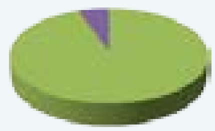
CLOSED REIT

Nontraded REIT Industry Review: Second Quarter 2014

BlueVault PARTNERS, LLC

Landmark Apartment Trust of America, Inc.

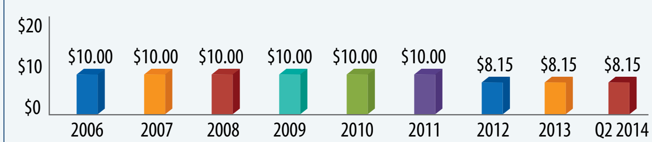
Total Assets..........................$1,847.5 Million
Real Estate Assets ....$1,746.2 Million
Cash ....$15.2 Million
Securities ....$0.0 Million
Other ....$86.1 Million



Initial Offering Date: ....July 19, 2006
Offering Close Date: ....July 17, 2011
Current Price per Share: $8.15
Reinvestment Price per Share: $8.15
Cumulative Capital Raised during Offering (including DRP)..$201.2 Million

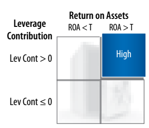
Cash to Total Assets Ratio: 0.8%
Asset Type: .... Multifamily
Number of Properties:...88*
Square Feet / Units / Rooms / Acres: .... 27,491 Units
Percent Leased: 93.3%
Weighted Average Lease Term Remaining:...................Not Available
LifeStage:..Maturing
Investment Style: .... Core
Weighted Average Shares Outstanding: 25,294,650

Historical Price



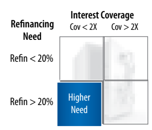
Performance Profiles

Operating Performance



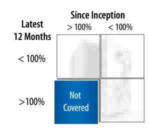
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

Financing Outlook



More than 20% of REIT's debt must be repaid within two years or is at unhedged variable rates, and interest coverage is below the 2.0X benchmark. The REIT may face difficulties in refinancing its borrowings, interest rate risks from increasing rates, and need to increase earnings to reassure lenders.

Cumulative MFFO Payout



The REIT has not achieved a level of MFFO in excess of cash distributions since inception and the latest 12-month results indicate cash distributions exceed MFFO, a trend which must be eventually reversed for distribution sustainability.

Summary

The REIT's return on assets for the last four quarters was 7.43%, well above the yield on 10-Year Treasuries of 2.50%, providing an additional return to shareholders. It had a positive leverage contribution with its average cost of debt at 6.31% and a very high 79.6% debt ratio. About 25% of the REIT's debt matures within two years and 28% is at unhedged variable rates, indicating some needed refinancing and significant interest rate risk. The REIT's preferred stock dividends are classified as interest expense, making its trailing 12-month interest coverage only 1.3X, uncomfortably below the 2.0X benchmark. Since inception the REIT has paid out only 45% of its reported MFFO in cash distributions excluding DRP, and this rate was a low 15% for the last four quarters. However, when BVP adjusts MFFO to IPA Guidelines, the cash payout ratios exceed 100%.

Contact Information

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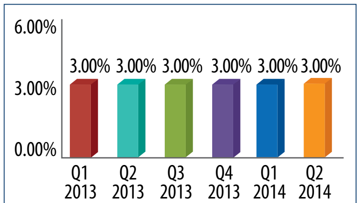
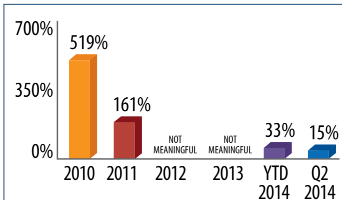
Historical Distribution

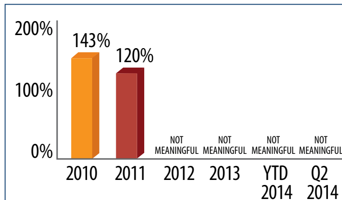


Historical FFO Payout Ratio



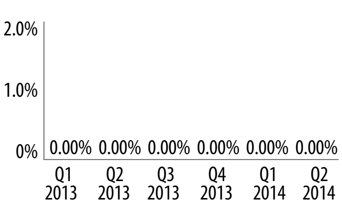
2014 YTD Dist. Paid:.......$3,790,000
2014 YTD FFO:.............$11,375,000

Historical MFFO Payout Ratio



2014 YTD Dist. Paid:...... $3,790,000
2014 YTD MFFO: ....($790,000)
BVP Adjusted MFFO – see notes

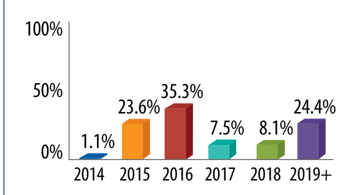
Redemptions



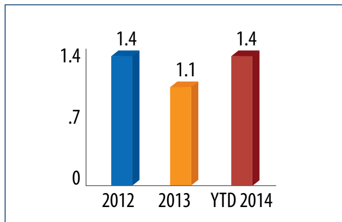
Debt Breakdown

Debt to Total Assets Ratio:...............79.5%
Total: .... $1,469.2 Million
Fixed: .... $1,051.2 Million
Variable .... $418.0 Million
Avg. Wtd. Rate: 6.31%
Loan Term: .... < 1 – 9 yrs

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- Total Property count includes unconsolidated properties.
- During 2Q 2014 the Company completed the acquisition one consolidated apartment community (Landmark at Andros Isles in Daytona, FL) for $47.7 million. During the three months ended June 30, 2014, the Company sold two apartment communities, Manchester Park on May 28, 2014 and Bay Breeze Villas on June 30, 2014, totaling 306 apartment units for a combined sales price of $29.3 million. The gain on the sale of the apartment communities was $7 million.
- On July 17, 2014, the board of directors authorized monthly distributions to stockholders of record as of the close of business on July 31, 2014, August 31, 2014 and September 30, 2014. Each such authorized distribution will be equal to $0.025 per share of common stock, which is equal to an annualized distribution rate of 3.00% based upon a purchase price of $10.00 per share and 3.68% based upon a purchase price of $8.15 per share value.
- The REIT's Cash to Total Assets ratio increased to 0.8% as of 2Q 2014 compared to 0.4% as of 2Q 2013.
- The REIT's Debt to Total Assets ratio increased to 79.5% as of 2Q 2014 compared to 73.7% as of 2Q 2013.
- The REIT has hedged $32.1 million of its variable rate debt.
- The Company reported 2Q 2014 AFFO of $13.66 million, which included $0.849 million of "Incentive compensation – LTIP units" and $12.533 million of "Expenses for preferred stock." Blue Vault Partners eliminated these adjustments to conform to IPA guidelines in calculating MFFO. BVP has also adjusted historical MFFO payout ratios to conform to IPA guidelines.
- For the six months ended June 30, 2014, $1.1 million in distributions were reinvested and 133,810 shares of common stock were issued pursuant to the DRIP. For the six months ended June 30, 2014, the REIT paid aggregate distributions of $3.8 million ($2.7 million in cash and $1.1 million of which was reinvested in shares of common stock pursuant to the DRIP), as compared to cash flows provided by operating activities of $7.6 million.