

# Preferred Apartment Communities, Inc. Announces Acquisition of a Grocery-Anchored Shopping Center Through its Subsidiary, New Market Properties, LLC

ATLANTA, Dec. 19, 2019 /PRNewswire/ -- Preferred Apartment Communities, Inc. (NYSE: APTS) ("PAC" or the "Company") announced that it made an approximate 92.5% equity investment in a joint venture with Harbour Retail Partners (based in Wilmington, North Carolina) to acquire Hanover Shopping Center, a grocery-anchored shopping center in Wilmington, North Carolina. The 305,346 square foot Hanover Shopping Center is anchored by high performing Harris Teeter. This high barrier to entry location has strong demographics and is strategically positioned at the epicenter of the dominant Oleander Drive retail corridor that enjoys traffic counts of over 48,000 vehicles per day.

PAC made this investment through its wholly-owned indirect subsidiary New Market Properties, LLC. Michael Aide, Senior Vice President, Director of Investments of New Market said, "Hanover Shopping Center marks our continued expansion into the state of North Carolina and is our fourth asset in the state. We now own 52 grocery-anchored centers consistent with our strategy to acquire well-positioned grocery-anchored centers in suburban Sunbelt and Mid-Atlantic markets with strong demographics that are anchored by market leading grocers." Mr. Aide added: "We are excited to partner with Harbour Retail Partners, a highly regarded retail owner and developer. The Harbour team brings a strong track record of execution with a deep understanding of the Wilmington market that will be extremely valuable in improving upon Hanover's standing as the dominant Harris Teeter anchored center in the market which has been owned by The MacRae family for the last 70 years."

Randy Kelley, Principal of Harbour Retail Partners said, "We are fortunate to have such a visionary and committed partner in New Market Properties. Hanover Center will always be one of the best centers in Wilmington with a strong tenant mix, loyal customer base and wonderful history. The center dates back to 1956 and considered the first shopping center in Wilmington, NC. We are excited about the opportunity to expand upon the foundation that the MacRae family built."

The joint venture financed the acquisition of Hanover Shopping Center utilizing a first mortgage loan from First Citizens Bank & Trust Company.

## About New Market Properties, LLC

New Market Properties, LLC is a wholly-owned indirect subsidiary of Preferred Apartment Communities, Inc. and is focused on the grocery anchored shopping center sector. New Market currently owns and operates a portfolio of grocery anchored shopping centers in nine states. New Market's strategy is to prudently grow and operate its existing portfolio throughout the Mid-Atlantic, Southeast and Texas. New Market targets high quality suburban markets with dominant grocers such as Publix, Kroger, Harris Teeter, Tom Thumb, HEB and Giant Food.

## About Harbour Retail Partners

Harbour Retail Partners operates two funds focused on acquiring and developing commercial retail properties, including grocery anchored, mixed use, and single tenant centers, primarily in the southeastern U.S. Harbour Retail Partners has acquired and developed 25 properties since forming in August, 2013, with offices in Wilmington, NC and Atlanta, GA.

## About Preferred Apartment Communities, Inc.

Preferred Apartment Communities, Inc. is a Maryland corporation formed primarily to own and operate multifamily properties and, to a lesser extent, 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. As a secondary strategy, 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, 2019, the Company was the approximate 98.2% 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.pacaps.com](http://www.pacaps.com).

### **Forward-Looking Statements**

*This press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements may be identified by the use of forward-looking terminology such as "may", "trend", "will", "expects", "plans", "estimates", "anticipates", "projects", "intends", "believes", "goals", "objectives", "outlook" and similar expressions. Because such statements include risks, uncertainties and contingencies, actual results may differ materially from the expectations, intentions, beliefs, plans or predictions of the future expressed or implied by such forward-looking statements. These risks, uncertainties and contingencies include, but are not limited to, those disclosed in PAC's filings with the Securities and Exchange Commission. PAC undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as may be required by law.*

### **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, Series A Redeemable Preferred Stock and Warrant Unit Offering, and Series A1/M1 Redeemable Preferred Stock 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>


The Series A1/M1 Redeemable Preferred Stock Offering prospectus, dated October 22, 2019, can be accessed through the following link:

<https://www.sec.gov/Archives/edgar/data/1481832/000148183219000097/a424b5-2019seriesamshares.htm>

SOURCE Preferred Apartment Communities, Inc.

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