CTO Realty Growth Announces Acquisition of 446,500 Square Foot Retail Power Center in Dallas, Texas for $61.2 Million

June 12, 2023

WINTER PARK, Fla., June 12, 2023 (GLOBE NEWSWIRE) -- CTO Realty Growth, Inc. (NYSE: CTO) (the "Company" or "CTO") today announced the acquisition of Plaza at Rockwall, a 446,500 square foot multi-tenant retail power center in the Rockwall submarket of Dallas, Texas (the "Property") for a purchase price of $61.2 million. The purchase price represents a going-in cap rate above the range of the Company's current guidance for initial cash yields.

"The Plaza at Rockwall is a great addition to our high-quality, growth markets-focused portfolio, allowing us to increase exposure to the Dallas-Fort Worth metroplex in a high barriers-to-entry submarket with accretive demographics," said John P. Albright, President and Chief Executive Officer of CTO Realty Growth. "This acquisition is a terrific opportunity to invest at an attractive cost basis with a strong in-place yield, and it further diversifies our portfolio's tenant mix, increasing our exposure to leading retailers such as Best Buy, Dick's Sporting Goods, HomeGoods, and Ulta Beauty. Future cash flow growth will be driven by meaningful long-term re-leasing and repositioning opportunities, which are supported by excellent demographics from one of the most affluent submarkets in Texas."

Plaza at Rockwall is situated on 42 acres along I-30, just over 20 miles northeast of downtown Dallas, Texas. The Property is 95% occupied and is anchored by Best Buy, Ulta Beauty, Dick's Sporting Goods, JCPenney, Belk, Five Below, and HomeGoods. Plaza at Rockwall is located within one of the wealthiest and fastest growing counties in Texas, benefiting from a five-mile population of nearly 99,000, five-mile average household incomes of more than $142,500, and a five-year projected five-mile population growth rate of 1.25% annually. Following the Company's acquisition of the Property, Dallas-Fort Worth continues to be the Company's second largest market exposure with approximately 18% of the Company's in-place annualized cash base rent coming from the metropolitan statistical area.

The Property was purchased using draws from the Company's unsecured revolving credit facility. The acquisition was structured as a reverse like-kind exchange in anticipation of possible future income property dispositions by the Company.

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.

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