

Berkshire Income Realty Executes Joint Venture Agreements

BOSTON, March 9, 2011 – Berkshire Income Realty, Inc. (Amex: BIR.PR.A, BIR_PA, BIRPRA, BIR-A, BIR.A, BIR/PRA) (the “Company”) announced today that the operating partnership of the Company, Berkshire Income Realty – OP, L.P. (“BIR-OP”) executed an agreement, with an affiliated entity, Berkshire Multifamily Value Fund-II OP, L.P. (“BVF-II”), to participate in and take an ownership position in a real estate development project. The Limited Liability Company Agreement (the “Agreement”) was entered into on March 2, 2011, by and among BVF-II and BIR-OP as members of the joint venture (the “Joint Venture”).

The Agreement provides that the Joint Venture may engage in any lawful business or trade activity specifically including the ownership of a membership interest in NoMa West Residential I LLC, a Delaware limited liability company, and of real and personal property, and interests in other entities which may own real and personal property. BVF-II is the managing member of the Joint Venture and has a percentage ownership interest of approximately 67% and BIR-OP has a percentage ownership of approximately 33% of the Joint Venture.

Also on March 2, 2011, BIR-OP, through the newly formed Joint Venture, executed an agreement to participate in the development and subsequent operation of a 603 unit multifamily apartment complex in Washington D.C. (the “Property”). The Amended and Restated Limited Liability Company Agreement (the “LLC Agreement”) of NoMa West Residential I LLC, the Property owner, is between the Joint Venture and MCRT/MA 104 NoMa LLC (“MCRT/Manager”), an unrelated third party Delaware limited liability company.

The LLC Agreement provides that the Joint Venture will make capital contributions of 90% and MCRT/Manager will make capital contributions of 10%. MCRT/Manager will manage the construction and development of, and subsequent to completion, the day-to-day operations of the Property. The LLC Agreement also provides for fees for MCRT/Manager, limits the authority of MCRT/Manager and provides for distributions based on percentage interest and thereafter in accordance with achievement or economic hurdles.

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-nine such multifamily apartment communities or development projects, of which seven 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, Los Angeles, California and Denver, Colorado.

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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