

## INVESTOR SUITABILITY STANDARDS

An investment in our common stock is suitable only for persons who have adequate financial means and desire a long term investment. We have established suitability standards for initial stockholders and subsequent purchasers of our shares to help ensure, given the high degree of risk, the long term nature, and the relative illiquidity of an investment in our shares, that shares of our common stock are an appropriate investment for investors in this offering. Our suitability standards require that a purchaser of our shares have either:

- a net worth of at least \$250,000; or
- a gross annual income of at least \$70,000 and a net worth of at least \$70,000.

The following states have established suitability standards in addition to or that are different from those set forth above. In the following states, we will only sell shares to those investors who meet the standards set forth below:

**Alabama** — In addition to the suitability standards set forth above, investors must have a liquid net worth of at least 10 times their investment in us and similar programs.

**California** — Investors must have either (1) a net worth of at least \$250,000 or (2) a gross annual income of at least \$75,000 and a net worth of at least \$100,000. In addition, investors may not invest more than 10% of their net worth in us.

**Iowa** — Investors must have either (1) a net worth of \$350,000 or (2) a gross annual income of \$70,000 and a net worth of at least \$100,000. In addition, investors may not invest more than 10% of their net worth in us or in any of our affiliates.

**Kansas** — In addition to the suitability standards set forth above, it is recommended by the office of the Kansas Securities Commissioner that investors not invest, in the aggregate, more than 10% of their liquid net worth in this and similar direct participation investments. Liquid net worth is defined as that portion of net worth that consists of cash, cash equivalents and readily marketable securities.

**Kentucky** — In addition to the suitability standards set forth above, investors may not invest more than 10% of their net worth in us.

**Michigan** — In addition to the suitability standards set forth above, investors may not invest more than 10% of their net worth in us or in any of our affiliates.

**Missouri** — In addition to the suitability standards set forth above, investors may not invest more than 10% of their liquid net worth in us.

**Ohio** — In addition to the suitability standards set forth above, investors may not invest more than 10% of their liquid net worth in us or in any of our affiliates.

**Oregon** — In addition to the suitability requirements set forth above, investors may not invest more than 10% of their liquid net worth in us. Oregon defines “liquid net worth” as the remaining balance of cash and other assets easily converted to cash after subtracting an investor’s total liabilities from total assets.

**New Jersey and Tennessee** — Investors must have either (1) a net worth of at least \$500,000, or (2) a gross annual income of at least \$100,000 and a net worth of at least \$100,000. In addition, investors may not invest more than 10% of their liquid net worth in us.

For purposes of determining suitability of an investor, net worth in all cases referenced above should be calculated excluding the value of an investor’s home, furnishings and automobiles.

In the case of sales to fiduciary accounts, these suitability standards must be met by one of the following: (1) the fiduciary account, (2) the person who directly or indirectly supplied the funds for the purchase of the shares or (3) the beneficiary of the account.

We, our sponsor, Bluerock Real Estate L.L.C., and each person selling common stock on our behalf are required to make reasonable efforts to determine that the purchase of our common stock is a suitable and appropriate investment for each stockholder in light of such person's age, educational level, knowledge of investments, financial means and other pertinent factors. Our dealer manager and each person selling shares on our behalf must maintain records for at least six years of the information used to determine that an investment in our common stock is suitable and appropriate for each investor. Our dealer manager's agreements with the participating broker dealers require such broker dealers to make inquiries diligently as required by law of all prospective investors in order to ascertain whether an investment in us is a suitable investment.

### **HOW TO SUBSCRIBE**

Investors seeking to purchase shares of our common stock should proceed as follows:

- Read this entire prospectus and any appendices and supplements accompanying this prospectus.
- Complete an execution copy of the subscription agreement. A specimen copy of the subscription agreement, including instructions for completing it, is included in this prospectus as Exhibit A.
- Deliver a check made payable to "Bluerock Enhanced Multifamily Trust, Inc." or "BEMT" for the full purchase price of the shares of our common stock being subscribed for along with the completed subscription agreement to the selling broker dealer.

In general, the minimum initial investment for purchases of shares of our common stock is \$2,500, except Tennessee residents must invest at least \$5,000. For purposes of satisfying the minimum investment requirement for retirement plans, unless otherwise prohibited by state law, a husband and wife may jointly contribute funds from their separate IRAs provided that each such contribution is made in increments of at least \$500. An investment in our shares will not, in itself, create a retirement plan for you and, in order to create a retirement plan, you must comply with all applicable provisions of the federal income tax laws. After your initial purchase, any additional investments must be made in increments of at least \$100, except for purchases of shares under our distribution reinvestment plan, which may be in lesser amounts.

By signing the subscription agreement, you represent and warrant to us that you have received a copy of this prospectus, that you meet the minimum net worth and annual gross income requirements imposed by your state and, if applicable, that you will comply with all federal and state law requirements with respect to resale of our shares of common stock. We rely on the representations and warranties made by you to help ensure that you are fully informed about an investment in our shares and that we adhere to our suitability standards regarding your investment. By making those representations and warranties to us, you will not waive any rights that you may have under federal or state securities laws.