

## **Berkshire Income Realty Modifies Credit Facility**

BOSTON, February 24, 2011 – Berkshire Income Realty, Inc. (Amex: BIR.PR.A, BIR\_PA, BIRPRA, BIR-A, BIR.A, BIR/PRA) (the “Company”) announced today that the Company has agreed to modify certain terms of an existing credit facility, as amended (the “Agreement”), with an affiliate of the Company. The Agreement, prior to the current modifications, provided \$20 million of revolving credit to the Company at an interest rate of 5% above the 30 day LIBOR, is subject to various operational and financial covenants, including maximum leverage and debt service ratios and provides for fees based on borrowings under the facility.

An amendment to the Agreement (“Amendment No. 2”) provides for a temporary modification of certain provisions of the Agreement during the period commencing with the date of execution, February 17, 2011, and ending on July 31, 2012 (the “Amendment Period”), subject to extension. During the Amendment Period certain provisions of the Agreement are modified and include: an increase in the amount of the Commitment from \$20,000,000 to \$40,000,000; elimination of the Leverage Ratio covenant and Clean-Up Requirement (each as defined in the Agreement) and computation and payment of interest on a quarterly basis. At the conclusion of the Amendment Period, including extensions, the provisions modified pursuant to Amendment No. 2 will revert back to the provisions of the Agreement prior to the Amendment Period.

The Company is a Real Estate Investment Trust (“REIT”) whose objective is to acquire, own, operate, and rehabilitate multifamily apartment communities. The Company owns interests in twenty-seven such multifamily apartment communities, of which six are located in the Baltimore/Washington, D.C. metropolitan area, five are located in Virginia, four are located in Houston, Texas, three are located in Dallas, Texas, two are located in the Chicago, Illinois area and one is located in each of Austin, Texas, Charlotte, North Carolina, Atlanta, Georgia, Sherwood, Oregon, Tampa, Florida, Philadelphia, Pennsylvania and Los Angeles, California.

This press release may contain “forward-looking statements,” within the meaning of the Private Securities Litigation Reform Act of 1995, about the Company. These statements involve a number of risks and uncertainties that could materially affect future results. Among these risk factors are the ones listed in the Company’s periodic reports filed with the Securities and Exchange Commission, including without limitation the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and Quarterly Report on Form 10-Q for the periods ended March 31, 2010, June 30, 2010 and September 30, 2010.

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