

# Preferred Apartment Communities, Inc. Announces Acquisition of a "Class A" Office Property in Charlotte, North Carolina Through its Subsidiary, Preferred Office Properties, LLC

ATLANTA, Jan. 3, 2019 /PRNewswire/ -- Preferred Apartment Communities, Inc. (NYSE: APTS) ("PAC" or the "Company") today announced that on December 20, 2018 it acquired Capitol Towers, a 477,704 square foot office development located in the SouthPark submarket of Charlotte, North Carolina. The two newly constructed 10-story buildings feature a blue chip tenant roster, anchored by investment grade customers across a broad range of industries including specialty chemicals, financial services, banking and insurance. This acquisition increases the size of the Company's office portfolio to seven operating assets totaling approximately 2.6 million square feet.

Subsequent to and in connection with closing, the Company executed a new lease with an undisclosed customer for approximately 33,000 square feet, or 7% of the total rentable area, to bring the property to approximately 95% leased. Campbell Walker with Lincoln Harris represented the landlord in this transaction and Chris Schaaf and Jim Thorp with JLL represented the tenant.

PAC acquired the property through its subsidiary, Preferred Office Properties, LLC. Boone DuPree, President and Chief Executive Officer for Preferred Office Properties, stated: "Capitol Towers represents the culmination of strategic efforts to enter the Charlotte market with scale, in a well-located, high quality asset." Mr. DuPree added, "We are excited to expand our business in this way, and to continue on a great relationship with local developer and operator Lincoln Harris, which we have retained to partner with us for leasing and property management."

The Company financed the acquisition utilizing a non-recourse first mortgage loan from New York Life Insurance Company. There are no loan guaranties provided by PAC or our operating partnership.

## About Preferred Office Properties

Preferred Office Properties, LLC is a subsidiary of Preferred Apartment Communities Inc., formed in 2016 to invest in Class A office properties across the U.S. Preferred Office Properties, LLC sources portfolio assets through acquisitions of operating properties, development, and structured financing. Learn more at [www.prefoffice.com](http://www.prefoffice.com).

## About Preferred Apartment Communities, Inc.

Preferred Apartment Communities, Inc. is a Maryland corporation formed primarily to own and operate multifamily properties and, as a secondary strategy, to own and operate student housing properties, grocery anchored shopping centers and strategically located, well leased class A office buildings, all in select targeted markets throughout the United States. As part of our business strategy, we may enter into forward purchase contracts or purchase options for to-be-built multifamily communities and we may make real estate related loans, provide deposit arrangements, or provide performance assurances, as may be necessary or appropriate, in connection with the development of multifamily communities. Additionally, we may acquire or originate senior mortgage loans, subordinate loans or real estate loans secured by interests in multifamily properties, membership or partnership interests in multifamily properties and other multifamily related assets and invest a lesser portion of our assets in other real estate related investments, including other income-producing property types, senior mortgage loans, subordinate loans or real estate loans secured by interests in other income-producing property types, membership or partnership interests in other income-producing property types as determined by our manager as appropriate for us. At September 30, 2018, the Company was the approximate 97.4% owner of Preferred Apartment Communities Operating Partnership, L.P., the Company's operating partnership. Preferred Apartment Communities, Inc. has elected to be taxed as a real estate investment trust under the Internal Revenue Code of 1986, as amended, commencing with its tax year ended December 31, 2011. Learn more at [www.pacapts.com](http://www.pacapts.com).

## About New York Life Real Estate Investors

New York Life Real Estate Investors is a division of NYL Investors LLC, a wholly-owned subsidiary of New York Life Insurance Company. Please visit New York Life Real Estate Investors' website at <http://www.newyorklife.com/realestateinvestors> for more information.

New York Life Real Estate Investors is a full service, fully-integrated real estate enterprise with more than 100 professionals. The division has market-leading capabilities in origination, underwriting, and investment in real

estate equity products and related debt, including real estate equity investments, commercial mortgage loans, commercial mortgage backed securities, and unsecured REIT bonds. With over \$51.9 billion in assets under management as of June 30, 2018\*, New York Life Real Estate Investors is actively seeking to acquire additional properties throughout the U.S.

\*Real Estate Investors AUM of \$51.9B is gross and includes AUA (\$1.6B), and debt (\$0.3B) as of 6/30/18. Net AUM for Real Estate Investors is \$50.0B as of 6/30/18.

### **About New York Life**

New York Life Insurance Company ([www.newyorklife.com](http://www.newyorklife.com)), a Fortune 100 company founded in 1845, is the largest mutual life insurance company in the United States\* and one of the largest life insurers in the world. Headquartered in New York City, New York Life's family of companies offers life insurance, retirement income, investments and long-term care insurance. New York Life has the highest financial strength ratings currently awarded to any U.S. life insurer from all four of the major credit rating agencies\*\*.

\*Based on revenue as reported by "Fortune 500 ranked within Industries, Insurance: Life, Health (Mutual)," Fortune magazine, 6/1/18. For methodology, please see <http://fortune.com/fortune500/>

\*\*Individual independent rating agency commentary as of 7/30/2018: A.M. Best (A++), Fitch (AAA), Moody's Investors Service (Aaa), Standard & Poor's (AA+)

### **Additional Information**

The SEC has declared effective the registration statement (including prospectus) filed by the Company for each of the offerings to which this communication may relate. Before you invest, you should read the final prospectus, and any prospectus supplements, forming a part of the registration statement and other documents the Company has filed with the SEC for more complete information about the Company and the offering to which this communication may relate. In particular, you should carefully read the risk factors described in the final prospectus and in any related prospectus supplement and in the documents incorporated by reference in the final prospectus and any related prospectus supplement to which this communication may relate. You may obtain these documents for free by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov). Alternatively, the Company or its dealer manager, Preferred Capital Securities, LLC, with respect to PAC's mShares Redeemable Preferred Stock Offering and Series A Redeemable Preferred Stock and Warrant Unit Offering, will arrange to send you a prospectus if you request it by calling Leonard A. Silverstein at (770) 818-4100, 3284 Northside Parkway NW, Suite 150, Atlanta, Georgia 30327.

The mShares Redeemable Preferred Stock Offering prospectus, dated January 19, 2017, can be accessed through the following link:

<https://www.sec.gov/Archives/edgar/data/1481832/000148183217000008/a424prospectus-mshares1.htm>

The Series A Redeemable Preferred Stock and Warrant Unit Offering prospectus, dated March 16, 2017, can be accessed through the following link:

<https://www.sec.gov/Archives/edgar/data/1481832/000148183217000061/a424prospectus-15bseriesar.htm>

SOURCE Preferred Apartment Communities, Inc.

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Additional assets available online:  [Photos \(1\)](#)