



CTO Realty Growth Announces Acquisition of a Mixed-Use Property in Santa Fe, New Mexico and Sale of a Single Tenant Property in Falls Church, Virginia

December 21, 2021

DAYTONA BEACH, Fla., Dec. 21, 2021 (GLOBE NEWSWIRE) -- CTO Realty Growth, Inc. (NYSE: CTO) (the "Company" or "CTO") today announced the acquisition of a mixed-use property totaling approximately 137,000 square feet in downtown Santa Fe, New Mexico (the "Property") for \$16.3 million, or \$118 per square foot. The Company also announced the sale of a single tenant property located in Falls Church, Virginia leased to 24 Hour Fitness.

"Our acquisition in Santa Fe is a unique situation where we are able to opportunistically acquire an extremely well-located property with immediate repositioning upside in a dynamic market with attractive growth prospects," said John P. Albright, President and Chief Executive Officer of CTO Realty Growth. "Santa Fe has several distinct economic and lifestyle demand drivers that have driven outsized growth for the market in recent years. The Property has a 9,000 square foot vacancy with unparalleled city and mountain views that may present a residential repositioning opportunity and a 12,500 square foot street corner vacancy that represents a terrific restaurant opportunity. We're optimistic the strength of the market and our repositioning plan for the Property can drive outsized risk-adjusted returns for our investors once the asset is stabilized."

The 1.5-acre Property is comprised of two buildings with dedicated underground parking spanning nearly an entire city block, just north of the historic Santa Fe Plaza in downtown Santa Fe, New Mexico's capital, and directly across from the 5-star Rosewood Inn of the Anasazi®. The Property is 66% occupied, proximate to Santa Fe's artistic, cultural and culinary destinations, and is anchored by Deloitte, Morgan Stanley, The Bull Ring, Regus, Avalon Trust Company and Raymond James. The Property will be the new home for The Santa Fe New Mexican, a popular news and media company known as being the west's oldest newspaper company. The Company will own fee and leasehold interests in the Property through two long-term ground leases that partially underlie each building.

The Company has engaged Colliers as the new property manager and NAI SunVista as the Company's leasing representative, both of which have a strong presence in Santa Fe. The Company purchased the Property using available cash and availability under the Company's unsecured revolving credit facility.

The property located in Falls Church, Virginia leased to 24 Hour Fitness was sold on December 16, 2021 for \$21.5 million, representing an in-place cap rate of 6.5%. Proceeds from the sale are expected to be part of Section 1031 like-kind exchanges.

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 high-growth markets in the United States. CTO also owns an approximate 16% 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, 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 recent outbreak of the novel coronavirus, 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, 2020 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.

Contact:
Matthew M. Partridge
Senior Vice President, Chief Financial Officer and Treasurer
(386) 944-5643

mpartridge@ctoreit.com



Source: CTO Realty Growth, Inc.