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This brochure provides information about the qualifications and business practices of UrbanAmerica Principals, LLC. If you have any questions about the contents of this brochure, please contact us at (972) 385-6600. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about UrbanAmerica Principals, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2. MATERIAL CHANGES

This disclosure document reflects changes that were made to conform in style to new disclosure requirements established by the SEC for investment advisers. In addition, UAP, LLC has revised the manner in which it discloses Fees and Compensation in Item 5 of this form.

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ITEM 4. ADVISORY BUSINESS

UrbanAmerica Principals, LLC (“UAP”), which has been in business since November, 2009, provides advisory services through its delegated affiliated adviser, UrbanAmerica Advisors, LLC (“UAA”). UAP’s principal owner is Richmond McCoy, who also serves as managing member and CEO of UAP.

UAP provides – through UAA – real estate investment, management, transactional, advisory and consulting services to UrbanAmerica, L.P (Fund I), and UrbanAmerica, L.P. II (Fund II), which are private equity real estate funds (collectively the “Funds”). Neither UAP nor UAA exercises discretion with respect to the assets contained in the Funds; rather, UAA must acquire the consent of the general partners of the Funds, UA, LLC, and UA II, LLC, before effecting any decision relating to the assets contained in the Funds.

UAP’s advisory services are tailored to the needs of the Funds in that investing in real estate is UAP’s area of expertise.

As of December 31, 2011, UAP manages on a discretionary basis \$4,728,200.00 in assets belonging to Fund I and \$820,232,527.00 in assets belonging to Fund II.

ITEM 5. FEES AND COMPENSATION

UAP charges fees to the Funds in the form of a 100% reimbursement of all overhead costs. Overhead is payable as incurred. Fees are billed to the Funds on a monthly basis. UAP charges a 1.25% asset management fee to Fund II on invested capital under management. Fees are billed on a quarterly basis.

The Funds will incur brokerage and other transaction costs. Please review Item 12, which concerns our brokerage practices, for additional information.

Refunds are not available on the overhead portion of compensation. Services may be terminated only due to major events as more fully described in the Funds’ partnership agreements, by majority or super majority votes of investors.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Not applicable. Neither UAP nor any of its supervised persons accepts or charges performance-based fees.

ITEM 7. TYPES OF CLIENTS

As noted above, UAP provides, through UAA, various advisory services to the Funds, which are private equity real estate funds. Limited partners of the Funds include pension funds, high net worth individuals, and institutional investors.

Because the Funds are closed to new investments, aspects of this disclosure item requesting information regarding requirements for opening or maintaining an account, such as a minimum account size, are not applicable.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

UAP invests in individual or multiple real estate assets that in total comprise a leveraged real estate portfolio. In formulating its investment advice, UAP uses a discounted cash flow analysis (10 years) of revenues and expenses based on acquisition of local market knowledge regarding rents and expense costs.

Investing in securities involves risk of loss that clients should be prepared to bear.

Investing in real estate involves risk because the value of Fund investments could decline due to adverse developments affecting the real estate industry and real property values. In general, real estate values can be affected by a variety of factors, including supply and demand for properties, the economic health of the country or of different regions, and the strength of specific industries that rent properties.

ITEM 9. DISCIPLINARY INFORMATION

Not applicable. Neither we, nor any of our management people, have been involved in any disciplinary events that are material to your evaluation of UAP's services or the integrity of UAP's management.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Not applicable.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

UAP has adopted a Code of Ethics that addresses personal securities transactions of UAP's supervised persons and other conflicts of interest that may arise in connection with UAP's advisory services to the Funds. UAP will provide a copy of its code of ethics to any client or prospective client upon request.

ITEM 12. BROKERAGE PRACTICES

Subject to the consent of the general partners of the Funds, and through UAA, its delegated affiliated adviser, UAP manages the Funds on a discretionary basis and determines which real estate assets are bought or sold; and selects brokers to buy or sell real estate and the commission rates to be paid. The factors used by UAP in selecting brokers are the commission rates, general expertise and the ability to effect an execution in a timely and cost-effective manner.

ITEM 13. REVIEW OF ACCOUNTS

UAP, through its affiliates, has established an investment policy committee ("IPC") that reviews investments initially and then at a minimum on a quarterly basis.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

Not applicable.

ITEM 15. CUSTODY

Although UAP has custody of the assets of the Funds, it maintains those assets with a qualified custodian and distributes annual audited financial statements to clients in accordance with those aspects of the Custody Rule applicable to advisers to limited partnerships. Clients should carefully review any account statements furnished by the qualified custodian, and are urged to compare those statements to the annual audited financial statements that UAP provides.

ITEM 16. INVESTMENT DISCRETION

As noted above, subject to the consent of the general partners of the Funds, UAP, through UAA, manages the Funds on a discretionary basis and determines which real estate assets are bought or sold. As noted above in Item 13: Review of Accounts, all real estate assets are subject to the review of the IPC.

ITEM 17. VOTING CLIENT SECURITIES

Not applicable.

ITEM 18. FINANCIAL INFORMATION

Not applicable. UAP does not require or solicit prepayment of advisory fees, does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.

ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable. UAP is not registering or registered with any state securities authorities.