

Dear Fellow Shareholders:

In CTO's four years as a REIT, we have outperformed the RMZ REIT Index every year except for 2023. We hope in 2024 we can get CTO's REIT outperformance back on track as we move to put together a portfolio of strong locations for high-quality, large format open-air shopping centers. In a particularly challenging year, with the Federal Reserve raising rates four times and certain sectors of real estate seeing weakness, we are pleased that we were able to sell several non-core assets and buy a large power center at what we see as favorable pricing. Hopefully, we are on the downward slope of interest rates, which we believe will give us wind to our back.

Last year, we were not as active in investing in retail open-air shopping centers, but we did buy the Plaza at Rockwall in the Rockwall submarket of Dallas, Texas for \$61 million. This strong performing power center was purchased at a high going-in yield and below replacement cost – just like we like them. This year, we anticipate being more active as the opportunities are more plentiful as private investors are having difficulty borrowing funds for acquisitions. To start off 2024, in March we bought the Marketplace at Seminole Town Center in Orlando, Florida, for \$69 million, making Florida our third largest market behind Georgia and Texas. These markets have enjoyed strong population and job growth, which we believe puts our portfolio in a very favorable position.

On the operational side, leasing was strong in 2023, with almost 500,000 square feet of leases being signed. Over 20% of last year's total has already been signed in the first quarter of 2024.

As we are closer to positioning CTO as a pure play open-air shopping center REIT, I believe more investor attention will migrate our way as the prospects for investing in CTO compared to the other shopping center REITs will be compelling. We believe that the strength of our locations and the quality of our portfolio are reflected in our leasing velocity, but investors are very much the "what have you done for me lately" types, so we will try to keep delivering.

Let's look at some of the highlights from last year:

- Invested \$110 million at an average yield of 7.7%
- Purchased an additional 129,271 shares of Alpine Income Property Trust, Inc., bringing our holdings to 2,332,668 shares equivalent
- Sold \$87.1 million of noncore properties for a gain of \$6.6 million at a weighted average cap rate of 7.5%
- Repurchased 369,300 shares of common stock for \$6 million

We expect 2024 to be a year of growth as we are seeing good opportunities with not a lot of buyer competition. We hope to find more attractive acquisitions while we sell remaining non-core assets.

This year we say goodbye to our CFO, Matt Partridge. We wish Matt well in his new opportunity. We thank Matt for all his contributions. As we are searching for a new CFO, we are thankful that we have had Lisa Vorakoun, our Chief Accounting Officer, for the past eleven years. Lisa and her team are the bedrock of all things finance and accounting.

We want to thank our CTO team and our entire board for all the hard work, support, and dedication.

Performance Scorecard:

*Total Return/Dividend Reinvested*

	<u>CTO</u>	<u>Dividend</u>	<u>RMZ</u>
2023	3.6%	1.52	13.7%
2022	(4.0%)	1.49	(24.5%)
2021	56.9%	1.33	43.1%
2020	(6.8%)	.91	(7.5%)
2019	15.7%	.12	25.9%
2018	(17.0%)	.07	(4.5%)
2017	19.3%	.05	5.1%
2016	1.6%	.03	8.6%
2015	(5.4%)	.02	2.5%
2014	54.0%	.02	30.4%
2013	17.2%	.02	2.5%
2012	14.7%	.01	17.9%
<b>Annualized/Dividend Reinvestment</b>	<b>9.9%</b>		<b>7.9%</b>



John P. Albright  
 President and  
 Chief Executive Officer