

PREFERRED APARTMENT COMMUNITIES INC

Form 8-K

September 01, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 31, 2017

Preferred Apartment Communities, Inc.

(Exact Name of Registrant as Specified in its Charter)

Maryland	001-34995	27-1712193
(State or other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
3284 Northside Parkway NW, Suite 150, Atlanta, Georgia	30327	
(Address of Principal Executive Offices)	(Zip Code)	
Registrant's telephone number, including area code: (770) 818-4100		

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On August 31, 2017, Preferred Apartment Communities, Inc. ("we", "us", or the "Company"), Preferred Apartment Communities Operating Partnership, L.P. (the "Partnership") and Preferred Apartment Advisors, LLC (our "Manager") executed Amendment No. 2 to the Sixth Amended and Restated Management Agreement, effective as of July 1, 2017 (the "Amendment"). The Amendment amends the Sixth Amended and Restated Management Agreement among the Company, the Partnership and the Manager (as previously amended or modified, the "Sixth Amended and Restated Management Agreement").

The Amendment modifies the Sixth Amended and Restated Management Agreement by reducing the loan coordination fee payable to the Manager from 1.6% of (x) the initial amount of new debt financed or outstanding debt assumed secured directly by any type of Real Estate Asset owned, directly or indirectly; or (y) the additional amount of any supplemental financing secured directly by any type of Real Estate Asset owned, directly or indirectly, to 0.6% of (a) the initial amount of any debt financed or refinanced, or outstanding debt assumed secured directly by any type of Real Estate Asset owned, directly or indirectly; or (b) the additional amount of any supplemental financing secured directly by any type of Real Estate Asset owned, directly or indirectly. The Amendment also modifies the Sixth Amended and Restated Management Agreement by adding an acquisition fee payable to the Manager equal to 1% of the purchase price of any Investment.

Under the Sixth Amended and Restated Management Agreement, as amended, our Manager continues to be responsible for administering our day-to-day business operations, identifying and acquiring targeted real estate investments, overseeing the management of our investments, handling the disposition of our real estate investments, and providing us with our management team and appropriate support personnel.

The foregoing summary of the Amendment is qualified in its entirety by reference to the Amendment, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

10.1 Amendment No. 2 to the Sixth Amended and Restated Management Agreement, effective as of July 1, 2017 and entered into as of August 31, 2017, among Preferred Apartment Communities, Inc., Preferred Apartment Communities Operating Partnership, L.P. and Preferred Apartment Advisors, LLC

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PREFERRED APARTMENT
COMMUNITIES, INC.
(Registrant)

Date: September 1, 2017 By: /s/ Jeffrey R. Sprain
Jeffrey R. Sprain
Executive Vice President, General Counsel and Secretary