

CTO REALTY GROWTH

Supplemental Reporting Information
Q4 2022



Table of Contents



Full Year and Fourth Quarter 2022 Earnings Release	4
Key Financial Information	
▪ Consolidated Balance Sheets	14
▪ Consolidated Statements of Operations	15
▪ Non-GAAP Financial Measures	16
Capitalization & Dividends	19
Summary of Debt	20
Debt Maturities	21
Investments	22
Dispositions	23
Portfolio Summary	24
Portfolio Detail	25
Leasing Summary	28
Comparable Leasing Summary	29
Same-Property NOI	30
Lease Expirations	31

Table of Contents



Top Tenant Summary	33
Geographic Diversification	34
Other Assets	35
2023 Guidance	36
Contact Information & Research Coverage	37
Safe Harbor, Non-GAAP Financial Measures, and Definitions and Terms	38



Press Release

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FOR
IMMEDIATE
RELEASE

CTO REALTY GROWTH REPORTS FULL YEAR AND FOURTH QUARTER 2022 OPERATING RESULTS

WINTER PARK, FL – February 23, 2023 – CTO Realty Growth, Inc. (NYSE: CTO) (the “Company” or “CTO”) today announced its operating results and earnings for the quarter and year ended December 31, 2022.

Select Full Year 2022 Highlights

- Reported a Net Loss per diluted share attributable to common stockholders of (\$0.09) for the year ended December 31, 2022.
- Reported Core FFO per diluted share attributable to common stockholders of \$1.74 for the year ended December 31, 2022.
- Reported AFFO per diluted share attributable to common stockholders of \$1.83 for the year ended December 31, 2022.
- Invested a record \$314.0 million into five mixed-use or retail property acquisitions totaling 1.3 million square feet at a weighted-average going-in cash cap rate of 7.5%.
- Originated structured investments totaling \$59.2 million at a weighted-average initial yield of 8.2%.
- Sold six income properties for total disposition volume of \$81.1 million at a blended exit cap rate of 6.2%.
- Reported an increase of 13.0% in Same-Property NOI as compared to the year-ended December 31, 2021.
- Purchased 155,665 shares of common stock of Alpine Income Property Trust, Inc. (“PINE”) at a weighted average gross price of \$17.57 per share and recognized a non-cash, unrealized loss of \$1.7 million on the mark-to-market of the Company’s investment in PINE.
- Issued a combined 5,016,026 shares of common stock through the Company’s inaugural follow-on equity offering and under its ATM offering program at a weighted average gross price of \$19.73 per share, for total net proceeds of \$95.3 million.
- Paid regular common stock cash dividends during the full year of 2022 of \$1.49 per share, a 12.0% increase over the Company’s 2021 common stock cash dividends.

Select Fourth Quarter 2022 Highlights

- Reported a Net Loss per diluted share attributable to common stockholders of (\$0.21) for the quarter ended December 31, 2022.
- Reported Core FFO per diluted share attributable to common stockholders of \$0.34 for the quarter ended December 31, 2022.

- Reported AFFO per diluted share attributable to common stockholders of \$0.37 for the quarter ended December 31, 2022.
- Completed three mixed-use or retail property acquisitions totaling 1.0 million square feet for a gross value of \$194.7 million at a weighted-average going-in cash cap rate of 8.0%.
- The Company sold 100% of its ownership interest in the entity that owned all of the Company’s mitigation credit rights for gross proceeds of \$8.1 million. As part of the transaction, the Company retained the right to 35 mitigation credits and/or mitigation credit rights for future sale.
- Reported a decrease in Same-Property NOI of (6.9%) as compared to the fourth quarter of 2021.
- Completed inaugural follow-on underwritten public common equity offering during the fourth quarter of 2022, issuing 3,450,000 shares of common stock at a price per share of \$19.00, generating net proceeds of approximately \$62.4 million.
- Paid a common stock cash dividend \$0.38 per share, representing a 14.0% increase over the fourth quarter 2021 quarterly common stock cash dividend.

CEO Comments

“2022 was another record year of transaction and capital markets activities for us at CTO and we are fortunate to have executed on a number of high-quality retail property acquisitions at favorable yields with an attractive investment basis in our target growth markets. Our portfolio is now comprised of some of the strongest employment and population locations in the country, primarily concentrated in the southeast and southwest in high-demand markets such as Atlanta, Dallas and Raleigh,” said John P. Albright, President and Chief Executive Officer of CTO Realty Growth. “We enter 2023 with a tremendous amount of opportunity to grow long-term portfolio-level cash flow as we lease up acquired vacancy and benefit from the resilient tenant demand and consumer traffic strength occurring in many of our top markets. Our well-positioned balance sheet has ample liquidity for targeted investment and we’re hopeful that we’ll see more attractive acquisition opportunities as the year progresses. When we combine our growth prospects with our expanding pipeline of signed leases that have yet to commence rent and our attractive 8.1% dividend yield, we’re optimistic we can bring all of these components together to drive long-term shareholder value.”

Year-to-Date Financial Results Highlights

The table below provides a summary of the Company’s operating results for the year ended December 31, 2022:

(in thousands, except per share data)	Year Ended December 31, 2022	Year Ended December 31, 2021	Variance to Comparable Period in the Prior Year	
Net Income Attributable to the Company	\$ 3,158	\$ 29,940	\$ (26,782)	(89.5%)
Net Income (Loss) Attributable to Common Stockholders	\$ (1,623)	\$ 27,615	\$ (29,238)	(105.9%)
Net Income (Loss) per Share Attributable to Common Stockholders ⁽¹⁾	\$ (0.09)	\$ 1.56	\$ (1.65)	(105.8%)
Core FFO Attributable to Common Stockholders ⁽²⁾	\$ 32,212	\$ 22,766	\$ 9,446	41.5%
Core FFO per Common Share – Diluted ⁽²⁾	\$ 1.74	\$ 1.29	\$ 0.45	34.9%
AFFO Attributable to Common Stockholders ⁽²⁾	\$ 33,925	\$ 25,676	\$ 8,249	32.1%
AFFO per Common Share – Diluted ⁽²⁾	\$ 1.83	\$ 1.45	\$ 0.38	26.2%
Dividends Declared and Paid, per Preferred Share	\$ 1.59	\$ 0.77	\$ 0.82	105.7%
Dividends Declared and Paid, per Common Share	\$ 1.49	\$ 1.33	\$ 0.16	12.0%

- (1) The denominator for this measure in 2022 excludes the impact of 3.1 million shares related to the Company's adoption of ASU 2020-06, effective January 1, 2022, which requires presentation on an if-converted basis for its 2025 Convertible Senior Notes, as the impact would be anti-dilutive.
- (2) See the "Non-GAAP Financial Measures" section and tables at the end of this press release for a discussion and reconciliation of Net Income Attributable to the Company to non-GAAP financial measures, including FFO Attributable to Common Stockholders, FFO per Common Share - Diluted, Core FFO Attributable to Common Stockholders, Core FFO per Common Share - Diluted, AFFO Attributable to Common Stockholders and AFFO per Common Share - Diluted.

Quarterly Financial Results Highlights

The table below provides a summary of the Company's operating results for the three months ended December 31, 2022:

(in thousands, except per share data)	For the Three Months Ended December 31, 2022	For the Three Months Ended December 31, 2021	Variance to Comparable Period in the Prior Year	
Net Income (Loss) Attributable to the Company	\$ (3,079)	\$ 1,932	\$ (5,011)	(259.4%)
Net Income (Loss) Attributable to Common Stockholders	\$ (4,274)	\$ 736	\$ (5,010)	(680.7%)
Net Income (Loss) per Share Attributable to Common Stockholders ⁽¹⁾	\$ (0.21)	\$ 0.04	\$ (0.25)	(625.0%)
Core FFO Attributable to Common Stockholders ⁽²⁾	\$ 6,816	\$ 6,713	\$ 103	1.5%
Core FFO per Common Share – Diluted ⁽²⁾	\$ 0.34	\$ 0.38	\$ (0.04)	(10.5%)
AFFO Attributable to Common Stockholders ⁽²⁾	\$ 7,361	\$ 7,272	\$ 89	1.2%
AFFO per Common Share – Diluted ⁽²⁾	\$ 0.37	\$ 0.41	\$ (0.04)	(9.8%)
Dividends Declared and Paid, per Preferred Share	\$ 0.40	\$ 0.40	\$ 0.00	0.00%
Dividends Declared and Paid, per Common Share	\$ 0.38	\$ 0.33	\$ 0.05	14.0%

(1) The denominator for this measure in 2022 excludes the impact of 3.2 million shares related to the Company's adoption of ASU 2020-06, effective January 1, 2022, which requires presentation on an if-converted basis for its 2025 Convertible Senior Notes, as the impact would be anti-dilutive.

(2) See the "Non-GAAP Financial Measures" section and tables at the end of this press release for a discussion and reconciliation of Net Income (Loss) Attributable to the Company to non-GAAP financial measures, including FFO Attributable to Common Stockholders, FFO per Common Share - Diluted, Core FFO Attributable to Common Stockholders, Core FFO per Common Share - Diluted, AFFO Attributable to Common Stockholders and AFFO per Common Share - Diluted.

Investments

During the year ended December 31, 2022, the Company invested a record \$314.0 million into five mixed-use or retail property acquisitions totaling 1.3 million square feet and originated four structured investments to provide \$59.2 million of funding towards retail and mixed-use properties. These 2022 acquisitions and structured investments were completed at a weighted average going-in yield of 7.7%.

During the three months ended December 31, 2022, the Company completed three mixed-use or retail property acquisitions totaling 1.0 million square feet for a gross value of \$194.7 million at a weighted-average going-in cash cap rate of 8.0%. The Company's fourth quarter 2022 investments included the following:

Acquired West Broad Village, a 392,000 square foot grocery-anchored lifestyle property situated 32.6 acres in the Short Pump submarket of Richmond, Virginia for a purchase price of \$93.9 million. The property, anchored by Whole Foods and REI, is comprised of approximately 297,700 square feet of retail and 94,300

- square feet of complementary office and includes a combination of national and local tenants spanning the grocery, food & beverage, entertainment, education, home décor, childcare and medical sectors.
- Purchased The Collection at Forsyth, a 560,000 square foot lifestyle, mixed-use property spanning 58.9 acres in the Forsyth County submarket of Atlanta, Georgia for a purchase price of \$96.0 million. Built in 2008, the property provides a mix of national and local tenants, including Academy Sports, AMC Theatres, Children’s Healthcare of Atlanta, Ted’s Montana Grill, DSW and Barnes & Noble.
- Acquired an assemblage of five restaurant and parking parcels encompassing 28,500 square feet of leasable space across 3.8 acres in the tourist district of Daytona Beach, Florida for \$4.8 million. The properties are less than one mile from the Company’s two existing beachside Daytona Beach restaurant properties, which are seeing record gross revenues despite disruption from last year’s hurricane season. The Company intends to lease the properties to new operators after purchasing the portfolio off-market from the prior owner who has made the decision to retire after operating the properties for the past three decades.

Dispositions

During the year ended December 31, 2022, the Company sold six properties, two of which were classified as commercial loan investments due to the respective tenants’ repurchase options, for \$81.1 million at a weighted average exit cap rate of 6.2%.

Portfolio Summary

The Company’s income property portfolio consisted of the following as of December 31, 2022:

Asset Type	# of Properties	Square Feet	Weighted Average Remaining Lease Term
Single Tenant	8	436	5.7 years
Multi-Tenant	15	3,283	4.8 years
Total / Weighted Average Lease Term	23	3,719	5.5 years

Property Type	# of Properties	Square Feet	% of Cash Base Rent
Retail	15	1,967	50.1%
Office	3	395	10.3%
Mixed-Use	5	1,357	39.6%
Total / Weighted Average Lease Term	23	3,719	100%

Square feet in thousands.

Leased Occupancy	92.9%
Occupancy	90.2%

Same Property Net Operating Income

During the full year of 2022, the Company’s Same-Property NOI totaled \$22.9 million, an increase of 13.0% over the comparable prior year period, as presented in the following table.

	Year Ended December 31, 2022	Year Ended December 31, 2021	<i>Variance to Comparable Period in the Prior Year</i>	
Single Tenant	\$ 8,557	\$ 8,238	\$ 319	3.9%
Multi-Tenant	14,300	11,988	2,312	19.3%
Total	\$ 22,857	\$ 20,226	\$ 2,631	13.0%

In thousands.

The Company's Same-Property NOI totaled \$8.1 million during the fourth quarter of 2022, a decrease of (6.9%) over the comparable prior year period, as presented in the following table.

	For the Three Months Ended December 31, 2022	For the Three Months Ended December 31, 2021	<i>Variance to Comparable Period in the Prior Year</i>	
Single Tenant	\$ 2,745	\$ 2,758	\$ (13)	(0.5%)
Multi-Tenant	5,370	5,958	(588)	(9.9%)
Total	\$ 8,115	\$ 8,716	\$ (601)	(6.9%)

In thousands.

Leasing Activity

During the year ended December 31, 2022, the Company signed 60 leases totaling 216,931 square feet. On a comparable basis, which excludes vacancy existing at the time of acquisition, CTO signed 35 leases totaling 127,673 square feet at an average cash base rent of \$32.29 per square foot compared to a previous average cash base rent of \$27.54 per square foot, representing 17.3% comparable growth.

A summary of the Company's overall leasing activity for the year ended December 31, 2022, is as follows:

	Square Feet	Weighted Average Lease Term	Cash Rent Per Square Foot	Tenant Improvements	Leasing Commissions
New Leases	121.6	9.4 years	\$32.24	\$ 6,746	\$ 2,024
Renewals & Extensions	95.3	5.3 years	\$30.24	\$ 395	\$ 150
Total / Weighted Average	216.9	7.6 years	\$31.36	\$ 7,141	\$ 2,174

In thousands except for per square foot and weighted average lease term data.

During the fourth quarter of 2022, the Company signed 14 leases totaling 43,568 square feet. On a comparable basis, which excludes vacancy existing at the time of acquisition, CTO signed 9 leases totaling 20,860 square feet at an average cash base rent of \$29.59 per square foot compared to a previous average cash base rent of \$26.86 per square foot, representing 10.1% comparable growth.

A summary of the Company's overall leasing activity for the quarter ended December 31, 2022, is as follows:

	Square Feet	Weighted Average Lease Term	Cash Rent Per Square Foot	Tenant Improvements	Leasing Commissions
New Leases	22.7	8.5 years	\$25.18	\$ 309	\$ 362
Renewals & Extensions	20.9	4.2 years	\$29.59	\$ 27	\$ 12
Total / Weighted Average	43.6	6.2 years	\$27.29	\$ 336	\$ 374

In thousands except for per square foot and weighted average lease term data.

Subsurface Interests and Mitigation Credits

During the year ended December 31, 2022, the Company sold approximately 14,600 acres of subsurface oil, gas and mineral rights for \$1.7 million, resulting in aggregate gains of \$1.6 million. As of December 31, 2022, the Company owns full or fractional subsurface oil, gas, and mineral interests underlying approximately 355,000 “surface” acres of land owned by others in 19 counties in Florida.

During the three months ended December 31, 2022, the Company sold approximately 3 acres of subsurface oil, gas, and mineral rights for \$0.1 million, resulting in aggregate gains of \$0.1 million.

During the year ended December 31, 2022, the Company sold approximately 34.4 mitigation credits for \$3.5 million, resulting in aggregate gains of \$1.1 million.

During the three months ended December 31, 2022, the Company sold approximately 7.3 mitigation credits for \$0.9 million, resulting in aggregate gains of \$0.3 million.

In addition to the Company’s mitigation credit sales throughout the year 2022, during the fourth quarter, the Company sold 100% of its ownership interest in the entity that owned all of the Company’s mitigation credit rights for gross proceeds of \$8.1 million. As part of the transaction, the Company retained the right to 35 mitigation credits and/or mitigation credit rights for future sale.

Capital Markets and Balance Sheet

During the quarter ended December 31, 2022, the Company completed the following notable capital markets activities:

- On December 5, 2022, the Company closed its underwritten public offering of 3,450,000 shares of common stock, which includes the full exercise of the underwriters’ option to purchase additional shares, at a price to the public of \$19.00 per share, generating net proceeds of \$62.4 million.
- Issued 604,765 common shares under its ATM offering program at a weighted average gross price of \$20.29 per share, for total net proceeds of \$12.1 million.

The following table provides a summary of the Company’s long-term debt, at face value, as of December 31, 2022:

<u>Component of Long-Term Debt</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
2025 Convertible Senior Notes	\$51.0 million	3.875%	April 2025
2026 Term Loan ⁽¹⁾	\$65.0 million	SOFR + 10 bps + [1.25% – 2.20%]	March 2026
Mortgage Note ⁽²⁾	\$17.8 million	4.06%	August 2026
Revolving Credit Facility	\$113.8 million	SOFR + 10 bps + [1.25% – 2.20%]	January 2027
2027 Term Loan ⁽³⁾	\$100.0 million	SOFR + 10 bps + [1.25% – 2.20%]	January 2027
2028 Term Loan ⁽⁴⁾	\$100.0 million	SOFR + 10 bps + [1.20% – 2.15%]	January 2028
Total Debt / Weighted Average Interest Rate	\$447.6 million	3.94%	

⁽¹⁾ The Company utilized interest rate swaps on the \$65.0 million 2026 Term Loan balance to fix SOFR and achieve a weighted average fixed swap rate of 0.26% plus the 10 bps SOFR adjustment plus the applicable spread.

⁽²⁾ Mortgage note assumed in connection with the acquisition of Price Plaza Shopping Center located in Katy, Texas.

⁽³⁾ The Company utilized interest rate swaps on the \$100.0 million 2027 Term Loan balance to fix SOFR and achieve a fixed swap rate of 0.64% plus the 10 bps SOFR adjustment plus the applicable spread.

⁽⁴⁾ The Company entered into interest rate swaps on the \$100.0 million 2028 Term Loan balance to fix SOFR and achieve a weighted average fixed swap rate of 3.78% plus the 10 bps SOFR adjustment plus the applicable spread.

As of December 31, 2022, the Company's net debt to Pro Forma EBITDA was 7.3 times, and as defined in the Company's credit agreement, the Company's fixed charge coverage ratio was 3.4 times. As of December 31, 2022, the Company's net debt to total enterprise value was 46.4%. The Company calculates total enterprise value as the sum of net debt, par value of its 6.375% Series A preferred equity, and the market value of the Company's outstanding common shares.

Dividends

On November 22, 2022, the Company announced a cash dividend on its common stock and Series A Preferred stock for the fourth quarter of 2022 of \$0.38 per share and \$0.40 per share, respectively, payable on December 30, 2022 to stockholders of record as of the close of business on December 12, 2022. The fourth quarter 2022 common stock cash dividend represents a 14.0% increase over the comparable prior year period quarterly dividend and a payout ratio of 111.8% and 102.7% of the Company's fourth quarter 2022 Core FFO per diluted share and AFFO per diluted share, respectively.

During the year ended December 31, 2022, the Company paid cash dividends on its common stock and Series A Preferred stock of \$1.49 per share and \$1.59 per share, respectively. The 2022 common stock cash dividends represent a 12.0% increase over the Company's full year 2021 common stock cash dividends and payout ratios of 85.8% and 81.6% of the Company's full year 2022 Core FFO per diluted share and AFFO per diluted share, respectively.

On February 22, 2023, the Company declared a common stock cash dividend for the first quarter of 2023 of \$0.38 per share, representing an annualized yield of 8.1% based on the closing price of the Company's common stock on February 22, 2023.

2023 Guidance

The Company's estimated Core FFO per diluted share and AFFO per diluted share for 2023 is as follows:

	2023 Guidance Range		
	Low	to	High
Core FFO Per Diluted Share	\$1.50	to	\$1.55
AFFO Per Diluted Share	\$1.64	to	\$1.69

The Company's 2023 guidance includes but is not limited to the following assumptions:

- Same-Property NOI growth of 1% to 4%, including the impact of elevated bad debt expense, occupancy loss and costs associated with tenants in bankruptcy and/or tenant lease defaults
- General and administrative expense within a range of \$14 million to \$15 million
- Weighted average diluted shares outstanding between 22.8 million shares and 23.6 million shares
- Year-end 2023 leased occupancy projected to be within a range of 94% to 95% before any potential impact from 2023 income property acquisitions and/or dispositions
- Investment in income producing assets, including structured investments, between \$100 million and \$250 million at a weighted average initial cash yield between 7.25% and 8.00%
- Disposition of assets between \$5 million and \$75 million at a weighted average exit cash yield between 6.00% and 7.50%

Earnings Conference Call & Webcast

The Company will host a conference call to present its operating results for the quarter and year ended December 31, 2022 on Friday, February 24, 2023, at 9:00 AM ET.

A live webcast of the call will be available on the Investor Relations page of the Company's website at www.ctoreit.com or at the link provided in the event details below. To access the call by phone, please go to the link provided in the event details below and you will be provided with dial-in details.

Webcast: <https://edge.media-server.com/mmc/p/2wxuo8wm>

Dial-In: <https://register.vevent.com/register/BI79f7467911aa4987b972fb9149643328>

We encourage participants to dial into the conference call at least fifteen minutes ahead of the scheduled start time. A replay of the earnings call will be archived and available online through the Investor Relations section of the Company's website at www.ctoreit.com.

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; macroeconomic and geopolitical factors, including but not limited to inflationary pressures, interest rate volatility, global supply chain disruptions, and ongoing geopolitical war; the ultimate geographic spread, severity and duration of pandemics such as the COVID-19 Pandemic and its variants, 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, 2022 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.

Non-GAAP Financial Measures

Our reported results are presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"). We also disclose Funds From Operations ("FFO"), Core Funds From Operations ("Core FFO"), Adjusted Funds From Operations ("AFFO"), Pro Forma Earnings Before Interest, Taxes, Depreciation and Amortization ("Pro Forma EBITDA"), and Same-Property Net Operating Income ("Same-Property NOI"), each of which are non-GAAP financial measures. We believe these non-GAAP financial measures are useful to investors because they are widely accepted industry measures used by analysts and investors to compare the operating performance of REITs.

FFO, Core FFO, AFFO, Pro Forma EBITDA, and Same-Property NOI do not represent cash generated from operating activities and are not necessarily indicative of cash available to fund cash requirements; accordingly, they should not be considered alternatives to net income as a performance measure or cash flows from operating activities as reported on our statement of cash flows as a liquidity measure and should be considered in addition to, and not in lieu of, GAAP financial measures.

We compute FFO in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as GAAP net income or loss adjusted to exclude extraordinary items (as defined by GAAP), net gain or loss from sales of depreciable real estate assets, impairment write-downs associated with depreciable real estate assets and real estate related depreciation and amortization, including the pro rata share of such adjustments of unconsolidated subsidiaries. The Company also excludes the gains or losses from sales of assets incidental to the primary business of the REIT which specifically include the sales of mitigation credits, impact fee credits, subsurface sales, and land sales, in addition to the mark-to-market of the Company's investment securities and interest related to the 2025 Convertible Senior Notes, if the effect is dilutive. To derive Core FFO, we modify the NAREIT computation of FFO to include other adjustments to GAAP net income related to gains and losses recognized on the extinguishment of debt, amortization of above- and below-market lease related intangibles, and other unforecastable market- or transaction-driven non-cash items. To derive AFFO, we further modify the NAREIT computation of FFO and Core FFO to include other adjustments to GAAP net income related to non-cash revenues and expenses such as straight-line rental revenue, non-cash compensation, and other non-cash amortization, as well as adding back the interest related to the 2025 Convertible Senior Notes, if the effect is dilutive. Such items may cause short-term fluctuations in net income but have no impact on operating cash flows or long-term operating performance. We use AFFO as one measure of our performance when we formulate corporate goals.

To derive Pro Forma EBITDA, GAAP net income or loss attributable to the Company is adjusted to exclude extraordinary items (as defined by GAAP), net gain or loss from sales of depreciable real estate assets, impairment write-downs associated with depreciable real estate assets and real estate related depreciation and amortization, including the pro rata share of such adjustments of unconsolidated subsidiaries, non-cash revenues and expenses such as straight-line rental revenue, amortization of deferred financing costs, above- and below-market lease related intangibles, non-cash compensation, and other non-cash income or expense. Cash interest expense is also excluded from Pro Forma EBITDA, and GAAP net income or loss is adjusted for the annualized impact of acquisitions, dispositions and other similar activities.

To derive Same-Property NOI, GAAP net income or loss attributable to the Company is adjusted to exclude extraordinary items (as defined by GAAP), gain or loss on disposition of assets, gain or loss on extinguishment of debt, impairment charges, and depreciation and amortization, including the pro rata share of such adjustments of unconsolidated subsidiaries, if any, non-cash revenues and expenses such as above- and below-market lease related

intangibles, straight-line rental revenue, and other non-cash income or expense. Interest expense, general and administrative expenses, investment and other income or loss, income tax benefit or expense, real estate operations revenues and direct cost of revenues, management fee income, and interest income from commercial loans and investments are also excluded from Same-Property NOI. GAAP net income or loss is further adjusted to remove the impact of properties that were not owned for the full current and prior year reporting periods presented. Cash rental income received under the leases pertaining to the Company's assets that are presented as commercial loans and investments in accordance with GAAP is also used in lieu of the interest income equivalent.

FFO is used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers primarily because it excludes the effect of real estate depreciation and amortization and net gains or losses on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. We believe that Core FFO and AFFO are additional useful supplemental measures for investors to consider because they will help them to better assess our operating performance without the distortions created by other non-cash revenues or expenses. We also believe that Pro Forma EBITDA is an additional useful supplemental measure for investors to consider as it allows for a better assessment of our operating performance without the distortions created by other non-cash revenues, expenses or certain effects of the Company's capital structure on our operating performance. We use Same-Property NOI to compare the operating performance of our assets between periods. It is an accepted and important measurement used by management, investors and analysts because it includes all property-level revenues from the Company's properties, less operating and maintenance expenses, real estate taxes and other property-specific expenses ("Net Operating Income" or "NOI") of properties that have been owned and stabilized for the entire current and prior year reporting periods. Same-Property NOI attempts to eliminate differences due to the acquisition or disposition of properties during the particular period presented, and therefore provides a more comparable and consistent performance measure for the comparison of the Company's properties. FFO, Core FFO, AFFO, Pro Forma EBITDA, and Same-Property NOI may not be comparable to similarly titled measures employed by other companies.

Consolidated Balance Sheet



CTO Realty Growth, Inc.
Consolidated Balance Sheets
(In thousands, except share and per share data)

	As of	
	December 31, 2022	December 31, 2021
ASSETS		
Real Estate:		
Land, at Cost	\$ 233,930	\$ 189,589
Building and Improvements, at Cost	530,029	325,418
Other Furnishings and Equipment, at Cost	748	707
Construction in Process, at Cost	6,052	3,150
Total Real Estate, at Cost	770,759	518,864
Less, Accumulated Depreciation	(36,038)	(24,169)
Real Estate—Net	734,721	494,695
Land and Development Costs	685	692
Intangible Lease Assets—Net	115,984	79,492
Assets Held for Sale	—	6,720
Investment in Alpine Income Property Trust, Inc.	42,041	41,037
Mitigation Credits	1,856	3,702
Mitigation Credit Rights	725	21,018
Commercial Loans and Investments	31,908	39,095
Cash and Cash Equivalents	19,333	8,615
Restricted Cash	1,861	22,734
Refundable Income Taxes	448	442
Deferred Income Taxes—Net	2,530	—
Other Assets	34,453	14,897
Total Assets	<u>\$ 986,545</u>	<u>\$ 733,139</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts Payable	\$ 2,544	\$ 676
Accrued and Other Liabilities	18,028	13,121
Deferred Revenue	5,735	4,505
Intangible Lease Liabilities—Net	9,885	5,601
Deferred Income Taxes—Net	—	483
Long-Term Debt	445,583	278,273
Total Liabilities	<u>481,775</u>	<u>302,659</u>
Commitments and Contingencies		
Stockholders' Equity:		
Preferred Stock – 100,000,000 shares authorized; \$0.01 par value, 6.375% Series A Cumulative Redeemable Preferred Stock, \$25.00 Per Share Liquidation Preference, 3,000,000 shares issued and outstanding at December 31, 2022 and December 31, 2021	30	30
Common Stock – 500,000,000 shares authorized; \$0.01 par value, 22,854,775 shares issued and outstanding at December 31, 2022; and 17,748,678 shares issued and outstanding at December 31, 2021	229	60
Additional Paid-In Capital	172,471	85,414
Retained Earnings	316,279	343,459
Accumulated Other Comprehensive Income	15,761	1,517
Total Stockholders' Equity	<u>504,770</u>	<u>430,480</u>
Total Liabilities and Stockholders' Equity	<u>\$ 986,545</u>	<u>\$ 733,139</u>

CTO Realty Growth, Inc.
Consolidated Statements of Operations
(In thousands, except share, per share and dividend data)

	(Unaudited)		Year Ended	
	Three Months Ended		December 31,	December 31,
	December 31, 2022	December 31, 2021	2022	2021
Revenues				
Income Properties	\$ 19,628	\$ 13,922	\$ 68,857	\$ 50,679
Management Fee Income	994	944	3,829	3,305
Interest Income From Commercial Loans and Investments	841	725	4,172	2,861
Real Estate Operations	1,067	9,109	5,462	13,427
Total Revenues	<u>22,530</u>	<u>24,700</u>	<u>82,320</u>	<u>70,272</u>
Direct Cost of Revenues				
Income Properties	(6,421)	(4,127)	(20,364)	(13,815)
Real Estate Operations	(553)	(7,748)	(2,493)	(8,615)
Total Direct Cost of Revenues	<u>(6,974)</u>	<u>(11,875)</u>	<u>(22,857)</u>	<u>(22,430)</u>
General and Administrative Expenses	(3,927)	(2,725)	(12,899)	(11,202)
Impairment Charges	—	(1,072)	—	(17,599)
Depreciation and Amortization	(8,454)	(5,153)	(28,855)	(20,581)
Total Operating Expenses	<u>(19,355)</u>	<u>(20,825)</u>	<u>(64,611)</u>	<u>(71,812)</u>
Gain (Loss) on Disposition of Assets	(11,770)	210	(7,042)	28,316
Loss on Extinguishment of Debt	—	(2,790)	—	(3,431)
Other Gains (Loss)	(11,770)	(2,580)	(7,042)	24,885
Total Operating Income (Loss)	<u>(8,595)</u>	<u>1,295</u>	<u>10,667</u>	<u>23,345</u>
Investment and Other Income (Loss)	7,046	4,007	776	12,445
Interest Expense	(3,899)	(2,078)	(11,115)	(8,929)
Income (Loss) Before Income Tax Benefit (Expense)	<u>(5,448)</u>	<u>3,224</u>	<u>328</u>	<u>26,861</u>
Income Tax Benefit (Expense)	2,369	(1,292)	2,830	3,079
Net Income (Loss) Attributable to the Company	<u>(3,079)</u>	<u>1,932</u>	<u>3,158</u>	<u>29,940</u>
Distributions to Preferred Stockholders	(1,195)	(1,196)	(4,781)	(2,325)
Net Income (Loss) Attributable to Common Stockholders	<u>\$ (4,274)</u>	<u>\$ 736</u>	<u>\$ (1,623)</u>	<u>\$ 27,615</u>
Per Share Information:				
Basic and Diluted Net Income (Loss) Attributable to Common Stockholders	\$ (0.21)	\$ 0.04	\$ (0.09)	\$ 1.56
Weighted Average Number of Common Shares				
Basic and Diluted	19,884,782	17,671,194	18,508,201	17,676,809
Dividends Declared and Paid – Preferred Stock	\$ 0.40	\$ 0.40	\$ 1.59	\$ 0.77
Dividends Declared and Paid – Common Stock	\$ 0.38	\$ 0.33	\$ 1.49	\$ 1.33

Non-GAAP Financial Measures



CTO Realty Growth, Inc. Non-GAAP Financial Measures Same-Property NOI Reconciliation

(Unaudited)
(In thousands)

	Three Months Ended		Year Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Net Income (Loss) Attributable to the Company	\$ (3,079)	\$ 1,932	\$ 3,158	\$ 29,940
Loss (Gain) on Disposition of Assets	11,770	(210)	7,042	(28,316)
Loss on Extinguishment of Debt	—	2,790	—	3,431
Impairment Charges	—	1,072	—	17,599
Depreciation and Amortization	8,454	5,153	28,855	20,581
Amortization of Intangibles to Lease Income	(676)	(416)	(2,161)	404
Straight-Line Rent Adjustment	521	599	2,166	2,443
COVID-19 Rent Repayments	(26)	(104)	(105)	(842)
Accretion of Tenant Contribution	40	39	154	236
Interest Expense	3,899	2,078	11,115	8,929
General and Administrative Expenses	3,927	2,725	12,899	11,207
Investment and Other Income	(7,046)	(4,007)	(776)	(12,445)
Income Tax Expense (Benefit)	(2,369)	1,292	(2,830)	(3,079)
Real Estate Operations Revenues	(1,067)	(9,109)	(5,462)	(13,427)
Real Estate Operations Direct Cost of Revenues	553	7,748	2,493	8,614
Management Fee Income	(994)	(944)	(3,829)	(3,305)
Interest Income from Commercial Loans and Investments	(841)	(725)	(4,172)	(2,861)
Less: Impact of Properties Not Owned for the Full Reporting Period	(4,951)	(1,197)	(25,690)	(18,879)
Same-Property NOI	\$ 8,115	\$ 8,716	\$ 22,857	\$ 20,226

Non-GAAP Financial Measures



CTO Realty Growth, Inc. Non-GAAP Financial Measures

(Unaudited)

(In thousands, except per share data)

	Three Months Ended		Year Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Net Income (Loss) Attributable to the Company	\$ (3,079)	\$ 1,932	\$ 3,158	\$ 29,940
Add Back: Effect of Dilutive Interest Related to 2025 Notes ⁽¹⁾	—	—	—	—
Net Income Attributable to the Company, If-Converted	\$ (3,079)	\$ 1,932	\$ 3,158	\$ 29,940
Depreciation and Amortization of Real Estate	8,440	5,153	28,799	20,581
Loss (Gain) on Disposition of Assets, Net of Income Tax	8,898	(210)	4,170	(28,316)
Gain on Disposition of Other Assets	(519)	(1,375)	(2,992)	(4,924)
Impairment Charges, Net	—	809	—	13,282
Unrealized Loss (Gain) on Investment Securities	(6,405)	(3,446)	1,697	(10,340)
Income Tax Expense from Non-FFO Items	—	1,840	—	1,840
Funds from Operations	\$ 7,335	\$ 4,703	\$ 34,832	\$ 22,064
Distributions to Preferred Stockholders	(1,195)	(1,196)	(4,781)	(2,325)
Funds From Operations Attributable to Common Stockholders	\$ 6,140	\$ 3,507	\$ 30,051	\$ 19,739
Loss on Extinguishment of Debt	—	2,790	—	3,431
Amortization of Intangibles to Lease Income	676	416	2,161	(404)
Less: Effect of Dilutive Interest Related to 2025 Notes ⁽¹⁾	—	—	—	—
Core Funds From Operations Attributable to Common Stockholders	\$ 6,816	\$ 6,713	\$ 32,212	\$ 22,766
Adjustments:				
Straight-Line Rent Adjustment	(521)	(599)	(2,166)	(2,443)
COVID-19 Rent Repayments	26	104	105	842
Other Depreciation and Amortization	(33)	(149)	(232)	(676)
Amortization of Loan Costs, Discount on Convertible Debt, and Capitalized Interest	264	469	774	1,864
Non-Cash Compensation	809	734	3,232	3,168
Non-Recurring G&A	—	—	—	155
Adjusted Funds From Operations Attributable to Common Stockholders	\$ 7,361	\$ 7,272	\$ 33,925	\$ 25,676
FFO Attributable to Common Stockholders per Common Share – Diluted	\$ 0.31	\$ 0.20	\$ 1.62	\$ 1.12
Core FFO Attributable to Common Stockholders per Common Share – Diluted	\$ 0.34	\$ 0.38	\$ 1.74	\$ 1.25
AFFO Attributable to Common Stockholders per Common Share – Diluted	\$ 0.37	\$ 0.41	\$ 1.83	\$ 1.45

⁽¹⁾ Interest related to the 2025 Convertible Senior Notes excluded from net income attributable to the Company to derive FFO effective January 1, 2022 due to the implementation of ASU 2020-06 which requires presentation on an if-converted basis, as the impact to net income attributable to common stockholders would be anti-dilutive.

Non-GAAP Financial Measures



CTO Realty Growth, Inc.
Non-GAAP Financial Measures
Reconciliation of Net Debt to Pro Forma EBITDA
(Unaudited)
(In thousands)

	Three Months Ended December 31, 2022
Net Loss Attributable to the Company	\$ (3,079)
Depreciation and Amortization of Real Estate	8,440
Loss on Disposition of Assets, Net of Income Tax	8,898
Gain on Disposition of Other Assets	(519)
Unrealized Gain on Investment Securities	(6,405)
Distributions to Preferred Stockholders	(1,195)
Straight-Line Rent Adjustment	(521)
Amortization of Intangibles to Lease Income	676
Other Non-Cash Amortization	(33)
Amortization of Loan Costs and Discount on Convertible Debt	264
Non-Cash Compensation	809
Interest Expense, Net of Amortization of Loan Costs and Discount on Convertible Debt	3,635
EBITDA	\$ 10,970
Annualized EBITDA	\$ 43,880
Pro Forma Annualized Impact of Current Quarter Acquisitions and Dispositions, Net ⁽¹⁾	14,166
Pro Forma EBITDA	\$ 58,046
Total Long-Term Debt	\$ 445,583
Financing Costs, Net of Accumulated Amortization	1,637
Unamortized Convertible Debt Discount	364
Cash & Cash Equivalents	(19,333)
Restricted Cash	(1,861)
Net Debt	\$ 426,390
Net Debt to Pro Forma EBITDA	7.3x

⁽¹⁾ Reflects the pro forma annualized impact on Annualized EBITDA of the Company's acquisition and disposition activity during the three months ended December 31, 2022.

Capitalization & Dividends



Equity Capitalization

Common Shares Outstanding	22,855
Common Share Price	\$18.28
Total Common Equity Market Capitalization	<u>\$417,789</u>
Series A Preferred Shares Outstanding	3,000
Series A Preferred Par Value Per Share	\$25.00
Series A Preferred Par Value	\$75,000
Total Equity Capitalization	<u>\$492,789</u>

Debt Capitalization

Total Debt Outstanding	<u>\$447,584</u>
Total Capitalization	<u>\$940,373</u>
Cash, Restricted Cash & Cash Equivalents	<u>\$21,194</u>
Total Enterprise Value	<u>\$919,179</u>

Dividends Paid

	<u>Common</u>	<u>Preferred</u>
Q1 2022	\$0.36	\$0.40
Q2 2022	\$0.37	\$0.40
Q3 2022	\$0.38	\$0.40
Q4 2022	<u>\$0.38</u>	<u>\$0.40</u>
Trailing Twelve Months Q4 2022	\$1.49	\$1.59
Q4 2022 Core FFO Per Diluted Share	\$0.34	
Q4 2022 AFFO Per Diluted Share	\$0.37	
Q4 2022 Core FFO Payout Ratio	111.8%	
Q4 2022 AFFO Payout Ratio	102.7%	

Dividend Yield

Q4 2022	\$0.38	\$0.40
Annualized Q4 2022 Dividend	\$1.52	\$1.59
Price Per Share as of December 31, 2022	<u>\$18.28</u>	<u>\$20.45</u>
Implied Dividend Yield	8.3%	7.8%

\$ and shares outstanding in thousands, except per share data. Any differences are a result of rounding.

Debt Summary



<u>Indebtedness Outstanding</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Type</u>
Revolving Credit Facility	\$113,750	SOFR + 10 bps + [1.25% – 2.20%]	January 2027	Variable
2025 Convertible Senior Notes	51,034	3.88%	April 2025	Fixed
2026 Term Loan	65,000	SOFR + 10 bps + [1.25% – 2.20%]	March 2026	Fixed
2027 Term Loan	100,000	SOFR + 10 bps + [1.25% – 2.20%]	January 2027	Fixed
2028 Term Loan	100,000	SOFR + 10 bps + [1.20% – 2.15%]	January 2028	Fixed
Mortgage Note	17,800	4.06%	August 2026	Fixed
Total / Wtd. Avg.	\$447,584	3.94%		

<u>Fixed vs. Variable</u>	<u>Face Value</u>	<u>Interest Rate</u>	<u>% of Total Debt</u>
Total Fixed Rate Debt	333,834	3.32%	75%
Total Variable Rate Debt	113,750	SOFR + 10 bps + [1.25% – 2.20%]	25%
Total / Wtd. Avg.	\$447,584	3.94%	100%

Leverage Metrics

Face Value of Debt	\$447,584
Cash, Restricted Cash & Cash Equivalents	(\$21,194)
Net Debt	\$426,390
Total Enterprise Value	\$919,179
Net Debt to Total Enterprise Value	46%
Net Debt to Pro Forma EBITDA⁽¹⁾	7.3x

\$ in thousands. Any differences are a result of rounding.

(1) See reconciliation as part of Non-GAAP Financial Measures in the Company's Fourth Quarter 2022 Earnings Release.

Debt Maturities



<u>Year</u>	<u>Outstanding</u>	<u>% of Debt Maturing</u>	<u>Cumulative % of Debt Maturing</u>	<u>Weighted Average Rate</u>
2023	\$ –	– %	– %	– %
2024	–	– %	– %	– %
2025	51,034	11.40%	11.40%	3.88%
2026	82,800	18.50%	29.90%	2.21%
2027	213,750	47.76%	77.66%	4.05%
2028	100,000	22.34%	100.00%	5.18%
Total	\$447,584	100.00%		3.94%

\$ in thousands. Any differences are a result of rounding.

Year-to-Date Investments



<u>Property Acquisitions</u>	<u>Market</u>	<u>Type</u>	<u>Date Acquired</u>	<u>Square Feet</u>	<u>Price</u>	<u>Occupancy At Acq.</u>
Price Plaza Shopping Center – Katy, TX	Houston, TX	Multi-Tenant Retail	March 2022	200,576	\$39,100	95%
Madison Yards – Atlanta, GA	Atlanta, GA	Multi-Tenant Retail	July 2022	162,521	\$80,200	99%
West Broad Village – Glen Allen, VA	Richmond, VA	Grocery-Anchored Retail	October 2022	392,007	\$93,850	83%
Main Street Portfolio – Daytona Beach, FL	Daytona Beach, FL	Single Tenant Retail	December 2022	28,511	\$4,843	100%
The Collection at Forsyth – Cumming, GA	Atlanta, GA	Lifestyle	December 2022	560,434	\$96,000	86%
Total Acquisitions				1,349,286	\$313,993	

<u>Structured Investments</u>	<u>Market</u>	<u>Type</u>	<u>Date Originated</u>	<u>Capital Commitment</u>	<u>Structure</u>
Phase II of The Exchange at Gwinnett – Buford, GA	Atlanta, GA	Retail Outparcels	January 2022	\$8,700	First Mortgage
Watters Creek at Montgomery Farm – Allen, TX	Dallas, TX	Grocery Anchored Retail	April 2022	\$30,000	Preferred Equity
WaterStar Orlando – Kissimmee, FL	Orlando, FL	Retail Outparcels	April 2022	\$19,000	First Mortgage
Improvement Loan at Ashford Lane – Atlanta, GA	Atlanta, GA	Tenant Improvement Loan	May 2022	\$1,500	Landlord Financing
Total Structured Investments				\$59,200	

\$ in thousands. Any differences are a result of rounding.

Year-to-Date Dispositions



<u>Property</u>	<u>Market</u>	<u>Type</u>	<u>Date Sold</u>	<u>Square Feet</u>	<u>Price</u>	<u>Gain (Loss)</u>
Party City – Oceanside, NY	New York, NY	Single Tenant Retail	January 2022	15,500	\$6,949	(\$60)
The Carpenter Hotel – Austin, TX	Austin, TX	Hospitality Ground Lease	March 2022	73,508	\$17,095	(\$178)
Westland Gateway Plaza – Hialeah, FL	Miami, FL	Multi-Tenant Retail	July 2022	108,029	\$22,150	\$986
Firebirds Wood Fire Grill – Jacksonville, FL	Jacksonville, FL	Single Tenant Retail	September 2022	6,948	\$5,513	\$931
Chuy’s – Jacksonville, FL	Jacksonville, FL	Single Tenant Retail	September 2022	7,950	\$5,825	(\$445)
245 Riverside – Jacksonville, FL	Jacksonville, FL	Multi-Tenant Office	September 2022	136,853	\$23,550	\$3,501
Total Dispositions				348,788	\$81,082	\$4,735

\$ in thousands. Any differences are a result of rounding.

Portfolio Summary



Total Portfolio as of December 31, 2022

Asset Type	Number of Properties	Square Feet	Cash ABR PSF	Occupancy	Leased Occupancy
Single Tenant	8	436	\$19.69	100.0%	100.0%
Multi-Tenant	15	3,283	\$19.49	88.9%	92.0%
Total Portfolio	23	3,719	\$19.52	90.2%	92.9%

Property Type	Number of Properties	Square Feet	Cash ABR PSF	Occupancy	Leased Occupancy
Retail	15	1,967	\$18.47	91.4%	95.0%
Office	3	395	\$19.01	100.0%	100.0%
Mixed Use	5	1,357	\$21.18	85.7%	87.9%
Hospitality	–	–	–	–	–
Total Portfolio	23	3,719	\$19.52	90.2%	92.9%

Total Portfolio as of December 31, 2021

Asset Type	Number of Properties	Square Feet	Cash ABR PSF	Occupancy	Leased Occupancy
Single Tenant	9	511	\$20.25	100.0%	100.0%
Multi-Tenant	13	2,211	\$17.73	85.9%	90.4%
Total Portfolio	22	2,722	\$18.21	88.5%	92.6%

Property Type	Number of Properties	Square Feet	Cash ABR PSF	Occupancy	Leased Occupancy
Retail	14	1,715	\$17.12	88.4%	92.3%
Office	4	532	\$18.72	94.2%	98.2%
Mixed Use	3	402	\$23.09	79.6%	85.0%
Hospitality	1	73	\$13.16	100.0%	100.0%
Total Portfolio	22	2,722	\$18.21	88.5%	92.6%

\$ and square feet in thousands, except per square foot data. Any differences are a result of rounding.

Portfolio Detail



<u>Property</u>	<u>Type</u>	<u>Year Acquired/Developed</u>	<u>Year Built</u>	<u>Acreage</u>	<u>Square Feet</u>	<u>In-Place Occupancy</u>	<u>Leased Occupancy</u>	<u>Cash ABR PSF</u>
<u>Atlanta, GA</u>								
The Collection at Forsyth	Lifestyle	2022	2006	58.9	560,434	86%	87%	\$18.36
Ashford Lane	Lifestyle	2020	2005	43.7	277,408	73%	87%	\$23.06
Madison Yards	Grocery-Anchored	2022	2019	10.3	162,521	99%	100%	\$30.43
The Exchange at Gwinnett	Grocery-Anchored	2021	2021	12.0	69,266	92%	98%	\$29.55
Total Atlanta, GA				124.9	1,069,629	85%	90%	\$22.14
<u>Dallas, TX</u>								
The Shops at Legacy	Lifestyle	2021	2007	12.7	237,366	96%	98%	\$32.36
Westcliff Shopping Center	Grocery-Anchored	2017	1955	10.3	134,791	61%	72%	\$4.20
Total Dallas, TX				23.0	372,157	83%	88%	\$22.16
<u>Richmond, VA</u>								
West Broad Village	Grocery-Anchored	2022	2007	32.6	392,007	83%	83%	\$19.54
<u>Raleigh, NC</u>								
Beaver Creek Crossings	Retail Power Center	2021	2005	51.6	321,977	97%	98%	\$16.38
<u>Phoenix, AZ</u>								
Crossroads Town Center	Retail Power Center	2020	2005	31.1	244,072	99%	99%	\$20.03
<u>Jacksonville, FL</u>								
The Strand at St. Johns Town Center	Retail Power Center	2019	2017	52.0	210,973	92%	95%	\$22.24

\$ in thousands, except per square foot data. Any differences are a result of rounding.

Portfolio Detail



<u>Property</u>	<u>Type</u>	<u>Year Acquired/Developed</u>	<u>Year Built</u>	<u>Acreage</u>	<u>Square Feet</u>	<u>In-Place Occupancy</u>	<u>Leased Occupancy</u>	<u>Cash ABR PSF</u>
<u>Albuquerque, NM</u>								
Fidelity	Single Tenant Office	2018	2009	25.3	210,067	100%	100%	\$17.23
<u>Houston, TX</u>								
Price Plaza Shopping Center	Retail Power Center	2022	1999	23.2	200,576	97%	97%	\$15.84
<u>Santa Fe, NM</u>								
125 Lincoln & 150 Washington	Mixed Use	2021	1983	1.5	137,209	74%	84%	\$20.21
<u>Tampa, FL</u>								
Sabal Pavilion	Single Tenant Office	2020	1998	11.5	120,500	100%	100%	\$18.80
<u>Salt Lake City, UT</u>								
Jordan Landing	Retail Power Center	2021	2003	16.1	170,996	100%	100%	\$9.90
<u>Washington, DC</u>								
General Dynamics	Single Tenant Office	2019	1984	3.0	64,319	100%	100%	\$25.24
<u>Las Vegas, NV</u>								
Eastern Commons	Grocery-Anchored	2021	2001	11.9	133,304	100%	100%	\$11.77

\$ in thousands, except per square foot data. Any differences are a result of rounding.

Portfolio Detail



<u>Property</u>	<u>Type</u>	<u>Year Acquired/Developed</u>	<u>Year Built</u>	<u>Acreage</u>	<u>Square Feet</u>	<u>In-Place Occupancy</u>	<u>Leased Occupancy</u>	<u>Cash ABR PSF</u>
<u>Daytona Beach, FL</u>								
Daytona Beach Restaurant Portfolio	Single Tenant (5)	2018 / 2022	1915 - 2018	8.3	40,555	100%	100%	\$26.24
<u>Orlando, FL</u>								
Winter Park Office	Mixed Use	2021		2.3	30,296	84%	100%	\$11.55
Total Portfolio				418.2	3,718,637	90%	93%	\$19.52

\$ in thousands, except per square foot data. Any differences are a result of rounding.

Leasing Summary



<u>Renewals and Extensions</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>2022</u>
Leases	8	5	9	9	31
Square Feet	32.5	10.2	31.8	20.9	95.3
New Cash Rent PSF	\$31.57	\$29.28	\$29.62	\$29.59	\$30.24
Tenant Improvements	\$368	\$ –	\$ –	\$27	\$395
Leasing Commissions	\$36	\$28	\$77	\$12	\$150
Weighted Average Term	6.2	3.6	5.8	4.2	5.3
<u>New Leases</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>2022</u>
Leases	10	7	7	5	29
Square Feet	24.4	30.9	43.4	22.7	121.6
New Cash Rent PSF	\$31.32	\$32.66	36.14	\$25.18	\$32.24
Tenant Improvements	\$691	\$2,721	\$3,025	\$309	\$6,746
Leasing Commissions	\$335	\$298	\$1,033	\$362	\$2,024
Weighted Average Term	8.9	12.2	8.7	8.5	9.4
<u>All Leases Summary</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>2022</u>
Leases	18	12	16	14	60
Square Feet	56.9	41.1	75.2	43.6	216.9
New Cash Rent PSF	\$31.46	\$31.82	\$33.39	\$27.29	\$31.36
Tenant Improvements	\$1,059	\$2,721	\$3,025	\$336	\$7,141
Leasing Commissions	\$371	\$326	\$1,110	\$374	\$2,174
Weighted Average Term	6.6	10.3	7.6	6.2	7.6

\$ and square feet in thousands, except per square foot data. Any differences are a result of rounding.

Comparable Leasing Summary



<u>Renewals and Extensions - Comparable</u>	<u>Number of Leases Signed</u>	<u>GLA Signed</u>	<u>New Cash Rent PSF</u>	<u>Expiring Cash Rent PSF</u>	<u>% Increase Over Expiring Rent</u>	<u>Weighted Average Lease Term</u>	<u>Tenant Improvements</u>	<u>Lease Commissions</u>
1 st Quarter 2022	8	32.5	\$31.57	\$31.10	1.5%	5.9	\$368	\$35
2 nd Quarter 2022	5	10.2	29.28	28.21	3.8%	3.6	—	27
3 rd Quarter 2022	9	31.8	29.62	27.45	7.9%	5.8	—	76
4 th Quarter 2022	9	20.9	29.59	26.86	10.1%	4.2	27	11
Total	31	95.3	\$30.24	\$28.65	5.5%	5.3	\$395	\$149

<u>New Leases - Comparable</u>	<u>Number of Leases Signed</u>	<u>GLA Signed</u>	<u>New Cash Rent PSF</u>	<u>Expiring Cash Rent PSF</u>	<u>% Increase Over Expiring Rent</u>	<u>Weighted Average Lease Term</u>	<u>Tenant Improvements</u>	<u>Lease Commissions</u>
1 st Quarter 2022	1	4.4	\$26.50	\$24.45	8.4%	5.4	\$110	\$62
2 nd Quarter 2022	1	14.1	34.00	17.00	100.0%	10.0	1,690	192
3 rd Quarter 2022	2	13.8	46.55	31.60	47.3%	10.0	2,023	560
4 th Quarter 2022	—	—	—	—	— %	—	—	—
Total	4	32.3	\$38.35	\$24.27	58.0%	9.6	\$3,823	\$814

<u>All Comparable Leases Summary</u>	<u>Number of Leases Signed</u>	<u>GLA Signed</u>	<u>New Cash Rent PSF</u>	<u>Expiring Cash Rent PSF</u>	<u>% Increase Over Expiring Rent</u>	<u>Weighted Average Lease Term</u>	<u>Tenant Improvements</u>	<u>Lease Commissions</u>
1 st Quarter 2022	9	36.9	\$30.96	\$30.30	2.2%	5.9	\$478	\$97
2 nd Quarter 2022	6	24.3	32.02	21.71	47.5%	7.6	1,690	219
3 rd Quarter 2022	11	45.6	34.76	28.72	21.0%	7.5	2,023	636
4 th Quarter 2022	9	20.9	29.59	26.86	10.1%	4.2	27	11
Total	35	127.7	\$32.29	\$27.54	17.3%	6.6	\$4,218	\$963

\$ and square feet in thousands. Any differences are a result of rounding.

Same-Property NOI

Multi-Tenant	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022
Number of Comparable Properties	6	8	7	7	4
Same-Property NOI – 2022	\$4,404	\$5,256	\$6,545	\$5,370	\$14,300
Same Property NOI – 2021	\$3,465	\$3,961	\$5,815	\$5,958	\$11,988
<i>\$ Variance</i>	<i>\$939</i>	<i>\$1,295</i>	<i>\$730</i>	<i>(\$588)</i>	<i>\$2,312</i>
<i>% Variance</i>	<i>27.1%</i>	<i>32.7%</i>	<i>12.6%</i>	<i>(9.9%)</i>	<i>19.3%</i>
Single-Tenant	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022
Number of Comparable Properties	7	7	5	5	5
Same-Property NOI – 2022	\$2,009	\$2,190	\$1,920	\$2,745	\$8,557
Same Property NOI – 2021	\$1,984	\$2,055	\$1,746	\$2,758	\$8,238
<i>\$ Variance</i>	<i>\$25</i>	<i>\$135</i>	<i>\$174</i>	<i>(\$13)</i>	<i>\$319</i>
<i>% Variance</i>	<i>1.3%</i>	<i>6.6%</i>	<i>10.0%</i>	<i>(0.5%)</i>	<i>3.9%</i>
All Properties	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022
Number of Comparable Properties	13	15	12	12	9
Same-Property NOI – 2022	\$6,413	\$7,446	\$8,465	\$8,115	\$22,857
Same Property NOI – 2021	\$5,449	\$6,016	\$7,561	\$8,716	\$20,226
<i>\$ Variance</i>	<i>\$964</i>	<i>\$1,430</i>	<i>\$904</i>	<i>(\$601)</i>	<i>\$2,631</i>
<i>% Variance</i>	<i>17.7%</i>	<i>23.8%</i>	<i>12.0%</i>	<i>(6.9%)</i>	<i>13.0%</i>

\$ and square feet in thousands, except per square foot data. Any differences are a result of rounding.

Lease Expiration Schedule



Anchor Tenants

<u>Year</u>	<u>Leases Expiring</u>	<u>Expiring SF</u>	<u>% of Total</u>	<u>Cash ABR</u>	<u>% of Total</u>	<u>ABR PSF</u>
2023	6	169	5.0%	3,649	5.0%	\$20.28
2024	2	40	1.2%	685	0.9%	17.10
2025	6	121	3.6%	2,866	3.9%	23.95
2026	9	353	10.5%	6,147	8.5%	17.74
2027	9	367	10.9%	4,075	5.6%	11.17
2028	10	488	14.5%	9,021	12.4%	18.84
2029	2	164	4.9%	2,319	3.2%	13.99
2030	2	67	2.0%	784	1.1%	11.99
2031	3	48	1.4%	852	1.2%	19.02
Thereafter	10	293	8.7%	5,455	7.5%	18.62
Total	59	2,110	62.9%	35,853	49.4%	\$17.19

Small Shop Tenants

<u>Year</u>	<u>Leases Expiring</u>	<u>Expiring SF</u>	<u>% of Total</u>	<u>Cash ABR</u>	<u>% of Total</u>	<u>ABR PSF</u>
2023	33	110	3.3%	2,442	3.4%	\$22.14
2024	51	164	4.9%	4,258	5.9%	26.08
2025	27	87	2.6%	3,005	4.1%	34.89
2026	41	213	6.3%	5,244	7.2%	24.95
2027	45	141	4.2%	3,796	5.2%	27.50
2028	27	118	3.5%	3,677	5.1%	32.98
2029	30	116	3.4%	3,731	5.1%	33.58
2030	29	79	2.4%	2,885	4.0%	40.70
2031	29	79	2.4%	2,738	3.8%	37.82
Thereafter	32	138	4.1%	4,947	6.8%	35.85
Total	344	1,245	37.1%	36,723	50.6%	\$31.22

\$ and square feet in thousands. Any differences are a result of rounding.

Lease Expiration Schedule

<u>Year</u>	<u>Total</u>			<u>Total</u>		
	<u>Leases Expiring</u>	<u>Expiring SF</u>	<u>% of Total</u>	<u>Cash ABR</u>	<u>% of Total</u>	<u>ABR PSF</u>
2023	39	279	8.3%	6,091	8.4%	\$21.84
2024	53	204	6.1%	4,943	6.8%	24.24
2025	33	208	6.2%	5,871	8.1%	28.23
2026	50	566	16.9%	11,391	15.7%	20.12
2027	54	508	15.2%	7,871	10.8%	15.49
2028	37	606	18.0%	12,698	17.5%	20.97
2029	32	279	8.3%	6,050	8.3%	21.66
2030	31	147	4.4%	3,669	5.1%	25.04
2031	32	126	3.8%	3,590	4.9%	28.40
Thereafter	42	432	12.9%	10,402	14.3%	24.08
Total	403	3,355	100.0%	72,576	100.0%	\$21.63

\$ and square feet in thousands. Any differences are a result of rounding.

Top Tenant Summary



<u>Tenant/Concept</u>	<u>Credit Rating⁽¹⁾</u>	<u>Leases</u>	<u>Leased Square Feet</u>	<u>% of Total</u>	<u>Cash ABR</u>	<u>% of Total</u>
Fidelity	A+	1	210	5.6%	3,619	5.0%
Ford Motor Credit	BB+	1	121	3.2%	2,265	3.1%
AMC	CCC+	2	90	2.4%	2,189	3.0%
WeWork	CCC+	1	59	1.6%	1,977	2.7%
General Dynamics	A-	1	64	1.7%	1,623	2.2%
At Home	B-	2	192	5.2%	1,576	2.2%
Southern University	N/A	1	60	1.6%	1,569	2.2%
Whole Foods Market	AA-	1	60	1.6%	1,485	2.0%
Ross/dd's Discount	BBB+	4	106	2.8%	1,334	1.8%
Best Buy	BBB+	2	82	2.2%	1,224	1.7%
Darden Restaurants	BBB	3	27	0.7%	1,207	1.7%
Publix	Not Rated	1	54	1.4%	1,076	1.5%
Harkins Theatres	Not Rated	1	56	1.5%	961	1.3%
Regal Cinema	Not Rated	1	45	1.2%	948	1.3%
The Hall at Ashford Lane	Not Rated	1	17	0.5%	877	1.2%
TJ Maxx/HomeGoods/Marshalls	A	2	75	2.0%	834	1.1%
Landshark Bar & Grill	Not Rated	1	6	0.2%	764	1.1%
Hobby Lobby	Not Rated	1	55	1.5%	743	1.0%
Burlington	BB+	1	47	1.3%	723	1.0%
Academy Sports & Outdoors	BB	1	73	2.0%	709	1.0%
Other		393	1,936	52.1%	44,873	61.8%
Total		422	3,435	92.4%	72,576	100.0%
Vacant			284	7.6%		
Total		422	3,719	100.0%		

\$ and square feet in thousands.

(1) A credit rated, or investment grade rated tenant (rating of BBB-, NAIC-2 or Baa3 or higher) is a tenant or the parent of a tenant with a credit rating from S&P Global Ratings, Moody's Investors Service, Fitch Ratings or the National Association of Insurance Commissioners (NAIC).

Geographic Diversification



<u>Markets</u>	<u>Properties</u>	<u>Square Feet</u>	<u>% of Total</u>	<u>Cash ABR</u>	<u>% of Total</u>	<u>5-Mile 2022 Average Household Income</u>	<u>5-Mile 2022 Total Population</u>	<u>2022-2027 Projected Population Annual Growth</u>
Atlanta, GA	4	1,070	28.8%	\$23,677	32.6%	\$156,077	223,583	1.1%
Dallas, TX	2	372	10.0%	8,248	11.4%	146,103	320,047	1.2%
Richmond, VA	1	392	10.5%	7,660	10.6%	141,700	174,567	0.3%
Raleigh, NC	1	322	8.7%	5,275	7.3%	168,535	131,885	1.0%
Phoenix, AZ	1	244	6.6%	4,889	6.7%	134,759	308,674	0.8%
Jacksonville, FL	1	211	5.7%	4,692	6.5%	96,386	200,927	0.5%
Albuquerque, NM	1	210	5.6%	3,619	5.0%	63,148	50,506	3.9%
Houston, TX	1	201	5.4%	3,177	4.4%	124,283	275,061	0.9%
Santa Fe, NM	1	137	3.7%	2,773	3.8%	106,492	64,342	(0.2%)
Tampa, FL	1	121	3.2%	2,265	3.1%	76,699	184,603	0.8%
Salt Lake City, UT	1	171	4.6%	1,693	2.3%	106,412	364,557	0.8%
Washington, DC	1	64	1.7%	1,623	2.2%	204,805	234,546	0.5%
Las Vegas, NV	1	133	3.6%	1,569	2.2%	120,743	313,541	0.9%
Daytona Beach, FL	5	41	1.1%	1,064	1.5%	63,128	106,381	0.3%
Orlando, FL	1	30	0.8%	350	0.5%	103,034	278,379	0.5%
Total	23	3,719	100.0%	\$72,576	100.0%	\$136,186	217,321	1.0%

<u>States</u>	<u>Properties</u>	<u>Square Feet</u>	<u>% of Total</u>	<u>Cash ABR</u>	<u>% of Total</u>	<u>5-Mile 2022 Average Household Income</u>	<u>5-Mile 2022 Total Population</u>	<u>2022-2027 Projected Population Annual Growth</u>
Georgia	4	1,070	28.8%	\$23,677	32.6%	\$156,077	223,583	1.1%
Texas	3	573	15.4%	11,425	15.7%	140,035	307,537	1.1%
Virginia	2	456	12.3%	9,283	12.8%	152,734	185,054	0.4%
Florida	8	402	10.8%	8,371	11.5%	87,110	187,731	0.6%
New Mexico	2	347	9.3%	6,392	8.8%	81,950	56,508	2.1%
North Carolina	1	322	8.7%	5,275	7.3%	168,535	131,885	1.0%
Arizona	1	244	6.6%	4,889	6.7%	134,759	308,674	0.8%
Utah	1	171	4.6%	1,693	2.3%	106,412	364,557	0.8%
Nevada	1	133	3.6%	1,569	2.2%	120,743	313,541	0.9%
Total	23	3,719	100.0%	\$72,576	100.0%	\$136,186	217,321	1.0%

\$ and square feet in thousands, except for average household income demographic information. Any differences are a result of rounding.

Demographic information sourced from Esri. Market, state and portfolio averages weighted by the Annualized Cash Base Rent of each property.

Other Assets



<u>Investment Securities</u>	<u>Shares & Operating Partnership Units Owned</u>	<u>Value Per Share December 31, 2022</u>	<u>Estimated Value</u>	<u>Annualized Dividend Per Share</u>	<u>In-Place Annualized Dividend Income</u>
Alpine Income Property Trust	2,203	\$19.08	\$42,041	\$1.10	\$2,424

<u>Structured Investments</u>	<u>Type</u>	<u>Origination Date</u>	<u>Maturity Date</u>	<u>Original Loan Amount</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>
4311 Maple Avenue, Dallas, TX	Mortgage Note	October 2020	April 2023	\$400	\$400	7.50%
Phase II of The Exchange at Gwinnett	Construction Loan	January 2022	January 2024	\$8,700	\$220	7.25%
Watters Creek at Montgomery Farm	Preferred Investment	April 2022	April 2025	\$30,000	\$30,000	8.50%
Improvement Loan at Ashford Lane	Improvement Loan	May 2022	April 2025	\$1,500	\$1,053	12.00%
Total Structured Investments				\$40,600	\$32,100	8.35%

<u>Subsurface Interests</u>	<u>Acreage</u>	<u>Estimated Value</u>
Acres Available for Sale	355,000 acres	\$4,000

<u>Mitigation Credits and Rights</u>	<u>State Credits</u>	<u>Federal Credits</u>	<u>Total Book Value</u>
Mitigation Credits	25.6	1.8	\$1,854
Mitigation Credit Rights	11.1	—	725
Total Mitigation Credits	36.7	1.8	\$2,579

\$ and shares outstanding in thousands, except per share data. Any differences are a result of rounding.

2023 Guidance



The Company's estimated Core FFO per diluted share and AFFO per diluted share for 2023 is as follows:

	<u>Low</u>	–	<u>High</u>
Core FFO Per Diluted Share	\$1.50	–	\$1.55
AFFO Per Diluted Share	\$1.64	–	\$1.69

The Company's 2023 guidance includes but is not limited to the following assumptions:

	<u>Low</u>	–	<u>High</u>
Same-Property NOI Growth ⁽¹⁾	1%	–	4%
General and Administrative Expense	\$14	–	\$15
Weighted Average Diluted Shares Outstanding	22.6	–	23.6
Year-end 2023 Leased Occupancy ⁽²⁾	94%	–	95%
Investments in Income Producing Properties	\$100	–	\$250
Target Initial Investment Cash Yield	7.25%	–	8.00%
Dispositions	\$5	–	\$75
Target Disposition Cash Yield	6.00%	–	7.50%

\$ and shares outstanding in millions, except per share data.

(1) Includes the effects of bad debt expense, occupancy loss and costs associated with tenants in bankruptcy and/or tenant lease defaults.

(2) Before potential impact from income producing acquisitions and dispositions.

Contact Information & Research Coverage



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Certain statements contained in this presentation (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; macroeconomic and geopolitical factors, including but not limited to inflationary pressures, interest rate volatility, global supply chain disruptions, and ongoing geopolitical war; the ultimate geographic spread, severity and duration of pandemics such as the COVID-19 Pandemic and its variants, 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, 2022 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 presentation. The Company undertakes no obligation to update the information contained in this press release to reflect subsequently occurring events or circumstances.

Non-GAAP Financial Measures



Our reported results are presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”). We also disclose Funds From Operations (“FFO”), Core Funds From Operations (“Core FFO”), Adjusted Funds From Operations (“AFFO”), Pro Forma Earnings Before Interest, Taxes, Depreciation and Amortization (“Pro Forma EBITDA”), and Same-Property Net Operating Income (“Same-Property NOI”), each of which are non-GAAP financial measures. We believe these non-GAAP financial measures are useful to investors because they are widely accepted industry measures used by analysts and investors to compare the operating performance of REITs.

FFO, Core FFO, AFFO, Pro Forma EBITDA, and Same-Property NOI do not represent cash generated from operating activities and are not necessarily indicative of cash available to fund cash requirements; accordingly, they should not be considered alternatives to net income as a performance measure or cash flows from operating activities as reported on our statement of cash flows as a liquidity measure and should be considered in addition to, and not in lieu of, GAAP financial measures.

We compute FFO in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as GAAP net income or loss adjusted to exclude extraordinary items (as defined by GAAP), net gain or loss from sales of depreciable real estate assets, impairment write-downs associated with depreciable real estate assets and real estate related depreciation and amortization, including the pro rata share of such adjustments of unconsolidated subsidiaries. The Company also excludes the gains or losses from sales of assets incidental to the primary business of the REIT which specifically include the sales of mitigation credits, impact fee credits, subsurface sales, and land sales, in addition to the mark-to-market of the Company’s investment securities and interest related to the 2025 Convertible Senior Notes, if the effect is dilutive. To derive Core FFO, we modify the NAREIT computation of FFO to include other adjustments to GAAP net income related to gains and losses recognized on the extinguishment of debt, amortization of above- and below-market lease related intangibles, and other unforecastable market- or transaction-driven non-cash items. To derive AFFO, we further modify the NAREIT computation of FFO and Core FFO to include other adjustments to GAAP net income related to non-cash revenues and expenses such as straight-line rental revenue, non-cash compensation, and other non-cash amortization, as well as adding back the interest related to the 2025 Convertible Senior Notes, if the effect is dilutive. Such items may cause short-term fluctuations in net income but have no impact on operating cash flows or long-term operating performance. We use AFFO as one measure of our performance when we formulate corporate goals.

To derive Pro Forma EBITDA, GAAP net income or loss is adjusted to exclude extraordinary items (as defined by GAAP), net gain or loss from sales of depreciable real estate assets, impairment write-downs associated with depreciable real estate assets and real estate related depreciation and amortization, including the pro rata share of such adjustments of unconsolidated subsidiaries, non-cash revenues and expenses such as straight-line rental revenue, amortization of deferred financing costs, above- and below-market lease related intangibles, non-cash compensation, and other non-cash income or expense. Cash interest expense is also excluded from Pro Forma EBITDA, and GAAP net income or loss is adjusted for the annualized impact of acquisitions, dispositions and other similar activities.

Non-GAAP Financial Measures



To derive Same-Property NOI, GAAP net income or loss attributable to the Company is adjusted to exclude extraordinary items (as defined by GAAP), gain or loss on disposition of assets, gain or loss on extinguishment of debt, impairment charges, and depreciation and amortization, including the pro rata share of such adjustments of unconsolidated subsidiaries, if any, non-cash revenues and expenses such as above- and below-market lease related intangibles, straight-line rental revenue, and other non-cash income or expense. Interest expense, general and administrative expenses, investment and other income or loss, income tax benefit or expense, real estate operations revenues and direct cost of revenues, management fee income, and interest income from commercial loans and investments are also excluded from Same-Property NOI. GAAP net income or loss is further adjusted to remove the impact of properties that were not owned for the full current and prior year reporting periods presented. Cash rental income received under the leases pertaining to the Company's assets that are presented as commercial loans and investments in accordance with GAAP is also used in lieu of the interest income equivalent.

FFO is used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers primarily because it excludes the effect of real estate depreciation and amortization and net gains or losses on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. We believe that Core FFO and AFFO are additional useful supplemental measures for investors to consider because they will help them to better assess our operating performance without the distortions created by other non-cash revenues or expenses. We also believe that Pro Forma EBITDA is an additional useful supplemental measure for investors to consider as it allows for a better assessment of our operating performance without the distortions created by other non-cash revenues, expenses or certain effects of the Company's capital structure on our operating performance. We use Same-Property NOI to compare the operating performance of our assets between periods. It is an accepted and important measurement used by management, investors and analysts because it includes all property-level revenues from of the Company's rental properties, less operating and maintenance expenses, real estate taxes and other property-specific expenses ("Net Operating Income" or "NOI") of properties that have been owned and stabilized for the entire current and prior year reporting periods. Same-Property NOI attempts to eliminate differences due to the acquisition or disposition of properties during the particular period presented, and therefore provides a more comparable and consistent performance measure for the comparison of the Company's properties. FFO, Core FFO, AFFO, Pro Forma EBITDA, and Same-Property NOI may not be comparable to similarly titled measures employed by other companies.

Definitions & Terms



References and terms used in this presentation that are in addition to terms defined in the Non-GAAP Financial Measures include:

- This presentation has been published on February 23, 2023.
- All information is as of December 31, 2022, unless otherwise noted.
- Any calculation differences are assumed to be a result of rounding.

- “2023 Guidance” is based on the 2023 Guidance provided in the Company’s Full Year and Fourth Quarter 2022 Operating Results press release filed on February 23, 2023.
- “Alpine” or “PINE” refers to Alpine Income Property Trust, a publicly traded net lease REIT traded on the New York Stock Exchange under the ticker symbol PINE.
- “Annualized Straight-line Base Rent”, “ABR” or “Rent” and the statistics based on ABR are calculated based on our current portfolio and represent straight-line rent calculated in accordance with GAAP.
- “Annualized Cash Base Rent”, “Cash ABR” and the statistics based on Cash ABR are calculated based on our current portfolio and represent the annualized cash base rent calculated in accordance with GAAP due from the tenants at a specific point in time.
- “Credit Rated” is a tenant or the parent of a tenant with a credit rating from S&P Global Ratings, Moody’s Investors Service, Fitch Ratings or the National Association of Insurance Commissioners (NAIC) (together, the “Major Rating Agencies”). An “Investment Grade Rated Tenant” or “IG” references a Credit Rated tenant or the parent of a tenant, or credit rating thereof with a rating of BBB-, Baa3 or NAIC-2 or higher from one or more of the Major Rating Agencies.
- “Contractual Base Rent” or “CBR” represents the amount owed to the Company under the terms of its lease agreements at the time referenced.
- “Dividend” or “Dividends”, subject to the required dividends to maintain our qualification as a REIT, are set by the Board of Directors and declared on a quarterly basis and there can be no assurances as to the likelihood or number of dividends in the future.
- “Investment in Alpine Income Property Trust” or “Alpine Investment” or “PINE Ownership” is calculated based on the 2,203,397 common shares and partnership units CTO owns in PINE and is based on PINE’s closing stock price.
- “Leased Occupancy” refers to space that is currently leased but for which rent payments have not yet commenced.
- “MSA” or “Metropolitan Statistical Area” is a region that consists of a city and surrounding communities that are linked by social and economic factors, as established by the U.S. Office of Management and Budget. The names of the MSA have been shortened for ease of reference.
- “Net Debt” is calculated as our total long-term debt as presented on the face of our balance sheet; plus financing costs, net of accumulated amortization and unamortized convertible debt discount; less cash, restricted cash and cash equivalents.
- “Net Operating Income” or “NOI” is revenues from all income properties less operating expense, maintenance expense, real estate taxes and rent expense.
- “Total Enterprise Value” is calculated as the Company’s Total Common Shares Outstanding multiplied by the common stock price; plus the par value of the Series A perpetual preferred equity outstanding and Net Debt.