

Preferred Apartment Communities, Inc. Announces Estimated Income Tax Treatment of 2019 Distributions

ATLANTA, Jan. 28, 2020 /PRNewswire/ -- Preferred Apartment Communities, Inc. (NYSE: APTS) ("PAC" or the "Company") announced today how it expects its 2019 distributions to be classified for federal income tax purposes. Stockholders are encouraged to consult with their personal tax advisors as to their specific tax treatment of these distributions. The estimated distribution classifications are shown on the charts below. This release is based on the preliminary results of work on the Company's tax filings and is subject to correction or adjustment when the filings are completed. The Company is releasing information at this time to aid those required to distribute Form 1099-DIVs on the Company's distributions. No material change in these classifications is expected.

Common Stock (CUSIP # 74039L103)

Record Date	Payment Date	Cash Distribution Per Share	Ordinary Dividends Form 1099 Box 1a	Total Capital Gain Distribution Form 1099 Box 2a	Unrecaptured Section 1250 Gain Box 2b	Nondividend Distributions Form 1099 Box 3	Section 199A Dividends Form 1099 Box 5
3/15/2019	4/15/2019	\$0.26	0%	0%	0%	100%	0%
6/14/2019	7/15/2019	\$0.2625	0%	0%	0%	100%	0%
9/13/2019	10/15/2019	\$0.2625	0%	0%	0%	100%	0%
12/13/2019	1/15/2020	\$0.2625 ⁽¹⁾	0%	0%	0%	100%	0%

(1) Note: The Common Stock dividend paid on 1/15/20 is taxable in Year 2019.

Series A Redeemable Preferred Stock

(CUSIP #'s 74039L 202, 74039L 301, 74039L 400, 74039L 707, 74039L 806, 74039L 889, 74039L 871, 74039L 863, 74039L 855, 74039L 848, 74039L 822, 74039L 830, 74039L 814, 74039L 798, 74039L 780, 74039L 772, 74039L 756, 74039L 749, 74039L 731, 74039L 723, 74039L 715, 74039L 699, 74039L 681, 74039L 673, 74039L 665, 74039L 657, 74039L 640, 74039L 632, 74039L 624, 74039L 616, 74039L 590, 74039L 582, 74039L 574, 74039L 566, 74039L 558, 74039L 541, 74039L 533, 74039C 202, 74039C 301, 74039C 400, 74039C 509, 74039C 608, 74039C 707, 74039C 806, 74039C 889, 74039C 871, 74039C 863, 74039C 855, 74039C 848, 74039C 830, 74039C 822, 74039C 814, 74039C 798, 74039C 780, 74039C 772, 74039C 764, 74039C 756, 74039L 525, 74039C 749, 74039E 208, 74039E 307, 74039E 406, 74039E 505, 74039E 604, 74039C 731, 74039E 703, 74039C 723, 74039E 802, 74039C 715, 74039C 699, 74039E 885, 74039E 877, 74039C 681, 74039E 869, 74039E 851, 74039E 844, 74039E 836, 74039E 828, 74039E 810, 74039E 794, 74039E 786, 74039E 778, 74039J 207, 74039J 306, 74039J 405, 74039J 504, 74039J 603, 74039C 673, 74039C 665, 74039C 567, 74039J 702, 74039J 801, 74039J 884, 74039J 876, 74039J 868, 74039J 850, 74039J 843, 74039C 640, 74039J 835, 74039J 827, 74039C 632, 74039J 819, 74039J 793, 74039C 624, 74039J 785, 74039J 777, 74039E 760, 74039C 616, 74039C 590, 74039E 752, 74039J 769, 74039J 751, 74039J 744, 74039J 736, 74039J 728, 74039E 745, 74039E 729, 74039E 695, 74039J 686, 74039J 660, 74039E 687, 74039C 582, 74039E 661, 74039E 646, 74039E 620, 74039C 517, 74039E 596, 74039J 645, 74039E 570, 74039E 554, 74039J 629, 74039E 539, 74039E 513, 74063B 203, 74039J 595, 74039J 579, 74063B 401, 74063B 609, 74063B 807, 74039E 489, 74063B 872, 74063B 856, 74039J 553, 74063B 831, 74063B 815, 74063B 781, 74039J 538, 74036B 765, 74063B 740, 74039J 512, 74063B 724, 74063B 690, 74063B 674, 74063B 658, 74063B 633, 74063B 617, 74063B 583, 74063B 567, 74063B 542, 74063B 526, 74063B 492, 74063B 476, 74063B 450, 74063B 435, 74063Q 200, 74063Q 408, 74063Q 606, 74063Q 804, 74063Q 879, 74063Q 853, 74063Q 838, 74063Q 812, 74063Q 788, 74063Q 762, 74063Q 747, 74063Q 721, 74063Q 697, 74063Q 671, 74063Q 655, 74063Q 630, 74063Q 614, 74063Q 580 and 74063Q 549)

Record Date	Payment Date	Cash Distribution Per Share ⁽¹⁾	Ordinary Dividends Form 1099 Box 1a	Capital Gain Distribution Form 1099 Box 2a	Unrecaptured Section 1250 Gain Box 2b	Nondividend Distributions Form 1099 Box 3	Section 199A Dividends Form 1099 Box 5
1/31/2019	2/20/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
2/28/2019	3/20/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
3/29/2019	4/22/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
4/30/2019	5/20/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
5/31/2019	6/20/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
6/28/2019	7/22/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
7/31/2019	8/20/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
8/30/2019	9/20/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
9/30/2019	10/21/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%

10/31/2019	11/20/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
11/29/2019	12/20/2019	\$5.00	44.74%	2.18%	0%	53.08%	100%
12/31/2019	1/21/2020	\$5.00 ⁽²⁾	44.74%	2.18%	0%	53.08%	100%

(1) Dividend amount shown is for the full month in which the record date occurs. This amount is subject to additional amounts paid on shares of Series A Redeemable Preferred Stock issued in the month prior to the record date for the period from the date of issuance to the end of the month prior to the record date. Notwithstanding the different amounts, the classification for federal income tax purposes is not altered.

(2) Note: The Series A Redeemable Preferred Stock dividends paid on 1/21/20 are taxable in Year 2019.

Series M Redeemable Preferred Stock

(CUSIP #'s 74039E 711, 74039J 694, 74039J 678, 74039J 652, 74039E 679, 74039C 574, 74039E 653, 74039E 638, 74039E 612, 74039C 525, 74039E 588, 74039J 637, 74039E 562, 74039E 547, 74039J 611, 74039E 521, 74039E 497, 74063B 302, 74039J 587, 74039J 561, 74063B 500, 74039B 708, 74063B 880, 74039E 471, 74063B 864, 74063B 849, 74039J 546, 74063B 823, 74063B 799, 74063B 773, 74039J 520, 74063B 757, 74063B 732, 74039J 496, 74039B 716, 74063B 682, 74063B 666, 74063B 641, 4063B 625, 4063B 591, 74063B 575, 74063B 559, 74063B 534, 74063B 518, 74063B 484, 74063B 468, 74063B 443, 74063B 427, 74063Q 309, 74063Q 507, 74063Q 705, 74063Q 887, 74063Q 861, 74063Q 846, 74063Q 820, 74063Q 796, 74063Q 770, 74063Q 754, 74063Q 739, 74063Q 713, 74063Q 689, 74063Q 663, 74063Q 648, , 4063Q 622, 74063Q 598 and 74063Q 572)

Record Date	Payment Date	Cash Distribution Per Share⁽¹⁾	Ordinary Dividends Form 1099 Box 1a	Capital Gain Distribution Form 1099 Box 2a	Unrecaptured Section 1250 Gain Box 2b	Nondividend Distributions Form 1099 Box 3	Section 199A Dividends Form 1099 Box 5
1/31/2019	2/20/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
2/28/2019	3/20/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
3/29/2019	4/22/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
4/30/2019	5/20/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
5/31/2019	6/20/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
6/28/2019	7/22/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
7/31/2019	8/20/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
8/30/2019	9/20/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
9/30/2019	10/21/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
10/31/2019	11/20/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
11/29/2019	12/20/2019	\$4.791667	44.74%	2.18%	0%	53.08%	100%
12/31/2019	1/21/2020	\$4.791667 ⁽²⁾	44.74%	2.18%	0%	53.08%	100%

(1) Dividend amount shown is for the full month in which the record date occurs. This amount is subject to additional amounts paid on shares of Series M Redeemable Preferred Stock issued in the month prior to the record date for the period from the date of issuance to the end of the month prior to the record date. This amount may also be different for those shares of Series M Redeemable Preferred Stock that were outstanding for more than a year on the record date and have had their dividend rate increase per the terms of the Series M Redeemable Preferred Stock. Notwithstanding the different amounts, the classification for federal income tax purposes is not altered.

(2) Note: The Series M Redeemable Preferred Stock dividends paid on 1/21/20 are taxable in Year 2019.

Series A1 Redeemable Preferred Stock

(CUSIP #'s 74063Q 564 and 74063Q 556)

Record Date	Payment Date	Cash Distribution Per Share⁽¹⁾	Ordinary Dividends Form 1099 Box 1a	Capital Gain Distribution Form 1099 Box 2a	Unrecaptured Section 1250 Gain Box 2b	Nondividend Distributions Form 1099 Box 3	Section 199A Dividends Form 1099 Box 5
12/31/2019	1/21/2020	\$5.00 ⁽²⁾	44.74%	2.18%	0%	53.08%	100%

(1) Dividend amount shown is for the full month in which the record date occurs. This amount is subject to additional amounts paid on shares of Series A1 Redeemable Preferred Stock issued in the month prior to the record date for the period from the date of issuance to the end of the month prior to the record date. Notwithstanding the different amounts, the classification for federal income tax purposes is not altered.

(2) Note: The Series A1 Redeemable Preferred Stock dividends paid on 1/21/20 are taxable in Year 2019.

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 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.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.

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