kamfar, the Company’s Chairman and CEO.

“We recently completed a follow-on offering in October providing an additional $33.1 million of net cash that is expected to be deployed in the next several months and will continue to grow our AFFO in 2015,” added Mr. Kamfar.

Highlights for the Third Quarter 2014 and Subsequent Events

- Total revenues grew 210% to $9.6 million for the quarter ended September 30, 2014 from $3.1 million for the quarter ended September 30, 2013.

- For the third quarter of 2014, the Company met the high end of adjusted funds from operations (“AFFO”) guidance of $0.22 per share, a significant increase from ($0.34) per share for the prior year quarter.

- On a sequential quarter basis, AFFO increased 69% as compared to the second quarter of 2014.

- The Company reaffirms its AFFO guidance for the fourth quarter of 2014. Due to the higher share count resulting from the follow-on offering in early October, the Company’s prior guidance translates to a range of $0.15 to $0.17 per share based on the 8.9 million shares outstanding as of today. The Company expects this figure to grow significantly in 2015 as it deploys proceeds from its follow-on offering over the next several months.

- The net loss attributable to common stockholders for the quarter ended September 30, 2014 was $2.1 million versus net income of $0.5 million for the quarter ended September 30, 2013. The net loss for the 2014 third quarter was primarily the result of non-cash depreciation and amortization expense of $4.9 million.

- Same store NOI increased 5.7% as compared to the third quarter of the prior year.

- On a sequential quarter basis, same store NOI increased 3.7% as compared to the second quarter of 2014.

- Our average portfolio occupancy for the third quarter of 2014 was 95.5% as compared to 93.2% for the second quarter of 2014, an increase of 230 basis points.

- During the third quarter of 2014, the Company closed the following investments:

  - Acquisition of an additional 41.1% interest in our 220-unit, Class A Enders property located in Orlando, Florida, increasing our ownership to 89.5% in the property.

  - A convertible preferred equity investment in a 340-unit, $81.8 million Class A development property to be known as Alexan CityCentre located in the heart of Houston’s Energy Corridor, in partnership with Trammell Crow as our development partner. The investment is structured to provide a 15% current return, with an option to convert into partial ownership of the underlying asset upon stabilization. The Company has projected a stabilized return on cost for the development of 7.0%, for value creation of 250+ basis points versus comparable sales in the Houston market.

- o A convertible preferred equity investment in a 296-unit, $36.8 million Class A development property, located in a master-planned, Publix-anchored retail development in close proximity to the University of Central Florida and Central Florida Research Park. The investment is structured to provide a 15% current return, with an option to convert into partial ownership of the underlying asset upon stabilization. The Company has projected a stabilized return on cost for the development of 7.5%, for value creation of 200+ basis points versus comparable sales in the Orlando market.

- During the third quarter of 2014, the Company completed development and achieved ahead of projection lease up at its 23Hundred At BerryHill property located in Nashville, Tennessee. The property was 98% occupied at September 30, 2014 and is achieving market rents 18% higher than pro forma for a stabilized return on cost of 8.5% (for value creation of approximately 350 basis versus comparable product in the Nashville market).

- General and administrative expenses (excluding non-cash amortization) as a percentage of revenue declined significantly, to 6.9% for the quarter ended September 30, 2014 from 18.1% for the prior year quarter, primarily due to an increase in our asset base and more favorable terms of our new management agreement. The Company expects its general and administrative expenses as a percentage of revenue to continue to decline as it continues to grow its asset base.

- On October 8, 2014, the Company completed a follow-on offering of 3,035,444 shares of Class A common stock at a public offering price of $11.90 per share for total gross proceeds of $36.1 million. The net proceeds of the offering are estimated to be approximately $33.1 million after deducting underwriting discounts and commissions and estimated offering costs.

- The Company declared monthly dividends for the fourth quarter of 2014 equal to a quarterly rate of $0.29 per share on the Company's Classes A and B common stock. This equates to a 9.5% annualized yield based on the closing price of $12.25 for the Class A common stock as of October 31, 2014.

- On October 30, 2014, the Company’s Board of Directors approved the purchase of a 306-unit apartment community located in Orlando, Florida, known as Grande Lakes. The total purchase price of the property is $43.3 million in which the Company would own a 95% interest. Constructed in 2005, Grande Lakes is a Class A multifamily community featuring one-, two-, and three-bedroom units averaging 1,048 square feet. We expect to close on Grande Lakes in early November 2014.

Financial Results Third Quarter 2014

AFFO for the third quarter of 2014 was $1.3 million, or $0.22 per diluted share, as compared to a deficit of ($0.4) million, or ($0.34) per diluted share as compared to the prior year period. The increase in AFFO from the prior year period is driven by making additional investments in eight properties during the second and third quarters of 2014 and a reduction of cash general and administrative expenses as a percentage of revenue from 18.1% to 6.9% due to an increase in our asset base, and more favorable terms of our new management agreement, which began on April 2, 2014, the date of our initial public offering. The Company expects its general and administrative expenses as a percentage of revenue to continue to decline as it continues to grow its asset base.

Net loss attributable to common stockholders for the third quarter of 2014 was $2.1 million, as compared to earnings of $0.5 million in the prior year period. The net loss for the 2014 third quarter was primarily the result of non-cash depreciation and amortization expense of $4.9 million. The earnings for the prior period included a $1.6 million gain from the sale of our Hillsboro property.

Same Store Portfolio Performance

Same store NOI for the third quarter of 2014 increased 5.7% to $2.35 million as compared to $2.22 million in the same period in the prior year. This increase was driven by a 4.0% increase in same store revenue which was primarily attributable to a 2.2% increase in average revenue per occupied unit and the acquisition of 22 additional units at our Enders property, balanced by a 60 basis point decrease in average occupancy. Same store expenses increased 1.3%.

On a sequential quarter basis, third quarter 2014 same store NOI increased 3.7% compared to the second quarter 2014. This increase was driven by a 4.3% increase in same store revenue which was primarily attributable to a 2.8% increase in average occupancy and a 1.2% increase in average revenue per occupied unit. Same store expenses increased 5.1% primarily due to a concentration of a one-time expense associated with a 5.7% increase in average occupancy at our Village Green of Ann Arbor property (from 92.6% to 98.3%).

Portfolio Summary and Transaction Activity

The following is a summary of our investments as of September 30, 2014:

Multifamily Community	Location	Year Built/ Renovated[1]	Units	Average Monthly Effective Rent per Occupied Unit	Occupancy %
Springhouse at Newport News	Newport News, VA	1985	432	$ 799	93.1%
The Estates at Perimeter/Augusta	Augusta, GA	2007	240	986	96.7%
Enders Place at Baldwin Park	Orlando, FL	2003	220	1,445	93.6%
23Hundred At BerryHill	Nashville, TN	2014	266	1,447	98.1%
MDA City Apartments	Chicago, IL	2006	190	2,065[3]	95.8%
Village Green of Ann Arbor	Ann Arbor, MI	2013	520	1,088	98.5%
Grove at Waterford	Hendersonville, TN	2010	252	1,004	96.8%
Villas at Oak Crest	Chattanooga, TN	1999	209	814	97.1%
North Park Towers	Southfield, MI	2000	313	1,031	95.2%
Lansbrook Village	Palm Harbor, FL	2004	581	1,101	94.5%
Alexan CityCentre	Houston, TX	2014	340	N/A[2]	-[2]
UCF Orlando	Orlando, FL	2014	296	N/A[2]	-[2]
Total			3,859	$ 1,126	95.8%

[1] All dates are for the year construction was completed, except MDA City Apartments, Village Green of Ann Arbor, Villas at Oak Crest and North Park Towers, for which the date represents the most recent year that a significant renovation program was completed.
[2] Property is in development and the Company holds a preferred equity investment with an option to convert into partial ownership of the underlying asset upon stabilization.
(3) Average effective rent per month excluding the property's retail space is $2,065 for the third quarter compared to $2,063 for the second quarter. Average effective rent per month including the property's retail space was $2,214 for the third quarter compared to $2,213 for the second quarter.

The following is a summary of acquisitions and investments during the third quarter of 2014:

Investment in Alexan CityCentre: On July 1, 2014, the Company made an investment of $6.6 million in a convertible preferred equity investment, to develop a 340-unit class A, multifamily community located in Houston, Texas, to be known as Alexan CityCentre. Total development costs of the community are projected to be $81.8 million. Our underwriting projected a return on cost for the project of over 7.0% at stabilization, for value creation of 250+ basis points versus comparable sales in the Houston market.

Investment in UCF: On July 29, 2014, the Company made a $3.6 million convertible preferred equity investment to develop a 296-unit class A multifamily community located in Orlando, Florida, in close proximity to the University of Central Florida and Central Florida Research Park, and will be a featured component of a master-planned, Publix-anchored retail development known as Town Park. Total development costs are projected to be $36.8 million. Our underwriting projects a return on cost of over 7.5% at stabilization, for value creation of 200+ basis points versus comparable areas sales in the Orlando market.

The following is a summary of an anticipated acquisition after the close of the third quarter 2014:

Acquisition of Grande Lakes: In early November 2014, the Company expects to close on a 306-unit apartment community located in Orlando, Florida, known as Grande Lakes. The total purchase price of the property is $43.3 million in which the Company would own a 95% interest. Constructed in 2005, Grande Lakes is a Class A multifamily community featuring one-, two-, and three-bedroom units averaging 1,048 square feet. The community features an abundance of amenities, including a resort style pool, fitness center, with indoor basketball court, volleyball court, and business and media centers. Additionally, the unit interiors are institutional quality with nine-foot ceilings, crown moldings, black appliances, upgraded lighting and garden bath tubs.

Dividend Details

On October 10, 2014, the Company's Board of Directors declared monthly dividends for the fourth quarter of 2014 equal to a quarterly rate of $0.29 per share on the Company’s Class A common stock and $0.29 per share on the Company’s Class B common stock, payable to the stockholders of record as of October 25, 2014, November 25, 2014 and December 25, 2014, which will be paid in cash on November 5, 2014, December 5, 2014 and January 5, 2015, respectively. Holders of OP and LTIP units are entitled to receive "distribution equivalents" at the same time as dividends are paid to holders of the Company's Class A common stock.

The declared dividends equal a monthly dividend on the Class A common stock and the Class B common stock as follows: $0.096666 per share for the dividend paid to stockholders of record as of October 25, 2014, $0.096667 per share for the dividend paid to stockholders of record as of November 25, 2014, and $0.096667 per share for the dividend paid to stockholders of record as of December 25, 2014.

Non-GAAP Financial Measures

The foregoing supplemental financial data includes certain non-GAAP financial measures that we believe are helpful in understanding our business, as further described below. Our definition and calculation of these non-GAAP financial measures may differ from those of other REITs, and may, therefore, not be comparable.

Funds from Operations ("FFO") and Adjusted Funds from Operations (“AFFO”)

Funds from operations, or FFO, is a non-GAAP financial measure that is widely recognized as a measure of REIT operating performance. We consider FFO to be an appropriate supplemental measure of our operating performance as it is based on a net income analysis of property portfolio performance that excludes non-cash items such as depreciation. The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, which implies that the value of real estate assets diminishes predictably over time. Since real estate values historically rise and fall with market conditions, presentations of operating results for a REIT, using historical accounting for depreciation, could be less informative. We define FFO, consistent with the National Association of Real Estate Investment Trusts, or NAREIT's, definition, as net income, computed in accordance with GAAP, excluding gains (or losses) from sales of property, plus depreciation and amortization of real estate assets, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis.

In addition to FFO, we use adjusted funds from operations, or AFFO. AFFO is a computation made by analysts and investors to measure a real estate company's operating performance by removing the effect of items that do not reflect ongoing property operations.

We further adjust FFO by adding back certain items that are not added to net income in NAREIT's definition of FFO, such as acquisition expenses, equity based compensation expenses, and any other non-recurring or non-cash expenses, which are costs that do not relate to the operating performance of our properties, and subtracting recurring capital expenditures (and when calculating the quarterly incentive fee payable to our Manager only, we further adjust FFO to include any realized gains or losses on our real estate investments).

Our calculation of AFFO differs from the methodology used for calculating AFFO by certain other REITs and, accordingly, our AFFO may not be comparable to AFFO reported by other REITs. Our management utilizes FFO and AFFO as measures of our operating performance after adjustment for certain non-cash items, such as depreciation and amortization expenses, and acquisition expenses and pursuit costs that are required by GAAP to be expensed but may not necessarily be indicative of current operating performance and that may not accurately compare our operating performance between periods. Furthermore, although FFO, AFFO and other supplemental performance measures are defined in various ways throughout the REIT industry, we also believe that FFO and AFFO may provide us and our stockholders with an additional useful measure to compare our financial performance to certain other REITs. We also use AFFO for purposes of determining the quarterly incentive fee, if any, payable to our Manager.

Neither FFO nor AFFO is equivalent to net income or cash generated from operating activities determined in accordance with GAAP. Furthermore, FFO and AFFO do not represent amounts available for management's discretionary use because of needed capital replacement or expansion, debt service obligations or other commitments or uncertainties. Neither FFO nor AFFO should be considered as an alternative to net income as an indicator of our operating performance or as an alternative to cash flow from operating activities as a measure of our liquidity.

We made no investments, had one full disposition and two partial dispositions in 2013, and have acquired interests in eight properties during the nine months ended September 30, 2014. The results presented in the following table are not directly comparable and should not be considered an indication of our future operating performance. (Unaudited and dollars in thousands, except share and per share data).

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended June 30,
	2014	**2013**	**2014**	**2013**	**2014**
Net (loss) income attributable to common shareholders	$ (2,147)	$ 532	$ (7,729)	$ (1,891)	$ (4,536)
Add: Pro-rata share of depreciation and amortization[1]	2,953	486	5,645	1,902	2,157
	806	1,018	(2,084)	11	(2,379)
Less: Pro-rata share of gain on sale of joint venture interests	—	(1,688)	(448)	(1,688)	—
Funds from Operations (FFO)	$ 806	$ (670)	$ (2,532)	$ (1,677)	$ (2,379)
Add: Pro-rata share of acquisition and disposition costs	318	325	3,657	465	2,852
non-cash equity compensation	326	36	676	74	337
Less: Pro-rata share of normally recurring capital expenditures	(162)	(54)	(251)	(77)	(71)
Adjusted Funds from Operations (AFFO)	$ 1,288	$ (363)	$ 1,550	$ (1,215)	$ 739
Weighted average shares outstanding - diluted	5,877,417	1,055,762	4,269,378	1,024,997	5,823,296
PER SHARE INFORMATION:					
FFO - diluted	$ 0.14	$ (0.63)	$ (0.59)	$ (1.64)	$ (0.41)
AFFO - diluted	$ 0.22	$ (0.34)	$ 0.36	$ (1.19)	$ 0.13
Distributions	$ 0.29	$ 0.40	$ 0.84	$ 1.19	$ 0.29

[1] The real estate depreciation and amortization amount includes our share of consolidated real estate-related depreciation and amortization of intangibles, less amounts attributable to noncontrolling interests, and our similar estimated share of unconsolidated depreciation and amortization, which is included in earnings of our unconsolidated real estate joint venture investments.

Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is defined as earnings before interest, income taxes, depreciation and amortization. We consider EBITDA to be an appropriate supplemental measure of our performance because it eliminates depreciation, income taxes, interest and non-recurring items, which permits investors to view income from operations unclouded by non-cash depreciation, amortization, the cost of debt or non-recurring items. Below is a reconciliation of net income applicable to common stockholders to EBITDA. (Unaudited and dollars in thousands).

	Three Month Ended September 30,		Nine Month Ended September 30,	
	2014	2013	2014	2013
Net loss attributable to common stockholders	$ (2,147)	$ 532	$ (7,729)	$ (1,891)
Net loss attributable to noncontrolling interest	(498)	(172)	(1,471)	(993)
Interest expense	2,413	1,259	5,700	3,827
Depreciation and amortization	4,917	1,229	10,048	4,584
Gain on sale of joint venture interest	—	—	(1,006)	—
Equity in gain on sale of unconsolidated joint venture interest	—	(1,605)	—	(1,605)
Acquisition costs	378	55	3,528	198
Loss on early extinguishment of debt	—	—	879	—
EBITDA	$ 5,063	$ 1,298	$ 9,949	$ 4,120

Recurring Capital Expenditures

We define recurring capital expenditures as expenditures that are incurred at every property and exclude development, investment, revenue enhancing and non-recurring capital expenditures.

Non-Recurring Capital Expenditures

We define non-recurring capital expenditures as expenditures for significant projects that upgrade units or common areas and projects that are revenue enhancing.

Same Store Properties

Same store properties are conventional multifamily residential apartments which were owned and operational for the entire periods presented, including each comparative period.

Property Net Operating Income ("Property NOI")

We believe that net operating income, or NOI, is a useful measure of our operating performance. We define NOI as total property revenues less total property operating expenses, excluding depreciation and amortization and interest. Other REITs may use different methodologies for calculating NOI, and accordingly, our NOI may not be comparable to other REITs. We believe that this measure provides an operating perspective not immediately apparent from GAAP operating income or net income. We use NOI to evaluate our performance on a same store and non-same store basis because NOI measures the core operations of property performance by excluding corporate level expenses and other items not related to property operating performance and captures trends in rental housing and property operating expenses. However, NOI should only be used as an alternative measure of our financial performance. The following table reflects same store and non-same store contributions to consolidated NOI together with a reconciliation of NOI to net loss as computed in accordance with GAAP for the periods presented (unaudited and amounts in thousands):

Bluerock Residential Growth REIT, Inc.
Third Quarter Earnings

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended	
					September 30,	June 30,
	2014[1]	2013[1]	2014[1]	2013[1]	2014[2]	2014[2]
Net operating income						
Same store	$ 2,352	$ 2,224	$ 6,680	$ 6,606	$ 4,287	$ 4,132
Non-same store	3,602	839	6,370	2,376	1,667	647
Total net operating income	5,954	3,063	13,050	8,982	5,954	4,779
Less:						
Interest expense	2,581	1,435	6,060	4,314	2,581	2,208
Total property income	3,373	1,628	6,990	4,668	3,373	2,571
Less:						
Noncontrolling interest pro-rata share of property income	1,638	1,039	3,650	3,310	1,638	1,323
Other income related to JV/MM entities	17	11	56	10	17	50
Pro-rata share of total properties' income	1,718	578	3,284	1,348	1,718	1,198
Less pro-rata share of:						
Depreciation and amortization	2,953	486	5,645	1,902	2,953	2,157
Affiliate loan interest, net	—	248	191	774	—	4
Asset management and oversight fees	219	138	536	399	219	533
Acquisition and disposition costs	318	325	3,657	465	318	2,852
Corporate operating expenses	769	537	1,999	1,387	769	361
Add pro-rata share of:						
Other income	31	—	103	—	31	72
Equity in operating earnings of unconsolidated joint ventures	363	—	464	—	363	101
Gain on sale of joint venture interest	—	1,688	448	1,688	—	—
Net (loss) income attributable to common stockholders	$ (2,147)	$ 532	$ (7,729)	$ (1,891)	$ (2,147)	$ (4,536)

(1) Same Store sales related to the following properties: Springhouse at Newport News, The Estates at Perimeter/Augusta, Enders Place at Baldwin Park and MDA Apartments.
(2) Same Store sales related to the following properties: Springhouse at Newport News, The Estates at Perimeter/Augusta, Enders Place at Baldwin Park, MDA Apartments, Village Green of Ann Arbor, Grove at Waterford and North Park Towers.

Conference Call

All interested parties can listen to the live conference call webcast at 3:00 PM ET on Tuesday, November 4, 2014 by dialing 877.270.2148 within the U.S., or +1 (412) 902-6510, and requesting the "BRG call." For those who are not available to listen to the live call, the webcast will be available for replay on the Company's website two hours after the call concludes**,** and will remain available until December 4, 2014 at **http://services.choruscall.com/links/blue141104.htm**, as well as **by** dialing +1 (877) 344-7529 in the U.S., or +1 (412) 317-0088 internationally, and requesting conference number 10055679.

About Bluerock Residential Growth REIT, Inc.

Bluerock Residential Growth REIT, Inc. (NYSE MKT: BRG) is a real estate investment trust formed to acquire a diversified portfolio of institutional-quality apartment properties in demographically attractive growth markets throughout the United States. The Company has elected to be taxed as a real estate investment trust (REIT) for U.S. federal income tax purposes. Please visit the Company's website at **www.bluerockresidential.com**.

Forward Looking Statements

This press release contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward looking statements are based on the Company's present expectations, but these statements are not guaranteed to occur, including claims relative to the Company's pipeline, the Company's dividends, the fee structure under the Management Agreement, the Company's future performance, management's commentary relating to future income and portfolio growth and operating results, dividend coverage and future acquisitions. Furthermore, the Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. Investors should not place undue reliance upon forward looking statements. For further discussion of the factors that could affect outcomes, please refer to the "Risk Factors" section of the prospectus dated October 2, 2014 and filed by the Company with the Securities and Exchange Commission ("SEC") on October 3, 2014, and subsequent filings by the Company with the SEC.

Contact
(Media)
Josh Hoffman
(208) 475.2380
jhoffman@bluerockre.com
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Bluerock Residential Growth REIT, Inc.
Financial and Operating Highlights
For the Three and Nine Months Ended September 30, 2014 and 2013
(Unaudited and dollars in thousands except for share and per share data)

	Three Months Ended September 30, 2014	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2014	Nine Months Ended September 30, 2013
OPERATING INFORMATION				
Total revenue	$ 9,556	$ 3,060	$ 20,547	$ 8,995
FFO per share - diluted[(1)]	$ 0.14	$ (0.63)	$ (0.59)	$ (1.64)
AFFO per share - diluted[(1)]	$ 0.22	$ (0.34)	$ 0.36	$ (1.19)
Distributions per share	$ 0.29	$ 0.40	$ 0.84	$ 1.19
General and administrative expenses[(2)]	$ 436	$ 425	$ 1,340	$ 1,218
Asset management fees	$ 225	$ 130	$ 548	$ 374
Subtotal	$ 661	$ 555	$ 1,888	$ 1,592
General and administrative and asset management fees as a percentage of revenue	6.9%	18.1%	9.2%	17.7%
Fixed charge coverage ratio[(3)]	2.10	1.03	1.70	1.08
Property NOI[(4)]	$ 5,954	$ 3,063	$ 13,050	$ 8,982
Same Store operating margins	60.9%	59.9%	59.7%	60.2%

(1) See page 19 for a reconciliation of the net income attributable to common stockholders to these non-GAAP measurements and the Company's definition of these non-GAAP measurements and reasons for using them.

(2) Excludes $343 and $708, for the three and nine months ended September 30, 2014, respectively, of non-cash amortization of Long-Term Incentive Plan unit expense and non-cash directors compensation and $36 and $74 for the three and nine months ended September 30, 2013, respectively.

(3) Is calculated as EBITDA divided by interest expense, including capitalized interest and excluding prepayment costs/refunds. Individual line items in this calculation include results from discontinued operations where applicable. See page 20 for a reconciliation of net income applicable to common shares to EBITDA and the Company's definition of EBITDA and reasons for using it.

(4) See page 21 for a reconciliation of net income attributable to common stockholders to this non-GAAP measurement and the Company's definition of this non-GAAP measurement and reasons for using it.

Bluerock Residential Growth REIT, Inc.
Financial and Operating Highlights
Third Quarter 2014
(Unaudited and dollars in thousands except for share and per share data)

	2014	2013
CAPITALIZATION DATA		
Cash and cash equivalents	$ 7,612	$ 2,984
Net real estate assets	$ 307,093	$ 163,005
Total assets	$ 337,749	$ 172,526
Debt[1]	$ 226,100	$ 114,141
Noncontrolling interests	$ 41,602	$ 34,082
Total stockholders' equity attributable to BRG	$ 100,661	$ 46,083
Common shares outstanding[2]	5,882,211	1,060,889
Share price, end of period [3]	$ 13.00	N/A
Total capitalization[4]	$ 337,942	$ 172,752
Undepreciated book value of operating real estate	$ 317,454	$ 168,514
Debt to capitalization	66.9%	66.1%
Annual distributions	$ 1.16	$ 1.59
Annual distributions yield based on share price, end of period	8.9%	N/A

[1] Represents mortgage payables, including those classified as held for sale, line of credit, and Creekside mortgage payable of $12,598, which is classified as liabilities related to discontinued operations.

[2] For 2014, amounts relate to Class A, Class B-1, B-2, B-3 common shares and Long-Term Incentive Plan Units outstanding and excludes 282,759 Operating Partnership Units. For 2013, amounts relate to common shares outstanding.

[3] Prior to our IPO which closed on April 2, 2014, our shares were not listed on any public exchange.

[4] Represents cash, undepreciated book value of real estate assets, and the Company's investment in unconsolidated joint ventures of $12,876 million and $1,254 million at September 30, 2014 and December 31, 2013, respectively.

	Location	Number of Units	Year Built/ Renovated[1]	Average Monthly Effective Rent per Occupied Unit[6]	Property Revenue per Occupied Unit[9]	Average Occupancy[11]
PORTFOLIO INFORMATION						
Same Store:						
Springhouse	Newport News, VA	432	1985	$ 799	$ 820	93.1%
The Estates at Perimeter	Augusta, GA	240	2007	986	1,011	95.4%
Enders Place at Baldwin Park	Orlando, FL	220	2003	1,445	1,506	95.9%
MDA Apartments	Chicago, IL	190	1929/2006[2]	2,065[7]	2,091[8]	95.6%
Total Same Store		1,082		1,199	1,230	95.0%
Non Same Store:						
Villas at Oak Crest	Chattanooga, TN	209	1985, 1999[3]	814	860	97.0%
Grove at Waterford	Hendersonville, TN	252	2010	1,004	1,049	97.5%
Village Green	Ann Arbor, MI	520	1989-1992/2013[4]	1,088	1,123	98.3%
North Park Towers	Southfield, MI	313	1967/2000	1,031	1,057	94.4%
23Hundred@Berry Hill	Nashville, TN	266	2013-2014	1,447	1,464	92.4%
Lansbrook Village	Palm Harbor, FL	581	1998-2004[5]	1,101	1,145	94.1%
Total Non Same Store		2,141		1,089	1,125	95.4%
Development:						
Alexan CityCentre	Houston, TX	340	2016	N/A	N/A	N/A
UCF Orlando	Orlando, FL	296	2015	N/A	N/A	N/A
Total Development		636		N/A	N/A	N/A
Total Portfolio		3,859		$ 1,126[10]	$ 1,160	95.3%

(1) Renovation means significant upgrades, alterations or additions to building common areas, interiors, exteriors and/or systems.
(2) The MDA property's original structure was built in 1929 as an office building. The MDA property underwent a complete rehabilitation in 2006, converting the structure into a high-rise apartment community.
(3) Phase I (1985) features 121 units, with 88 units added in phase II (1999).
(4) The Village Green property was constructed in rolling phases from 1989 to 1992.
(5) The Lansbrook property was constructed in rolling phases from 1998 to 2004.
(6) Average monthly effective rent per occupied unit represents the average monthly rent of occupied units during the period.
(7) Average effective rent per month excluding the property's retail space was $2,065 for the third quarter compared to $2,063 for the second quarter. Average effective rent per month including the property's retail space was $2,214 for the third quarter compared to $2,213 for the second quarter.
(8) Property revenue per occupied unit excluding the property's retail space was $2,091 for the second and third quarters. Property revenue per occupied unit including the property's retail space was $2,240 for the second and third quarters.
(9) Property revenue per occupied unit is total revenue divided by average number of occupied units during the period.
(10) Excludes the Alexan and UCF properties, which were under development at September 30, 2014.
(11) Our average portfolio occupancy was 95.5%, excluding Villas at Oak Crest, a preferred equity investment, and our 23Hundred@BerryHill property, which construction was completed in the third quarter of 2014.

Bluerock Residential Growth REIT, Inc.
Condensed Consolidated Balance Sheets
Third Quarter 2014
(Unaudited and dollars in thousands except for share and per share data)

	September 30, 2014 (Unaudited)	December 31, 2013
ASSETS		
Net Real Estate Investments		
Land	$ 41,425	$ 25,750
Buildings and improvements	252,454	102,761
Construction in progress	229	16,696
Furniture, fixtures and equipment	8,282	2,942
Total Gross Operating Real Estate Investments	302,390	148,149
Accumulated depreciation	(10,036)	(4,516)
Total Net Operating Real Estate Investments	292,354	143,633
Operating real estate held for sale, net	14,739	19,372
Total Net Real Estate Investments	307,093	163,005
Cash and cash equivalents	7,612	2,984
Restricted cash	4,214	2,002
Due from affiliates	544	514
Accounts receivable, prepaids and other assets	1,783	1,434
Investments in unconsolidated real estate joint ventures	12,876	1,254
In-place lease value, net	545	—
Deferred financing costs, net	2,131	762
Non-real estate assets associated with operating real estate held for sale	951	—
Assets related to discontinued operations	—	571
Total Assets	$ 337,749	$ 172,526
LIABILITIES AND STOCKHOLDERS' EQUITY		
Mortgages payable	$ 215,315	$ 96,535
Mortgage payable associated with operating real estate held-for-sale	11,500	—
Line of credit	—	7,571
Accounts payable	1,624	2,397
Other accrued liabilities	5,470	2,280
Due to affiliates	1,784	2,254
Distributions payable	596	143
Liabilities associated with operating real estate held for sale	435	—
Liabilities related to discontinued operations	364	15,263
Total Liabilities	237,088	126,443
Stockholders' Equity		
Preferred stock, $0.01 par value, 250,000,000 shares authorized; none issued and outstanding as of September 30, 2014 and December 31, 2013	—	—
Common stock, $0.01 par value, no and 749,999,000 shares authorized as of September 30, 2014 and December 31, 2013, respectively; no and 2,413,811 shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	—	24
Common stock - Class A, $0.01 par value, 747,586,185 and no shares authorized as of September 30, 2014 and December 31, 2013, respectively; 4,495,744 and no shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	45	—
Common stock - Class B-1, $0.01 par value, 804,605 and no shares authorized as of September 30, 2014 and December 31, 2013, respectively; 353,630 and no shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	4	—
Common stock - Class B-2, $0.01 par value, 804,605 and no shares authorized as of September 30, 2014 and December 31, 2013, respectively; 353,630 and no shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	4	—
Common stock - Class B-3, $0.01 par value, 804,605 and no shares authorized as of September 30, 2014 and December 31, 2013, respectively; 353,629 and no shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	4	—
Nonvoting convertible stock, $0.01 par value per share; no shares authorized, issued or outstanding, as of September 30, 2014 and 1,000 shares authorized, issued and outstanding as of December 31, 2013	—	—
Additional paid-in-capital, net of costs	80,350	21,747
Cumulative distributions and net losses	(21,348)	(9,770)
Total Stockholders' Equity	59,059	12,001
Noncontrolling Interests		
Operating partnership units	3,112	—
Partially owned properties	38,490	34,082
Total Noncontrolling Interests	41,602	34,082
Total Equity	100,661	46,083
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 337,749	$ 172,526

Bluerock Residential Growth REIT, Inc.
Consolidated Statements of Operations
For the Three and Nine Months Ended September 30, 2014 and 2013
(Unaudited and dollars in thousands except for share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	**2013**	**2014**	**2013**
Revenues				
Net rental income	$ 9,185	$ 2,975	$ 19,754	$ 8,755
Other	371	85	793	240
Total revenues	9,556	3,060	20,547	8,995
Expenses				
Property operating	4,067	1,306	9,008	3,881
General and administrative	778	461	2,048	1,291
Asset management fees	225	130	548	374
Acquisition costs	378	55	3,528	198
Depreciation and amortization	4,917	1,063	9,864	4,089
Total expenses	10,365	3,015	24,996	9,833
Operating loss (income)	(809)	45	(4,449)	(838)
Other (expense) income				
Other income	52	—	185	—
Equity in income (loss) of unconsolidated joint ventures	411	(150)	492	(98)
Equity in gain on sale of unconsolidated joint venture interest	—	1,605	—	1,605
Interest expense, net	(2,413)	(1,138)	(5,551)	(3,461)
Total other (expense) income	(1,950)	317	(4,874)	(1,954)
Net (loss) income from continuing operations	(2,759)	362	(9,323)	(2,792)
Discontinued operations				
Gain (loss) on operations of rental property	114	(2)	(4)	(92)
Loss on early extinguishment of debt	—	—	(879)	—
Gain on sale of joint venture interest	—	—	1,006	—
Income (loss) from discontinued operations	114	(2)	123	(92)
Net (loss) income	(2,645)	360	(9,200)	(2,884)
Net loss attributable to Noncontrolling Interest Operating partner units	(116)	—	(321)	—
Partially owned properties	(382)	(172)	(1,150)	(993)
Net loss attributable to noncontrolling interest	(498)	(172)	(1,471)	(993)
Net (loss) income attributable to common shareholders	$ (2,147)	$ 532	$ (7,729)	$ (1,891)

Bluerock Residential Growth REIT, Inc.
Reconciliation of Funds from Operations (FFO) and Adjusted Funds from Operations (AFFO)
For the Three and Nine Months Ended September 30, 2014 and 2013
(Unaudited and dollars in thousands except for share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	**2013**	**2014**	**2013**
Net (loss) income attributable to common shareholders	$ (2,147)	$ 532	$ (7,729)	$ (1,891)
Add: Pro-rata share of depreciation and amortization[1]	2,953	486	5,645	1,902
	806	1,018	(2,084)	11
Less: Pro-rata share of gain on sale of joint venture interests	—	(1,688)	(448)	(1,688)
Funds from Operations (FFO)[2]	$ 806	$ (670)	$ (2,532)	$ (1,677)
Add: Pro-rata share of acquisition and disposition costs	318	325	3,657	465
non-cash equity compensation	326	36	676	74
Less: Pro-rata share of normally recurring capital expenditures	(162)	(54)	(251)	(77)
Adjusted Funds from Operations (AFFO)[2]	$ 1,288	$ (363)	$ 1,550	$ (1,215)
Weighted average shares outstanding - diluted	5,877,417	1,055,762	4,269,378	1,024,997
PER SHARE INFORMATION:				
FFO - diluted	$ 0.14	$ (0.63)	$ (0.59)	$ (1.64)
AFFO - diluted	$ 0.22	$ (0.34)	$ 0.36	$ (1.19)
Distributions	$ 0.29	$ 0.40	$ 0.84	$ 1.19

(1) The real estate depreciation and amortization amount includes our share of consolidated real estate-related depreciation and amortization of intangibles, less amounts attributable to noncontrolling interests, and our similar estimated share of unconsolidated depreciation and amortization, which is included in earnings of our unconsolidated real estate joint venture investments.

(2) See page 19 for the Company's definitions of these non-GAAP measurements. Individual line items included in FFO and AFFO calculations include results from discontinued operations where applicable.

(Unaudited and dollars in thousands except for share and per share data)

This table includes forward-looking statements based on current judgments and current knowledge of management, which are subject to certain risks, trends and uncertainties that could cause results to vary from those projected. Please see the paragraph on forward-looking statements on page 10 of this document for a discussion of risks and uncertainties.

Consolidated Current Development

					Estimated/Actual Dates for			
Under Construction(1)	Total Units	Total Estimated Construction Cost	Cost to Date	Total Debt	Construction Start	Initial Occupancy	Construction Completion	Stablized Operations(2)
Alexan CityCentre(3)	340	$ 81,800	$ 19,488	$ 57,000	4Q14	4Q16	3Q17	4Q17
UCF Orlando(4)	296	$ 36,770	$ 12,365	$ 27,500	2Q14	3Q15	4Q15	2Q16

(1) Properties are under development and the Company holds a preferred equity investment with an option to convert into partial ownership of the underlying asset upon stabilization.

(2) We defined stabilized occupancy as the earlier of the attainment of 90% physical occupancy or one year after the completion of construction.

(3) Alexan CityCentre is a convertible preferred equity investment that earns a preferred return of 15%.

(4) UCF Orlando is a convertible preferred equity investment that earns a preferred return of 15%.

Bluerock Residential Growth REIT, Inc.
Debt Summary
As of September 30, 2014
(Unaudited and dollars in thousands except for share and per share data)

	Outstanding Principal	Interest Rate	Fixed/ Floating	Maturity Date
Springhouse	$ 22,598	5.66%	Fixed	January 1, 2020
Enders Place at Baldwin Park	25,500	4.30%(1)	Fixed	November 1, 2022
23Hundred@Berry Hill	23,245	3.00%(2)	Floating	September 30, 2015
MDA City Apartments	37,600	5.35%	Fixed	January 1, 2023
Village Green Ann Arbor	43,200	3.92%	Fixed	October 1, 2022
Grove at Waterford	20,100	3.59%	Fixed	May 1, 2019
Lansbrook Village	42,357	4.45%	Fixed	March 31, 2018
Total	214,600			
Fair value adjustments	715			
Total continuing operations	215,315			
North Park Towers - held for sale	11,500	5.65%	Fixed	January 6, 2024
Total	$ 226,815			
Weighted average interest rate	4.44%			

Note: The above schedule does not include a mortgage note of $17,400 related to The Estates at Perimeter/Augusta property as the property is accounted for under the equity method and is not consolidated. The note bears a 4.245% fixed rate with a maturity date of September 1, 2017.

(1) The principal includes a $17,500 loan at a 3.97% interest rate and a $8,000 supplemental loan at a 5.01% interest rate.

(2) The loan is based on a floating rate, which is benchmarked to three-month Libor plus 2.50% and may be extended for two additional twelve month periods at the option of the borrower.

The foregoing supplemental financial data includes certain non-GAAP financial measures that we believe are helpful in understanding our business, as further described below. Our definition and calculation of these non-GAAP financial measures may differ from those of other REITs, and may, therefore, not be comparable.

Funds from Operations ("FFO") and Adjusted Funds from Operations (“AFFO”)

Funds from operations, or FFO, is a non-GAAP financial measure that is widely recognized as a measure of REIT operating performance. We consider FFO to be an appropriate supplemental measure of our operating performance as it is based on a net income analysis of property portfolio performance that excludes non-cash items such as depreciation. The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, which implies that the value of real estate assets diminishes predictably over time. Since real estate values historically rise and fall with market conditions, presentations of operating results for a REIT, using historical accounting for depreciation, could be less informative. We define FFO, consistent with the National Association of Real Estate Investment Trusts, or NAREIT's, definition, as net income, computed in accordance with GAAP, excluding gains (or losses) from sales of property, plus depreciation and amortization of real estate assets, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis.

In addition to FFO, we use adjusted funds from operations, or AFFO. AFFO is a computation made by analysts and investors to measure a real estate company's operating performance by removing the effect of items that do not reflect ongoing property operations.

We further adjust FFO by adding back certain items that are not added to net income in NAREIT's definition of FFO, such as acquisition expenses, equity based compensation expenses, and any other non-recurring or non-cash expenses, which are costs that do not relate to the operating performance of our properties, and subtracting recurring capital expenditures (and when calculating the quarterly incentive fee payable to our Manager only, we further adjust FFO to include any realized gains or losses on our real estate investments).

Our calculation of AFFO differs from the methodology used for calculating AFFO by certain other REITs and, accordingly, our AFFO may not be comparable to AFFO reported by other REITs. Our management utilizes FFO and AFFO as measures of our operating performance after adjustment for certain non-cash items, such as depreciation and amortization expenses, and acquisition expenses and pursuit costs that are required by GAAP to be expensed but may not necessarily be indicative of current operating performance and that may not accurately compare our operating performance between periods. Furthermore, although FFO, AFFO and other supplemental performance measures are defined in various ways throughout the REIT industry, we also believe that FFO and AFFO may provide us and our stockholders with an additional useful measure to compare our financial performance to certain other REITs. We also use AFFO for purposes of determining the quarterly incentive fee, if any, payable to our Manager.

Neither FFO nor AFFO is equivalent to net income or cash generated from operating activities determined in accordance with GAAP. Furthermore, FFO and AFFO do not represent amounts available for management's discretionary use because of needed capital replacement or expansion, debt service obligations or other commitments or uncertainties. Neither FFO nor AFFO should be considered as an alternative to net income as an indicator of our operating performance or as an alternative to cash flow from operating activities as a measure of our liquidity.

We made no investments, had one full disposition and two partial dispositions in 2013, and have acquired interests in eight properties during the nine months ended September 30, 2014. The results presented in the table on page 16 are not directly comparable and should not be considered an indication of our future operating performance.

(Unaudited and dollars in thousands except for share and per share data)

Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is defined as earnings before interest, income taxes, depreciation and amortization. We consider EBITDA to be an appropriate supplemental measure of our performance because it eliminates depreciation, income taxes, interest and non-recurring items, which permits investors to view income from operations unclouded by non-cash depreciation, amortization, the cost of debt or non-recurring items. Below is a reconciliation of net income applicable to common shares to EBITDA.

	Three Month Ended September 30,		Nine Month Ended September 30,	
	2014	2013	2014	2013
Net loss attributable to common stockholders	$ (2,147)	$ 532	$ (7,729)	$ (1,891)
Net loss attributable to noncontrolling interest	(498)	(172)	(1,471)	(993)
Interest expense	2,413	1,259	5,700	3,827
Depreciation and amortization	4,917	1,229	10,048	4,584
Gain on sale of joint venture interest	—	—	(1,006)	—
Equity in gain on sale of unconsolidated joint venture interest	—	(1,605)	—	(1,605)
Acquisition costs	378	55	3,528	198
Loss on early extinguishment of debt	—	—	879	—
EBITDA	$ 5,063	$ 1,298	$ 9,949	$ 4,120

Recurring Capital Expenditures

We define recurring capital expenditures as expenditures that are incurred at every property and exclude development, investment, revenue enhancing and non-recurring capital expenditures.

Non-Recurring Capital Expenditures

We define non-recurring capital expenditures as expenditures for significant projects that upgrade units or common areas and projects that are revenue enhancing.

Same Store Properties

Same store properties are conventional multifamily residential apartments which were owned and operational for the entire periods presented.

Property Net Operating Income ("Property NOI")

We believe that net operating income, or NOI, is a useful measure of our operating performance. We define NOI as total property revenues less total property operating expenses, excluding depreciation and amortization and interest. Other REITs may use different methodologies for calculating NOI, and accordingly, our NOI may not be comparable to other REITs. We believe that this measure provides an operating perspective not immediately apparent from GAAP operating income or net income. We use NOI to evaluate our performance on a same store and non-same store basis because NOI measures the core operations of property performance by excluding corporate level expenses and other items not related to property operating performance and captures trends in rental housing and property operating expenses. However, NOI should only be used as an alternative measure of our financial performance. The following table reflects same store and non-same store contributions to consolidated NOI together with a reconciliation of NOI to net loss as computed in accordance with GAAP for the periods presented (amounts in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	**2013**	**2014**	**2013**
Net operating income				
Same store	$ 2,352	$ 2,224	$ 6,680	$ 6,606
Non-same store	3,602	839	6,370	2,376
Total net operating income	5,954	3,063	13,050	8,982
Less:				
Interest expense	2,581	1,435	6,060	4,314
Total property income	3,373	1,628	6,990	4,668
Less:				
Noncontrolling interest pro-rata share of property income	1,638	1,039	3,650	3,310
Other income related to JV/MM entities	17	11	56	10
Pro-rata share of total properties' income	1,718	578	3,284	1,348
Less pro-rata share of:				
Depreciation and amortization	2,953	486	5,645	1,902
Affiliate loan interest, net	—	248	191	774
Asset management and oversight fees	219	138	536	399
Acquisition and disposition costs	318	325	3,657	465
Corporate operating expenses	769	537	1,999	1,387
Add pro-rata share of:				
Other income	31	—	103	—
Equity in operating earnings of unconsolidated joint ventures	363	—	464	—
Gain on sale of joint venture interest	—	1,688	448	1,688
Net (loss) income attributable to common stockholders	$ (2,147)	$ 532	$ (7,729)	$ (1,891)