



CTO Realty Growth Announces \$30.0 Million Preferred Investment in Watters Creek at Montgomery Farm in the Allen Submarket of Dallas, TX

April 11, 2022

WINTER PARK, Fla., April 11, 2022 (GLOBE NEWSWIRE) -- CTO Realty Growth, Inc. (NYSE: CTO) (the "Company" or "CTO") today announced it has entered into a preferred equity agreement to provide \$30.0 million of funding towards the acquisition of the Watters Creek at Montgomery Farm grocery-anchored, mixed-use property in Allen, Texas (the "Preferred Investment"). Watters Creek at Montgomery Farm is approximately 458,000 square feet of grocery-anchored retail and office, anchored by Market Street, Anthropologie, Mi Cocina, DSW, The Cheesecake Factory, Brio Italian Grille, and Michaels, and includes a variety of national and local retailers and restaurants (the "Watters Creek Property" or "Property").

"As we've seen cap rates for well-located retail and mixed-use assets compress over the past twelve months, we're selectively making structured investments in properties that fit within our retail-focused strategy and provide strong risk-adjusted returns," commented John P. Albright, President and Chief Executive Officer of CTO Realty Growth, Inc. "Similar to our Shops at Legacy property, which is just a few miles down the road in Plano, the Watters Creek Property benefits from being in close proximity to first-class residential neighborhoods, a diversified office market with recent corporate expansions, and a well-educated workforce. It is a terrific opportunity for CTO to invest in a highly productive retail corridor in an attractive submarket of Dallas, Texas, and we're looking forward to partnering again with this experienced and proven sponsor as they execute on their capital plan to reposition the Property."

The three-year Preferred Investment for the acquisition of the Property was fully funded at closing. The Preferred Investment is interest-only through maturity, includes an origination fee on the total Preferred Investment, and bears a fixed preferred return above the range of the Company's guidance for initial investment cash yields.

About CTO Realty Growth, Inc.

CTO Realty Growth, Inc. is a publicly traded real estate investment trust that owns and operates a portfolio of high-quality, retail-based properties located primarily in higher growth markets in the United States. CTO also externally manages and owns a meaningful interest in Alpine Income Property Trust, Inc. (NYSE: PINE), a publicly traded net lease REIT.

We encourage you to review our most recent investor presentation and supplemental financial information, which is available on our website at www.ctoreit.com.

Safe Harbor

Certain statements contained in this press release (other than statements of historical fact) are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can typically be identified by words such as "believe," "estimate," "expect," "intend," "anticipate," "will," "could," "may," "should," "plan," "potential," "predict," "forecast," "project," and similar expressions, as well as variations or negatives of these words.

Although forward-looking statements are made based upon management's present expectations and reasonable beliefs concerning future developments and their potential effect upon the Company, a number of factors could cause the Company's actual results to differ materially from those set forth in the forward-looking statements. Such factors may include, but are not limited to: the Company's ability to remain qualified as a REIT; the Company's exposure to U.S. federal and state income tax law changes, including changes to the REIT requirements; general adverse economic and real estate conditions; the ultimate geographic spread, severity and duration of pandemics such as the COVID-19 Pandemic, actions that may be taken by governmental authorities to contain or address the impact of such pandemics, and the potential negative impacts of such pandemics on the global economy and the Company's financial condition and results of operations; the inability of major tenants to continue paying their rent or obligations due to bankruptcy, insolvency or a general downturn in their business; the loss or failure, or decline in the business or assets of PINE; the completion of 1031 exchange transactions; the availability of investment properties that meet the Company's investment goals and criteria; the uncertainties associated with obtaining required governmental permits and satisfying other closing conditions for planned acquisitions and sales; and the uncertainties and risk factors discussed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and other risks and uncertainties discussed from time to time in the Company's filings with the U.S. Securities and Exchange Commission.

There can be no assurance that future developments will be in accordance with management's expectations or that the effect of future developments on the Company will be those anticipated by management. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company undertakes no obligation to update the information contained in this press release to reflect subsequently occurring events or circumstances.

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