

# Nontraded REIT Industry Review: Second Quarter 2015

## TIER REIT, Inc.

TIER REIT was incorporated in 2002 and was formerly known as Behringer Harvard REIT I. It primarily owns and operates high quality office properties located in selective markets throughout the United States. The Company raised approximately \$2.8 billion in its three public offerings (including DRP proceeds) which commenced in February, 2003 and closed in December, 2009. On December 31, 2010, the estimated value per share was \$4.55. At the end of 2010 the Company owned interests in 65 office properties and one retail property with approximately 23.8 million rentable square feet. By December 31, 2013, the Company's portfolio consisted of 38 office properties and the per share value established by the Board was \$4.01. The estimated share value was \$4.20 as of November 1, 2013.

### Listing

On June 2, 2015, the Company effected a one-for-six reverse stock split of its existing common stock (i.e. each common shareholder received one common share for every six owned).

On March 25, 2015 the Board of Directors authorized the Company to pursue a listing on a national securities exchange and on July 23, 2015 TIER REIT listed its shares on the New York Stock Exchange ("NYSE") under the ticker symbol "TIER."

The common stock began trading on the NYSE, opening at \$19.50 per share and closing at \$18.24 on July 23. This is equivalent to a pre-split value of \$3.04 per common share.

### Pre-Listing Portfolio

The Company owned 33 properties as of June 30, 2015 that were approximately 89% leased. The 32 office properties comprised 12,359,000 square feet that were 89% occupied, and the single retail property had 79,000 square feet that was 52% occupied.

### Key Highlights

- Fundraising time – 70 months
- Closed period – 79 months
- Total – 12 years, 5 months
- As of June 30, 2015, the REIT had 49,871,776 common shares outstanding and total assets of \$1,920 million.

### About Sponsor

Founded in 1989, the Behringer group of companies have raised over \$6 billion in equity and invested over \$11 billion in assets. The first non-listed REIT was Harvard Property Trust in 1995. Behringer Harvard was formed in 2001.

Other programs sponsored by Behringer:

- Behringer Harvard Opportunity REIT I, Inc. (2005)
- Behringer Harvard Opportunity REIT II, Inc. (2008)

Past Nontraded REIT Programs with Full-Cycle Events:

- Monogram Residential Trust (Behringer Harvard Multifamily REIT I) (2008) Listed on the NYSE on November 21, 2014.