

Preferred Apartment Communities, Inc. Completes Acquisition of a 288-Unit Class A Multifamily Community

ATLANTA, May 1, 2020 /PRNewswire/ -- Preferred Apartment Communities, Inc. (NYSE: APTS) ("PAC" or the "Company") announced its acquisition on April 30, 2020 of Parkside at the Beach, a 2019 built 288-unit Class A multifamily community located in Panama City Beach, Florida. Jeff Sherman, President of Multifamily said, "We identified this acquisition opportunity in late 2019, completed our due diligence, and committed to it with non-refundable earnest money in a pre-COVID environment. Also, in February 2020, we obtained an extremely favorable first mortgage loan from Freddie Mac. The combination of these factors, along with very strong April 2020 rent collections, led us to follow through on our commitment to acquire an asset on attractive terms consistent with our multifamily strategy of acquiring well-performing Class A multifamily communities in the Sunbelt."

Mr. Sherman continued, "Parkside at the Beach is another example of selectively adding to our portfolio. The property is exceptionally well located, fronting highway 98 and less than 2 miles to Pier Park, a 2+ million square foot destination open-air shopping center owned by Simon Property Group with over 250 retail, dining and entertainment options. Parkside also serves as the premier multifamily property in the market with kitchen islands, quartz counters, stainless appliances and resort style amenities."

PAC purchased Parkside at the Beach utilizing a first mortgage loan from Freddie Mac bearing interest at a fixed rate of 2.95% per annum for a 10-year term. The loan is interest only during the first two years and amortizes based on a 30-year schedule. There are no loan guaranties provided by PAC or our operating partnership. John Isakson, Chief Financial Officer of PAC said, "Despite the COVID-19 pandemic, which has rapidly impacted all markets, we were able to close on terms previously agreed to with Freddie Mac. This favorable debt complements this acquisition, providing for enhanced cash flows and projected returns."

About Preferred Apartment Communities, Inc.

Preferred Apartment Communities, Inc. (NYSE: APTS) is a real estate investment trust engaged primarily in the ownership and operation of Class A multifamily properties, with select investments in grocery anchored shopping centers, Class A office buildings, and student housing properties. Preferred Apartment Communities' investment objective is to generate attractive, stable returns for stockholders by investing in income-producing properties and acquiring or originating real estate loans. As of December 31, 2019, we owned or were invested in 123 properties in 15 states, predominantly in the Southeast region of the United States. Learn more at www.pacapts.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. Alternatively, the Company or its dealer manager, Preferred Capital Securities, LLC, with respect to its Series A1/M1 Redeemable Preferred Stock Offering, will arrange to send you a prospectus if you request it by calling John A. Isakson at (770) 818-4109, 3284 Northside Parkway NW, Suite 150, Atlanta, Georgia 30327.

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>

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